



Passenger Transport Transformation Strategy
PEOPLE DIRECTORATE
2022-2024



Introduction



Our Duty

The Education Act 1996 places a duty on local authorities to provide free home to school transport for all eligible children, which includes

- children with Special Educational Needs and Disabilities (SEND)
- those living outside of statutory walking distance beyond 2 miles if below the age of 8 or beyond 3 miles if aged between 8 and 16)
- some children in receipt of free school meals
- some Post-16 students
- children who cannot be reasonably expected to walk to the nearest suitable school because the nature of the route is deemed to be unsafe to walk

Local authorities also have discretionary powers to go beyond their statutory duties and to provide discretionary transport assistance for children who are not entitled to free transport. In doing so, they must consult with parents and must act reasonably when determining their travel policy.

Our context

There are currently 2 separate transport functions in Cambridgeshire and Peterborough, governing and providing services for their own local authority area. Both teams are line managed by the same Head of Service and sit in the shared People Directorate.

Both teams are operating in challenging circumstances and whilst there is some joint working between the two teams, there is increasingly a need for a joined-up approach given the shared statutory duty and the increasing demand for efficiency.

Both teams oversee and provide the **eligibility, procurement and delivery** of transport services across the policy areas covered within the People Directorate. This is a large span of service delivery and not one that is replicated in many local authorities, especially those of the size of Cambridgeshire.

This strategy proposes to outline how we will adapt to the challenging context we face to ensure we are providing access to high quality provision through the delivery of transport. The current economic climate makes it essential to ensure that we are providing best value. Alongside the need to generate additional SEND places to promote access to local education we believe it is an ideal time to revisit not whether we provide SEND transport – but how.

We have a clear duty to our entitled children and young people to ensure they can access consistent high-quality transport to enable them to receive an outstanding education. We are committed to achieving this in both Cambridgeshire and Peterborough.

Policy Areas



Policy Areas

The Transport Teams in Cambridgeshire and Peterborough provide transport for four areas of policy. Indirectly, the Transport delivery across both LAs also contributes to the Climate and Environment Strategy and the Social Value Policy.

Whilst the policy areas are well understood, accepted and applied; it is recognised that a policy review for each of the areas identified above is needed in both Cambridgeshire and Peterborough.



Home to School Mainstream

This includes post 16 provision and fair access protocol placements



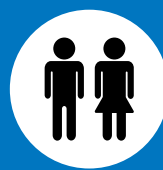
Home to School SEND

This includes post 16 provision



Children's Social Care

This includes ensuring our children in care are able to access school



Adult's Social Care

This includes ensuring vulnerable adults are able to access community care provision

Geography



By its very nature, **Cambridgeshire** is a large, rural local authority. Whilst there are areas of dense urban concentration in Cambridge, St Neots, St Ives, Wisbech, Ely and Huntingdon, the large majority of schools and residents live in a comparatively rural location, where travel of some sort to school is necessary.

Peterborough a comparatively densely populated city with more public transport options than those available to residents in Cambridgeshire, does, however, still include some more rural wards on the outskirts of the city.

In both Cambridgeshire and Peterborough there is growth, with school population rising. The number of young people in secondary school in Peterborough has risen sharply by 20% to 17,540 (21/22) and those in state funded special schools from 588 to 688, a 17% increase. In Cambridgeshire, the school population increased from 82,613 (2015/16) to 89,976 (2021/22). The number in secondary schools has experienced a smaller increase of 1.3% to 32,175 in 2021/22 but the roll in state funded special schools increased by 63% from 970 to 1,590 between 2015/16 and 2021/22.

In Peterborough the number of pupils with a statement/Education Health Care Plan (EHCP) has also been rising sharply from 1,182 in 2010 to 2,046 in 2021. However, although this is a 73% increase in Peterborough, this is a lower rate of growth than in the East of England region (79%) or nationally (England 88%). In Cambridgeshire in 2016 there were 3204 EHCPs and in 2021 this had risen to 6100, a growth rate of 90.4 %. An increase in transport need to rural Primary settings has impacted negatively on cost.

In Cambridgeshire Transport is provided to **255** schools/educational establishments. In Peterborough it is provided to **80** schools.

Routes



Peterborough

How many?

Approximately 2,000 pupils (about 5% of the school population) are transported in Peterborough.

