

**CHILDREN'S SERVICES SCRUTINY COMMITTEE
29 JANUARY 2009**

THE EDUCATION & INSPECTIONS ACT 2006
EXTENDED PROVISIONS FOR FREE SCHOOL TRANSPORT FOR LOWER INCOME FAMILIES:
UPDATE ON THE IMPACT FOLLOWING IMPLEMENTATION

Purpose of Report

1. To report on the implementation of the extended provisions of school transport for lower income families as defined in the Education & Inspections Act 2006. This follows an initial report to Committee on the projected impact in March 2007.

Background

2. Prior to the implementation of the Act, which came into effect for Primary-aged pupils in September 2007 and for Secondary pupils in September 2008, the statutory provisions for school transport were as follows:
 - (i) For **Primary pupils** aged up to 8 years, the qualifying walking distance from home to school was 2 miles; for ages 8-11 (inclusive) this increased to 3 miles; and
 - (ii) For **Secondary pupils** aged 11-15 (inclusive), the qualifying distance was 3 miles.

Statutory entitlement only applied if the child was attending the nearest school to the home address. These provisions still apply for pupils whose families are not on lower incomes.

3. For students beyond compulsory school age, the provisions of the County Council's discretionary Post-16 scheme apply, and these are not affected by the Education & Inspections Act.
4. The extended provisions specified in the Act for lower income families give free transport for pupils aged 8-11 years if they are attending their nearest Primary School and live at least 2 miles from the school. This came into effect in September 2007 and applies to families who are in receipt of Free School Meals (FSM) or Maximum Working Tax Credit (MWTC). The entitlement to free transport ends at the close of the academic year in which the family ceases to be in receipt of those benefits.
5. For Secondary pupils, the Act gives free transport to pupils whose families are in receipt of those same benefits. The entitlement is more extensive, with free transport being available to any of the three nearest qualifying Secondary schools within 2-6 miles from the pupil's home. Again, the free transport ends at the close of the academic year in which the family ceases to be in receipt of those benefits.
6. Some funding is received from the Government to offset the costs arising from the extended provisions.

7. The potential effects of the Act were difficult to quantify prior to its inception. Whilst there were statistics available within the Authority on how many families were in receipt of FSM, it was impossible to predict:
- How many families received MWTC.
 - How many recipients of MWTC have children of the relevant age group, or
 - Who lived the relevant distance from school, or
 - How many families would choose to exercise the extended provisions for school transport which the Act gives them, or
 - What the average cost of transport would be, given that the locations and numbers of those requiring transport was not known.
8. In addition, the lead-in time for parents choosing a school for their child means that choices are made around 12 months in advance of the child actually starting at the school. It is likely, therefore, that the Act will take time to work through into actual pupil numbers.
9. Additionally, families who are likely to be short-term unemployed are perhaps unlikely to take advantage of the extended rights to free transport as they would realise that if they came off benefits they would then have to arrange and pay for their own transport. It may therefore be only the longer-term unemployed (or those who are likely to be longer-term lower income on FSM) who will choose to benefit from the Act.

Impact to date

(i) Primary-aged pupils

10. To date, only one child is receiving free transport through the extended rights for this age category defined under the Act. Among the likely reasons for this are the fact that the extended rights for Primary-aged pupils are restrictive and apply only to those attending their nearest Primary school, aged 8-11, living at least 2 miles from the school. In the rural areas of Wiltshire, many children of that age group are already receiving free transport through the statutory provision of free transport on Route Safety grounds (where the route to school is under the usual qualifying distance of 3 miles, but is deemed unsafe for the child to walk). On the other hand, in the towns most children live within 2 miles of their nearest Primary school.
11. Eleven applications for free transport under the extended provisions for Primary-aged pupils were refused because the child was not attending their nearest school.
12. For Primary-aged pupils, any free transport granted under the extended provisions is likely to be supplied relatively easily through the existing network of school transport.

(ii) Secondary-aged pupils

13. The extended provisions for this age group are more attractive and there are currently 61 pupils who benefit from free transport as a result of them. **Appendix 1** provides a breakdown of the schools attended and where the children are travelling from, as well as the numbers by year group and by mode of travel (bus, minibus or taxi). The number of children taking advantage of the new extended rights is likely to grow year-on-year as more parents become aware of the opportunities that are available, although the caveats outlined in 8 and 9 above will always limit numbers to an extent.
14. An additional 34 applicants were refused 'extended rights' free transport because the school they were attending was over 6 miles from their home; 5 more were refused because the school was under 2 miles from their home and a further 3 applicants were refused because there were three other schools closer to their home.
15. The highest uptake of the extended provisions is for pupils starting in year 7, rather than amongst those already at the school. This supports the theory that the effect of the extended provisions will build year on year.
16. Even with extended Secondary provision, most pupils have been accommodated on existing vehicles which has enabled costs to be minimised.

