



HIGHWAYS AND TRANSPORT OVERVIEW AND SCRUTINY
COMMITTEE: 5 JUNE 2025

HOME TO SCHOOL TRANSPORT ANNUAL REPORT 2024/2025 AND
KEY PRIORITIES FOR 2025/2026

REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT

Purpose of the Report

1. The purpose of this report is to advise members regarding the performance and delivery of the school transport service for the 2024/25 academic year, and present the challenges faced by the service in terms of managing growth and driving efficiency.
2. The report also outlines key successes achieved in the past 12 months and provides a summary of the next steps to be taken by the service over the next year.

Policy Framework and Previous Decisions

3. The primary legislation governing home to school transport is the Education Act 1996, which imposes a duty on local authorities to:
 - a) Assess the school travel needs of their area and to promote the use of sustainable modes of travel to meet school travel needs (Section 508A).
 - b) Make home to school travel arrangements to facilitate eligible children's attendance at relevant schools (Section 508B).
4. In March 2018, the Cabinet approved changes to the 'Mainstream and Special Educational Needs Home to School Transport Policy' which were introduced from the start of the 2019/20 academic year. The Policy, which is published each academic year, applies to children living in Leicestershire. It describes free and assisted transport entitlement to mainstream schools, academies and colleges, including entitlement for children with Special Educational Needs (SEN) who have no special transport requirements and who attend such establishments. Some children with special educational needs require specific transport, for which there is a supplementary SEN policy.
5. In September 2019, the Cabinet considered a report on the implementation of the Council's 'Home to School Transport Policies', which included Personal Transport Budgets (PTBs). A judicial review on the Council's SEN Policy for 16–18-year-olds delayed the implementation of PTBs until the start of the

2021/22 academic year.

6. In June 2023, the Department for Education revised its statutory guidance on 'Travel to school for children of compulsory school age'. The updated guidance clarified the law, recognised the increasing cost of delivering free home to school travel and the importance of taking travel costs into account when local authorities planned the supply of school places. It stressed the importance of school travel and SEN teams working together to ensure travel arrangements were considered when deciding what school to name in a child's Education, Health and Care Plan (EHCP).
7. One important change in the statutory guidance was an amendment to the rules in relation to transport for looked after children (children in care or who have been looked after by the Council), who were placed in care outside of their permanent local authority and hosted by an alternative local authority. Transport would now be paid for by the hosting authority.

Background

Current School Transport Operation

8. The Council continues to meet all transport requests, despite challenging increases in pupil numbers and challenging market conditions.
 - a) Nearly 3.2m pupil journeys were provided over the 2024/25 financial year.
 - b) 94% of all pupils who applied and were assessed as eligible, prior to the start of summer 2024, were on arranged transport by the start of the new academic year.
9. Mainstream school transport is provided primarily by commissioned bus service and season tickets and SEN transport is provided in the main, by taxi, Council in-house fleet or PTB.
10. To achieve this, a wide range of tasks need to be performed, including 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.
11. Data from January 2024 to December 2024 shows that almost 60,000 customer contacts were received:
 - a) 1,265 visits to County Hall,
 - b) 6,918 e-forms,
 - c) 45,867 emails,
 - d) 5,906 phone calls.
12. In addition, the service is responsible for the ongoing monitoring of contracts with transport providers. During 2024/25, over 1,800 operator and route checks were undertaken. Activities included:

- a) 815 on-site inspections of taxi/bus operations,
- b) 74 operator audits,
- c) 64 further checks of DBS (Disclosure and Barring Service) applications,
- d) 362 verbal competences and identity document checks of new Personal Assistants.

Mainstream School Transport

13. The majority of students travel to primary and secondary schools within Leicestershire. In line with the current transport policy, 5,124 students were eligible for free school transport as at September 2024.

