



HIGHWAYS AND TRANSPORT OVERVIEW AND SCRUTINY
COMMITTEE: 7 MARCH 2024

SPECIAL EDUCATIONAL NEEDS SCHOOL TRANSPORT SERVICE –
UPDATE

REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT

Purpose of Report

1. The purpose of this report is to provide an update on the performance and delivery of Special Educational Needs (SEN) transport for the 2023/24 academic year. In addition to this, the report also provides a summary of the next steps to be taken by the service over the next 12 months.

Policy Framework and Previous Decisions

2. The primary legislation governing home to school transport is the Education Act 1996 (“the Act”); under section 508A it imposes a general duty on local authorities to assess the school travel needs of their area and to promote the use of sustainable modes of travel. Section 508B of the Act imposes a duty on local authorities relating to home to school travel arrangements for “eligible children”, which is defined in Schedule 35B of the Act and requires councils to publish a home to school transport policy for both compulsory aged school children (including SEN) and post-16 students.
3. An updated Home to School Transport policy for SEN students was published by the Council in September 2018 and introduced from the start of the 2019/20 academic year.
4. In September 2019, the Cabinet considered a report which detailed the implementation of the Council’s Home to School Transport Policies. A judicial review on the SEN policy for 16–18-year-olds delayed implementation of Personal Transport Budgets (PTBs) until the start of the 2021/22 academic year.
5. In June 2023, the Department for Education (DfE) revised its statutory guidance on ‘Travel to school for children of compulsory school age’. The updated guidance did not change the legislation, however, was published to improve and clarify understanding of the law, for both local authorities and parents/carers. Notably, it did recognise the cost of delivering free home to school travel which had increased significantly in recent years and the importance of local authorities of taking travel costs into account when planning the supply of school places. As part of this, it stressed the importance of school

travel and SEN teams working together to ensure travel arrangements are considered when deciding what school to name in a child's Education, Health and Care plan (EHCPs).

6. The Council's Strategic Plan 2022-2026 (approved by the County Council in May 2022) notes that there are two tiers of support for children with Special Educational Needs and Disabilities (SEND): 'SEN Support' and 'Education, Health and Care Plan' (EHCP). It noted that demand for EHCPs for children with SEND has also increased significantly, leading to rising demand for specialist SEND provision.

Context and Background

7. The overall increasing pressures in home to school transport, but especially SEN transport, are consistent across the country. The key elements that drive SEN transport expenditure remain:
 - a) Demand/growth - the number of pupils eligible for SEN transport assistance.
 - b) Pupil need - the increased complexity of the needs of pupils travelling.
 - c) Market forces and competition – availability, fuel costs, inflation, wages etc.
 - d) A lack of locally available school places – this has also created additional pressure on SEN transport, with both more requests and longer and more expensive journeys.
8. There has been an unprecedented growth in EHCPs in the last seven years, which has had a consequential knock-on effect on the number of students entitled to SEN transport. The growth has also created pressure on locally available SEN school places, meaning that many SEN pupils have to travel further to access a suitable school.
9. To put this into perspective, the County Council Network (CCN) commissioned a report in 2023 on school transport. Key highlights from this report were:
 - a) The number of young people with EHCPs has risen nationally by 115% between 2015 (when SEND reforms were introduced) and 2023.
 - b) Nationally expenditure on SEN transport has increased by 74% in the last seven years (CCN took this from data supplied by the DfE).
 - c) Use of cars including taxis to transport children with SEN to school has increased by 36% from 2019 to 2023.
 - d) 77% of local authorities that responded to the survey said that complexity of children's needs that might require more individualised transport arrangements were contributing to higher costs of SEND transport.
 - e) The survey noted that the average cost per pupil of pre-16 SEN home to school transport had risen from £6,314 in 2018/19 to £8,050 in 2021/22 per pupil, an increase of 27%.

