

Review of home- school transport arrangements

Bury Metropolitan Borough Council

Audit 2004/2005

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Introduction

- 1 Section 509 of the 1996 Education Act places a duty on local education authorities (LEAs) to provide or arrange free transport to and from school for pupils of statutory school age who live in their area if:
 - the pupil is under eight years of age and the shortest available route to school on foot is over two miles (three miles if the pupil has reached his or her eighth birthday);
 - the route, whatever its length, is unsafe if travelled on foot, even if the child is accompanied by an adult; or
 - there are exceptional circumstances.
- 2 LEAs also have discretion to provide free home to school transport (HST) in a range of other circumstances.
- 3 The above criteria apply equally to pupils in mainstream educational provision and those with special educational needs (SEN).
- 4 Within these criteria there are a number of key determinants which are used to decide whether or not HST should be provided. These are summarised below.
- 5 For pupils with SEN statements, the existence of a statement would not of itself give entitlement to transport. One or another of the following conditions would also have to be satisfied:
 - the authority has placed the pupil in a school (either a special school or in resourced provision) other than their local school because of their identified needs;
 - the authority has placed the pupil in a residential school (transport for pupils in such placements will be determined by the nature of the placement, for example, weekly or termly boarding arrangements); and
 - the pupil is physically unable to access public transport.
- 6 For pupils without SEN statements, the following conditions would need to be satisfied.
 - The authority is satisfied that there is sufficient evidence of specific medical need. For example, a pupil may be recovering from a severe illness or may, as a result of a serious accident, have a temporary incapacity which adversely affects their mobility. Providing temporary transport in such cases would allow these pupils to continue their education.
 - The pupil is attending the Pupil Learning Centre (PLC) pending the completion of a statutory assessment. Again, transport would be provided on a temporary basis until the assessment has been completed.
- 7 The main focus of our audit concerned HST provision for SEN pupils, as this is the area where the majority of cost pressures are likely to arise.

Background

- 8 The Council currently provides HST for pupils with a variety of disabilities via the local education authority (LEA).
- 9 The LEA has responsibility for managing the HST budget, and for assessing pupil entitlement to HST on the basis of SEN statements. It places contracts for HST services with external service providers, in accordance with the Council's procurement policies and procedures.
- 10 The Council has been concerned for some time about the rising cost of providing HST. The service is essentially demand-led, and increasing demand has led inevitably to increased expenditure. This is particularly the case with HST provided for SEN pupils in the Borough's primary, secondary and special schools. However, there is uncertainty as to:
 - the major factors that influence the cost of Bury's HST service; and
 - how the Council's service provision compares with that of other metropolitan authorities, both in terms of the services provided and the costs of those services.
- 11 The LEA is considering various options for cost reduction. These could include improved procurement procedures, amending the criteria for eligibility for HST, withdrawing entitlement to HST from certain categories of pupil, and increased use of bus passes for those children who are able to use this form of transport. However, most of these are likely to encounter resistance from parents and carers.

Scope and objectives

- 12 The main objective of our audit review was to help the Council obtain a better understanding of the costs of its HST service, and improve its cost-effectiveness, by:
 - seeking any available cost comparisons with metropolitan authorities within Greater Manchester and nationally; and
 - comparing the nature and level of Bury's 'door-to-door' service provision with other metropolitan authorities that provide this kind of service, with any national standards that may apply, and with identified good practice.

Audit approach

- 13 The audit consisted of the following main steps:
- an initial discussion with relevant officers of the LEA, to obtain an up-to-date picture of current issues and developments within the HST service;
 - in the general absence of meaningful inter-authority cost comparisons, we carried out a brief review of the LEA's current HST costs, budgetary monitoring and control arrangements;
 - comparison of the policies, procedures, eligibility criteria and appeals systems used by Bury with detailed draft good practice guidance published by the Department for Education and Skills (DfES) in November 2004 (LEA/0261/2004); and
 - a comparative review of Bury's policies, procedures, eligibility criteria and appeals systems with those used by a sample of other metropolitan authorities to determine entitlement to HST and to manage the provision of the HST service.

Main issues and conclusions

Current HST costs, budgetary control and monitoring arrangements

- 14 The general arrangements in place for supervising and reporting on the HST budget are satisfactory. Despite these controls, however, HST expenditure has continued to rise. The demand-led nature of the service is a major factor here, and there is also a need for better information systems to provide more detailed analyses of costs.
- 15 The number of Bury's pupils that use HST has remained fairly constant in recent years. However, cost pressures have increased due to the increasing complexity of individual needs and the restrictions this puts on the ability of the authority to achieve economies of scale in the provision of HST services.
- 16 Some of the factors that have to be taken into account in determining individual transport needs are as follows.
- Where the pupil lives.
 - Whether or not they are a wheelchair user and, if so, the type and size of wheelchair used.
 - The severity of pupil need. In some cases a designated escort is needed to accompany the pupil owing to the complexity of their medical needs.