Figure 1: Breakdown of cost per pupil and budget for mainstream school transport

Mainstream Position	2024/2025	2025/2026
Pupils	5,124	
Average Cost Per Pupil	£1,191	
Expenditure	£6,101,861	
Budget	£4,575,091	£6,788,900
Overspend	£1,526,770	

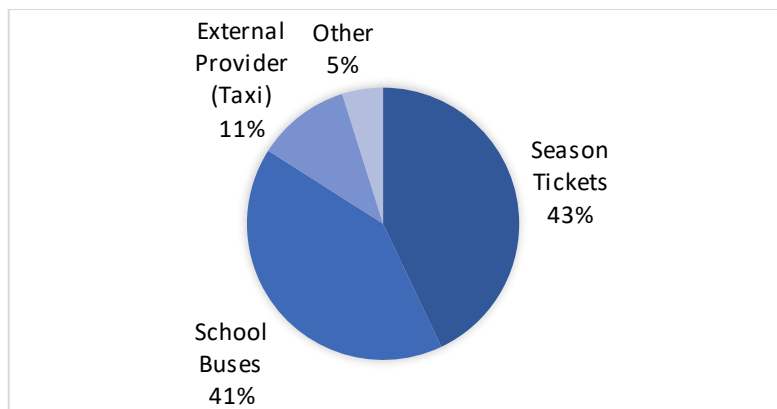
14. Last year transport was provided over 196 school days, twice a day a total of 2,008,608 journeys.

Figure 2: Travel options - Data Snapshot - September 2024

2024/2025 Mainstream	Total number of pupils
Season Tickets	2,201
School Buses	2,104
External Provider (Taxi)	570
Personal Transport Budget	38
Other Local Authority Provision	2
Service Shared by School	68
Local Bus Services	138
SEN Students on Mainstream	3
Total	5,124

15. The table above shows the different travel options available to mainstream settings. These are mainly buses and season tickets. This information is also shown on Figure 3 below.

Figure 3: Travel Options



16. There has been a significant increase in costs affecting mainstream travel in recent years. In 2021/22, the cost per school day was £25,190 and, based on a total number of pupils at July 2022 of 4,803, this equates to £5.24 per pupil per day. In 2024/25, as of September 2024, the cost per school day had risen to £37,663 and, based on a total number of pupils as at September 2024 of 5,124, this equates to £7.35 per pupil per day. The Medium Term Financial Strategy (MTFS) growth bid for 2025/26 was based on an estimated total of 5,245 Mainstream students requiring transport. Cost increases have occurred in recent years due to a number of factors including, rising fuel costs, inflation, the impact of the war in Ukraine and difficulties in recruiting drivers.

SEN Transport

17. Eligibility for SEN transport is assessed in three groups:
- a) Nursery age, 2-4
 - b) 5–16-year-olds,
 - c) Post-16.
18. If a child/young person is eligible for transport assistance, they may receive either:
- a) Council-organised transport, which may be a fleet minibus or taxi or a bus pass for use on public transport.
 - b) PTB, which provides freedom for the family/young person to make their own transport arrangements and to receive a personal payment, with the value based on the distance being travelled.
19. A total of 2,275 applications for SEN transport were received in the 2024/25 academic year and associated risk assessments were undertaken.