10. The types of trends identified by the CCN survey were echoed by the Association of Transport Co-ordinating Officers (ATCO) who conduct an annual survey on local authority transport. ATCO's survey for 2022/23 (the 2023/24 report is still being compiled) showed that over 40% of the councils that returned the survey had seen an increase of 20% or over on SEN transport costs in the preceding 12 months and, 20% of those councils had seen an increase of over 30% in SEN transport costs.
11. To further compound these pressures, a combination of the Covid-19 pandemic and other world events have disproportionately impacted on the passenger transport industry. A shortage of drivers, increasing operating costs and an overall decline in the number of operators, has resulted in a steep increase in costs and reduced competition.

Leicestershire County Council Transport Pressures

12. The position in Leicestershire County Council has mirrored that of the national position, with the local school transport market remaining challenging with both demand and costs rising.
13. The growth in EHCPs in Leicestershire over the last seven years has been well documented with numbers rising by 54% between 2016 and 2020 and a further 38% between 2021 and 2022. Not surprisingly, this has had an associated knock-on effect for SEN transport. At the end of the 2015/16 year, there were 1,551 SEN pupils/students receiving transport; this had risen to 3,031 as of January 2024. There has been a 12% rise in SEN pupils since the end of the last financial year in March 2023, rising from 2,822 pupils to the current 3,031.
14. It is worth noting that the growth of SEN students entitled to transport has been higher than those anticipated and used for budget setting. For example, the estimated figure for November 2023 when budgeting was 2,703. However, the actual figure in November was 2,915, which means an additional 212 students. This is contributing to the £0.6m forecast overspend in 2023/24. It should be stressed that the Special Educational Needs Assessment (SENA), finance and transport teams collaborate to predict these figures, however, such is the volatility and unprecedented nature of the current growth this is proving difficult to capture.
15. Accepting the caveat above, the number of pupils requiring SEN transport is predicted to rise by 6.94% in 2024/25, 7.24% in 2025/26 and a further 4.78% in 2026/27 in line with the anticipated growth of pupils with an EHCP (as projected by the Council's Children and Family Services (CFS)).
16. The local market continues to show a significant number of contracts terminated (handed back by operators or ended by the local authority) each year. In 2022/23 the figure was 200 terminations and to date in 2023/24 the figure is 203.
17. In addition, contract costs continue to rise. A sample of 220 similar SEN contracts were taken from 2022/23 and 2023/24 and this showed an increase of 7.7%.

18. Against this backdrop, expenditure on SEN transport continues to rise. At the end of the 2018/19 year, the final expenditure on SEN transport was £11.3m; currently, the forecast at the end of the 2023/24 is £22.9m (this includes fleet SEN costs).
19. There are a couple of other factors that have created pressure on SEN transport as a result of the unprecedented growth in EHCP students and market factors, which whilst very difficult to quantify, are significant factors in the increases:
- a) The increasing demand on the SENA service, has understandably led to it struggling to meet deadlines, resulting in the SEN transport team receiving late applications for SEN transport. In 2023/24, the Council received nearly 1,000 applications after the start of the summer holidays; these delays mean that the ability to build an efficient network is greatly compromised as there is very little time if any to plan. Late applications are a significant contributory factor in the increase of solo taxi contracts.
 - b) Since the outset of the pandemic, the pressure and volatility of SEN transport has been relentless. Before the pandemic, there was a quieter period between the end of October and the beginning of February, where transport teams could take stock and develop the service. This has been eroded as the growth has led to an on-going demand (in 2023-24 the Council continued to receive 80-90 applications per month) and a stressful service has become more pressurised.

Council School Transport Transformation and Positive Actions

20. The increasing numbers and the difficult market conditions has made the last years' service delivery extremely challenging. This has been compounded by the loss of experienced managers and personnel, and by the increasing demand and supply pressures coming at a time while the Department is also seeking to deliver transformation of the service. Despite these challenges, the service has successfully delivered transport for:
- a) 3,031 SEN pupils taken on two trips for 190 days, which equates to 1,151,780 pupil journeys.
 - b) 4,974 mainstream pupils taken on two trips for 190 days which equates to 1,890,120 pupil journeys.
 - c) Over 700 social care passengers.

This makes over 3m journeys provided over the last academic year.

