FROM HOME TO THE CLASSROOM: **MAKING TRAVEL TO SCHOOL SERVICES SUSTAINABLE**

RESEARCH REPORT FOR THE COUNTY COUNCILS NETWORK

ipsos partnership

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CCN members accounted for 57% of all home to school spend

INTRODUCTION

In 2019 Isos Partnership published research that had been commissioned by the Local Government Association and the County Councils Network (CCN) into the rising costs and demand for home to school transport. It was then, and is now, an area of very significant concern for local government in terms of the pressure it places on finances.[1]

When we carried out that research, total expenditure on home to school transport was £1.08 billion and we predicted that by 2023, if no changes were made to policy or the underlying drivers of demand, that expenditure could rise to £1.3 billion.[2]

In fact, history has shown our estimates to be far too conservative. In 2021/22, the most recent financial year for which published data is available, total national expenditure on home to school transport had soared to just over £1.5 billion, nearly three-quarters of which was for children and young people with special educational needs and disabilities.

The impact on large and rural areas is particularly pronounced: CCN members accounted for 57% of all home to school spend in 2021/22, despite holding just 42% of the school-age population.

With the 37 county and unitary authorities represented by the CCN accounting for such a large proportion of home to school transport expenditure, Isos Partnership were recommissioned by the network to tell the story of what has happened in those last four years to demand for, and expenditure on, home to school transport in CCN member authorities; to better understand how the drivers of spend are impacting on those councils; to explore what national and local reforms might be undertaken; and to project forward the potential financial impact if those changes are not made.

EXECUTIVE SUMMARY

THE CURRENT & FUTURE STATE OF SCHOOL TRANSPORT

This report looks in detail at how demand and expenditure on home to school transport has changed since 2015/16, with a particular focus on trends between 2018/19 to 2022/23, and new projections up to 2027/28 - **providing a decade long view on the current and future state of home to school transport services**.

Our key findings show;

- This year, CCN member councils are estimated to spend over £1bn on home to school transport, with our estimates suggesting all councils will spend £1.9bn. In the last two years alone, spending has risen 23%. Spending on pre-16 SEND home to school transport has risen over the same period by 33% in CCN member councils, and 29% nationally.

- By 2027/28, if there is no significant change to policy, we are projecting that nationally all local authorities may be spending as much as £2.6 billion on home to school transport. Of this, we estimate that CCN member local authorities will be spending £1.48 billion on home to school transport - £789 million more than they were spending 10 years previously. This would represent an increase of around 50% on the estimated 2023 expenditure and 114% on the known 2018/19 expenditure.

- The single biggest driver of cost is pre-16 SEND home to school transport, growing nationally from £714m in 2018/19 to an estimate of £1.9bn by 2027/28. Over the same period, pre-16 SEND transport costs will grow in CCN member councils from £338m to £983m. This would represent an increase of 72% on estimated 2023 expenditure, and 191% increase on the known 2018/19 expenditure. When pre and post-16 SEND home to school transport expenditure is combined, costs will almost triple over the decade - from £397 million to £1.125 billion.

- The demand projections suggest that without significant policy changes in 2027/28 there are likely to be around 80,000 more children and young people requiring transport in CCN member authorities than there were a decade earlier - a 25% increase over a decade. In total we forecast that by 2027/28 there may be as many as 404,000 children and young people in CCN authorities requiring transport. The number of pre and post-16 SEND children eligible for free school transport increases 122% over the same period, from 58,000 to 129,000.

- For all types of home to school transport, the per capita burden of expenditure is disproportionately high for CCN member authorities compared with all other local authorities. In total these authorities spend £239 per head of population on home to school transport compared with £126 per head of population in other local authorities.

- Across all local authorities, the largest increases in home to school transport spend per head of population relate to SEN transport, with costs relating to pre-16 and post-16 transport rising by 51% and 96% respectively since the introduction of the SEND reforms. It is worth noting that the per capita percentage increase (74%) in pre-16 SEND home to school transport, which is the single most expensive category of transport, is highest in CCN member local authorities.

- However, there is significant variation in per capita and per pupil costs, even among CCN member authorities. For mainstream expenditure this variation can largely be explained by factors such as the size of the population, the area of the local authority and rurality. It is less easy to explain the variation in expenditure for SEND, which is influenced by a wider range of local factors.

THE DRIVERS OF INCREASING DEMAND & SPEND

Through our fieldwork and survey this report explores in detail the key drivers of increasing demand for home to school transport which has resulted in the rapid growth in council expenditure.