Nearly a third of pupils who are in receipt of transport are eligible due to their special needs, and a further 28% are post 16 students.

The number of pupils with SEN transported has been rising in recent years, by 8%. The need does not seem to be concentrated to any particular geographic location.

Solo Routes

There are 42 routes out of the 233 (17%) that carry only one child – these account for more than £550,000 (12%) of expenditure a year but only 2.5% of the pupils carried on contracted transport.

The cost of this is equivalent to more than £13,000 a year for each pupil. In some cases, a solo taxi may be justified, but the high cost of these routes means that these should be the focus of review to determine whether any can be rationalised or shared.

Cambridgeshire

How many?

Approximately 11,600 pupils are transported in Cambridgeshire of which more than two thirds are entitled and attending secondary school.

Approximately 10% are entitled due to their special needs (excluding sixth form). Entitlement is extremely concentrated – with three quarters of all those transported attending 24 establishments.

There are 60 establishments out of county where transport is provided for pupils with SEND, accounting for almost £2m expenditure. Some of this is within Peterborough. Almost all pupils (1,400) attending special schools are receiving transport. **This is higher than would usually be expected, even in a rural shire where distances to special schools are likely to be long.**

Solo Routes

There are 359 solo routes – a third of all contracted routes, therefore, carry only one child. These routes account for £7.3m – almost a third of the total cost of transport.

The average cost of transport for these 359 children is in excess of £20,000 p.a. Around 90% of solo routes are for children and young people with SEND.

Modes of Transport

	Annual cost	No. of pupils	Unit cost
Contracted Transport	£4,672,482	1,662	£2,811.36
Cycle allowances	£700	7	£100.00
PTBs	£137,175	25	£5,487.00
Mileage allowance	£112,629	66	£1,706.50
Travel tickets	£118,678	258	£459.99
College bus	£2,240	11	£220.00
Other Las (estimated no. of pupils)	£196,643		
Overhead	£264,086		
	£5,504,813	2,029³	£2,690.52



Peterborough

In **Peterborough** transport is largely provided using contracted vehicles (coaches, minibuses and taxis), which accounts for almost 85% of all transport expenditure and more than 80% of the children transported.

However, some pupils are in receipt of personal travel budgets, travel on public transport, or receive a cycle allowance or parental mileage. Personal Transport Budgets (PTBs) are negotiated at 50% or less than the tendered taxi service would have been. The cost of PTBs underlines the exceptionally high cost of transport that is associated with children being placed at out authority provision.

Transport is provided by seventeen operators, with three accounting for nearly two thirds of all contract expenditure and the majority of school transport contracts. These operators have dominated school transport provision for Peterborough City Council (PCC) for several years. A total of 233 vehicles are contracted to provide PCC's school transport, with 70% of them being taxis. Suppliers are an area in scope for strategic development as part of this review.

Vehicle Size	No of contracts	Average daily rate
74 seater PSV	55	£210
53 seater PSV	13	£207
16 seater PSV	27	£147
8 seater minibus	169	£131
6 seater MPV	92	£110
4 seater	645	£74



Cambridgeshire

In **Cambridgeshire** 108 suppliers provide transport, with 7 suppliers having contracts worth > £1m p.a, and 16 having contracts worth > £0.5m each p.a. Sixteen suppliers account for more than 50% of total school transport contract value.

By vehicle type the median daily rate (excluding contract outlier) is £114 and average is £119. For those contracts where vehicle size is available, day rates are competitive and compare with other authorities. Comparison can be made using the Association of Transport Co-ordinating Officers (ATCO) surveys of tender prices. The average daily rates for the main categories of vehicles are shown above.

PTBs are used but should be explored more as part of this review to consider governance and decision processes.

Finance



Overall, home to school transport **expenditure is rising** with spend increasing in both Cambridgeshire and Peterborough. There are a number of impacting factors on this rise that are being seen across both authorities



