

Children and Families Scrutiny Committee Agenda

Date: Tuesday, 17th January, 2012
Time: 1.30 pm
Venue: Committee Suite 1,2 & 3, Westfields, Middlewich Road,
Sandbach CW11 1HZ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**

2. **Minutes of Previous Meeting** (Pages 1 - 6)

To approve the minutes of the meeting held on 13 December 2011.

3. **Declaration of Interest/Party Whip**

To provide an opportunity for Members and Officers to declare any personal and/or prejudicial interests and for members to declare the existence of a party whip in relation to any item on the agenda.

4. **Public Speaking Time/Open Session**

A total period of 15 minutes is allocated for members of the public to make a statement(s) on any matter that falls within the remit of the Committee.

Individual members of the public may speak for up to 5 minutes, but the Chairman will decide how the period of time allocated for public speaking will be apportioned, where there are a number of speakers.

Note: In order for officers to undertake any background research, it would be helpful if members of the public notified the Scrutiny officer listed at the foot of the agenda, at least one working day before the meeting with brief details of the matter to be covered.

For any apologies or requests for further information, or to give notice of a question to be asked by a member of the public

Contact: Mark Grimshaw
Tel: 01270 685680
E-Mail: mark.grimshaw@cheshireeast.gov.uk

5. **Home to School Transport Task and Finish Review** (Pages 7 - 42)

To consider a report of the Home to School Transport Task and Finish Group.

6. **Academies the Impact on Cheshire East Council** (Pages 43 - 56)

To consider a report of the Strategic Director of Children, Families and Adults.

7. **Disabled Respite Care**

To receive a verbal update from the Head of Service – Social Care.

8. **Work Programme update** (Pages 57 - 70)

To give consideration to the work programme.

9. **Forward Plan - extracts** (Pages 71 - 72)

To note the current Forward Plan, identify any new items and to determine whether any further examination of new issues is appropriate.

10. **Consultations from Cabinet**

To note any consultations referred to the Committee from Cabinet and to determine whether any further action is appropriate.

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Children and Families Scrutiny Committee**
held on Tuesday, 13th December, 2011 at Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor A Kolker (Chairman)
Councillor K Edwards (Vice-Chairman)

Councillors L Brown, S Gardiner, P Hoyland, D Mahon, D Neilson, G Merry
and B Silvester and John McCann

Apologies

Councillors W Livesley, G Morris and M Sherratt, Jill Kelly and Lorraine Butcher.

In attendance

Councillors Hilda Gaddum and Rhoda Bailey

Officers

Fintan Bradley – Head of Strategy, Planning & Performance
Dominic Oakeshott – People Finance Lead
Mark Grimshaw – Scrutiny Officer

119 MINUTES OF PREVIOUS MEETING

RESOLVED – That the minutes of the meeting held on 15 November 2011 be approved as a correct record.

120 DECLARATION OF INTEREST/PARTY WHIP

None noted.

121 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public who wished to address the Committee.

122 DRAFT SPECIAL EDUCATIONAL NEEDS AND DISABILITY POLICY

The Chairman opened the item by referring to a number of visits to the respective special schools in Cheshire East which had been undertaken by Councillors prior to the meeting. All those who attended agreed that the visits had been interesting and enlightening and wished their thanks to be noted and passed on to the Headteachers.

Fintan Bradley, Head of Strategy, Planning & Performance, attended to give a presentation on the background of the Special Educational Needs (SEN) Review. In providing the context, he reported how much the Council spent on SEN (£27.6m) and how this was allocated to particular services and pupils.

Fintan Bradley reported that there were six work streams contributing to the SEN Review and that these were as follows:

- 1) Development of a specialist Autistic Spectrum Condition (ASC) specific School
- 2) Resourced Provision
- 3) Funding
- 4) Current pathways for access to Special Educational Needs and Disabilities (SEND) services.
- 5) SEND Policy
- 6) Early Years and Settings.

For the purpose of this meeting, attention was drawn to the SEND Policy. Fintan Bradley explained that there was a legal requirement to produce such a policy and therefore the Council were currently consulting on the proposed draft. As part of this consultation, the Committee were asked to submit their comments in order to help shape the final document.

Members made a number of comments on the draft SEND Policy document.

- Regarding the penultimate bullet point on page 39, beginning 'Out of Borough Placements' - it was suggested that it was necessary to look carefully at the wording of this point in order to protect the Council from legal challenge. It was agreed that it was important to state clearly that the Council would have the final say on whether a child's assessed needs could be met appropriately in a Cheshire East setting or not.
- In terms of the fourth bullet point on page 39, beginning 'Parents/Carers' – it was suggested that the wording of this be changed to reflect the following: "Parents/carers will be listened to and their views treated with respect. Their expertise will be valued and help to inform the provision put in place for children and young people"
- It was stated that in terms of the 'principles' outlined on p.21, it was suggested that there needed to be a clear definition of 'special educational needs' that all stakeholders would sign up to and agree.
- It was suggested that it would be useful to put 'the pledge' at the beginning of the document as this was easy to understand and helped put the rest of the policy in context.

A number of queries were also made. Firstly, it was asked whether the proposed implementation of the pupil premium would have an impact of the Individual Pupil Funding. Fintan Bradley explained that the Pupil Premium was to be aimed at Cared for Children, pupils on free school meals and army children. Having said this, he noted that the service were looking to see if there would be any overlaps and if convergences could be made in order to prevent double funding.

Secondly, it was questioned who would be responsible for the monitoring of the efficacy of SEN funding in light of the removal of School Improvement Plans (SIPs). Fintan Bradley confirmed that the assessment and monitoring team would

be responsible for this and that SEN funding would be reviewed on an annual basis. He also noted that this process needed to be made more robust and that work was being carried out to make improvements.

It was queried how many places would be available in the proposed Autistic Spectrum Condition specific school? Fintan Bradley confirmed that there would be 50-60 places available for children and young people aged between 2 and 19.

It was questioned how much of a school's budget was set aside for SEN. Fintan Bradley explained that the Direct Schools Grant included a recognition of SEN in the formula. There was also a separate SEN budget that the Council held which schools could bid into.

With regard to the section on planning, it was queried whether it was risky not to insist that schools write Individual Education Plans (IEPs) for children and young people with SEND. Fintan Bradley confirmed that whilst IEPs had their place they were not always useful as they often were a barrier to inclusion and tended to be reactive. It was asserted that personalised learning led to better integration and helped schools be reactive.

As a final point it was suggested that it would be useful for the Committee to receive a training session which would explore how 'the pledge' stated in the policy was practically articulated with service users. It was stated that the use of case studies could assist with this.

Additionally, it was suggested that the Committee receive a review of the consultation responses at a subsequent meeting.

RESOLVED –

- a) That thanks be passed to the Headteachers of the special schools which hosted Councillor visits.
- b) That the following comments be considered in the formulation of the final SEND Policy document:
 - a. That the wording in the penultimate bullet point on page 39, beginning 'Out of Borough Placements' be considered in order to protect the Council from legal challenge. Important to state clearly that the Council would have the final say on whether a child's assessed needs could be met appropriately in a Cheshire East setting or not.
 - b. That the wording in the fourth bullet point on page 39, beginning 'Parents/Carers' be changed to the following: "Parents/carers will be listened to and their views treated with respect. Their expertise will be valued and help to inform the provision put in place for children and young people"
 - c. That a clear definition of 'special educational needs' be added to the 'principles' section that all stakeholders would sign up to and agree.
 - d. That 'the pledge' be put at the beginning of the document as this was easy to understand and helped put the rest of the policy in context.

- c) That a training session be arranged which, with the aid of case studies, would explore how 'the pledge' stated in the policy was being practically articulated with service users.
- d) That a review of the consultation responses be brought to a subsequent Committee meeting.

123

CHILDREN AND FAMILIES BUDGET

Fintan Bradley and Dominic Oakeshott, People Finance Lead, attended to present the mid term financial summary for the Children's and Families Service. They explained that the report outlined an indication of where the budget was heading for the rest of the financial year in the five main areas of the Directorate and that it also set out the strategies for reducing the overspend in particular areas.

A number of comments were made with regards to the reporting of financial information to the Committee. Firstly, it was stated that financial information was not being reported to the Committee on a regular basis and that this was a concern as it should be a key function of scrutiny to understand policy in light of its financial context. It was also noted that when financial information was provided, it did not have the requisite amount of detail. It was asserted that the Committee only wanted the information so that they could offer some assistance and possible ideas to the Cabinet for savings and improvements.

Dominic Oakeshott explained that it would have a resource implication in terms of officer time to provide a more detailed financial report as this information was not reported routinely. Having said that, he understood the desire of the Committee for a balance of headline and detailed information and that he would feed the Committees comments back to the Director of Finance and Business Services.

In terms of the overspend outlined in the report, Councillor Hilda Gaddum explained that the overspends for the 2011/12 financial year were one-off requirements which would not be replicated in future budgets.

There was recognition from the Committee that the spending pressures in the Children and Families Directorate were real. Indeed, attention was drawn to the Southwark Judgement which would have a real financial impact on the budget. With this in mind, Councillor Hilda Gaddum acknowledged the work of the Strategic Director and the Directorate in managing a considerable budget with all of its myriad challenges.

RESOLVED –

- a) That the report be noted.
- b) That a request be made that more detailed financial information be brought to the next appropriate meeting.
- c) That a request be made that information regarding the 2012/13 budget be brought as soon as possible to a subsequent meeting.

124 **WORK PROGRAMME UPDATE**

Members considered the work programme.

RESOLVED –

- a) That the work programme be noted
- b) That the Home to School Transport Task and Finish Review be added to the next agenda for consideration.

125 **FORWARD PLAN - EXTRACTS**

The Committee gave consideration to the extracts of the forward plan which fell within the remit of the Committee.

RESOLVED – That the forward plan be noted.

126 **CONSULTATIONS FROM CABINET**

There were no consultations from Cabinet.

The meeting commenced at 1.30 pm and concluded at 4.10 pm

Councillor A Kolker (Chairman)

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CHESHIRE EAST COUNCIL

REPORT TO: CHILDREN AND FAMILIES SCRUTINY COMMITTEE

Date of Meeting:	17 January 2012
Report of:	Borough Solicitor
Subject/Title:	Home to School Transport Task and Finish Group

1.0 Report Summary

- 1.1 This report encloses the final report of the Task and Finish Group which conducted a scrutiny review of Home to School Transport.

2.0 Recommendations

- a) That the report of the Scrutiny Task and Finish Group be approved;
- b) That the recommendations of the Group be endorsed, and referred to the Cabinet for consideration and necessary action, and that Cabinet be invited initially to comment on the details of the recommendations.

3.0 Reasons for Recommendations

- 3.1 To progress the findings of the Scrutiny Review Task and Finish Group who reviewed Home to School Transport within Cheshire East.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications including - Carbon reduction - Health

- 6.1 Not known at this stage.

7.0 Financial Implications

7.1 Not known at this stage.

8.0 Legal Implications

8.1 Not known at this stage.

9.0 Risk Management

9.1 There are no identifiable risks.

10.0 Background and Options

10.1 With the Council facing unprecedented financial challenges there was a need to examine each area of discretionary activity to clarify whether continued funding could be sustained. It was within this context that a review of the Council's Home to School Transport Policy identified key areas of discretionary activity and support provided by the Council which were deemed no longer sustainable within the current financial climate. These areas included denominational transport and mainstream post 16 provision where it was intended to remove subsidies and/or increase charges, resulting in a projected saving of £0.989m.

10.2 Consequently a number of proposed changes to Home to School Transport Policy went before Cabinet on 4 July 2011. The proposed changes already agreed by Cabinet included retaining the status quo for Special Educational Needs (SEN) transport and for those denominational and post 16 pupils currently in receipt of support. The proposal in 'option 1' of the report was to eliminate discretionary support for denominational and post 16 new entrants. The savings proposed in option 1 of approximately £1 million, (with an upper and lower sensitivity range of £300k from the estimated £1 million savings) were over the period of the financial years 2011/12 to 2016/17.

10.3 Within this meeting a number of Councillors and members of the public in attendance spoke on the implications of the proposals for pupils and their families, for schools, and for the Home to School budget.

10.4 As a result of this meeting, it was resolved:

1. That the motion to implement Option 1 of the report be withdrawn and that the position be reconsidered in one year's time. During the intervening period all available options would be thoroughly investigated with the assistance of the Scrutiny Committees, taking due consideration of the need to continue to provide a stable education system.
2. That for the educational year 2011 – 2012 the parental contribution for denominational and mainstream post 16 transport be raised by 5% to reflect the current rate of inflation.

- 10.5 In a meeting on 26 July 2011, the Children's and Families Scrutiny Committee resolved to establish a Task and Finish Group to examine discretionary policies in respect of Home to School Transport. It was also agreed that as there were a number of overlaps with transport policy, a number of Members from the Environment and Prosperity Committee would be invited to participate.
- 10.6 The group carried out its investigation between September 2011 and January 2012. The group's final recommendations are included in the report attached.