Figure 4: Breakdown of costs per pupil and budget for SEN transport

SEN Position	2024/2025	2025/2026
Pupils	2,985	

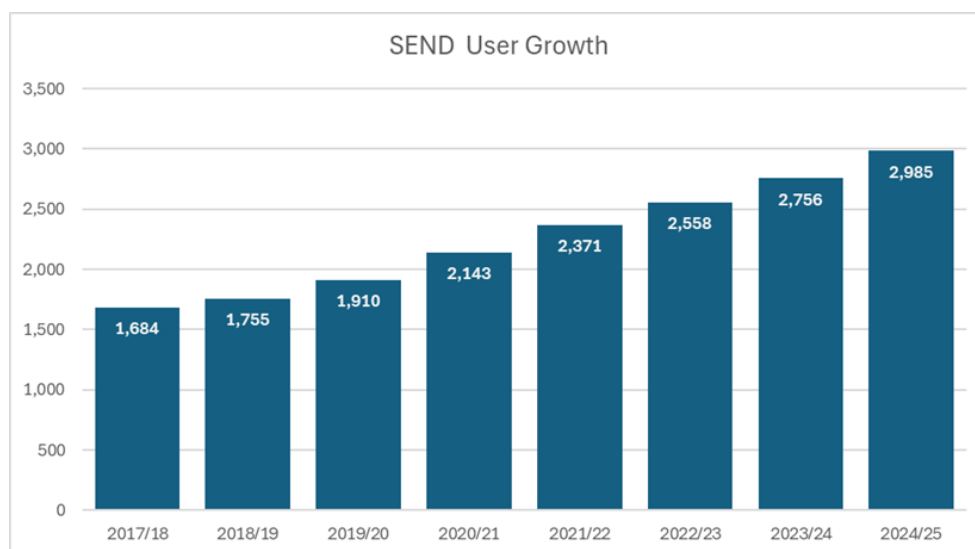
Average Cost Per Pupil	£8,680	
Expenditure	£25,909,820	
Budget	£26,128,799	£26,901,065
Underspend	-£218,979	

20. The 2,985 SEN pupils were taken on two trips per day for a total of 196 days, equivalent to 1,170,120 pupil journeys.

Costs and Growth Challenges

21. The local school transport market remains challenging both nationally and in Leicestershire, with increasing demand for the service and costs. Some of the challenges nationally and locally are as follows:
- Since the introduction of EHCPs in 2014, there has been a national growth of EHCPs of 140%. In Leicestershire the growth was 119% (2017 to 2024).
 - The increase in EHCPs has affected SEN transport, with approximately 45% of pupils with an EHCP requiring transport provision.
 - At November 2015, there were 1,551 SEN pupils receiving transport. This rose by 92% to 2,985 by October 2024.
 - The demand for EHCPs for children with SEN has also increased significantly, leading to rising demand for specialist SEND provision.

Figure 5: SEND User Growth in Leicestershire since 2017/2018 as recorded in November 2024



22. The Medium Term Financial Strategy (MTFS) growth bid for 2025/26 was based on an estimated total of 3,202 SEN students requiring transport. There is currently a large number of children/young people with EHCPs waiting to be assessed or waiting for appropriate school places to become available. This has a significant impact on Assisted Transport Programme budgets and service delivery.
23. There were a greater number of SEN student applications, many waiting to be allocated their final provision. Joint working with Children and Family Services will continue to model the likely financial impact of increased student numbers.
24. The local market continues to show a significant volatility, which is reflected by the number of contracts handed back (terminated) by operators: this occurs when operators no longer feel that they can continue to provide the service.
 - a) 2024/25 - 188 terminations,
 - b) 2023/24 - 203 terminations,
 - c) 2022/23 - 200 terminations.
25. In addition, contract costs have risen substantially since the COVID-19 pandemic and the start of the Ukraine war. A sample of 220 SEN contracts taken from 2022/23 and 2023/24 showed an increased cost of 7.7%. A similar exercise was undertaken in September 2024, which showed a smaller increase of 1.85%: it is likely that this reduction reflects the fact that historic contracts have caught up with the market rate.
26. Against this backdrop, expenditure on SEN transport continues to rise. At the end of the 2018/19 year, the final expenditure on the SEN transport was £11.3m, whereas the 2024/25 SEN transport expenditure was £25.9m
27. Other factors related to this growth, which have added to the pressure, include:

Late applications for the SEN transport in 2024/25 - the Council received a significant volume of applications for SEN transport after the closing date, which is in late May each year. Late applications mean that the ability to build an efficient network is severely compromised as there is little time if any to plan. Late applications remain a contributory factor in the increase of solo taxi contracts. This situation often occurs because an Education Health and Care Plan is not yet in place, and therefore the school where transport is required is not known, and transport cannot therefore be planned within the usual planning timeframes.