The cost of providing home to school transport is dependent on a simple equation: the number of children or young people who are eligible for transport multiplied by the average cost per journey. This is in turn affected by the basic cost per mile of providing or commissioning transport; the average length of the journey; and the type of transport offered.

The issue that local authorities are facing is that a variety of challenges both in terms of broader education policy and the wider economic landscape, are driving up costs on all of these fronts simultaneously. There is a perfect storm of funding pressures, particularly for home to school transport for children with SEND.

To summarise the key factors described in this report;

- **Embedded challenges within the wider SEND system which is giving rise to more and more children and young people with EHCPs.** The number of children and young people with EHCPs has skyrocketed. In 2015 there were 240,183 children and young people with EHCPs and statements. By 2023 this had risen to 517,049 – an increase of 115% in nine years.

- **The increasing numbers in special schools, the constraints on capacity and accessibility, and as a result, the length of journeys.** The maintained special school sector is largely full and there is a burgeoning market for independent and non-maintained special schools. Over the last five years the number travelling to special schools in the local areas that have responded to our survey has increased by 24%. Our analysis suggest across CCN member councils, almost 50,000 children were travelling to special schools in 2023.

- **Increasingly frequent use of individual taxis and other high-cost forms of transport, partly as a result of changing complexity of children's needs, increased parental expectations, and demand for individual travel arrangements.** Our survey data shows that use of cars, including taxis, to transport children with SEND to school increased by 36% from 2019 to 2023. The last two years, for the first time, cars are on a par with minibuses as the most common form of transport to school for children and young people with SEND. Scaling up our survey data, we estimate that this year just over 30,000 children and young people are being transported in cars, including taxis, across CCN member authorities.

- **Additional demand from groups of vulnerable young people including those requiring AP and EOTAS, and asylum seeking children.** Survey data shows that, although the numbers are small overall, there has been a very significant increase in the number of young people transported to an EOTAS setting over the last year, increasing by 77% between 2019 and 2023. Scaled up numbers suggest that around 700 children and young people in 2023 were transported to EOTAS settings across all members councils.

- **The impact of inflation, a fragile provider market and a diminished public transport network.** The underlying costs associated with providing transport, such as fuel and vehicle prices and drivers' wages, combined with the competitiveness of the market in which transport contracts are commissioned and declining bus routes, provides the basic economic landscape in which all home to school transport operates. The difficulties and challenges that are associated with these costs and provider markets have significantly intensified as result of Covid-19 and the cost-of-living crisis.

LOCAL AREAS ARE DOING ALL THEY CAN TO MANAGE DEMAND AND SPEND - **BUT IT'S NOT ENOUGH TO TURN THE TIDE**

Based on our fieldwork and engagement with CCN member councils, this report outlines in detail how councils are deploying a range of interventions in order to better manage demand and control expenditure. These include;

- **Reductions in local eligibility criteria**
- **Sharper commissioning**
- **Better communication between SEND and Home to School Transport teams, and with parents**
- **Encouraging greater use of personal transport budgets**
- **Independent Travel Training**
- **Supporting inclusion and reshaping special school provision**
- **Maximising use of the public transport network**
- **Use of fleet vehicles**

The very moderate growth in mainstream home to school transport expenditure, despite the impact of inflation and other market pressures, is testament to the ability of CCN member authorities to manage costs effectively, when they have the levers to do so.

However, the message from CCN members authorities taking part in this research is very clear. Constant attention to efficiency, to streamlining policy and to creative solutions to providing transport can, and has, yielded dividends. And yet these savings are a drop in the ocean compared with the mounting tide of costs that local areas are facing.

Nor are savings cost neutral in terms of staffing requirements. The need for ongoing route reviews and individual child transport reviews, working with parents and other SEND stakeholders and managing an increasingly fragile market all require additional resource at a time when funding is stretched to breaking.

The testimony of local areas highlights the limited opportunity to effectively manage costs to a sustainable level within the current environment. No amount of effective commissioning will completely offset the impact of core inflation, particular in a market where providers are scarce and there is limited competition for contracts.

Demand for EHCPs, and by implication demand for SEND transport, is being driven by factors which stem from a deeper national policy environment of funding, curriculum, accountability and SEND entitlement well beyond local government control. Special schools are full and local government does not have the capital funding or the legislative powers to enable them to act as a strategic commissioner of the special school market.

The home to school transport legislation is rigid, and at some points insufficiently clear, stifling creativity. And public transport is in decline in rural areas, reducing the opportunities to skill up young people and adults with SEND to travel independently. Given the constraints on action, it is little wonder that costs have risen so dramatically.