11 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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Overview and Scrutiny Review
Children and Families Scrutiny Committee



September 2011 – December 2011



Home to School Transport Review

For further information, please contact
Mark Grimshaw, Overview and Scrutiny
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1.0 Foreword



Councillor A Kolker – Chairman of the Task and Finish Group

- 1.1 It must be noted that this has been a somewhat challenging review. Home to School Transport is a complex and multifaceted area and we have had to meet some tight timescales to complete this review. With this in mind, I would like to draw attention to the efforts made by my fellow Councillors and officers of the Council who have worked hard and given up their time to enable the Group's members to cover all aspects of our terms of reference.
- 1.2 Home to School Transport is also an emotive subject and this along with the financial challenges that the Council faces has meant that it has been impossible to find a position that will be agreeable to all parties – both from a parental perspective and financial perspective. Being aware from this at the start of the review, we put two guiding principles; 'equity' and 'education' at the forefront of our thinking as we tried to look at all of the issues with a fair and open mind.
- 1.3 The result of this is a set of conclusions and recommendations which we believe, if implemented, will provide a 'level playing field' in Cheshire East for accessing education and in a difficult economic climate will still enable every child, regardless of background or tradition to fulfil their potential.
- 1.4 We commend the report to the Cabinet and request that it be given full and fair consideration.

2.0 Acknowledgements

- 2.1 The group members would like to thank all the witnesses who gave evidence to the review. A full list of witnesses is given in the body of the report.
- 2.2 In particular, Members would like to thank Chris Williams for the admirable way he guided the group through the review.
- 2.3 The scrutiny support was provided by Mark Grimshaw from Overview and Scrutiny. Many thanks to Mark for his help in putting together the evidence and formatting the report.

3.0 Outline of Review

3.1 Background

3.2 With the Council facing unprecedented financial challenges there was a need to examine each area of discretionary activity to clarify whether continued funding could be sustained. It was within this context that a review of the Council's Home to School Transport Policy identified key areas of discretionary activity and support provided by the Council which were deemed no longer sustainable within the current financial climate. These areas included denominational transport and mainstream post 16 provision where it was intended to remove subsidies and/or increase charges, resulting in a projected saving of £0.989m.

3.3 Consequently a number of proposed changes to Home to School Transport Policy went before Cabinet on 4 July 2011. The proposed changes already agreed by Cabinet included retaining the status quo for Special Educational Needs (SEN) transport and for those denominational and post 16 pupils currently in receipt of support. The proposal in 'option 1' of the report was to eliminate discretionary support for denominational and post 16 new entrants. The savings proposed in option 1 of approximately £1 million, (with an upper and lower sensitivity range of £300k from the estimated £1 million savings) were over the period of the financial years 2011/12 to 2016/17.

3.4 During the Cabinet Meeting a number of Councillors and members of the public spoke on the implications of the proposals for pupils and their families, for schools, and for the Home to School budget.

3.5 As a result of this meeting, it was resolved:

1. That the motion to implement Option 1 of the report be withdrawn and that the position be reconsidered in one year's time. During the intervening period all available options would be thoroughly investigated with the assistance of the Scrutiny Committees, taking due consideration of the need to continue to provide a stable education system.
2. That for the educational year 2011 – 2012 the parental contribution for denominational and mainstream post 16 transport be raised by 5% to reflect the current rate of inflation.

3.6 In a meeting on 26 July 2011, the Children's and Families Scrutiny Committee resolved to establish a Task and Finish Group to examine discretionary policies in respect of Home to School Transport. It was also agreed that as there were a number of overlaps with transport policy, a number of Members from the Environment and Prosperity Committee would be invited to participate.

3.7 Membership

3.8 The Members of the Task and Finish Group were:

Councillor Andrew Kolker (Chairman)

Councillor Ken Edwards

Councillor Louise Brown

Councillor Philip Hoyland

Councillor Steven Hogben

Councillor Bill Livesley

3.9 Terms of Reference

- To offer advice to Cabinet on the future of Home to School Transport Operation and Policy, taking due consideration of the need to continue to provide a stable education system.
- To examine the legal and financial consequences of whether or not to remove denominational and post 16 mainstream transport support for new entrants.
- To review The Council's Home to School Transport Policy with reference to the advice offered to Cabinet in relation to the authority's power to support sustainable Home to School Transport.
- To consider equity and efficiency issues in relation to home to school transport.
- To consider the social and environmental impacts of whether or not to remove denominational and post 16 mainstream transport support for new entrants.
- To adequately reflect the views of suppliers and service users.

4 Methodology

4.1 Witnesses:

Members met with the following people during the review:

- **Fintan Bradley** - Head of Strategy, Planning & Performance
- **Diane Nation** – Council Solicitor
- **Chris Williams** - Integrated Transport Manager
- **Karen Bowdler** – Senior Accountant
- **Lorraine Butcher** – Strategic Director of Children, Adults and Families.
- **Mr. Edward McHugh** – Headteacher at St. Thomas More's RC School
- **Mark Embrey** – Reaseheath College
- **Rachel Smith** – Macclesfield College
- **Mike Finney** – South Cheshire College
- **Mr. Tony Billings** – Headteacher at All Hallows RC School
- **Mrs. Janet Connelly** - Business Manager at All Hallows RC School
- **John McCann** – Diocese of Shrewsbury
- **Jenni Edge** – Operations Manager
- **Trevor Robinson** – Transport Co-ordinator (North)
- **Sarah Tunstall** – Customer Quality Manager (Transport)
- **Barbara Dale** – Admissions and Appeals Manager

- **Janet Mills** – Transport Policy officer
- **Gill Bremner** – Headteacher at Wilmslow High School
- **Councillor Michael Jones** – Portfolio Holder, Resources.
- **Councillor Hilda Gaddum** – Portfolio Holder, Children and Family Services

4.2 Timeline:

Date	Meeting / Site Visit
1 September 2011	Scoping Meeting with Fintan Bradley
13 September 2011	Diane Nation – legal issues
23 September 2011	Chris Williams and Karen Bowdler – financial context
30 September 2011	Karen Bowdler – financial context continued
7 October 2011	Discussion around future direction of review
14 October 2011	Councillor Hilda Gaddum and Lorraine Butcher – insight to strategic direction.
20 October 2011	Mr. McHugh – perspective from St. Thomas More’s RC School
21 October 2011	Representatives from FE Colleges – Reaseheath, Macclesfield College and South Cheshire College
28 October 2011	Review of evidence and plan for future meetings
3 November 2011	Mr. Billings and Mrs. Connelly – perspective from All Hallows RC School
4 November 2011	John McCann – perspective from the Diocese of Shrewsbury
11 November 2011	Chris Williams and Jenni Edge – clarification on figures and emerging ideas
18 November 2011	General discussion to start to pull together conclusions.
25 November 2011	Sarah Tunstall, Janet Mills and Barbara Dale – discussion around school admission and congestion issues following from potential changes in policy.
1 December 2011	Meeting with Gill Bremner – to get a non-faith school perspective on transport subsidies.
2 December 2011	Councillor Michael Jones – discussion around resource implications of various policy options.
9 December 2011	Final discussion to bring together conclusions and recommendations on policy.
23 December 2011	Review of 1 st draft

5.0 Review Findings

5.1 Introduction

5.2 The driver for conducting this review was clear. The Council is faced with unprecedented financial challenges. Over the next few years, it will need to find savings of around £50m. As a result, the Council has an obligation to its Council tax payers to examine each area of discretionary activity to clarify whether continued funding can be sustained. The Group, throughout the process of carrying out this review was well aware of this and also the fact that the failure to secure savings from discretionary areas such as Home to School Transport would jeopardise the ability of the Council to meet its statutory obligations.

5.3 Having said this, from the outset of the review process, the Group was unanimous in the belief that any policy the Council has should strive to go beyond the statutory minimum by using any discretionary powers in a positive way. The chance to pause and reflect on the policy proposals put forward in the July 2011 Cabinet paper was therefore very welcome.

5.4 The Group has attempted to be as comprehensive in its evidence gathering process as possible. Indeed, the Group received both written and oral evidence from a variety of stakeholders, including representatives from Further Education colleges, Headteachers, Cabinet Members and officers both of Cheshire East Council and of other authorities. Due to the limited timescale, the Group was unable to carry out a more encompassing investigation. In particular, it is felt unfortunate that the Group did not have a chance to engage with service users. Having said this, the Group was fully aware of the significant research and preparatory work that had been carried out by officers during the consultation process for the original scrutiny and Cabinet reports. Of particular note, was the analysis that had been carried out into the consultation responses and this was kept in mind when hearing evidence from other sources.

5.5 In sum therefore, we fully believe that the recommendations we have put forward in this report will help support an equitable education system in Cheshire East, one which treats all parents and students broadly equally and will help every child to fulfil their potential.

5.6 Evidence

5.7 At the beginning of the evidence gathering process, the Group felt it was vital to gain a full and comprehensive understanding of both the current and future financial context and the current legislative framework around Home to School Transport.

5.8 Home to School Transport – Legislation

5.9 Home to school transport policy has remained largely unchanged since the 1944 Education Act when local authorities (LAs) were placed under a duty to make transport

arrangements for children whose school was beyond the statutory walking distance to ensure parents had no defence against non-attendance at school by their children.

- 5.10 This was further supported by the Education Act 1996 and in particular Section 7 which outlines the duty of parents to secure education for children of compulsory school age. Sections 444(1) and 444(1A) of this Act describe the circumstances when a parent would be guilty of an offence by not fulfilling their duty. A LA has a duty (under Section 508(B)(1) to make travel arrangements to assist parents in fulfilling their duty to a reasonable degree.
- 5.11 There are a number of instances when a LA is legally obliged to provide free travel arrangements. For all children, the relevant criterion is judged on walking distance, a concept originally introduced by case law, but which is now defined by Section 444(5) as follows:
- a) In relation to a child who is under the age of eight, means 3.218688 kilometres (2 miles); and
 - b) In relation to a child who has attained the age of eight, means 4.828032 kilometres (3 miles);

In each case this is measured by the nearest available (and safe) route.

- 5.12 There were a number of important changes brought about by a series of amendments to the Education Act 1996 by the Education & Inspections Act 2006. Arguably the most important of these was the creation of 'eligible children' as a distinct group for which statutory responsibility for free transport was placed upon a local authority. It is important to note that prior to this, all free transport provided beyond that based on walking distance was discretionary.
- 5.13 It is difficult to define what factors constitute an 'eligible child' as it is a complex list but it can be very broadly summarised thus:

Within Walking Distance:

- Children with Special Educational Needs (SENs), a disability or mobility problems
- Children with hazardous routes (assessed using guidelines from the 'Identification of Hazards and the Assessment of Risk of Walked Routes to School' – Road Safety GB)

Outside Walking Distance:

- Children with no suitable alternative arrangements

Children Satisfying an Appropriate Condition (defined in paragraph 14 of Schedule 35B of the Education Act 1996)

- Children from 8 years, but below 11 years – specifically those who are registered at a qualifying school which is more than two miles from his/her home.
- Children aged 11 years or more – specifically those who are registered at a

qualifying school which is more than two miles, but not more than six miles from his/her home.

- Children aged 11 years or more – specifically those who are registered at a qualifying school which is more than two miles, but not more than fifteen miles, from his/her home and whose parent has expressed a wish, based upon their religion or belief for the child to be provided with education at that school.

These distances are judged by the journey route not as the 'crow flies'.

An 'Appropriate Condition' is satisfied if:

- i) The child is entitled to free school lunches and milk (section 512ZB(4) of the Education Act 1996)
- ii) A parent of the child, with whom the child is ordinarily resident, is a person to whom the maximum rate of working tax credit is awarded, either individually or jointly.

5.14 The following flow chart may also prove useful for understanding who qualifies as an 'eligible child':

Is the child compulsory school age? **AND** Are they registered at a qualifying school or being educated under section 19(1)?

A: IS THEIR SCHOOL WITHIN WALKING DISTANCE OF THEIR HOME ADDRESS?

Does the child's condition or problems prevent them from walking to their educational establishment?

Has the Local Authority failed to make arrangements for them to be registered at qualifying school nearer their home?

B: DOES THE CHILD SATISFY THE "APPROPRIATE CONDITION"?

Does the nature of the route prevent them from walking to their educational establishment?

Has the Local Authority failed to make arrangements for them to be registered at qualifying school nearer their home?

Is the child between 8 and 11 years old?

Does the child live more than 2 miles from their educational establishment?

Do they have access to 3 or more suitable qualifying schools nearer to their home?

Is the child 11 years old or more?

Does the child live more than 2 miles, but no more than 6 miles from their educational establishment?

Has the Local Authority failed to make arrangements for them to be registered at qualifying school nearer their home?

Does the child live more than 2 miles, but no more than 15 miles from their educational establishment?

Are they attending a qualifying school for which their parents expressed a wish based upon their religion or belief?

Is there a suitable qualifying school, having regard to their religion or belief, nearer their home?

NOT AN ELIGIBLE CHILD

C: IS THEIR SCHOOL OUTSIDE WALKING DISTANCE OF THEIR HOME ADDRESS?

Has the Local Authority failed to make arrangements for them to board at or near their educational establishment or for them to be registered at qualifying school nearer their home?