- a) 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 each year, where transport teams could take stock and develop the service. This has been eroded as the growth has led to an ongoing demand; in 2023/24, the Council continued to receive on average 80-90 applications per month. In 2024/25, this has increased to 148 applications per month in total for the SEN and Mainstream transport which has a significant impact on the service's resource.

Drivers for Growth and National Comparators

28. The overall increasing pressures in home to school transport, but especially for SEN transport, are consistent across the country. The key elements that drive the SEN transport expenditure remain:
- a) Demand/growth - the number of pupils eligible for the SEN transport assistance.
 - b) 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 creates additional pressure with both more requests and longer and more expensive journeys.
29. As indicated previously, the unprecedented growth in EHCPs nationally in the last 10 years has also meant that the number of students entitled to SEN transport has risen. The growth has also created pressure on locally available SEN school places, meaning that many SEN pupils must travel further to access a suitable school.
30. A report by Impower and the County Council Network (CCN) in November 2024 notes that 'Home to school transport services remain the largest, and most financially challenging area of educational responsibility for councils outside of SEND'. The report cites research carried out by the CCN showing that 'costs for councils in county areas doubling to £800m in the last five years alone, with national expenditure growing from £727m in 2019 to £1.4bn in 2024'.
31. The table below shows the increase in national costs. It should be noted that in county and rural areas the increases are more acute, due to transporting nearly double the number of passengers.

Figure 6: Table showing national data trends EHCPs and cost increases

National Position	2018/2019	2023/2024	Increase
Pupils	911	1,300	43%
Average Cost Per Pupil - Overall	£6,280	£8,299	32%
Average Cost Per Pupil – County Councils	£6,972	£9,750	44%
	2014/2015	2023/2024	
EHCPs	240,183	575,973	140%

32. The CCN report also noted the increase in use of cars/taxis and the impact of complex needs on SEN costs, as shown in Figure 7 below.

Figure 7: Increased car/taxi use and SEN costs

National Position	Change / Impact
Use of cars, including taxis, to transport children with SEN to school had increased.	36% increase between 2019 and 2023
Complexity of children's needs that might require more individualised transport arrangements were impacting on costs.	77% of local authorities responded that they were contributing to higher costs of SEN transport

33. The types of trends identified by the CCN survey have also been echoed by the Association of Transport Co-ordinating Officers and the Local Government Association all of whom have identified growth in SEN transport as a significant pressure for local authorities across the country.
34. To further compound these pressures, a combination of the Covid-19 pandemic and other world events have disproportionately affected 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.

Assisted Transport Programme Work

35. In September 2022, the Council's Transformation Programme initiated work to manage demand and deliver efficiencies across the Assisted Transport Service.
36. The aim was to ensure that systems were in place to effectively deliver home to school transport and to ensure that best procurement practices underpinned service delivery.
37. Over the past year, the programme has implemented a number of key changes that have resulted in both improved outcomes and the achievement of MTFS efficiencies ahead of schedule. These include -
- a) Implementation of new operational management system - Including automated allocations; customer communication; financial management; improved data intelligence; and more efficient integrated processes for the service. It is anticipated that this will be fully implemented by summer 2025.
 - b) Customer Programme - A new Transport Hub improves customer experience, with benefits including fast-tracked responses to enquiries, online contact form providing answers to common queries, automated proactive communication to parents, Interactive Voice Response telephone messaging, improved website content, and a review of all