Main Considerations for the Council

17. The numbers (both primary and secondary) taking advantage of the new extended rights is much lower than was anticipated at the time when the report to Committee was prepared in March 2007. However, it is understood that the take-up in Wiltshire is not untypical of many other rural authorities. There could be a number of reasons why take-up has so far been lower than expected, including the following:
 - (i) For Primary pupils, the restricted nature of the new entitlement and the fact that in Wiltshire many children living less than 3 miles from school in rural areas already get free transport on route safety grounds, (as mentioned in 10 above), are likely to be the main reason.
 - (ii) For Secondary pupils, there are also many students in rural areas who live less than 3 miles from school but who already get free transport on route safety grounds. Some others already receive assisted transport to some parental choice schools under the Council's denominational transport policy.
 - (iii) In some of the more rural areas of the county, there are no alternative secondary schools within 2-6 miles which a pupil could choose to attend, or that are sufficiently popular to attract parents to send their child there in preference to the local school. It can be observed from **Appendix 1** that there is significant 'clustering' of successful applications around certain schools, while there was also a significant volume (34) of unsuccessful applications to preferred schools that were more than 6 miles from home.
 - (iv) Although the new entitlements were publicised to all schools, the timing of the passing of the Act meant that there was little time for parents to fully consider the options open to them before the deadline for applications for school places in September 2008. It is expected that numbers in future years will be significantly higher as parents become more aware of the new opportunities that are open to them, and, in particular, as they see other parents making choices in their local area.

18. It remains very difficult to predict what the take-up will be in future years, as much will depend on the cumulative effect of individual parents' choices and how enthusiastic they are about taking up the new opportunities. These will in turn be influenced by perceptions of educational benefit, the risk of losing the entitlement to transport if the family comes off benefit, and the impact of external factors such as the recession and anticipated rising levels of unemployment.

Environmental Impact of the Proposal

19. To date, the extended provisions have had minimal impact on the environment because the applicants have mainly been accommodated within the existing school transport network.

Risk Assessment

20. The main risk is that future take-up, and the resultant additional cost to the Council, is to a large extent unpredictable – (see paragraphs 21 and 22 below). As the entitlement to transport is a statutory provision, the costs are unavoidable, although at the present rates of take-up they are more than covered by the Special Grant that is being paid by Central Government. The risk will be managed by continuing to monitor the take-up and additional costs incurred on an annual basis, and factoring this into the budget estimates produced for the Medium Term Financial Plan.

Financial Implications

21. At the time of writing the previous report to this Committee in March 2007, it was estimated that the additional costs of free transport under the extended rights provisions would be between £110,000 and £310,000 in 2008-09, rising eventually to between £540,000 and £1.8 million by 2013-14. The projected actual cost in the current financial year is much lower than this, at around £32,000. This is because:
- Take-up of the extended rights has so far been much lower than anticipated, as discussed above, and also
 - Many of the new journeys have been accommodated on existing transport, rather than by having to put on extra services. This has meant that the cost per head of the transport that has been provided has been much lower than anticipated.
22. It is impossible to give an accurate estimate of how costs will increase in future years, as both the level of take up and the additional cost per head are difficult to predict. It is certain that there will be a year-on-year increase in take-up as each new academic year brings a new intake of secondary school students. Whether this will rise to the levels previously anticipated will depend on how enthusiastically low income parents take advantage of the new opportunities available to them.
23. It is possible that there will be a 'snowball effect' once parents begin to understand their options and see other parents in their area making different choices. On the other hand growth may be more limited if there is less desire to take these up. The cost per head of additional transport could also rise significantly if new demands emerge in areas where existing transport cannot be used, requiring expensive new provision to be laid on.
24. For the purposes of the Medium Term Financial Plan it has been assumed that the cost will rise to £160,000 in 2009-10, and to £430,000 by 2012-13, but these estimates are extremely tentative and will be kept under review. The 2009-10 estimate is well within the £311,000 included for this purpose within the Area Based Grant provided by central Government.

Options Considered

25. There is no alternative to providing transport for those who qualify for the extended rights, as this is a statutory entitlement. Costs are being minimised by using or amending existing transport wherever possible. It is considered that the way the new opportunities have been promoted (by a letter to schools) is adequate, and appears to be in line with the approach taken by other Authorities.

Proposal

26. That officers continue to monitor the situation closely and to report any significant shift in the take-up and cost of the extended provisions.

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The following unpublished documents have been relied on in the preparation of this Report:

None.