

Briefing Note

To: Cabinet Scrutiny Committee

From: Keith Abbott, Director of Finance and Corporate Services

Date: 28 November 2008

Subject: **Mainstream and SEN Home to School Transport**

1. Background

- 1.1. As part of the 2007-10 MTP process the SEN transport budget was reduced by 10% in 2007-08 financial year and the Directorate was asked to look at implementing purchase cards as a way of delivering part of that saving (£870k) and keeping price increases to under 5% (£119k). In total, the SEN budget was set a savings target of £989k.
- 1.2. It was expected that by putting the purchasing power in the hands of parents savings could be realised, especially if making their own arrangements led to a significant reduction in the number of taxi contracts.
- 1.3. In addition it was anticipated that by putting existing contracts out to re-tendering, further savings could be derived.

2. Parental Transport Arrangements and Purchase Cards

- 2.1. The directorate carried out a survey of all 3,500 users to test for interest in the scheme, which had a 50% response rate. Only a small number of users requested more information about making their own arrangements. Only in a very few cases was it possible to generate savings as reductions in cost can only be achieved by this method if the pupil in question was being transported to school on their own in a taxi. If they travelled by bus or are one of a number of students in a taxi then KCC is unable to realise any saving by moving them to a direct payment/purchase card arrangement as the existing bus/taxi still need to run.
- 2.2. The vast majority of parents appreciate the convenience of having the responsibility for arrangements taken off their hands, especially where they have other siblings' journeys to school to consider.

3. Contract Review

- 3.1. The greatest scope for savings seems to lie with those users who are single occupants in taxis, as this form of provision works out at the highest average rate per pupil. Commercial Services have reviewed every sole-occupancy taxi journey (approx 500) and put them out to tender to see if savings can be made. The tender was offered to all 300 taxi operators in Kent. These contracts only represent around 15% of journeys; the remainder are multi-occupancy taxi and bus contracts.

4. 2007-08 Budget Position

- 4.1. The purchase card saving was not realised in 2007-08. Furthermore there was an increase in the number of children requiring transport to schools, partly resulting from Appeals and tribunal decisions, as well as increases in fuel costs.
- 4.2. The year also saw a reduction in the anticipated income from charges of £104k due to the number of vacant seat places purchased by parents being lower than anticipated

4.3. Overall the £870k savings target set within the budget strategy was not achieved for 2007-08 and the factors described above led to an overspend of £892k on SEN transport. This was, however, covered by underspends elsewhere within the Directorate.

5. 2008-09 Budget

5.1. Since the start of the year, further very significant rises in fuel costs (now abating) added to contract charges. An overspend of £1,390k is now forecast overall, and this is made up of:

- the shortfall in meeting the original savings target through purchase cards
- the higher than forecast numbers travelling
- above budgeted level of inflation – this has negated any savings that would have been achieved through retendering.

5.2. Details of the number of children receiving assisted SEN transport to school have been included in the table below. This activity data shows that there are on average 170+ more children per month (excluding July) in receipt of SEN transport to schools compared to the same time last year and the estimated cost of the increase in numbers is £766k.

5.3. In 2007-08 there was a MTP savings target of £870k for SEN transport. However with the economic down turn and in particular the increase cost of fuel it is estimated that only £246k of the savings can be achieved leaving a forecast base pressure of £624k in 2008-09.

6. Mainstream Transport

6.1. The trend reported for 2007-08 is continuing and an underspend of £603k is forecast on this budget due to the numbers travelling being lower than the budgeted numbers. Details of the number of children receiving assisted mainstream transport to school have been included in the table below.

6.2. When taken together, the overall net position forecast for 2008-09 of both mainstream and SEN transport is an overspend of £801k.

7. Numbers of children receiving assisted SEN and Mainstream transport to school

	2006-07				2007-08				2008-09			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budgeted level	actual	Budgeted level	actual	Budgeted level	actual	Budgeted level	actual	Budgeted level	actual	Budgeted level	actual
April	3,500	3,578	21,100	21,285	3,396	3,618	21,000	20,923	3,396	3,790	21,000	20,618
May	3,500	3,612	21,100	21,264	3,396	3,656	21,000	21,032	3,396	3,812	21,000	20,635
June	3,500	3,619	21,100	21,202	3,396	3,655	21,000	21,121	3,396	3,829	21,000	20,741
July	3,500	3,651	21,100	21,358	3,396	3,655	21,000	21,164	3,396	3,398	21,000	20,516
Sept	3,600	3,463	21,000	20,392	3,396	3,426	21,000	19,855	3,396	3,607	21,000	19,118
Oct	3,600	3,468	21,000	20,501	3,396	3,525	21,000	20,093	3,396	3,731	21,000	19,450

7.1. The actual number of SEN pupils travelling appears low in July as the ‘day of count’ was after some special schools had closed for the summer. (The count is only taken on one day in the month). The data in October gives a better view of the levels of pupils now receiving assisted transport through to March.

8. Transport Policy

8.1. The Transport Policy is currently being reviewed and information was presented to Members of the CFE Policy Overview Committee on 13 November 2008.