AN ELIGIBLE CHILD

- 5.15 The Group was made aware that the Council, in its current Home to School Policy, provided additional discretionary transport, above and beyond what is required in the legislative framework outlined above.
- 5.16 This is done in a number of ways:
- a. Instead of the 8 year old cut-off age, the Council uses Primary/Secondary age to distinguish between the 2 and 3 mile criterion.
 - b. Assistance is provided for students aged 16-19 who are registered at their nearest appropriate local school or college that offers a recognised course broadly of the individuals choice and live more than the recognised distance from it. i.e. 3 miles, as for children of secondary age.
 - c. Assistance is provided when a pupil attends a school for reasons of religious belief that is between 2 and 15 miles away from the home address. In this case, the Council considers the most appropriate designated Voluntary aided school as agreed with the appropriate diocesan authority. This may not always be the nearest faith school.
- 5.17 With regard to this latter point, the Group is satisfied that the legislation is clear that the Council is not obliged to offer free or subsidised transport to faith schools (except for those pupils who meet the eligibility criteria on low income grounds), and the Council has discretion whether it should do so. The Home to School Transport guidance from the Department for Education states that LAs must have 'regard' to denominational transport but this is not the same as having a statutory duty.
- 5.18 It is important to note that in all these cases there is no requirement in law to provide transport. The various Acts and case law make clear that there are no obligations on a LA to either provide or arrange transport such as coaches, minibuses or taxi transport; an authority has discharged its duty, for example, if it enters into an arrangement with parents who voluntarily make travel arrangements - such as arranging lifts - to reimburse reasonable mileage costs, or issues a bus pass that can be used on public transport, or provides a bicycle, or arranges for a "walking escort / travel buddy" or "walking bus".
- 5.19 The Group found that there is no requirement in law to provide travel assistance necessarily from home, in the sense of door to door assistance. It was reasonable, for example, for children to make their way to the nearest bus stop if safe to do so and if within reasonable walking distance.
- 5.20 Home to School Transport – Financial context and potential savings.**
- 5.21 The Home to School Transport budget is a highly complex 'moving picture' in which the data and figures alter daily as children move into and out of requiring support due to a number of variables. Any figures given this section are therefore highly volatile and approximate.
- 5.22 Very simply, the transport budget that is held in the Children and Families Portfolio is operationally managed by officers in the transport department who then re-charge the

Children and Families department for the work carried out and commissioned. The total for this budget for the 2011-12 financial year is £10,444,454. Making up this total are three distinct elements:

- 1) The cost of school transport (including Post 16 transport to FE Colleges)
- 2) The cost of transport for cared for children (contact visits, respite etc)
- 3) The running costs of the transport team

It was the first of these which the Group explored further. The details of this budget are set out below:

Transport Costings - Mainstream Education and SEN Transport @ 11/11/2011

		Mainstream <16		Mainstream >16	Sen <16	Sen >16	TOTAL
		Faith	Non-Faith				
Contracts	Coach/Bus	£ 167,109.70	£ 1,726,788.60	£ 628,936.10	£ -	£ -	£ 2,522,834.40
	Minibus	£ 53,722.63	£ 458,545.65	£ 154,155.72	£ 43,510.00	£ 45,798.00	£ 755,732.00
	Taxi	£ 83,977.42	£ 470,532.45	£ 258,375.34	£ 2,742,745.61	£ 866,969.67	£ 4,422,600.48
Season tickets	Commercial Bus	£ 1,500.00	£ 368,500.00	£ 64,500.00	£ -	£ -	£ 434,500.00
	Local Bus	£ 183,520.00	£ 616,864.00	£ 78,144.00	£ -	£ -	£ 878,528.00
	Other (schools own tpt)	£ 3,504.00	£ 2,400.00	£ 19,404.00	£ -	£ -	£ 25,308.00
	Rail	£ -	£ 3,610.95	£ 33,530.25	£ 515.85	£ -	£ 37,657.05
Parental reimb	Mileage claim	£ 1,955.32	£ 3,910.63	£ 488.83	£ 43,084.46	£ 5,629.32	£ 55,068.56
	Other (Cycle Grants)		£ 75.00	£ 75.00			£ 150.00
	Fleet Transport				£ 326,135.53	£ 120,625.47	£ 446,761.00
	Sub Total	£ 495,289.06	£ 3,651,227.28	£ 1,237,609.24	£ 3,155,991.45	£ 1,039,022.46	£ 9,579,139.49
	Less Income	£ 122,460.00		£ 393,272.00			£ 515,732.00
	Spare Seat Income		£ 65,670.00	£ 77,130.00			£ 142,800.00
	Grand Total	£ 372,829.06	£ 3,585,557.28	£ 767,207.24	£ 3,155,991.45	£ 1,039,022.46	£ 8,920,607.49
	Pupil / Student Count	640	3812	1260	536	168	6416
	Cost per pupil	£ 582.55	£ 940.60	£ 608.89	£ 5,888.04	£ 6,184.66	

Hardship	138
Denom Hardship	76
Total	214

5.23 As can be seen above therefore, the estimated expenditure for Home to School Transport (as of 11/11/2011) is £9,579, 139.49 and the net expenditure is £8,920,607.49.

5.24 As the budget in the 'faith' column includes both 'statutory' and 'discretionary' spend, this needs to be broken down further.

Total Cost = £372, 829.06

Number of children in receipt of statutory support = (76 [hardship] + 15 [Hazardous routes]) = 91

Number of children in receipt of a discretionary subsidy = (640 – 91) = 549

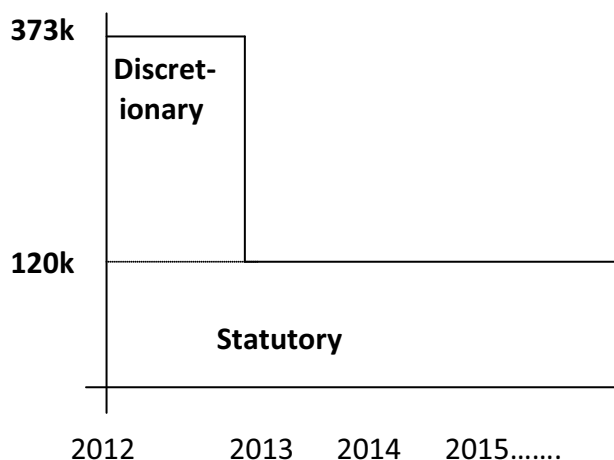
Cost per pupil = £582.55

Therefore potential saving = 549 x £582.55 = £319,819.95

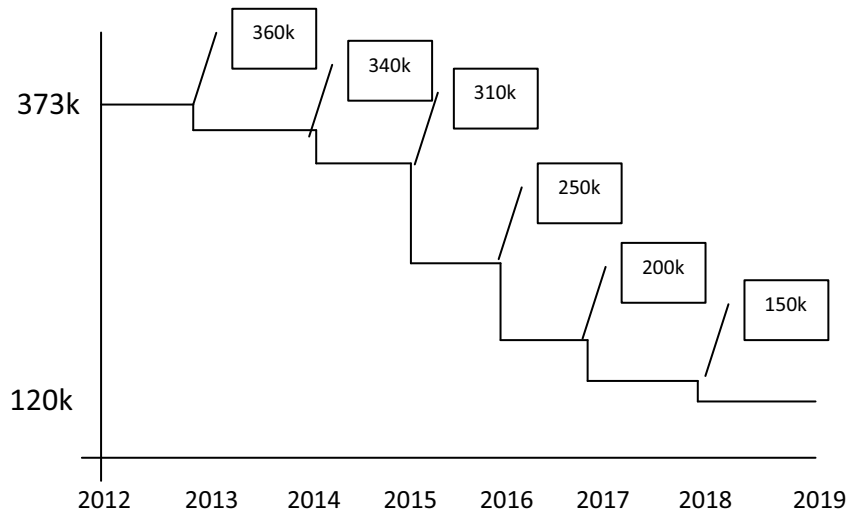
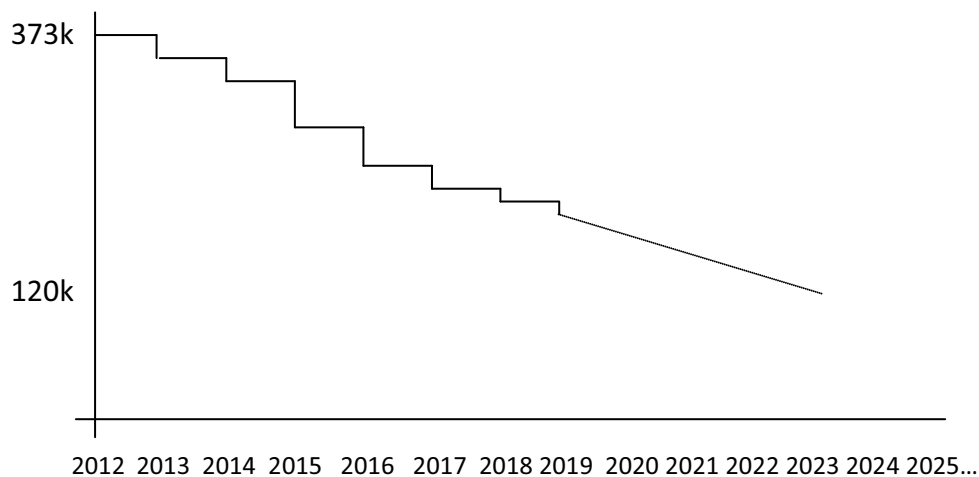
5.25 However, there would be a loss of efficiency following the removal of the discretionary subsidy. For instance, whereas once a bus was used this would now be replaced by a mini bus or a number of taxis. There are also other variables to consider such as those children who are third siblings (thereby receiving free transport) and those children who still receive free transport under pre 2008¹ arrangements. Therefore, the potential saving for removing discretionary denominational transport subsidies is difficult to quantify to an exact amount. Taking all variables into account, it has been best estimated that the final saving would amount to **£200k - £230k**.

5.26 There are a number of options for how this saving could be realised. Please note that the figures in the following diagrams are approximations for illustrative purposes only.

Option 1: Immediate Withdrawal



¹ Pre 2008 entrants received free rather than subsidised denominational transport and they remain entitled to this until they leave at 16.

Option 2: Student remains entitled but only for current school**Option 3: New entrant siblings of entitled children retain subsidy**

- 5.27 The figures in the 'Non-faith' column are part of the statutory spend.
- 5.28 The net spend on mainstream post 16 transport is £767,207.24. As students are in tertiary education for less time than they are in secondary education, if this subsidy were removed the saving would almost be immediate or at the very least achieved over two years.
- 5.29 In gathering this information, the Group encountered a number of difficulties. For instance, it took the group a considerable amount of time (3 months) to receive a final version of the financial figures which are presented above. It is important to make clear that this is not in any way a criticism of the officers. Indeed, the Group was informed that the figures had to be produced through a manual trawl of the available data at what was the

busiest time of year for the transport team. The effort that was made is applauded and commended.

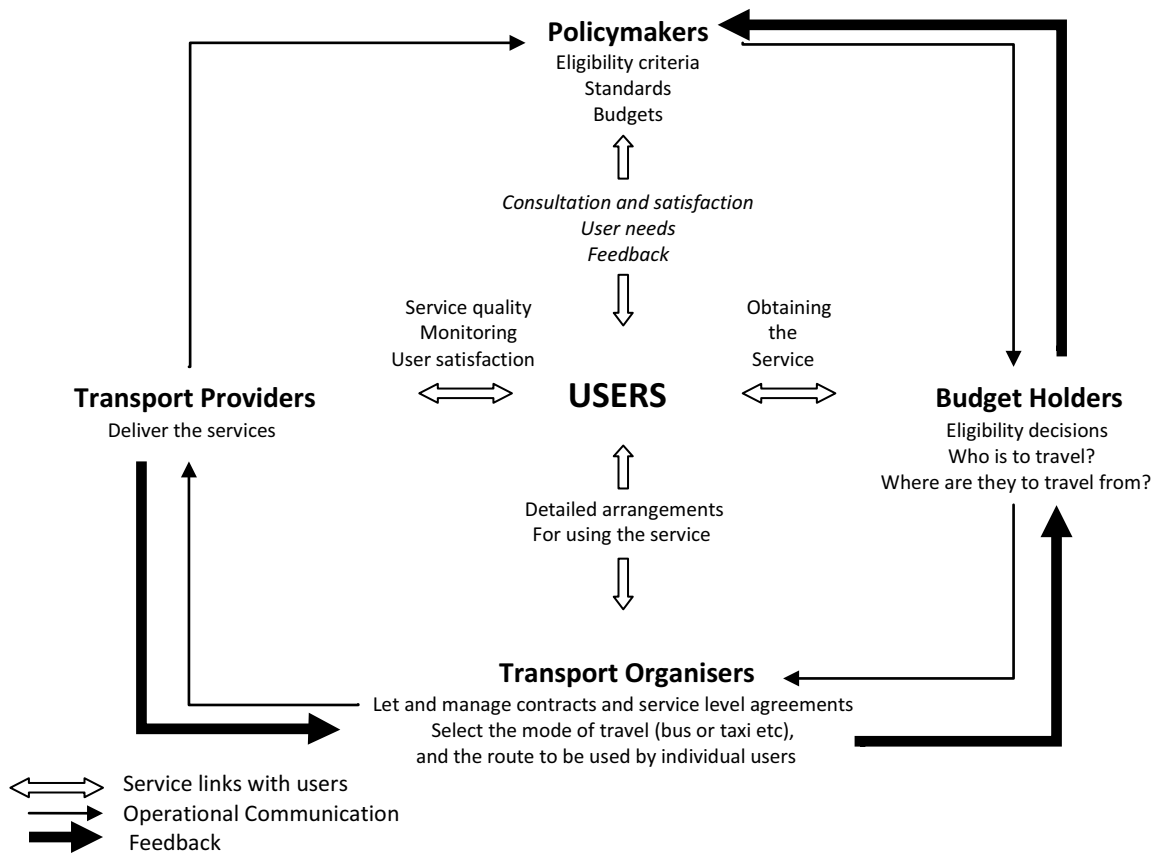
- 5.30 The point is, however, that the data should not be as difficult to produce as it currently is. With this in mind, it is suggested that an efficient and effective data monitoring system is required which can produce the requisite home to school transport information automatically and on demand. If such a system was procured, it would need to be linked into the core data from the Children's Directorate so that a holistic approach could be taken towards policy and strategy. Consequently, when the Council comes to invest in a new education software system, it is suggested that transport management requirements are taken into consideration.