**Rise in costs
of fuel**



**Reduction
of choice in
the market**



**Increase
in SEND
pupils**



**Lack of local
SEND places**



Peterborough finance



- The overall cost of home to school transport has risen by about 8% since 2019/20, based on forecast at nearly £5m pa for 2021/2. The rise in costs is exceeding that in the number of pupils transported, which has remained largely unchanged overall. SEN transport costs have increased more than 12%, compared to an 8% growth in their numbers, and less than 8% rise in mainstream transport costs during that time. Medical transport has seen a significant fall, but emergency transport funding a sharp increase, although both account for small elements of the budget.
- The average cost of school transport is £2,460 per pupil per year. However, transport for pupils with special needs is higher at almost £4,000 per pupil pa.
- Expenditure is heavily concentrated, with less than a quarter of the schools (16) accounting for nearly £4m (80%) expenditure and 1,500 of the pupils transported. There are a number of primarily special schools where transport expenditure is significant and where contract costs per pupil are also high.
- Although the average cost of transport is less than £3,000 per year, there are 15 schools within the authority where it exceeds £10,000 per year, and 38 where it is between £5 and £10,000 a year. Many of these schools have high costs because only one child is travelling there.
- Day rates for vehicles are comparable to those in Cambridgeshire, where the average daily cost of a 4-seater taxi/private hire vehicle (phv) is £71 and for a 53-seater £175. The current daily rates are also comparable with rates previously found in PCC (work undertaken in 2014/5 showed daily rates averaging £63 of taxis and 53-seaters ranging in costs from £124-285 per day).
- Transport costs to 16 schools exceeds £0.5m each p.a. (these account for nearly 50% of all expenditure), and transport to three schools exceed £1m p.a. There are 13 schools where a combination of high cost, high unit costs and a significant number of routes would indicate that there is potential for review.

	Forecast 2021-22	No. of pupils November 2021	Unit cost
Home to School Transport - SEN	£2,971,084.00	747	£3,977.35
Home to School Transport - Medical	£11,800.00	14	£842.86
Home to School Transport - Mainstream	£1,332,954.00	1199	£1,111.72
Emergency Transport Funding	£80,786.00	43	£1,887.74
Passenger Transport - LAC	£313,924.51		
Passenger Transport Team	£264,085.90		
	£4,947,634.41	2003	£2,460.25



Cambridgeshire finance



- Budget increasing from £18.4m in 2018/19 to almost £27m in 2021/2. Actual expenditure was increased from just under £20m in 2018/9 to £23.4m in 2021/2. The sharp increase has been SEN transport costs – projected to rise by 90% from 2018/9 to 2021/2. Specifically, it is transport to SEN special schools that has shown the notable increases driving this.
- Transport is provided by 1,038 contracts, which have an estimated annual value of £25.2 m (based on annualised from current daily cost).
- 25% of spend is accounted for by the secondary sector and primary school costs account for 11%. SEN accounts for the majority of the spend.
- Unit costs are on average £2,500 per pupil per annum (costs have been based on a 40-week school year), with mainstream transport costs at £1,000-£1,500 p.a., which compare well with other authorities' costs.
- Currently, 175 pupils are transported to/from school by parents in receipt of a travel budget at a total annual cost of £611,287. The majority of these pupils are travelling to special schools (95) in county, with 33 travelling to out county special provision. The unit cost for this transport is nearly £3,500 p.a.
- In total approximately 2,500 pupils - about 60% of the ECHP pupils- are receiving home to school transport. Overall, transport costs for pupils with special needs are over £6,300 p.a, however, special school out of county costs are in excess of £9,000 per pupil per annum for almost 300 pupils. Unit costs for transport to special schools and for post 16 special needs students are also in excess of £6,000 per annum
- There are 19 schools where the unit costs are in excess of £25,000 per year. For most of these there is only one pupil attending, limiting scope to rationalise routes or improve loadings on vehicles.
- Almost two thirds (64%) of expenditure is on SEN routes, with a third of total expenditure on transport to/from special schools (and 11% out county)
- There are 60 establishments out of county where transport is provided for pupils with SEND, accounting for almost £2m expenditure. Some of these routes are extremely high cost i.e. 16 routes have unit costs exceeding £25,000
- Overall, there are 359 solo routes – a third of all contracted routes therefore carry only one child. These routes account for £7.3m – almost a third of the total cost of transport. The average cost of transport for these 359 children is in excess of £20,000 p.a.



Areas of Pressure



Delivery

The current delivery capacity within both teams is not sufficient and will need to be restructured with a consideration of additional capacity and greater joined up working between the two teams to maximise efficiency. Leadership capacity within the service needs to be broadened to ensure there is sufficient time and resource to deliver the outcomes outlined in this strategy.

