

REPORT TO:	Streets, Environment & Homes Sub-Committee 1 st February 2022
SUBJECT:	Housing and Sustainable Communities, Regeneration & Economic Recovery Budget Scrutiny Challenge – Independent Travel Service – Growth Bid
LEAD OFFICER:	Steve Iles Director of Sustainable Communities
CABINET MEMBER:	Councillor Alisa Flemming Cabinet Member Children, Young People and Learning
PERSON LEADING AT SCRUTINY COMMITTEE MEETING:	<i>Daniel Shepherd; Head of Independent Travel</i>
PUBLIC/EXEMPT:	Public

COUNCIL PRIORITIES 2020-2024

Include here a brief statement on how the recommendations address one or more of the Council's priorities:

- We will live within our means, balance the books and provide value for money for our residents.*
- We will focus on tackling ingrained inequality and poverty in the borough. We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice.*
- We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.*

[Council's priorities](#)

ORIGIN OF ITEM:	As part of its assurance process on the 2022-23 Council Budget, the Scrutiny & Overview Committee has asked its three Sub-Committee to identify and scrutinise specific budget proposals to deliverable, sustainable and do not create undue risk.
BRIEF FOR THE COMMITTEE:	The purpose of this Budget Challenge report is to provide the Streets, Environment & Homes Sub-Committee with sufficient information to reach a view on the 2022/23 budget proposals outlined below and to understand how this growth bid will be used to deliver improvement within the Independent Travel service.

1. EXECUTIVE SUMMARY

- 1.1. This report provides the committee and the wider council with further detail on the 2022/23 growth bid for Independent Travel Services with sufficient information to understand the pressures in the service, the upward trajectory of the student numbers which are driving expenditure, and how the growth bid will address the current pressures if approved.

2 HOUSING AND SUSTAINABLE COMMUNITIES, REGENERATION & ECONOMIC RECOVERY BUDGET SCRUTINY CHALLENGE – INDEPENDENT TRAVEL GROWTH BID.

Background

- 2.1 Under the Education Act 1996 (as amended by the Education and Inspections Act 2006), local authorities have a duty in certain circumstances to make such travel arrangements as they consider necessary in order to secure that suitable home to school travel arrangements are made for the purpose of facilitating a child's attendance at relevant educational establishments for children aged 5-16. In addition, local authorities also have a duty to facilitate access to full-time education for young people aged 16-19 and this may include assistance with travel in certain circumstances.
- 2.2 Travel Assistance can take many forms, and is based on individual needs and circumstances with regard to the efficient use of resources.
- 2.3 Such assistance in London is generally limited to those students who have Special Educational Needs and/or Disabilities (SEND), since access to mainstream schooling is undertaken through Transport for London's Concessionary Travel facility (Zip card).

Options provided of types of Travel Assistance are:

- Independent Travel Training
 - Travel Pass
 - Personal Travel Budget
 - Vehicular (Traditional Home to school transport)
- 2.4 With Covid affecting the ability for schools to open over the financial year 20/21, there was a significant underspend on the budget (£3million) due to non-attendance/school closures in line with Government guidance. However this was an anomaly in the increasing budgetary pressures in SEND Transport which has seen an upward curve of demand which mirrors those seen in other Childrens' services.

2.5 Fundamentally the Growth Bid is to try and take into account the pressures being put into the traditional home to school transport. These can roughly be divided into 2 main drivers:

- Inflationary Pressures being encountered by the contracted Transport market
- Demand Increase

3. INFLATIONARY PRESSURES

3.1 As well as increase in fuel prices, Brexit, Covid and other influences have seen a rise in the costs for Transport providers. This has been added to by the dearth of PCV drivers and other constraints in the Taxi sector in London.

3.2 The Council contracts for Transport in 2 main ways:

3.3 Buses – The service are procured over a number of years, and the inflationary risks are borne in the current contract, by the Contractor. The current contract ends this year, and is due to be retendered. It is anticipated that the cost of this can be reduced by increasing the term of the new contract (as the current contract was let for a short-term period) and this has been accounted for in the MTFs contract savings of £120,000 for 22/23

3.4 Taxis are contracted through the Council's Dynamic Purchasing System (DPS) which currently has 33 taxi contractors who each bid for individual routes, offering the best financial value to the Council. There is competition for work within this DPS which has the effect of reducing expenditure to the Council. As noted above, the overhead costs for providing these services, and the dearth of taxi drivers has affected the prices paid for these services across London.