5.31 Systemic Issues

- 5.32 The Group was concerned to find an apparent lack of co-ordination in terms of the various transport functions within the Council. With this in mind, the Group was made aware of the following model from the Audit Commission's 'Improving Mainstream Home to School Transport' practical handbook for managers.

Arranging, Managing and providing home-to-school transport

There are four key roles; feedback between them is essential.



- 5.33 What this model demonstrates is that communication and feedback between all stakeholders is vital. As the work of the Group progressed, it became clear from a number of examples that there is room for improvement in the communication between the various transport functions and how they work together. An example of this can be found in the recent reduction in subsidies for public transport routes in Cheshire East which came into effect in October 2011. Whilst these routes were not part of the school transport budget, their removal had a number of detrimental impacts on school pupils and their transport arrangements. It is likely that from a 'managerial' point of view the implications were fully understood and appreciated. The Council must understand, however, that from the point of view of the public, there is little regard as to where the budget is kept – they simply see a Council transport service being removed which affects school pupils. Therefore, in the public gaze, the public transport subsidy cuts became a 'school transport issue'. It perhaps would have been sagacious therefore to include implications of the public transport subsidy cuts on school pupils in the existing school transport consultation as although they were from different budgets, they were both a council service which affected school children.
- 5.34 The Group suggests therefore that when organising transport, the work is designed around how it is received not around how it is delivered. The service user must be paramount. Building on this, when a transport decision needs to be made, it is suggested that if there are any clear cross-cutting issues which might impact on another budget, service area or ongoing consultation, these are taken into consideration and made explicit to the political decision makers and other relevant Councillors.
- 5.35 In order to aid such a process, the Group suggests that an overarching Integrated Transport Team be established. Such a team would be constituted by the four relevant portfolio holders (Adult Social Care, Environmental Services, Children's Services and Resources) and relevant officers. It would be the role of this team to meet when appropriate to discuss convergences between various transport policies in order to determine who receives transport and to what extent. The team would also attempt to view Council transport services from the public's point of view. With this latter point in mind, it is also suggested that representatives from the education sector, children's social care and adult social care be included in the team. This would enable any transport policy to be needs led and conversely would also enable the portfolio holders to challenge the front line practitioners on the appropriate use of resources. The results of these meetings would then be fed to the Integrated Transport Manager to inform their practice and procurement process.
- 5.36 Denominational Transport**
- 5.37 In exploring the appropriateness of continuing to provide a denominational transport subsidy, the Group spoke to a number of stakeholders, including

the Headteachers at the respective faith senior schools and a Headteacher from a non-faith school (Wilmslow High School). A representative from the Diocese of Shrewsbury (Roman Catholic) was also interviewed and written evidence was received from the Diocese of Chester (Church of England).

- 5.38 A number of arguments in defence of retaining a subsidy for pupils attending a denominational school were put forward:
- 1) Any proposed change would make it difficult for parents who want to exercise a choice to have their children educated in accordance with their religious beliefs – particularly for the less prosperous. It is argued that this runs counter to the Government policy on preventing transport costs being a barrier to parents' choice of educational provision.
 - 2) Any proposal to withdraw faith transport subsidy is contrary to the long-standing agreement between the State and the Diocese (1944 Education Act) which had not only saved the Local Authority a considerable sum over the years (building costs etc) but had also strongly informed the designated locations of the school sites. This argument was built on by Jill Kelly from the Diocese of Chester, who referred to Marton and District CE Primary School. She explained that the school had opened in 1969 as a result of the closure of the seven village schools. An agreement was reached with the Council to provide transport to the school and currently 109 pupils from a total of 202 are eligible for subsidised transport in three coaches, a mini bus and a taxi.
 - 3) That as the Local Authority statutorily recognises the need to provide a distinction for faith schools in terms of a subsidy for pupils on Free School Meals (FSM)/working tax credits, why would Cheshire East not recognise this for pupils over this threshold. A particular concern was expressed for those pupils who were marginally over the FSM/working tax credit threshold.
 - 4) That there is something 'special' about faith schools which should be supported for the benefit of the wider society. It is this which separates faith schools from other 'specialisms'. Indeed it was noted that OFSTED consistently report on the quality of the spiritual, moral, social and cultural outcomes in faith schools.
 - 5) That there would be a number of potentially damaging unintended consequences as a result of removing the discretionary subsidy. Including:
 - a. The possible increase in the statutory budget. This point makes the 'false economy argument' – namely that pupils living in an area with over subscribed secondary schools who under the current arrangements receive a discretionary subsidy to access a faith school, would have to be given more expensive statutory transport in order to access a free school place.

- b. The health and safety of children could be affected, particularly by making children have to get to school by hazardous routes.
- c. There is the danger of considerably increasing congestion in areas of existing high traffic around schools.
- d. It would increase the instability of educational placements (parents pulling children from schools) and the instances of siblings going to different schools. The Group was informed that the current uncertainty was already having a damaging effect on schools.
- e. The undermining of successful schools. Both St. Thomas More's and All Hallows are high achieving schools and it was put to the Group that this was largely due to the schools' ethos and adherence to the principles of the Gospels. It was argued that if the 'critical mass' of Catholic children was not achieved, the school would lose its character – the very thing which had made it a success.

5.39 After the Group was made aware of these issues it was keen to explore them further in order to assess their validity.

5.40 Firstly, the Group spoke to the Admissions and Appeals Manager about the possibility of creating a 'false economy' by removing the discretionary subsidy. The Group was informed that if any change to transport policy were applied to new entrants and not children already in the school, parents applying for places for the normal point of entry in September would need to reconsider admission arrangements. This was because most schools gave a higher level of priority within the oversubscription criteria (after Cared for Children and siblings) to children resident within a designated catchment area or attending a named feeder school. It was pointed out that admission arrangements are determined by the admission authority for the school and that the local authority had this responsibility for community and voluntary controlled schools only.

5.41 Therefore, it would follow that if a school is oversubscribed; 'catchment area' children would be more eligible to receive an offer of a place at their 'local' school if stated as a preference on the application form as would children attending a feeder school at the time of application where the arrangements included this. If a parent made an application for their local school it is highly unlikely that children would be forced to attend a school some distance away which required statutory transport support as the majority of schools can accommodate the children resident within their area. Due to the rural nature of Cheshire East, for some areas the local school may nevertheless be above the statutory walking distance and in such cases transport would be provided (as would provision for children with walking routes deemed as 'hazardous'). For children attending a feeder school but not resident in the area, again this would provide them with a higher level of priority within the admission

arrangements for most schools compared with children not attending the feeder school or resident with its area.

- 5.42 Additionally, in terms of the potential of increasing congestion around school areas, it was noted that if children went to their local school, they would often do this on foot. Whilst it is difficult to provide accurate school admission modelling after any policy change due to the impossibility of approximating parental behaviour, it is likely that traffic congestion will decrease as children increasingly go to their local school.

5.43 Post 16 Mainstream Transport

- 5.44 In exploring the appropriateness of continuing to provide a post 16 mainstream transport subsidy, the Group sought the views of the representatives of the three main Further Education (FE) Colleges in Cheshire East; Reaseheath, South Cheshire and Macclesfield.

- 5.45 There were a number of themes that emerged which were consistent across all of the colleges:

- 1) All of the College representatives noted that they offered something distinct and specialist from other FE Colleges and were in themselves a 'centre of excellence' for various industries. This tended to draw in students from a wide catchment area.
- 2) They all offered their own transport services to students to varying extents:
 - a. Macclesfield College: 1200 students (£175,000 spent on transport each year)
 - b. South Cheshire College: 3000 students (£300,000 spent on transport each year)
 - c. Reaseheath College: 2000 students (£500,000 spent on transport each year)
- 3) There was agreement that any removal of the Council subsidy would adversely affect students. In particular it was noted that it would have a disproportionate effect on those students from low income families as it would reduce their choice of course and restrict their access and aspirations. A concern was also expressed for those students living in the more rural areas of Cheshire East.
- 4) All of the College representatives agreed that if the subsidy was removed they would also lose a large number of students which would affect the viability of certain courses or indeed the college itself.
- 5) They were all prepared to look into the possibility of entering into discussions with neighbouring schools about bus sharing and staggering

start times. The caveat was added that start times could not be altered too much in Colleges as they have to maximise their use of the facilities, or there would be cost implications. Regarding the option of bus sharing, there were some concerns expressed about safeguarding issues. After speaking to the respective transport officers, the Group were reassured that this wouldn't be an issue as long as schools/colleges took control of the situation. It was noted that St. Nicholas', Mid Cheshire College and St. Wilfred's Primary were already bus sharing in Cheshire West and Chester with no issues. There would be a number of schemes available for schools to mitigate any potential issues, including:

- Free bus pass for elder students who fulfil a pastoral role
- CCTV
- Allocated seats
- Photo cards

- 6) Representatives from Macclesfield College and Reaseheath were keen to take on a devolved budget from the Council for the procurement of transport as they felt they could possibly procure in a more efficient manner. The representative from South Cheshire was not averse to receiving a devolved budget but noted that this would result in extra staffing demands which could possibly negate any efficiency saving.

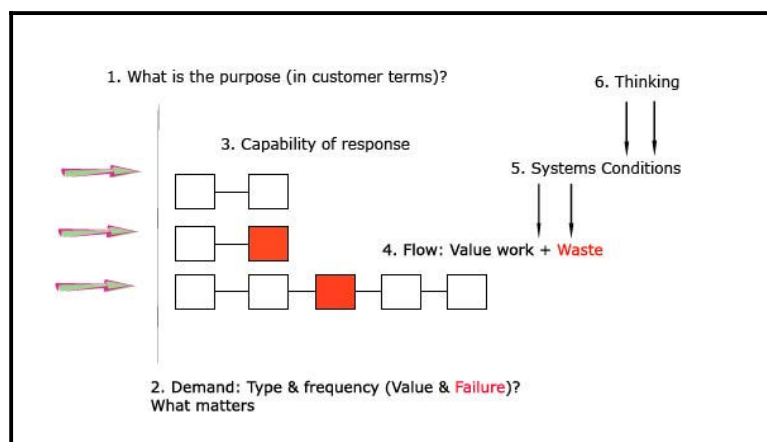
5.46 Special Educational Needs (SEN) Transport

- 5.47 Whilst not in the original remit of this review, in exploring the issues around denominational and post 16 mainstream transport, the Group also made a number of observations on SEN transport, both for pre and post 16's. Most noticeable was the amount of money that Cheshire East spends on taxis for SEN transport (£3,609,715.28). It was felt that taxis were used not because they are the best option for the young person but because it is often the most managerially expedient in respect of relationships with parents and schools. This is not to say that a taxi is never the most appropriate means of transport for a young person with SEN but where they are inappropriately used they foster a culture of reliance and dependency which can be damaging to the young person and costly to the Council.
- 5.48 The Group was interested to find the following case study from Stockport Council whose special education needs (SEN) transport service underwent a revolution in provision. Whilst it would be a simplification to suggest that this policy could simply be transplanted into an area such as Cheshire East which has different demographic demands, it is a lesson in how a service can transform itself by understanding service users' needs better, studying work and changing the thinking of everyone involved in the system. Their change in thinking has led to a service redesigned against demand and this has led to users singing praises for the new service and costs have decreased.

- 5.49 The Group is aware that the Council already does a lot of what is described in the case study below. Indeed, the Group commends the significant work that has been done in consolidating contracts/routes for SEN. Having said this, at the initial assessment of the child's needs and abilities, it does not appear to the Group that full account is taken of individual abilities and scope for that individual to improve with the help of the Council. It is suggested that now is the time to examine this further and to open up conversations with our special schools around integrating Independent Travel Training into the curriculum. It would also be useful to provide training to social workers so that they make more appropriate decisions around individual transport requirements.

Stockport Council decided to look at their SEN transport provision because they felt they were not getting a value for money service when procuring taxis. The transport manager was aware that Stockport Council's ICT department had used a consultancy called Vanguard to improve their service by applying the principles of 'systems thinking', made famous by the 'lean manufacturing' techniques of Taiichi Ohno at Toyota, and was keen to see if this could apply to SEN transport.

The Systems Thinking approach begins by defining the purpose of the service from the customer's perspective. Initial attempts at identifying the purpose often change as more is learnt about the system. The process of 'Check' then moves to a thorough study of demand and 'how the work works'. Being in the work means literally that, being in service users' homes or being with workmen in the street. It requires managers to see, touch and feel work rather than assume what is happening. It reconnects assumptions with the reality of other people's experiences.