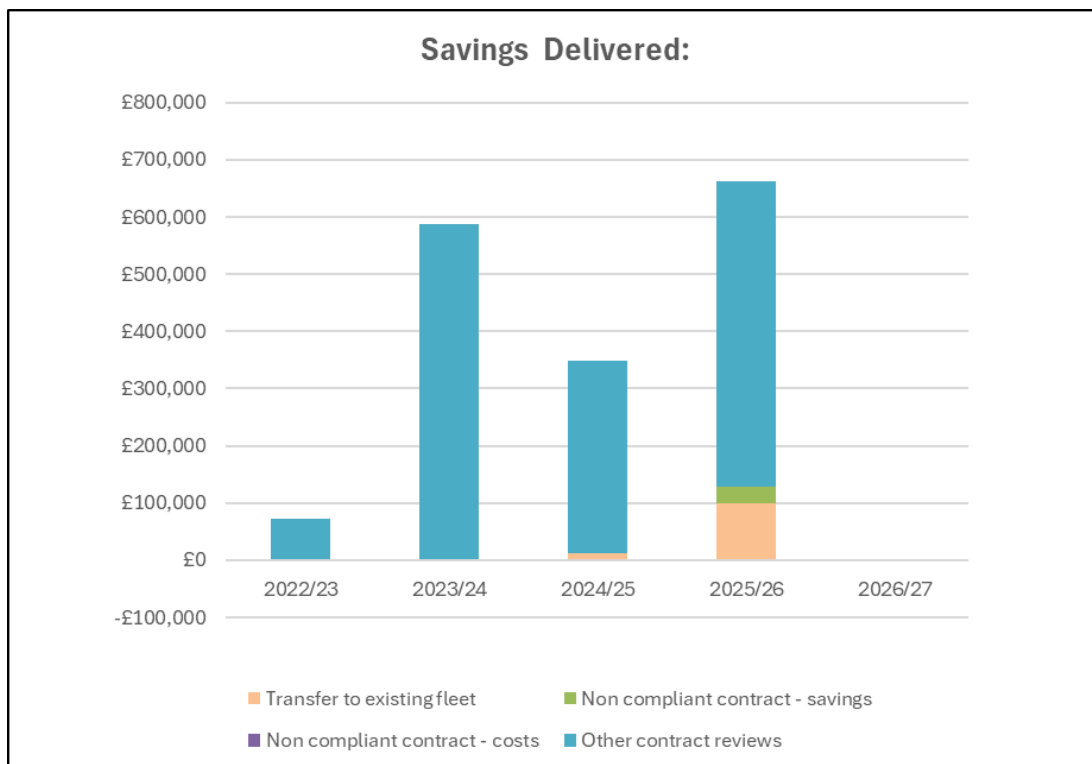
letters to customers. A duty cover will also continue to be in place during the summer peak period for parent communications, including the virtual hub. The virtual hub is a chat room where calls or messages that are more complex, than those typically received by the customer service centre can receive a response.

- c) Enhancements to Safeguarding Practice - A workstream has been established to bring about a number of enhancements including a revised DBS tariff, verbal competency and identity document checks, bespoke safeguarding training for Assisted Transport Service staff, a targeted inspection programme, DBS alerts ahead of expiry dates and new procedure for pre-contract checks of crews delivering transport for high needs service users.
- d) New Data Capability - The data capability of the new Home to School Transport Management comprehensive software system has improved budget forecasting, contracts and year-end reporting and new school year and 'exceptions' dashboards, to improve service performance management information.
- e) Efficiencies - New data and routing capability has improved the identification and implementation of more efficient home to school transport, providing better value for money, for example, merging routes and ensuring that single person journeys are identified through risk assessments, the service has successfully achieved efficiencies of £257,472 (relating to SEN and Mainstream) in 2024/25. This contributed £559,866 (relating to SEN and Mainstream) towards the MTFS savings target of £1,225,250 for 2025/26. Other efficiencies have also been achieved for Social Care.
- f) Commissioning and Procurement - Introduction of the Corporate Early Payment scheme by September 2025. Providers will also be required to make changes to some safeguarding practices, and to start submitting electronic invoices by September 2025, working towards full compliance with Procure to Pay.
- g) Replacement of outdated system - During 2024 an outline business case was approved, defining a broad programme of delivery in the coming years, including replacement of the previous outdated STADS system.
- h) Enhancements to PTB processes - The service has continued to prioritise the development of PTBs which is the most cost-effective solution. Around a third of SEN students are awarded PTBs.
- i) Partnership Working - During the last year, the Assisted Transport Service has been actively involved in regional and local partnership working with other local authorities to develop best practice in school transport.