21. Of these, 92% of all pupils, who applied and were assessed as eligible prior to the start of summer, were on arranged transport by the start of the new academic year. This has included undertaking eligible assessments; creating risk assessments; reviewing each school and contract; procuring new contracts or changes to existing contracts; generating route sheets; facilitating meet and greets; arranging equipment; setting up and monitoring payments; and supporting day-to-day correspondence with schools, operators and families.

22. In addition, the service is responsible for the ongoing monitoring of over 2,000 contracts, ensuring that changes are made as required, that operator checks are completed, and that payments and student attendance are checked and confirmed.
23. Whilst having delivered as above, this service area comes under extreme pressure each year due to both external and internal factors. It is also acknowledged that for a proportion of families, particularly those with children with SEN, getting their school transport provision in place is a difficult experience for a variety of reasons. To address these factors and help drive efficiencies and reduce cost across the service, a transformation programme has been developed and is in progress across the service area.

Transformation Programme

24. In September 2022, a transformation programme was initiated to manage demand and deliver efficiencies across the Assisted Transport service. Over the last 12 months the focus has been on:
- a) **Procurement and implementation of new systems** – the key priority of the transformation programme to date has been on identifying and implementing a new software system to replace the existing outdated IT system (STADS). A new system is central to the delivery of the transformation programme, as it will enable numerous improvements including automated routing; customer communication; financial management; data intelligence; and more efficient integrated processes for the service. Following a procurement exercise undertaken via the Government g-cloud procurement facility (in line with the Council's procurement rules), the Council entered into a contract with Mobisoft Travel Centre (MTC), for the supply of a Home to School Transport Management system, as this best met the services requirements. The system is already being used successfully by several large county authorities (for example, Worcestershire County Council, Lincolnshire County Council and Surrey County Council) and will provide the functionality to better deliver service requirements. A project team has been put together to manage the transfer and successful implementation of the new system.
 - b) **Development of the Transport Hub** – a consultant and several temporary staff were recruited to support the design and delivery of a new transport hub. The Hub has focused on the customer experience working closely with the Council's corporate communications team to revise communications for schools and parents, implement a new duty cover system during the summer peak period for parent communications and coordinate complaints and freedom of information requests. It will also support managers to implement new ways of monitoring service performance.
 - c) **Enhancements to Personalised Travel Budgets (PTB) processes** - considerable effort has been put into promoting and improving processes related to PTB. Given the prevailing market conditions, these are the most cost effective for the Council and provide more flexibility for pupils,

parents and carers. Despite some initial problems that delayed implementation, the service has worked with Barclaycard to introduce a new payment system and the overall number of PTB's has increased from 842 in 2022/23 to 1,024 in 2023/24 (an increase of 21.6%).

- d) **Implementation of new procurement practice** – implementation and embedding of Pro-Contract (the Council-wide procurement software) to support robust and compliant procurement practices across the service.
- e) **Supporting developments in the local market** – the service has been working on a school only driver license badge with Blaby District Council and its taxi licensing officers. This has been introduced as it was recognised that there are a number of drivers who are only interested in undertaking school routes and are not interested in a wider private hire or hackney licence. This dedicated licence does not compromise any of the safeguarding or safety elements, but is bespoke to school transport and, therefore, designed to encourage more drivers to become school only drivers. To date, there have been 52 school driver badges issued, and its success is being looked at for further roll out.
- f) **Appointment of a new permanent Head of Assisted Transport** – Resourcing challenges and the competitiveness of the market has meant the Council has not been able to recruit a permanent staff member to this position for some time. However, a new permanent Head of Service has now been appointed. The continuity and leadership this brings will be key to driving the transformation and the service going forward.

National Work

- 25. The Director of Environment and Transport is currently chair of the Association of Directors of Environment, Economy, Planning and Transport's (ADEPT) Transport and Connectivity Board. In that role she co-chaired a working group with the Association of Directors of Children's Services (ADCS). This working group looked at the legislative changes both associations would want to see with regard to SEN transport and also produced a toolkit to support local authorities in delivering SEN home to school transport. This toolkit has been appended to this report.