The Head of SEN transport at Stockport Council explained that the biggest revelation came from when he spoke to the children who used the service. One girl rebutted the title 'special', declaring that just because she was disabled did not mean that she was special (as in 'special educational needs'). Secondly, she declared that at the weekend she used the bus and would prefer to travel to school with her friends during the week. This was a revelation which made the SEN Transport Manager begin to re-assess the purpose of the SEN travel service. The council were providing taxis for children for up-to 10 years of their life. This child took the bus at weekends. If she could use the bus, was the policy of providing taxis the right one?

The second discovery was in discussion with a Headmaster at a special needs school. He knew that if the children were able to independently travel to school it would have a positive impact upon their ability to learn. This became an issue however when it was discovered that 13 out of 14 children who were about to stop receiving the service were not able to travel independently. It needed to be questioned therefore what would those young people do who had no ability to travel independently? The resulting answer to this question turned the purpose of the SEN transport service on its head. The purpose was no longer just to provide a taxi: it was becoming clear that the service should **foster independence** where possible. Previously the statement of need 'triggered the provision of transport and there was never any attempt at understanding the abilities of the children.' It was a dramatic re-orientation of the system.

Now children who meet the criteria are assessed to understand what capability they have to enhance independence. Assessment includes the needs of the parents and not just the children. A taxi is now not the first option and many children just need a bus pass (others have required different solutions). Sometimes children need training to help them travel independently. To this end Stockport have brought in the services of a local charity (Pure Innovations) to assist with travel training for their children and young people. People working in the service are now experimenting all of the time to find new ways of helping and improving the system for the children.

Parents have come forward to tell the service how this new system has been 'life-changing' for their children. Children who are able to become more independent no longer need the same level of support and are on their way to becoming independent adults. Individual cases already evidence savings of £20,000. Not all children can be helped to travel independently; some are too young and some will require significant support throughout their lives. However, currently 227 out of the 344 children assessed to date (26 January 2011) in Stockport have the potential for independent travel which illustrates the potential for radical change.

Testimony from a parent who was very wary on the first visit and didn't think it was for her daughter at all:

"Sarah started with the Pure Innovations team in August. During the time Sarah has thoroughly enjoyed the feeling of independence it has given her. We as parents have seen her confidence grow in leaps and bounds. It is not just the independent travel; it is also in Sarah as a person, she now wants to be given more freedom in everything."

"Prior to starting this course Sarah was taken everywhere by a responsible adult, but since the start it has made us feel that we can allow her more freedom, we can now extend the time we can let her be on her own if necessary. She has also for the first time been able to have a key to let herself in should we be delayed coming home to meet her."

6.0 Conclusions

- 6.1 Whilst the Group has been acutely aware of the financial pressures that the Council currently faces and therefore the savings that need to be made, the Group from the outset was determined that the Council should always strive to go beyond the statutory minimum by using any discretionary powers in a positive way. With this in mind, the group put two guiding principles, 'equity' and 'education', at the forefront of their thinking. Indeed, although this review has been driven by the financial context, it has proved an opportunity to review current access to education arrangements and to make sure that there is a 'level playing field' in Cheshire East which enables every child, regardless of background or tradition to fulfil their potential. It is believed that the following conclusions reflect this.

6.2 Denominational Transport

- 6.3 Firstly, the Group wants to reiterate and confirm its support for the role that faith education plays in contributing to Cheshire East's education system and its efforts to improve attainment. The Group was wholly impressed with the level of achievement that has been realised in the Borough's faith schools and all those involved are commended.
- 6.4 Having said this, the Group has not been convinced throughout the review that the removal of discretionary faith transport will have an adverse affect on the level of performance of the school. Indeed, the Group feels that it is the leadership of the school and the ethos it instils which is the crucial factor in a high performing school. This was demonstrated by Wilmslow High School, a non-faith High School which the Group visited during the evidence gathering process. Removing discretionary faith transport will not affect this.
- 6.5 The Group was also concerned about the potential number of unintended consequences that the removal of discretionary faith transport could bring about. Of particular note, was the argument that a change in policy would be a 'false economy' as pupils receiving a discretionary subsidy might find themselves receiving more expensive, statutory transport if they could not find a place in a local school, within 3 miles of their home. Similarly, the argument that removing the subsidy would increase congestion in areas of existing high traffic was of concern to the Group. However, after speaking to the officers of the Council, the Group has been reassured by their professional opinion that this would not be the case for the reasons outlined earlier in this report.
- 6.6 An argument of particular concern to the Group however is that the discretionary faith transport subsidy is unfair. This was compounded by the knowledge that to receive the subsidy a pupil is required to demonstrably be of the same faith as the respective school. This was felt to be discriminatory. Indeed, the Education and Inspections Act 2006 makes it clear that the same

provision for transport should be made to enable the child of non-religious parents to attend a maintained school if the parent feels that this is important in view of their own belief system. This should be the same level of support as is made available to enable the child of religious parents to attend a faith school which is not the nearest to their home. A policy aligned to this guidance would obviously have significant financial implications for the Council and therefore the only way an equitable policy can be achieved is to remove discretionary transport for all pupils on the grounds of faith and/or belief.

- 6.7 Furthermore, the Group feels that parents tend to choose a school for their children based on a range of factors, with religion / belief being only one of those factors. Ethos, reputation, location, facilities, curriculum, extra curricular activities, convenience and accessibility are other factors that often apply.
- 6.8 It is clear that a number of parents opt not for their most local (and catchment area) school, but make a pro-active alternative choice to send their children to a school in an other location, taking into account a range of factors such as those outlined above. They therefore forego either the opportunity to walk their children to a nearby school, or their entitlement to receive free transport in the circumstances of their catchment area school being that bit further away. In making such an alternative choice, these parents are placing upon themselves the requirement to get their children to and from those schools, entirely at their own cost (other than when certain circumstances apply).
- 6.9 The Group argues therefore that it is inequitable that when parents choose a secondary school based on their holding of a particular religion or belief they are given a unique entitlement to free/subsidised transport which is not made available to parents when choosing a school based on other factors. This potentially distorts the exercising of a genuine choice being made between schools by providing a financial incentive to send to one particular school over another.
- 6.10 It is the Group's belief that removing the subsidy would ensure that in future all parents would be treated broadly equitably, irrespective of what choice they make, and for what reasons – and regardless of their religion or belief or lack of it. This would be a fairer and more equitable transport policy.
- 6.11 The Group reject the suggestion that the Council would be denying parents the means to exercise the choice of a faith education. Parents would still be fully able, through the admissions process, to exercise the choice of a faith education. However they would need to be aware, unless they are entitled to free transport by qualifying under the means test (for low incomes), that in making such a choice they would need to meet the cost themselves – just like parents in the vast majority of other circumstances do. Furthermore, the

argument regarding the potential impact on family finances and the affordability of parents funding home-to-school transport themselves is not accepted. This concern is partly addressed by the statutory requirement to provide free transport to the nearest school preferred by reason of a parent's religion or belief to pupils who are entitled to free school meals or whose family are in receipt of their maximum level of Working Tax Credit, where that school is between 2 and 15 miles. For other households, this will be a matter of financial prioritisation, just like it is for other households who exercise an alternative school choice, for other reasons.

- 6.12 The Group also reject the suggestion that a change in policy would be contrary to the long-standing agreement between the State and the Diocese, outlined in the Education Act 1944. Legally, the agreement was only ever made in terms of capital expenditure, not transport provision. Additionally, the question must be asked how relevant the Act is in the context of a much changed education system and demographic situation. Indeed, on this latter point, it is not unforeseeable that in the near future, there could be demand in Cheshire East for faith schools that go beyond the Roman Catholic and Church of England traditions. Furthermore, under the Academies Act 2010, it is now possible to set up a free school under the banner of any faith, belief or tradition. This will add another layer of complexity to the discretionary faith transport issue and add another demand on an already stretched budget. Changing the policy in this way would mean that the Council would not be exposed to further similar transport costs were additional faith schools to be established in the future.
- 6.13 Having said all of this, and following on from the theme of 'fairness', it is recognised that some parents may have taken the availability of discretionary transport for faith schools into account when choosing schools for their children who are currently in the system. In order to make sure that the education of those children currently in the 'system' is not disrupted, the Group agrees with the original proposal in the July 2011 Cabinet paper which posited a 'phased' approach to removing the subsidy.
- 6.14 In this case, the subsidy would only be removed for 'new entrants' and that this would be defined by the admissions process. For example, in order to remove the subsidy for new entrants in the 2013/14 academic year, the following timetable would have to be considered:

Process	Secondary Transfers	Primary Admissions
School Information Booklets – data gathering deadline	End July 2012	
Application process opens (Schools information booklets available online)	1 September 2012	1 September 2012
School Information Booklets – Hard copies available	12 September 2012	
Closing date for applications	31 October 2012*	15 January 2013*
Offers released	1 March 2013*	16 April 2013 (draft)

* Statutory Requirements

- 6.15 The Group also feels it is fair to retain a denominational subsidy for new entrant siblings of children who are currently in receipt of a denominational subsidy. It is believed that if this was removed, it would potentially cause a number of logistical issues for families.
- 6.16 Whilst the Group feels it is right to remove the discretionary transport subsidy, this does not mean that the Council should remove all support in terms of arranging transport for faith schools. On conducting this review, the Group has been informed of a number of ways in which the current arrangements around school transport could be improved. All of the Headteachers and nearly all of the representatives from the FE Colleges interviewed agreed that there would be scope to explore options around bus sharing. Indeed, the schools were prepared to explore staggering and/or changing start times to accommodate such a situation. It is suggested that the Council investigate these options in consultation with all the relevant stakeholders. Additionally, the Council is also encouraged to explore talking to bus companies to see if they would take up various bus routes or increase capacity on existing routes. This is not something that applies solely to faith schools or FE Colleges but all schools in Cheshire East.
- 6.17 The Group would also encourage the Council to open up discussions with parents about the possibility of increasing charges if this means that certain bus routes remain. It is noted from the consultation responses that a number of parents would prefer to pay more if it meant that a bus route was retained.
- 6.18 Finally, it is suggested that the Council investigate the efficacy of devolving the statutory transport budget to schools where they wish to take it on. It has been argued that this would create inefficiencies due to a loss of economies of scale. The Group would assert however that the Council often suffers from 'diseconomies of scale' as it lacks the flexibility and agility to negotiate better procurement contracts like a smaller enterprise such as a school would be able to. This is based on the principle that if you are procuring at a marginal

volume, you can negotiate for a marginal price. If you negotiate for large scale contracts, it is likely that you will be paying an average price.

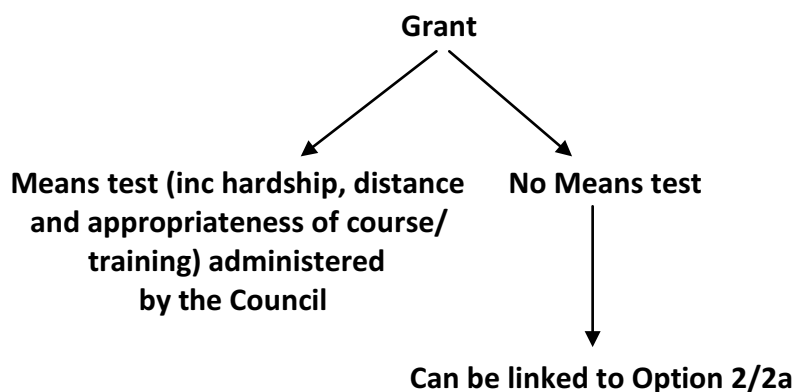
6.19 Post 16 Mainstream Transport

6.20 The Group is very aware that removing the post 16 mainstream transport budget would result in a significant saving (approximately £750k per annum) which could be realised relatively quickly (within one year). In the current financial climate this is a considerable amount of money and therefore the arguments for retaining the subsidy were carefully listened to.

6.21 The options for Post 16 mainstream transport subsidies were as follows:

	<u>Option 1</u> Complete Withdrawal	<u>Option 2</u> Devolution to Schools/Colleges of Further Education	<u>Option 2a</u> Devolution with savings.
Impact	Increase in NEETs Unemployment to increase Life chances to decrease	Better efficiency	Unknown. Likely that participation in education and training would reduce to some extent.
Saving	£750k	Difficult to estimate	Proposed 50% cut resulting in a £375k saving per annum
Other Issues	Politically charged issue		

Option 3: Grants



6.22 The Group agreed that, in light of the well documented issues facing young people at the moment, particularly around employment, the Council should make some attempt within its powers to invest in young people to remove

barriers so that they can follow a course that will lead into the world of work, help them fulfil their potential and enable them to follow a vocation.

- 6.23 Although the Group wishes access to education to be at the forefront of any policy, the Group is also mindful that savings are required. With both these points in mind, the Group suggests that the best option is to offer a reduced devolved grant (£375k p.a.) to schools and Further Education Colleges (option 3 – 2a). This grant would be on a needs led basis with the 2011/2012 subsidy data providing a base level. The efficacy of this grant would then need to be reviewed yearly. As the grant would be fully devolved to schools and Further Education Colleges, it would be under their discretion as to how they use the money for transport.
- 6.24 The Group is aware that it could be asserted that there is an inconsistency between supporting post 16 mainstream transport on grounds of supporting choice and access whilst not supporting discretionary faith transport. It is argued however, that access to post 16 mainstream transport is available to every student regardless of background whereas access to faith transport is only available to a distinct group. Removing discretionary subsidy for faith transport whilst retaining support for post 16 mainstream transport is therefore still consistent with the principle of equity and the promotion of a 'level playing field'.