3.5 Additionally, a short-term cost has also been the inability for the Independent Travel Training to have been conducted for approximately 1½ years due to Covid (April 2020-September 2021) and therefore there are students who are currently travelling on transport who could otherwise have been transitioned to travelling independently, and also a backlog of students waiting to be Travel Trained.

4. DEMAND INCREASES

4.1 The biggest driver of cost in SEND transport has been in the increased demand over the last few years:

SEND Transport Croydon	Number of children 2018/19	Number of children 2019/20	Number of children 2020/21	Number of children 21/22
Overall SEN Transport	1366	1515	1583	1606
In-house transport service	93	225	453	487
External transport services	1151	1169	1006	992
Travel training/travel buddies	26	12	0	3
Personal transport budgets/Mileage allowance	96	109	124	124

4.2 In January 2021, a total of 3,394 children and young people living in Croydon had an EHC plan, 99% more than in 2010.

4.3 In line with national trends, the increasing growth of the population with an EHC plan has been most pronounced since 2015, coinciding with the SEND reforms of 2014 when EHC plans were introduced. EHC plans have a lower threshold than the previous statements of SEN and an extended age range up to the age of 25.

4.4 Since 2015, the proportion of CYP with an EHC Plan has increased by 1 percentage points (an average of 0.17 percentage points per year). Using Model 2 from the SEND Joint Strategic Needs Assessment Data Profile, if the proportion were to continue to increase at this rate then the number with an EHC Plan by 2026 is projected to be 4,628.

4.5 In addition to the above, Croydon is currently planning to increase its SEND in-Borough Educational placements for the Academic Year 22/23, with a proposal to increase Addington Valley Academy (AVA) places by 40, and planning for 20 additional places at St Nicholas SEND school.

5. FINANCE

Increased in-Borough school placement costs to transport £360,000

Increased EHCP modelling cost £890,000

Overall inflationary-related costs 5% (applied to both)

£1.313m growth bid

6. Key Risks

6.1 The risks to the service are below:

1. The demand is directly linked to the increase in the issuance of EHCP (by all Local Authorities) and the risk is that this continues to rise.

2. The significant inflationary pressures which are being felt by the Transport industry currently as a result of a combination of staff availability, fuel costs, and other inflationary pressures.
3. The Council is increasing the number of in-Borough SEND placements, however there continues to be a significant number of students educated where due to need, there is only one student attending a provision, and therefore there are no sharing or optimisation options (56 schools where there is only 1 student receiving transport thereto).
4. High costs routes – The Service is seeing an increased number of high-cost routes due to the individual needs of students.

7. Assurance

- 7.1 To account for the risks, the financial modelling has used the higher of the EHCP projection models as detailed in Children and Young People with Special Educational Needs and Disabilities in Croydon A Joint Strategic Needs Assessment Data Profile (August 2021).
- 7.2 Additionally, the Independent Travel Service has allowed for some variance within its calculations of the impact of increased demand on both the increasing numbers of EHCP issuance and also the increased number of school placements.
- 7.3 Options for optimisation and route sharing are undertaken regularly within the Service, and this will continue to try and reduce expenditure as much as possible.
- 7.4 There is appropriate challenge within the Travel Application process, and the Service has reduced the % of students receiving Travel Support from 46.64% 20/21, to 43.89 and continues to ensure strict adherence to Policy.
- 7.5 To return to a position (post-Covid) where there is a high number of students who are successfully Travel Trained, and whose ability to travel independently is realised.
- 7.6 Continue to offer opportunities through the Taxi DPS to new contractors to increase competition for Council taxi contracts and derive the best value to the Council.

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APPENDICES TO THIS REPORT

None

BACKGROUND DOCUMENTS:

Children and Young People with Special Educational Needs and Disabilities (SEND) in Croydon A Joint Strategic Needs Assessment Data Profile August 2021 <https://www.croydonobservatory.org/wp-content/uploads/2021/09/SEND-Profile-August-2021.pdf>