GOVERNMENT MUST MAKE A CHOICE: **PROVIDE SIGNIFICANT ADDITIONAL FUNDING OR CHANGE STATUTORY DUTIES AND LEGISLATION**

It is clear from our research that the challenges facing the home to school transport system are ones that local government cannot tackle alone. The limitations of efficiencies that can be generated locally are clear to see.

This is an area in which central government will need to take action to either change the statutory duty so that it fits within the envelope of funding available to local authorities, or provide additional funding to meet the statutory duty as it stands.

Meaningful action to address the unsustainable demand for home to school transport is dependent, to a great extent, on finding solutions to the current suite of endemic challenges within the SEND system. This is the subject of a parallel piece of research for CCN and the LGA that we will be publishing in Spring 2024.

It is proposed, that as a first stage, there is a national consensus developed around a set of home to school transport principles. We offer thoughts on what those principles might be, and some suggested changes to legislation that would be commensurate with those principles. These recommendations are organised against the themes of our "home to school transport equation".

However, the data collated through this research also demonstrates that many CCN member authorities are facing an immediate funding crisis in relation to home to school transport. Legislative change takes time to achieve, and even longer to have an impact at the front line. It is therefore argued that additional investment from central government is be required at the forthcoming Autumn Statement to ensure that CCN members are able to continue to meet their statutory obligations in face of unprecedented pressures.

PRINCIPLES TO INFORM REFORMS TO HOME TO SCHOOL TRANSPORT

1. Every child is entitled to an education, and no child should be prevented from accessing that entitlement because they cannot get to school.
2. It is the responsibility of the parent or carer to ensure that a child attends school, and that means making arrangements to get their child to school.
3. Local government has a role in supporting parents to fulfil their duty to get their child to school, focusing public resources on those families who have the least capacity and resources to arrange or provide transport themselves.
4. Local government also has a role in delivering action to fight climate change. The default expectation, therefore, is that wherever possible home to school transport should be based around public transport networks or active travel options (walking or biking), and where that is not possible the use of individual transport should be minimised as much as possible.
5. As a nation we have a responsibility to create a truly inclusive education system so that all children, irrespective of their needs, can be educated as close to their home as possible.

REDUCING NUMBERS

- Develop and apply the optimum combination of curriculum, training, funding, inspection and accountability levers that might be used to incentivise and support mainstream schools to be as inclusive and as effective as possible in supporting children with SEND.

- Provide a national means-testing policy so that families above a specified income threshold are required to make a financial contribution to home to school transport, if they choose to use it. The contribution could be determined locally, up to a national ceiling. This would need to be implemented sensitively and progressively, bearing in mind the current cost of living crisis. It should also be recognised that this recommendation divided opinion, particularly among elected members, so would require careful consultation and implementation.

- Reconsider the statutory walking limit eligibility criteria. An alternative could be eligibility for support with travel to school for families that cannot reach the nearest suitable school through either walking, public transport or cycling (this would need to be modelled and a simple method for assessment would have to be devised).

- "Support with travel" assessments for children and young people with SEND could then be based on whether they could reasonably make the journey to school by walking, cycling or public transport, if accompanied by a parent or another adult.

- Support local areas in carrying out root and branch reviews to map overall demand for all passenger transport including home to school transport, social care transport, health transport and public transport, with a view to commissioning a public transport network that meets the totality of demand, wherever possible.

- Target funding for bus improvement schemes at areas with little existing public transport infrastructure and take into account public spending on home to school transport in calculating the potential benefits.

- Provide greater clarity on guidance of what constitutes an "unsafe route" to make it simpler for local areas to invest in capital improvements that support both walking and cycling to school. Greater consideration should be given to what is a 'safe' route for cycling.

- Clarify the adult transport duty to make clear that it is only for rare and exceptional circumstances.

REDUCING COST

- Enable an exemption to Public Service Vehicles Accessibility Regulations for vehicles which are only used for home to school transport.

- Provide greater clarity over health's role in transporting children with complex medical needs.

REDUCING JOURNEY LENGTH

- Give local government, or local SEND partnerships, additional powers, and capital funding, to create new special units and/or special schools where there is undersupply.
- Ensure that the proposals for a "tailored list of schools" take into account the transport cost implications of any school on the tailored list.
- Provide clearer guidance to the SEND Tribunal that rulings on placements cannot be made without full consideration of the relative transport costs or make clear that a Tribunal ruling on a placement does not supersede the local decision on the nearest suitable school for the purposes of transport.
- For families eligible for support with transport, transport should be provided to a pick-up or drop-off point within a 2-mile radius, but not to individual homes. Local government could use their discretionary powers to support families with multiple challenges who might not be able to access local pick-up points.
- Make clear in statutory guidance that where one child in a family with multiple children is eligible for home to school transport, the local authority can work with the family to discharge its duty to provide support with transport by transporting any of the children within the family.