6.25 Special Educational Needs Transport

- 6.26 It is important to stress that there is not solely an economic motive behind suggesting that changes could be made to SEN transport. On the contrary, in exploring other elements around Home to School Transport, it became apparent to the Group that there is an over use of taxis for children and young people with SEN which is fostering a culture of dependence and promoting poor outcomes.
- 6.27 It is suggested therefore that the Council, in full partnership and consultation with parents and carers, look at alternatives around SEN transport to improve outcomes by promoting a positive culture of independence for children, young people and families. Very simply, any decision around the provision of transport should be made around the needs of the child or young person in order for them to fulfil their full potential.

7.0 RECOMMENDATIONS

- 7.1 That discretionary denominational transport subsidies be removed for new entrants starting school in the 2013/14 academic year and subsequent years.
- 7.2 That the discretionary denominational subsidy be retained for new entrant siblings of children currently in receipt of the discretionary denominational subsidy.
- 7.3 That a reduced devolved grant of £375,000 per annum be offered to all Cheshire East Sixth Forms and Further Education Colleges for post 16 mainstream transport subsidies. The respective grants to be awarded on the basis of the 2011/12 data and the efficacy of this to be reviewed yearly.
- 7.4 That when the Council procures a new holistic education software system, transport management needs are considered so that home to school transport data that is linked with other core data can be produced automatically and on demand.
- 7.5 That the Council establish an overarching Integrated Transport Team in order to identify convergences (and synergies) between various transport policies. (See paragraph 5.35).
- 7.6 That the Council investigate options around bus sharing and staggered start times for schools and colleges taking into consideration the possibility of altering public transport routes, times and capacity. The Council should continue to support schools and sixth forms in developing their school travel plans, as well as offering advice on issues linked to procurement and traffic congestion.
- 7.7 That the Council opens up discussions with parents about the possibility of increasing charges to help facilitate the retention of existing bus routes.
- 7.8 That the Council devolve the statutory transport budget to schools (both Primary and Secondary) where schools feel that they have the appropriate resources to manage it.
- 7.9 That the Council, in full partnership and consultation with parents, carers and social workers look at alternatives around SEN transport to improve outcomes by promoting a positive culture of independence for children, young people and families.
- 7.10 That the Council open up discussion with special schools with a view to integrating Independent Travel Training into the curriculum.

8.0 Background Information

- 8.1 For background information relating to this report, please get in touch with the report author:
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CHESHIRE EAST COUNCIL

REPORT TO: Children and Families Scrutiny Committee

Date of Meeting: 17.1.2012

Report of: Lorraine Butcher Strategic Director of Children, Families and Adults

Subject/Title: Academies the Impact on Cheshire East Council

Portfolio Holder: Cllr Hilda Gaddum

1.0 Report Summary

- 1.1 This report outlines the level of conversions of maintained schools within Cheshire East to Academy status and the financial consequences of these conversions on Cheshire East Borough Council (the Local Authority).
- 1.2 This document aims to open up debate around the future direction for Cheshire East in terms of responding to the Academies agenda to minimise financial impact where possible.
- 1.3 To date, eight schools within Cheshire East have converted to Academy status (7 secondaries and 2 primaries) and one school has achieved Free School status. 17% of Cheshire East pupils are now educated in an Academy school, with Academies accounting for 6% of schools in Cheshire East. There is one further confirmed conversion in April 2012.
- 1.4 The financial consequences to Cheshire East for Academy conversions are significant. The Dedicated Schools Grant (DSG) which supports schools and associated central expenditures, has already reduced in 2011/12 by £20m from £231m to £211m, with further reductions anticipated for those schools converting in September 2011. Whilst the majority of the reduction came directly from the schools budgets transferring approximately £200k related to central expenditure supporting schools. In addition to DSG reductions Formula Grant was reduced by £1m related to the corporate activities undertaken by the Council generally supporting our schools. These figures will increase as Academy conversions continue. See section 7 for further information around the financial implications.

2.0 Decision Requested

- 2.1 Children and Families Scrutiny Committee are asked to consider the information within this report and provide guidance on the approach to be taken with the services to be provided to both maintained and Academy schools at a differentiated cost.

3.0 Reasons for Recommendations

- 3.1 Schools which have converted to Academy status have expressed a desire to continue to retain a buy-back relationship with the local authority (LA). A clear and strong offer of service provision to Academies would place the LA well in terms of reducing the financial implications of conversions. Strategically, the creation of a service provision relationship with Academies, might also be an intelligent move for the LA. If the decision to pursue trade with Academies is made, then there should be a coordinated and consistent approach across all services. Charging policies should be clear and transparent and there should be a differential in price between maintained schools and Academies. The financial impact of Academies **is a cross-council** one.
- 3.2 Cheshire East currently has the opportunity to reshape its services so that they may be offered to Academies. The market for providing services to Academies is becoming increasingly populated, with external competitors offering specialised services at premium rates. The rate of conversion to Academy status has not been overwhelming in Cheshire East, with only 7 of 21 secondaries, and 2 of 124 primaries. Of the 4 special school only one has given the issue any consideration. However, if there were a sudden increase in Cheshire East schools converting to Academy status, and an offer of service provision is not developed, there is a danger that the business and strategic opportunity may be missed. The only option then available in reaction to the reductions in funding would then be cuts in services, which ultimately would fall as a pressure on maintained schools and corporate and support services. Cuts in services would also have considerable staffing reduction costs, which would offset potential savings.
- 3.3 The provision of services to Academies most likely means that there is a need to 'Invest to Grow' to be able to pitch services in an attractive manner. A steer is required to inform services whether they should be actively looking at options for service delivery to Academies, and quantifying any investment required, and the size of the market that might be accessed.
- 3.4 The financial impact of Academies is apparent now. This impact will increase over time with the growth in conversions. Decisions and actions to minimise this impact are becoming increasingly necessary.
- 3.5 The buyback relationship with maintained schools is strong with many services continuing to attract very high percentage buy back, the majority exceeding 90% of schools. Income from the buyback of services to schools is £4.9m for 2011/12, with a breakdown shown in Appendix A. Academies currently buyback services of only £194k, which represents 4% of income, which isn't proportionate to the number of Academies (6%), and reflects that there is scope to extend the service offer to Academies.
- 3.6 If effective service packages are developed for Academies, the LA potentially has the option to offer such services beyond Cheshire East. Consideration

could also be given to the idea of creating a separate trading company, if this were the favoured option.

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications including - Carbon reduction

- Health

6.1 Academies are publicly funded independent schools, free from local authority control, operating as Limited Companies. Other freedoms include setting their own pay and conditions for staff, freedoms concerning the delivery of the curriculum, and the ability to change the length of their terms and school days.

6.2 In May 2010, the Secretary of State for Education announced legislation which allowed the Secretary of State to approve schools to become Academies through a simplified streamlined process.

6.3 There are now 1,100 Academies open in England (old and new style). There have been a further 315 applications approved, and there are a further 186 Academies awaiting the results of their application process. In October 2011 alone, 63 schools converted to Academy status. Nationally, the number of open Academies represents 5.5% of the total number of schools in England (based on a total number of schools of approx 20,000). This equates to 2% of primaries now being Academies, and 23% of secondaries.

6.4 To date, primary sector levels of conversions in Cheshire East have followed the national pattern (2% of primaries in Cheshire East are now Academies.) Indications suggest that within the primary sector, the appetite for conversion, appears to be limited at present.

6.5 However, within the secondary sector, Cheshire East, currently at 33%, is approaching a 'tipping point', where being Academy status may become the norm.

7.0 Financial Implications (Authorised by the Director of Finance and Business Services)

7.1 LAs receive funding for central services provided to schools. The services LAs provide without charge for maintained schools, and for which Academies are

compensated through LACSEG (Local Authority Central Spend Equivalent Grant), are funded in two different ways. The Dedicated Schools Grant (DSG), which local authorities receive through the Department for Education (DfE), makes up one element of this funding. The other source is Formula Grant which local authorities receive from the Department for Communities and Local Government (DCLG).

- 7.2 To fund Academies for their central services functions, the DSG and Formula Grant paid to the local authority is reduced, and this funding instead goes to the Academy via the LACSEG. Broadly speaking, the element of central services funding that sits in the DSG is aimed towards providing services for individual pupils, and the Formula Grant element of the funding provides whole school / corporate and administrative services.

Funding for Academies from Dedicated Schools Grant

- 7.3 The total DSG award for all Cheshire East schools of £231.3m has been reduced by £20.326m to give a DSG award of £210.974m for 2011/12. This figure will reduce following a revision of the award for September 2011 conversions. The reduction in DSG represents the funds which now instead go straight to the Academy, rather than to the local authority. A proportion of the funding removed from DSG represents the funding that was previously awarded to local authorities for central activities. When an Academy converts, this funding instead is given to the Academy. This element falls as a pressure on the local authority. This pressure is approx £200k for 2011/12.

Funding for Academies from the Local Authorities Formula Grant

- 7.4 For all Academies which opened prior to March 2011 (known as old style), the DfE funded central education services from within its own budget. To the DfE this meant that the services for which LACSEG was paid to Academies were being double funded. Academies were funded by the DfE via LACSEG, yet local authorities continued to receive full funding for the same services, which they were no longer providing, as part of formula grant received from DCLG. The DfE saw this as an unsustainable situation which needed to be addressed, particularly as the criteria for becoming an Academy was widened. The transfer of funding out of LAs Formula Grant was aimed at addressing the double funding issue.
- 7.5 Deductions made by the DfE from LAs Formula Grant are £0.9m in 2011/12 and £0.7m in 2012/13. These deductions are based on the DfEs estimates and do not relate to the current pattern of Academy schools, or the pattern of growth in Academy numbers which could take place over the next two years. The DfE have stated that the need to provide certainty and stability for local authorities in relation to their available budgets was a key consideration when making the decision about the transfer of funding. A consultation was launched in respect of DfEs statements in July 2011, following a challenge to proposals by a number of councils via a judicial review. Part of the

consultation asked for comments around the relative merits of certainty of funding compared with uncertainty of funding, but with a distribution mechanism that more accurately reflects the numbers, location and growth of Academies and Free Schools.

- 7.6 The DfEs view is that it is reasonable to conclude that local authorities should be able to make savings which are commensurate with the reduction in responsibilities which a transfer of schools to Academy status entails, and which is commensurate with the cost to the DfE of providing LACSEG.
- 7.7 The basis of the consultation indicated that further reductions to Formula Grant could be significant. On a worst case scenario, should all Cheshire East maintained schools convert to an Academy, the LA could lose £15m, which far exceeds current amounts being spent locally on our schools for central services.
- 7.8 The DfE have a difficult funding situation with LAs continuing to retain responsibility for tracts of activity for its maintained schools, but additionally having to fund, some would argue over generously, the converting Academies. The estimates from the DfE, are that the central costs and double running costs range from £370m nationally in the current year to just under £700m next year. The table below shows the national and local position. Local position in brackets.

	<i>Current</i>	<i>Proposed</i>
<i>Total LACSEG transfer 2011/12</i>	£148m (£0.9m)	£360m - £365m (£2.2m - £2.2m)
<i>Total LACSEG transfer 2012/13</i>	£265m (£1.6m)	£580m - £680m (£3.5m- £4.1m)

- 7.9 Whilst the DfE have given assurance that there will be no further reductions in 2011/12, further future claw back of the Formula Grant will fall as a pressure to be met from across the Council, with little opportunity to make planned and informed decisions. The additional spending pressure has arisen solely because of the rapid expansion in the number of Academies at short notice with resulting increased double running costs. Cheshire East have argued that no additional funding should be clawed back from Formula Grant in 2011/12 and that the grant already transferred should be returned. From the latest information from the Secretary of State, it would seem that a return of grant is unlikely.
- 7.10 In Cheshire East's opinion the DfE should continue to expect a large element of double running costs whilst both local authorities and the DfE support schools from different platforms. There are a large range of responsibilities that continue to be undertaken by LAs as well as Academies or the DfE. For example, Local authorities are expected to devise and operate school funding

formula appropriate to their areas, which the DfE, through the Young Peoples Learning Agency (the YPLA) utilise. CEBC believe that the issue is not a double funding issue but rather an issue of double running costs, which is inevitable with the schools system that has been established.

- 7.11 In respect of Academies, LAs also continue to retain the responsibility and funding for a number of areas:- Home to school transport (including Special Educational Needs), Education Psychology, Special Educational Needs Statutory Assessments and Statements, Monitoring of Special Educational Needs provision, Parent Partnership Service, etc, Prosecution of parents for non-attendance, Individually assigned special educational needs resources for pupils with rare conditions needing expensive tailored provision. (this is usually a top up to formula funding), Provision of Pupil Referral Units or education otherwise for a pupil who is no longer registered at an Academy.
- 7.12 If the DfE implement a further reduction in Formula Grant, then Cheshire East will have a serious financial challenge. The financial implications outlined in this section strengthen the need to have a clear vision for Cheshire East in response to the Academy agenda. Whilst the pursuit of trade with Academies is a clear option, there needs to be a consideration of whether this alone will generate sufficient income to offset or limit the reductions to Formula Grant and DSG. This may need to be carried in conjunction with some alignment of services.