Summary of Benefits to Date

38. Figure 8 below shows the Assisted Transport Programme's performance in recent years in terms of efficiency savings. The savings position is reviewed monthly on an on-going basis.

Figure 8: MTFS Savings Achieved by the ATP since 2022/2023 (includes SEN, Mainstream and Social Care Savings)



Next Steps and the Transformation Agenda

39. A review of the Assisted Transport Programme was undertaken in summer 2024, identifying a range of actions, including:
1. Utilising data to deliver continuous improvement.
 2. Improve cost control, through budget sufficiency and smarter commissioning.
 3. Collaborating with partners in the Council to forecast demand for transport arising from new housing developments and schools, including the design of safer walking routes.
 4. Implement and manage structural change, so that the transport teams are fit for future challenges.
 5. Digital as the default service offer.
 6. Continue to build on knowledge and skills of all staff, reducing risk and delivering a more robust service.
40. The programme also has a number of specific workstreams aimed at developing and improving the service, as set out below.

Information Technology Digital and Process

41. The focus of this workstream will be to ensure that the progress made to date is embedded and business processes, cost control and overall efficiency continue to be improved. These will include:
- a) Ensuring thorough planning for the decommissioning of previous IT systems, to support a seamless transition and successful implementation of alternative processes/systems.
 - b) Invoicing processes are fully digitalised, and all invoices are received electronically by September 2025.
 - c) The feasibility and viability undertaken on the potential introduction of new applications (apps) to fully automate some key business processes. This includes an app to automate inspection feedback, operator communication, invoicing, and parental driver portal.

Customer Experience

42. The rollout of improvements to customer contact will be monitored over summer 2025. 'Lessons learned' will inform the design of the next set of customer developments, working closely with specialist colleagues from the corporate customer programme to standardise best practice.
43. Stronger links with schools are being developed to ensure that transport provision is as effective as possible. This includes continued membership of the Education Leaders Meetings, comprising the Head Teachers of the six largest special needs schools and working with Children's Services to improve joint working and to support efficient decisions which evaluate both educational and transport implications.

Tendering and Efficiencies

44. During the new school year (2025/26) staff will continue to maximise efficiencies as part of designing the new school transport network. This will include a fundamental review of the routes used to the six largest special needs schools, to ensure that the Council's fleet is used as much as possible. The schools are: Dorothy Goodman (all sites), Ashmount, Birchwood (all sites), Birkett House (all sites), Forest Way, Maplewell (all sites).
45. Efficiencies will be tracked and logged to monitor MTFS savings. As part of this work, a further outcome will be the delivery of an ongoing tendering programme.

Commissioning and Procurement

46. The Commissioning and Procurement Workstream will continue to ensure that transport providers offer value for money for the Council, comply with required standards legislation, and understand any changes required for service delivery, arising from the programme.
47. Preparations are currently underway to vary the terms and conditions of contracts. Starting from autumn 2025, a number of improvements will start to be implemented, including enhanced safeguarding measures, and the introduction of digital processes for financial transactions. Further contract

variations will be required as the programme progresses and new initiatives are defined in detail.

48. Better value for money will also be sought. When very late requests are made for transport, this often results in higher costs for the Council. More fundamental changes to the way transport providers work will be needed if further opportunities for digitisation, such as the use of app-based technology, prove feasible. These, along with changes to procurement law, will require a significant review of the Framework Agreements with transport providers, involving a two-year planning period.
49. Ongoing engagement with providers during this period will be needed to understand the impact of proposed changes on contract prices and future changes to procurement agreements.

Finance and Performance

50. Finance reporting will continue to be enhanced to improve forecasting and budget management. In addition, the financial transactions will be streamlined to allow more efficiency.
51. Data intelligence will continue to be improved, through the development of dashboards, working with other local authorities that use the same Home to School Transport Management software system.