- Whether or not individual transport is needed because of extreme difficulties, eg behavioural needs which may compromise the health and safety of other passengers.
 - The need of some special school pupils to experience aspects of the curriculum in mainstream schools.
- 17** Providing adequate transport for pupils in such circumstances can significantly increase the pressure on HST budgets due to the need for additional vehicles and/or pupil escorts, or for vehicles that are specifically modified to meet pupil needs.
- 18** The Council's 2004/05 budget for contracted HST services (excluding escort costs) for SEN pupils in schools, colleges and out-of-borough (OOB) placements was £1.150 million. However, this was overspent at the year-end by approximately £46,000, with most of this overspend occurring in the provision of HST services to SEN pupils in the Borough's mainstream and special schools. The 2004-05 budget for pupil escorts of £247,000 was overspent at the year-end by £162,000.
- 19** The LEA's SEN team holds the HST budget, prepares SEN statements and authorises HST entitlement. Day-to-day financial control is exercised by the Principal Officer (SEN), who receives monthly budget monitoring spreadsheets showing actual versus budgeted HST expenditure for primary, secondary, special and out-of-borough (OOB) schools. These spreadsheets are prepared by the finance support officer from information held within the general ledger system, and can be adapted to show expenditure down to the level of individual vehicles and escort staff. However, the current ledger system has been in use for a number of years and there are limitations as to how far it can support detailed analyses of activity and cost.
- 20** The Principal Officer (SEN) is responsible for investigating and challenging significant variances from budget. These are raised at team meetings, and with senior officers as required.
- 21** An annual budget update report is prepared for the Director of Inclusion and Healthcare. In addition, members review the SEN budget as part of a more general annual review of the Education Budget in February each year.
- 22** There are also a number of other areas with potential for cost reduction, and these are considered in more detail in the next section.

Comparison of Bury's HST policies, procedures and practice with DfES guidance

- 23** Bury has historically provided a comprehensive 'door-to-door' HST service to meet the transport needs of its most vulnerable pupils. Officers say that this service has been valued by both parents and schools, and has helped to support a culture where education is appreciated and valued in the Borough. However, the intrinsic demand-led nature of the HST service has led to increasing cost pressures that the authority is now having to address.

- 24** We reviewed Bury's current practice in providing HST services for SEN pupils in the light of the recently-published guidance from the DfES. This indicated that, while the authority complies with DfES guidance in many respects, there is scope for further development in the areas described below (the sub-headings are those used in the guidance).
- 25** We therefore invite the Council to consider each of these areas in turn and:
- assess its current service provision against the DfES guidance;
 - decide what improvements may be necessary to ensure full compliance; and
 - draw up a prioritised programme to implement such improvements.

Best value and procurement

- The use of longer contracts of up to five years' duration, to encourage quality suppliers to invest in service development.
- Development of flexible, resource-based contract specifications for vehicles, drivers and escorts based on time and mileage rates, using the time and costing modules of the authority's new KL2 Transys software. This will make it easier for routes to be varied to minimise costs, whilst offering some protection to the operator and an incentive to invest.
- More dialogue with relevant voluntary sector organisations to help identify and meet the transport requirements of pupils with specialised or complex needs.

In-house fleets

- Consider greater integration of the Council's in-house transport services in order to achieve economies of scale and compete on price and quality with external providers.

Consultation

- Seek more input from schools, parents and pupils when reviewing children's transport needs (for example, as part of annual SEN statement reviews) in order to inform and enrich the review process by the experience of service users.

Cost centre management

- Greater use of the authority's financial information systems to analyse HST costs to the extent recommended in DfES guidance. Examples of such analysis could include analysis by activity (such as special/medical/health needs in mainstream schools) or by type of solution (such as vehicle type, in-house or contractor provision, or use of travel passes). The forthcoming introduction of a replacement for the current FIS ledger system will help here.

Forward planning

- Use of this analysis to help provide more detailed forecasts of HST activity levels and budget requirements for the following year, and to provide outline projections for two subsequent years. This will assist forward planning by providing more certainty over future resource requirements.

Responsibilities of parents and carers

- Consider asking parents to apply for assistance with travel instead of providing transport as a result of statutory assessment or admission to special school. This may help to reduce demand and at the same time provide a service that is more closely matched to individual pupils' needs.

Determining the travel solution

- Develop a more proactive and documented system of risk assessment that also draws on the experience of parents, carers and voluntary organisations. This will help the Council to identify and manage all general and user-specific risks associated with transporting the authority's vulnerable pupils to and from school.

Co-ordination of home-to-school travel

- Specify in future contracts the qualifications and training standards required for both drivers and escorts.
- Set and monitor specific service and quality standards for the HST service. The DfES guidance sets out a checklist of minimum standards that should apply to the operation of all special transport services, whether provided in-house or through contractors.

Review of home-to-school travel arrangements

- Review the transport needs of all the authority's SEN pupils annually, not just those in Resourced Provision. This will help ensure that the level of HST provision remains appropriate to individual pupils' needs and that unnecessary expenditure is eliminated.

Encouraging independence

- Involvement of Greater Manchester Passenger Transport Authority and local bus operators in devising and providing training schemes to encourage independent travel for those SEN pupils who may be capable of it. The ability to travel independently will do much to improve young people's confidence and self-esteem, broaden their range of life choices, and generally improve their quality of life.

Policy

- Review Bury's current HST policy for compliance with the good practice checklist contained in the DfES guidance.
- Prepare a summary of the policy in line with this guidance. Make this available to parents and carers, to inform them of their entitlement and how to access it.

Comparison of Bury's HST policies, procedures and practice with those of other metropolitan authorities

- 26** We also used the DfES guidance to review current HST practice at a number of other metropolitan authorities, and we compared the results to what was happening at Bury. Many of the recommendations above have already been implemented at one or more of these authorities. In addition, we identified various other areas of good practice that may be of interest to Bury in developing its HST service in future.
- 27** The results of both these comparative reviews have already been discussed with relevant officers. The results themselves are summarised in a table that has been given to the authority as a separate document.

The way forward

- 28** The Council should now consider the results of the comparative reviews of its HST policies and practices with:
- the DfES guidance; and
 - those of other metropolitan authorities.
- 29** The Council should use this information to support decisions on the nature and extent of its future HST service provision. In particular, it should:
- cost and implement any improvements required to bring it into line with recognised good practice elsewhere; and
 - seek to produce and benchmark HST financial data and good practice across the other Greater Manchester authorities.