Next Steps

- 26. Whilst there is some evidence that cost pressures may have begun to stabilise and the rate of growth is gradually slowing down, it is also evident that the trajectory will continue to rise for at least the next few years. Controlling this will, therefore, remain a significant priority for the Council for the foreseeable future. Over the next 12 months the service will focus on transformation and delivery in the following areas:
 - a) **Systems and processes** – the new MTC system is planned to go live in April 2024. Focus is on the final stages of user acceptance testing and staff training. Once the system is live, the next stage will be the stabilisation of the system and using the route planning modules to support the new school year, implementing new improved data

management and reporting financial management processes, and relooking at business processes to improve automation and efficiency.

- b) **Managing the new school year transport** – closely aligned to the above, the service will be ensuring the management of a successful new year and especially ensuring utilisation of the new software system MTC.
- c) **Continued focus on customer experience** – ensuring that the customer is at the centre of the service and continuing to develop the Transport Hub to more effectively meet the needs of the customer while delivering this service.
- d) **Commissioning** – developing the service’s procurement practices and taking practical steps to review commissioning processes (such as reviewing the Dynamic Purchasing System; contractual terms and conditions; engagement with operators; tenures of contracts; tender processes including developing a tendering timetable).
- e) **Safeguarding and compliance** – a dedicated project will be undertaken to review the current safeguarding and compliance approach and processes, with a view of strengthening and improving the service’s work.
- f) **Closer links with SENA service in CFS** – as was noted in the statutory guidance issued by the DfE, it is important that the SENA and transport service work as closely as possible to ensure the best possible outcomes. The Council will be prioritising this and will continue to look for improvements in the application process.
- g) **Developing Council workforce** – identifying ways to improve the service’s workforce support and development offer, including culture, communication, managing and recognising stress, personal development and a review of the service structure.

Resource Implications

- 27. Budget growth of £1.8m in 2024/25, rising to £6.5m by 2027/28 has been included in the 2024-28 MTFS for SEN transport. These figures are based on the current projected increase in SEN pupil numbers requiring transport.
- 28. The 2024-28 MTFS includes savings requirements from the overall Assisted Transport Programme (which incorporates SEN, Mainstream School and Social Care transport) of £0.9m in 2025/26, rising to £1.2m by 2026/27.
- 29. Given the growth and demands on the assisted transport business as usual activities, additional reserve funding of £0.3m in 2024/25 and £0.2m 2025/26 has been identified to deliver the Assisted Transport Programme.
- 30. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Conclusions

31. Council SEN transport continues to see significant growth, which aligns with national trends. This level of growth strongly emphasises the importance of the transformation project currently underway across the Assisted Transport service, and in light of the Council's overall financial position the need to expediate this as quickly as possible. Last year was a very challenging one for the service, with considerable resourcing pressures due to staff leaving and sickness. However, there has been considerable work undertaken that has built the foundations for the introduction of the new software system at the beginning of the new financial year, and this, together with a new permanent Head of Service, should see the momentum of the transformation work accelerate.
32. Members are asked to note the content of this report.

Background Papers

Report to the Highways and Transport Overview and Scrutiny Committee – Special Educational Needs Transport Service – Update – 26 January 2023

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1293&MId=7171&Ver=4>
(item 43)

Report to the Children and Families Overview and Scrutiny Committee – Transforming SEND and Inclusion in Leicestershire (TSIL) Programme Update – 23 January 2024

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1043&MId=7477&Ver=4>
(item 9)

County Council's Network – ISOS Partnership: From home to the classroom - making school transport services sustainable

<https://www.countycouncilsnetwork.org.uk/advocacy/publications-research-consultations/?search=&orderby=newest&category=&tag=104>

Circulation under the Local Issues Alert Procedure

None.

Equality Implications

33. There are no equality implications arising directly from the recommendations in this report.
34. Equality Impact Assessments will be carried out in relation to work undertaken on individual projects when appropriate.

Human Rights Implications

35. There are no human rights implications arising directly from the recommendations in this report.
36. Human Rights Impact Assessments will be carried out in relation to work undertaken on individual projects when appropriate.

Appendix

ADEPT SEND Transport Toolkit

Officers to Contact

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