7.13 Access to Schools contingencies

- 7.14 The DfE have released a letter outlining their intention to makes schools contingencies accessible to Academies. This letter was received on 6th October 2011, with a deadline response of 17th October 2011. The Local Authority submitted a detailed response to this letter, outlining schools contingencies totalling £4.060m that have a specific intended purpose and should not be accessible by Academies. The outcome of this brief consultation is in the new year.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 By complying with the provisions of the Academies Act 2010 and its associated regulations, the LA is not at additional risk of legal proceedings being brought against it by local academies. However, as there are practical difficulties in complying with some of the land and contract transfer requirements necessary within the deadlines specified in the streamlined process introduced by the Academies Act 2010 and the DfE, any delay could lead to complaints about the Local Authority to the Secretary of State and, in extreme cases, an application for the Local Authority's actions to be judicially reviewed in the High Court.
- 8.2 In addition, as the Local Authority remains responsible for ensuring that children who have not been admitted to their preferred academy have access to an appropriate school place, including children with statements of special educational needs whose

parents want them to attend an academy, there is a risk of a slight increase in school admission appeals, Special Educational Needs & Disability Tribunals and applications for judicial reviews, if the parents of those children fail to obtain a place at their preferred or alternated choice school.

- 8.3 With regards the remaining maintained schools, the Local Authority continues to have a statutory duty to provide support and assistance to these schools, despite the reduction in grant funding received from the DfE. Should it fail to comply with these duties, any individuals or organisations, e.g. children, parents, employees, schools, contractors, other local authorities, etc., adversely affected by that failure could be entitled to bring proceedings against the Local Authority by way of a complaint or application, to name but a few:
- to the Local Authority;
 - to the Local Government Ombudsman;
 - to the Secretary of State for Education;
 - to a Tribunal, including an Employment or Special Educational Needs & Disability Tribunals;
 - to the Courts.

9.0 Risk Management

Transfer process

- 9.1 When a school converts to an Academy, there are a number of considerations which need to be made in respect of Land Transfer, Legal Arrangements, Finance, Insurance, Human Resources and staff Transfer of Undertakings Protection of Employment (TUPE) and Governance. An Academy policy is available from the Cheshire East's School Governors website which sets out the involvement of each of these parties in the conversion of a maintained school to an Academy. Important information for converting Academies is also contained within this document.

Financial Risk

- 9.2 The financial risk of the Academies programme is outlined in section 8 above.

There is also a potential risk to the income currently generated from maintained schools. If the loss of income due to Academy conversions, is attempted to be offset by an increase in prices levied to maintained schools, this may lead to services no longer being competitive, and hence reducing the levels of buyback and income. The local authority is currently reviewing the trading package for maintained schools, with a view to relaunching the Schools Business Support Agreement (SBSA) as a more refined and up to date package for the academic year 2012/13. Feedback received from schools is that they value the services Cheshire East provide, because they are considered to be Value for Money, of high quality, and that the services are delivered by officers who know their schools. Income generated from

schools in Cheshire East will be £4.9m for 2011/12. This represents an increase compared to 2010/11 of £0.5m. This is largely due to a recalculation of service costs, to ensure that services are delivered on a full cost recovery basis.

- 9.3 However, maintaining the buyback levels from schools requires a fine balance. Schools are becoming increasingly aware of the Local Authorities financial position, and also about what services are offered to them on the open market. Any approach to raise maintained schools prices to offset financial challenges, may have the opposite impact due to the resultant reduction in uptake. The high level of take up and general satisfaction with the level of service provided, would appear to indicate that schools find the current services to provide value for money at the current time, and that a suitably packaged offering to Academies should also generate a good level of response and take up.

Educational Risk

- 9.4 Once a school becomes an Academy its accountability to the LA both officer and politician ceases. Academies are directly accountable to the SoS. The risk here is that the LA will have little indication if an Academy is providing high quality educational provision. Furthermore the LA has no power of intervention should an Academy begin to fail. Should an Academy fail the likely solution would be for to join a successful Academy chain, which is not a local solution meeting the needs of the local community.

Governance

- 9.5 Academies unlike the maintained school sector are not required to include a Local Authority nominated governor on their governing bodies. However they may choose to continue to retain a place for a LA appointed person. Some Cheshire East Academies have done so as have many nationally.

10.0 Background and Options

- 10.1 Academies are publicly funded independent schools, free from local authority control. Other freedoms include setting their own pay and conditions for staff, freedoms concerning the delivery of the curriculum, and the ability to change the length of their terms and school days.
- 10.2 In May 2010, the Secretary of State for Education announced legislation which allowed the Secretary of State to approve schools to become Academies through a simplified streamlined process.
- 10.3 The proposed legislation opened up the Academies programme allowing primary, secondary, and special schools to apply to become Academies. This is a key change in Academies Policy which previously focused on the lowest

performing secondary schools. Schools rated as outstanding by Ofsted were able to open as Academies as early as September 2010 subject to approval by the Secretary of State. In the first instance, Governing Bodies of schools that had been rated 'outstanding' by Ofsted in their most recent judgement could apply to become Academies. This has now been extended to schools which have been assessed as 'good' with one or more outstanding features in their most recent Ofsted inspection. The current consideration is that applications to convert will be welcomed from all schools that are performing well.

10.4 Each application will be considered on a case by case basis, with the decision being informed by various factors. The factors which will be taken into account, for mainstream schools, will be:

- The schools last three years exam results and the general performance trend
- Comparisons, both locally and nationally, with exam performance in similar schools i.e. the percentage of pupils making expected progress in English & Maths with KS2 for Primary schools, and KS2-4 in secondary schools. The DfE will be looking at whether the results are above, or moving rapidly towards, the national averages in attainment and progression.
- The last Ofsted inspections, taking particular notice of the schools capacity to improve; its outcomes; and effectiveness of the leadership team.
- The DfE will also consider any other evidence of a schools performance which a school considers to be significant.

10.5 Factors that will be taken into account, for special schools, include:

- the last two Ofsted inspection grades, with focus particularly on judgements for overall effectiveness, capacity to improve and leadership and management
- any available data on pupil attainment and progress;
- comparison with other special schools pupil attendance and exclusions; and
- We will also consider any additional evidence which the school feels is significant in proving their performance.

10.6 The DfE will also take into consideration the financial management of the school, including any deficits in addition, all schools can apply to convert in formal partnership with a school that is performing well.

10.7 In the case of foundation schools and voluntary schools, the Governing Body

may only apply for Academy status with the agreement of any existing trust and those entitled to appoint any foundation governors.

- 10.8 Unlike existing Academies, no additional external sponsor will be required where a school converts to Academy status, unless it is an underperforming school as judge by the DfE.
- 10.9 A requirement for well-performing schools wanting to convert is that they will be expected to commit to support another school to help raise that school's performance.
- 10.10 Following this change in legislation, conversions to Academies have grown. The table below shows the levels of Academy conversions up to 1st November 2011.

10.11 Table outlining Academy conversions

School sector	New Academies Opened	Approved applications	Grand Total
Middle deemed Secondary	25	13	38
Primary	321	111	432
Secondary	738	173	911
Special	16	17	33
Grand Total	1100	315	1415

- 10.12 There are now 1,100 Academies open in the UK. There have been a further 315 applications approved, and there are a further 186 Academies awaiting the results of their application process. In October 2011 alone, 63 schools converted to Academy status. Nationally, the number of open Academies represents 5.5% of the total number of schools in England (based on a total number of schools of approx 20,000). This equates to 2% of primaries now being Academies, and 23% of secondaries.
- 10.13 To date, primary sector levels of conversions in Cheshire East have followed the national pattern (2% of primaries in Cheshire East now Academies.) Indications suggest that within the primary sector, the appetite for conversion, appears to be limited at present.
- 10.14 However, within the secondary sector, Cheshire East is approaching a 'tipping point', where being Academy status may become the norm.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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SBSA COMPARISON YEARS 2010/11 TO 2011/12

FULL CHARGE

	2010/11	2011/12		2010/11	2011/12		2010/11	2011/12		2010/11	2011/12		2010/11	2011/12		2011/12	2010/11	2011/12	%
Service	Primary		%	Secondary		%	Nursery		%	Special		%	Academy		%	PRU	Total		%
School Governance **	153607	163,767	6.61	10581	9,957	-5.90	1066	1,133	6.29	5608	5,908	5.35	156	3,496	2141.03	890	171018	185151	8.26
EARS	73071	72,814	-0.35	78203	61,060	-21.92	126	124	-1.59	3001	3,072	2.37	5906	4,640	-21.44	106	160307	141816	-11.53
Insurance	403453	445,112	10.33	329853	310,062	-6.00	1007	1,109	10.13	16839	19,350	14.91	16779	21,367	27.34	0	767931	797000	3.79
Copyright Licences	41963	46,407	10.59	37072	34,994	-5.61	106	54	-49.06	734	871	18.66	6360	19,467	206.08	98	86235	101891	18.16
Asset Management	30849	64,951	110.54	4715	21,761	361.53	0	350	0.00	1692	3,106	83.57	236	235	-0.42	0	37492	90403	141.13
Financial Management **	264747	293,884	11.01	1265	428	-66.17	2435	2,717	11.58	6272	5,648	-9.95	0	1,132		1692	274719	305501	11.20
Long Term Sick	351932	326,480	-7.23	213808	230,180	7.66	1054	1,382	31.12	57678	39,352	-31.77	15008	2,707	-81.96	3778	639480	603879	-5.57
ESC/Exchequer Services **	498829	527,298	5.71	126811	117,709	-7.18	1114	1,162	4.26	19102	24,620	28.89	7671	8,015	4.48	0	653527	678804	3.87
Library Service	284918	271,540	-4.70	0	-	0.00	1988	2,023	1.76	5269	4,500	-14.59	0	2,611		1190	292175	281864	-3.53
Environmental Health	34217	33,995	-0.65	7015	6,028	-14.07	225	231	2.67	2118	2,108	-0.47	1212	3,467	186.06	204	44787	46033	2.78
Schools ICT **	342772	335,932	-2.00	103458	83,529	-19.26	790	813	2.91	15719	13,007	-17.25	7596	28,847	279.76	729	470335	462857	-1.59
Legal	17566	61,632	250.86	5593	9,976	78.37	142	498	250.70	568	2,138	276.41	401	2,653	561.60	584	24270	77481	219.25
Human Resources	222615	241,598	8.53	86515	77,325	-10.62	935	990	5.93	9080	9,798	7.90	12100	27,948	130.97	743	331245	358402	8.20
Occupational Health	82332	83,765	1.74	44820	35,651	-20.46	144	160	10.92	3780	3,846	1.76	4356	14,181	225.56	155	135432	137759	1.72
Broadband	315073	352,864	11.99	107834	99,853	-7.40	1469	2,058	40.12	7261	9,108	25.44	13617	41,672	206.03	1358	445254	506914	13.85
Strategic Procurement	0	1,264	0.00	0	-	0.00	0	-	0.00	0	79	0.00	0	-	0.00	79	0	1422	
Health Safety & Risk Mgmt	40273	47,848	18.81	21349	20,891	-2.15	191	219	14.66	967	1,145	18.41	2891	9,315	222.21	123	65671	79541	21.12
Organisation & Capital	0	2,975	0.00	0	2,100	0.00	0	-	0.00	0	175	0.00	0	-	0.00	175	0	5425	
Communications & Marketing	0	9,660	0.00	0	1,890	0.00	0	-	0.00	0	420	0.00	0	210	0.00	210	0	12390	
SIPS	0	20,196	0.00	0	1,496	0.00	0	-	0.00	0	748	0.00	0	-	0.00	748	0	23188	
Science Technology	0	1,459	0.00	0	3,013	0.00	0	9	0.00	0	18	0.00	0	2,045	0.00	8	0	6552	
Services Charging Direct:																			
ICT Strategic Service																			
Safeguarding																			
SBSA Appeals																			
TOTAL	3158217	3405442	7.83	1178892	1127903	-4.33	12792	15032	17.51	155688	149017	-4.28	94289	194008	105.76	12870.3	4599878	4904272	6.62

Academies 2010/11 – Brine Leas; Fallibroome; Sandbach High School

Academies 2011/12 – Brine Leas; Congleton High; Fallibroome; Holmes Chapel; Lacey Green; Macclesfield High; Mottram St Andrews; Sandbach High School

Note: Academies cannot buy-back EARS; Insurance; Long Term Sick

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CHESHIRE EAST COUNCIL

REPORT TO: CHILDREN AND FAMILIES SCRUTINY COMMITTEE

Date of Meeting:	17 January 2012
Report of:	Borough Solicitor
Subject/Title:	Work Programme update

1.0 Report Summary

- 1.1 To review items in the 2012 Work Programme, to consider the efficacy of existing items listed in the schedule attached, together with any other items suggested by Committee Members.

2.0 Recommendations

- 2.1 That the work programme be received and noted.

3.0 Reasons for Recommendations

- 3.1 It is good practice to agree and review the Work Programme to enable effective management of the Committee's business.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications including - Climate change - Health

- 6.1 Not known at this stage.

7.0 Financial Implications for Transition Costs

- 7.1 None identified at the moment.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 None.

9.0 Risk Management

- 9.1 There are no identifiable risks.