Safeguarding

52. The safeguarding workstream will continue to build on last year's improvements and extend roll-out of new initiatives, such as verbal competency testing, and extend the roll-out of internal training for staff within the Assisted Transport Service. Additional priorities include:
 - a) A review and development of the 'Helping Hands' training provided to operators.
 - b) Establishment of greater links with colleagues in health and social care teams to develop training for the staff dealing with students with multiple and complex needs.
 - c) Improving links between compliance activity and the software system, delivering automation of recording: site checks, incidents, and compliance actions.

Service Structure

53. A re-structure of Assisted Transport Service to maximise service delivery, efficiency and support staff wellbeing is to be completed by April 2026.

Resource Implications

54. For 2025/26, the SEN transport budget amounts to £26.9m. This includes net growth of £3.1m, which is projected to rise to £9.6m by 2028/29 (based on the current projected increase in SEN pupil numbers requiring transport).

55. For 2025/26, the Mainstream transport budget amounts to £6.8m. This includes net growth of £0.8m, which is projected to rise to £1.3m by 2028/29 (based on the current projected increase in Mainstream pupil numbers requiring transport – note this includes £0.1m growth following a statutory change in Mainstream Home to School transport policy).
56. The 2025-29 MTFS includes a net savings requirement from the overall Assisted Transport Programme (which incorporates SEN, Mainstream, and Social Care transport) of £0.6m in 2025/26, rising to £2.0m by 2028/29.
57. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Conclusion

58. Despite ongoing pressures for school transport, especially within the SEN transport and industry, the service was able to successfully deliver transport to students across the County, facilitating approximately 3.2m pupil journeys.
59. The new Home to School Transport Management software system has been implemented and whilst further developments are to be initiated, significant benefits are already emerging, especially in relation to financial reporting and improved data intelligence. The system has also facilitated the delivery of the targeted tendering work, which has supported the first tranche of efficiency savings.
60. 2025/26 will undoubtedly continue to see the service challenged by further growth and industry pressures. To combat this, there will be a continued roll-out of the transformation of the Assisted Transport Service, supporting delivery of the Council's statutory requirements and helping to deliver efficiencies.

Background Papers

Highways and Transport Overview and Scrutiny Committee, 7 March 2024: Special Educational Needs School Transport Service – Update
<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1293&MId=7456&Ver=4>
 (item 55)

Cabinet, 13 September 2019: Mainstream and Special Educational Needs Home to School Transport Policies – Outcome of Judicial Review
<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5605&Ver=4>

Cabinet, 9 March 2018: Mainstream and Special Educational Needs Home to School Transport Policy
<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5178&Ver=4>

Leicestershire County Council's 'School Transport – Special educational needs and disabilities' (SEND) webpage
<https://www.leicestershire.gov.uk/education-and-children/school-transport/school-transport-special-educational-needs-and-disabilities-send>

Leicestershire County Council's Mainstream Home to School/College Transport Policy for the 2025-26 academic year

<https://www.leicestershire.gov.uk/sites/default/files/2024-08/Mainstream-home-to-school-transport-policy-2025-26.pdf>

Leicestershire County Council's Special Educational Needs Home to School/College Transport Policy for the 2025-26 academic year

<https://www.leicestershire.gov.uk/sites/default/files/2024-08/SEN-home-to-school-college-transport-policy-2025-26.pdf>

County Council's Network – ISOS Partnership: From home to the classroom - making school transport services sustainable (published November 2023)

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

The Travel To School Challenge (published November 2024)

<https://impower.co.uk/publications/travel-to-school-report-ccn-bulletin/>

Circulation under the Local Issues Alert Procedure

None.

Equality Implications

61. There are no equality implications arising directly from the content of this report.
62. Equality Impact Assessments will be conducted in relation to work undertaken on individual projects when appropriate.

Human Rights Implications

63. There are no human rights implications arising directly from the content of this report.
64. Human Rights Impact Assessments will be conducted in relation to work undertaken on individual projects when appropriate.

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