In CCC there are currently 5.7 + 1 FTE officers responsible for managing the school transport services (with 1 post funded by adult social care), managing approximately 11,000 pupils, 1,100 contracts of value £25m across 255 schools. In PCC there are 7 FTE officers managing school transport services and children's social care transport services (with 1 post funded by children's social care).

A recent benchmarking exercise indicated that typically LA school transport operations are managed with about 2,000 pupils per FTE staff and the equivalent of about £2.5m per FTE and 100-120 contracts per FTE. CCC's staffing levels reflect this, but with increasing numbers of SEN transported the administrative demands on staff would be expected to be greater as they require a higher number of contracts and more contact time with parents.

Eligibility

The current decision-making systems around eligibility for high-cost transport arrangements are not sufficient to

govern the financial growth risk. Decisions should not be made by the transport teams in isolation from good, child focused discussion with lead professionals around levels of need and the best value outcome for the child or young person. Good practice is taking place within children's social care in relation to multi-agency decision making and this type of joint conversation needs to be embedded into all policy areas across both authorities.

Policies across the scope of delivery mandate need to be reviewed in light of the current context. Policies should be reviewed alongside each other and in consultation with key stakeholders to ensure that they are continuing to provide a clear and appropriate framework to determine eligibility.

Cost

Increasing costs is a significant area of pressure for both councils and key activity within the action plan will need to address areas identified where savings and cost reduction can be achieved. A review of solo routes, and rationalisation of all routes must be a priority of the review in order to achieve better value for money.

Activities such as volunteer drivers, independent travel training and other emerging innovative strategies must be prioritised and built into policy reviews in order to manage this significant area of pressure for both councils.

It must be noted that a number of national issues and pressures are impacting on Transport such as the National Living Wage.



Areas of Pressure



Growth

The growth in the numbers of pupils with SEND accessing transport to their school needs to be managed and addressed through various mechanisms. Children with SEND are often transported alone, and for longer distances than we would like, to access a school. The SEND forecasts for the number of children with EHCPs (2020-2031) indicates that CCC is expecting a 47% increase in the number of pupils with EHCPs by 2031. This is expected to be driven by pupils whose lead need is Autism Spectrum Disorder (ASD) (increasing by 65%) or Social Emotional or Mental Health (SEMH) needs (70%). This would mean the number of pupils with EHCPs would rise from 4,662 (Jan 2020) to 6,866 by January 2031.

If transport continues to be provided to approximately 60% of all pupils with EHCPs, at today's unit costs this would be expected to see transport costs rise from approximately £16m to £26m.

Whilst the creation of new local special school places is needed, alongside a review of policy to determine clear eligibility and deliverability parameters that are child focused and provide good value for both councils, it must be noted that more school places will inevitably lead to further pressure on these routes.

Procurement

The capacity to undertake the procurement of transport from within the 2 teams is limited and often detracts from other aspects of the provision of the service. There is now a joint Dynamic Purchasing System in place which is good progress. A review now needs to be undertaken with both the Procurement Services as well as the Commercial Team to determine the correct systems for managing the procurement of transport on a daily basis.

The market is changing and responding to the national climate on a daily basis and there needs to be scope within the transformation plan to review all market options to ascertain best value. This ought to include a review of the current fleet as well as considering what in-house options might provide better value for money for both Cambridgeshire and Peterborough.

Access to drivers and operators with the right licencing is a developing pressure. Similarly with expected growth, demand for Passenger Assistants may also continue to grow. There is council obligation to move to greater use of electric vehicles and the infrastructure that is needed to support this will mean that procurement of transport solutions will need to be consistently reviewed in the years to come.



Outcomes



Restructured Service Delivery

Aligning Cambridgeshire and Peterborough and unlocking efficiency and innovation

YEAR 1

Transport Policies

Consulted on, reviewed and aligned

YEAR 1

Eligibility Process

Joint processes with partner services agreed and in place

YEAR 1

Streamlined procurement

Review and amendment of mechanisms for procurement

YEAR 2

Cost Model

Cost avoidance strategy agreed and adopted

YEAR 2

Route Review

High-cost routes reviewed and adjusted

YEAR 2

Delivery Principles

Reviewed, agreed, understood and embedded (including position on reduced carbon and increased social value)

YEAR 2



Impact



Increased capacity in service delivery

Reduction in route length

Improved access to local education provision

Reduction in route cost per pupil

Improved efficiency in delivery

Improved sustainability (carbon, financial, operational)

Decreased risk



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