10.0 Background and Options

- 10.1 In reviewing the work programme, Members must pay close attention to the Corporate Plan and Sustainable Communities Strategy.
- 10.2 The schedule attached, has been updated in line with the Committees recommendations on 13 December 2011. Following this meeting the document will be updated so that all the appropriate targets will be included within the schedule.
- 10.3 In reviewing the work programme, Members must have regard to the general criteria which should be applied to all potential items, including Task and Finish reviews, when considering whether any Scrutiny activity is appropriate. Matters should be assessed against the following criteria:
- Does the issue fall within a corporate priority
 - Is the issue of key interest to the public
 - Does the matter relate to a poor or declining performing service for which there is no obvious explanation
 - Is there a pattern of budgetary overspends
 - Is it a matter raised by external audit management letters and or audit reports?
 - Is there a high level of dissatisfaction with the service
- 10.4 If during the assessment process any of the following emerge, then the topic should be rejected:
- The topic is already being addressed elsewhere
 - The matter is subjudice
 - Scrutiny cannot add value or is unlikely to be able to conclude an investigation within the specified timescale

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

Name: Mark Grimshaw
Designation: Scrutiny Officer
Tel No: 01270 685680
Email: mark.grimshaw@cheshireeast.gov.uk

As of 09/01/2011

Children and Families Scrutiny Committee Workplan: September 2011 – April 2012

Portfolio Holder – Hilda Gaddum

Historical Record

Date of Meeting	Agenda Setting Meeting	Topic	Purpose/Key issues (including origin)	Comments post meeting
26 July 2011		Annual Announced Inspection	To receive a verbal update	That the Director of Children's Services be requested to submit a report at the next meeting of the Committee outlining the findings of the Announced Inspection and the resulting action plan.
		Children & Families Performance Report	To receive an update on the general performance of the service and to pinpoint areas for development	That the newly developed performance scorecard be brought to the Committee on a quarterly basis for review.
		Independent Reviewing Officers Report 10/11 – Annual Report	Members to consider the report and any issues arising from it	That in subsequent years, a summary page be provided in addition to the main report. That a review of the CAMHS service in terms of its relationship with Cared For Children be added to the work programme.
		Cheshire East Family Service	Members to be briefed and to consider the CE approach.	That the policy be revisited in six months for review.

20 September 2011		Management Structure Update	Members top receive verbal update	That a breakdown of responsibilities aligned to each senior manager be distributed to the Committee.
		OFSTED inspection	Members to consider report,	That a special meeting be convened pre 18 October 2011 to discuss in further detail. That congratulations be passed to staff and mgmt at Claremont rd.
		Summary of Schools Performance		Item be added to work programme relating to what CE do to improve underperforming schools.
		Training Requirements		Training sessions on: - LA's changing interface with schools and education - Architecture of partnerships.
18 October 2011		FOSTERING AND ADOPTION VIDEO		That the Fostering and Adoption team be congratulated for their work in producing the film. That it be suggested to Stephen Kelly that he contacts other media outlets such as Cinemac, the BBC, BBC North West and ITV to see if the film could be distributed more widely.
		VIRTUAL HEAD		That the following additional information be provided in future Virtual School reports: a) The national 'mainstream' educational attainment figures for comparison b) The Cheshire East 'mainstream' educational attainment figures for comparison c) The number of students in each yearly cohort.
		WORK PROGRAMME UPDATE		That the item regarding what Cheshire East was doing to improve underperforming schools be added to the agenda for the meeting scheduled 15

				<p>November 2011.</p> <p>That the proposed 2012/13 budget be brought to the Committee for consideration at the next scheduled meeting.</p> <p>That thanks be extended to Gill Betton for drafting the Children's Directorate glossary.</p>
15 November 2011		'CHILD & ADOLESCENT MENTAL HEALTH SERVICES' (CAMHS) OVERVIEW	Members to consider and comment	<p>That the Committee support the work to integrate the existing autism provision into a single 'multi-agency' pathway to improve the autism assessment and support pathways across the authority.</p> <p>That the Committee support further progress in preventative approaches and services to meeting the emotional health and wellbeing needs of children, young people and their families/carers.</p> <p>That more detail on the financial background and requirements for increasing investment into preventative approaches be circulated to the Committee for consideration. That this information include:</p> <ul style="list-style-type: none"> a) What current funding was in place proportionately from each organisation for CAMHS as a whole and for the preventative agenda. b) Who managed the current budget in terms of allocation. c) How the investment needs had been worked out. d) Where it was expected the money would be

				<p>spent and from which organisations proportionately would the extra funds come from.</p> <p>That a geographical map indicating where services relating to CAMHS were located be circulated to the Committee.</p>
		CHILDREN'S TRUST AND CHILDREN AND YOUNG PEOPLE'S PLAN 2011-2014	Members to be briefed.	<p>That the Committee supports the work of the Trust as a way of achieving joined up, integrative working for the benefit of children and young people in Cheshire East.</p> <p>That an update report be brought back to the Committee in 12 months outlining the progress against the Trust's proposed outcomes and priorities and that this report include the budgetary implications of retaining the Trust along with evidence of any possible savings the joint working fostered by the Trust had produced.</p> <p>That the minutes of each respective Trust meeting be circulated to the Committee for their information.</p>
		ADDRESSING SCHOOL UNDERPERFORMANCE : LOCAL AUTHORITY INTERVENTIONS INCLUDING THE 'IMPROVING OUTCOMES PROGRAMME' (IOP)	Members to consider	<p>That when a school receives an OfSTED report and/or when a school has a number of issues identified, the relevant ward Councillor be made aware and adequately briefed.</p> <p>That detailed performance data relating to Cheshire East Schools be circulated to Members when available.</p> <p>That 'appendix c' be brought back to the Committee as part of the regular performance report and that this include the date of publication for respective OfSTED reports.</p>

		DRAFT SPECIAL EDUCATIONAL NEEDS AND DISABILITY POLICY	Members to consider and comment	That the draft SEND policy be brought back to the Committee on 13 December 2011 for further consideration. That site visits to the special schools in Cheshire East be arranged.
		WORK PROGRAMME UPDATE	Members to comment	That the following items be deferred until January 2012: <ul style="list-style-type: none"> a) The impact on council services following the opening of Academies b) Out-of-Borough Care Placements Task and Finish Report from Lancashire County Council c) Disabled Respite Care That a line by line analysis of the Quarter 2 budget report be brought to the next scheduled meeting.

Next Agenda Setting Meeting: tba

Ongoing items/reviews/Monitoring Papers

Item	Reporting:	Committee Meeting							
		20/9	18/10	15/11	13/12	17/01	14/2	13/3	10/4
PERFORMANCE REPORTING (key exceptions – red/amber and explanations/commentary) to include adoption rates, staffing information and profile of children in Cheshire East	Quarterly	X		X					
INDEPENDENT INSPECTIONS OR REVIEWS <ul style="list-style-type: none"> • Annual Unannounced Inspection • Children Services Performance Rating • Schools Inspection 	Quarterly	X							
SAFEGUARDING	When Appropriate								
REGULATION 33	Bi-annual						X		
BUDGET PROCESS – summary of budget position update given to Cabinet.	When Appropriate				X				
REVIEW OF WORK PROGRAMME	Regular	X	X	X	X	X			

Possible Future Issues / Items (Chronology)

Meeting dates:

14 February 2012, 13 March 2012, 10 April 2012

Item	Corporate Priority / Targets	Suggested Action	Notes	Due Date and Status
The future of careers advice, targeted youth support and update on connexions.	Support our Children and Young People	Members to be briefed	Requested at Committee in June 2011 – possibility of a Headteacher or careers advisor to be invited to this.	February 2011 Deferred from December 2011
Cabinet response to fostering review	Support our Children and Young People	Members to be updated		February 2011 On track
Family Support	Support our Children and Young People	Members to be updated	To include: - Update on Cheshire East Family Service - Update on Proposed changes to children's centres - Cabinet response to family support task and finish report	February 2011 On track
Budget	Support our Children and Young People	Members to be briefed	To include emerging proposals for 2012/13 budget. As requested in December 2011.	February 2012 On track
OFSTED inspection paper	Support our Children and Young People	Members to go over in more detail the paper discussed in September 2011 and to be updated on the progress made on the action points.		March 2011 On track

School Organisation Plan	Support our Children and Young People	Members to consider		March 2011
				On track

Possible future items for consideration:

- IT Systems
- Every Child matters
- Director of Public Health inc. work on Obesity and Diabetes (when appointed)
- Childcare support for working parents
- How safeguarding issues are checked in schools
- Complaints – tba

Training Requirements/Planned sessions

- Local Authorities' changing interface with schools and education -**19th Jan 2012**
- The architecture of partnerships and consideration of the value they add – **20th Feb 2012**
- Training session on the SEN 'Pledge'.

Disregarded / Discontinued Items

Item	Date	Reason
Post 16 Transfer of Funding to Local authorities	22.09.10	Responsibility no longer with LA
Analysis of School Performance	22.09.10	To be merged with educational attainment item
Early Years Funding Reform	22.09.10	Briefing heard on 27.07.10
Children's Centres	26.10.10	Dealt with as part of the Family Support review.
School Status report	26.10.10	Merged with Academies item
Interventions in Schools	26.10.10	To be dealt with in the schools inspection item.
School Admissions Policy / TLC review	14.12.10	Superseded by White Paper item
Redesign of Children's Services	17.02.11	Incorporated into Safeguarding item
Teenage Pregnancy	17.02.11	Superseded by Director of Public Health Item
NEETS	17.02.11	Superseded by Connexions Item
Macclesfield High School Review	04.05.11	Item no longer needing consideration
Transport for Young People	18.05.11	Superseded by Home to School Transport Review
Aiming Higher Report	13.06.11	Superseded by Disabled Respite Care item.
Member Engagement in Social Services Systems	03.08.11	Superseded by Training session on Contact, Referrals and Assessments

Task Groups – potential/current/completed

Title	Progress Notes	Actions
Managing the Provision of School Places (formerly TLC)	Went to Scrutiny November 2009.	
Residential Provision	Recommendations agreed 07.09.10 – went to Cabinet 20.09.10 for consideration. Members to review action plan following Officer's response to recommendations.	
Family Support	Reported to Committee 07.12.10. Went to Cabinet 20.12.10	Cabinet Response required ASAP
Education attainment	Set up Task and Finish Group to review the work of the multi agency improvement and achievement group	
Foster services	Recommendations agreed 04.11. Went to Cabinet 06.11	Cabinet Response required December 2011
Health and Looked After Children	Discuss with Health and Wellbeing Scrutiny Committee.	To set up with conjunction with the Health and Wellbeing Committee.
Cared for Children 16 plus service.	Set up Membership 28/06/2011 – deferred to January 2012	
Home to School Transport	Following recommendation from Cabinet meeting.	Membership approved.
Health and Cared for Children	Following Fostering service review – in partnership with H&W Committee	Membership approved

Dates of Future Cabinet Meetings

6 February 2012, 5 March 2012, 2 April 2012 and 30 April 2012.

Dates of Future Council Meetings

23 February 2012, 19 April 2012 and 16 May 2012.

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FORWARD PLAN 1 JANUARY 2012 - 30 APRIL 2012

This Plan sets out the key decisions which the Executive expect to take over the next four months. The Plan is rolled forward every month. It will next be published in mid January and will then contain all key decisions expected to be taken between 1 February and 31 May 2012. Key decisions are defined in the Councils Constitution.

Reports relevant to key decisions, and any listed background documents may be viewed at any of the Councils Offices/Information Centres 6 days before the decision is to be made. Copies of, or extracts from these documents may be obtained on the payment of a reasonable fee from the following address:-

Democratic Services Team
Cheshire East Council ,
c/o Westfields, Middlewich Road, Sandbach Cheshire CW11 1HZ
Telephone: 01270 686463

However, it is not possible to make available for viewing or to supply copies of reports or documents, the publication of which is restricted due to confidentiality of the information contained.

A decision notice for each key decision is published within 6 days of it having been made. This is open for public inspection on the Council's Website, Council Information Centres and Council Offices.

The law and the Council's Constitution provides for urgent key decisions to be made. A decision notice will be published for these in exactly the same way.

Forward Plan 1 January 2012 to 30 April 2012

Key Decision	Decisions to be Taken	Decision Maker	Expected Date of Decision	Proposed Consultation	Relevant Scrutiny Committee	How to make representation to the decision made
CE11/12-24(2) Proposed Expansion of Oakefield Primary and Nursery School, Crewe	To consider any objections following consultation on expanding the school from 315-420 places with effect from September 2012.	Cabinet	6 Feb 2012	School organisations, Association of Primary School Heads, local Headteachers.	Children and Families	Lorraine Butcher, Strategic Director (Children, Families and Adults)
CE11/12-25 Cheshire Youth Offending Service Governance Arrangements	To consider recommendations for greater collaboration of youth offending services in Cheshire.	Cabinet	5 Mar 2012		Children and Families	Lorraine Butcher, Strategic Director (Children, Families and Adults)
CE11/12-28 Admission Arrangements and Local Authority Co-ordinated Scheme 2013	To approve changes in admission arrangements for community and voluntary controlled schools for which the LA is the admission authority.	Cabinet	2 Apr 2012	With admission authorities and neighbouring authorities.	Children and Families 14 December 2011	Lorraine Butcher, Strategic Director (Children, Families and Adults)