ADDRESSING TRANSPORT TYPE

- Local authorities should maintain the duty to support home to school transport through a locally calculated personal travel budget formula that considers distance, public transport infrastructure and the complexity of the child's needs. This would include the ability to enforce the take-up of personal travel budgets on cases where market prices are outside budget envelope (for example a capped price per mile or maximum overall journey cost)
- Statutory guidance to make clear that local government should only be offering, and parents should only be expecting, individual taxi transport as an option of last resort, if deemed to be essential on the grounds of health and safety or because maximum journey times would otherwise be exceeded.
- Statutory guidance to enable local authorities to pass on responsibility for organising individual travel by taxi to parents where bespoke and complex arrangements are required.
- Statutory guidance to make clear that transport arrangements for children and young people with SEND should be reviewed annually, with a presumption towards encouraging greater independence over time wherever possible.

METHODOLOGY

This research was commissioned by the County Councils network in June 2023 in order to:

- understand current demands for and expenditure on both SEND and mainstream home to school transport and how that has changed since the introduction of the 2014 Children and Families Act, differentiating between CCN councils and other local authorities;
- project forward likely demand and expenditure for the next period, again differentiating between CCN councils and other areas;
- explore the views of CCN councils on the present duty to deliver home to school transport, live challenges, best practice and ideas for the future;
- identify how legislative change and reforms might reduce the cost burden presently on county authorities.

To fulfil this brief, we designed a research methodology that combined both qualitative and quantitative elements.

To gain an understanding of historic changes in expenditure on home to school transport and to understand pressures on budgets, we analysed published S251 budgets and outturn data since 2015. We explored how spending correlates with a range of local characteristics including local authority size and rurality, population changes, percentage of children with EHCPs and percentage of children in special schools.

This provided a picture of the characteristics that tend to drive higher levels of expenditure. By taking the analysis back to 2015, we have been able to demonstrate the cumulative impact of the SEND reforms.

To supplement the data available from published sources, we worked with a small number of CCN member councils to co-design a survey that asked for:

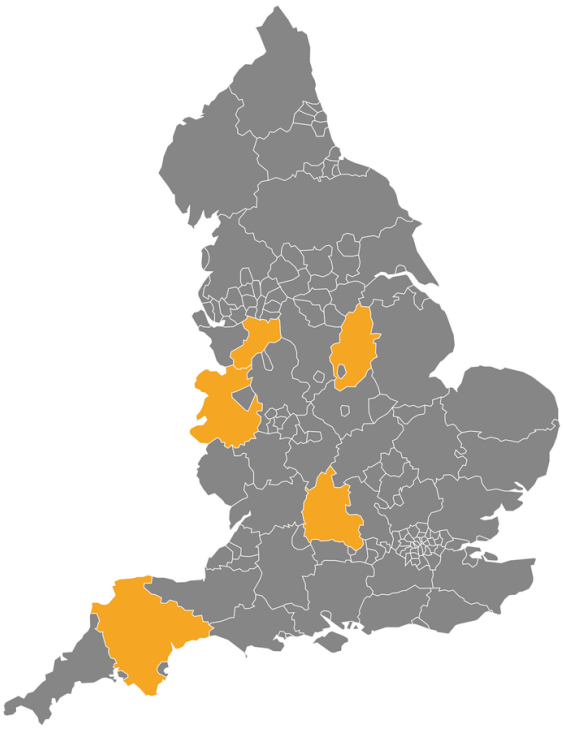
- data on the most recent financial year expenditure and budgeted spend for next year;
- the numbers of children and young people receiving home to school transport, by different transport types and destinations;
- and local authority views on the key drivers of increasing expenditure, the actions that can be taken at local level to manage expenditure and the opportunities for national legislative change.

The survey was completed by 32 CCN member authorities – a response rate of 86%. Where our survey provides us with data for which there is currently no published equivalent (data on 2022-23 expenditure and on numbers of children requiring transport split by destination and transport type) we have extrapolated our survey findings to estimate demand and spend across all CCN member councils and, in some instances, nationally. The methodology used to extrapolate figures is provided in Appendix 1 and the endnotes.

In addition to the survey, we conducted fieldwork in five CCN member councils. These were Cheshire East, Devon, Nottinghamshire, Oxfordshire and Shropshire.

The local areas were selected to represent a range in terms of per capita spend on both mainstream and SEND home to school transport, deprivation, size of authority and political control.

Figure 1 - Fieldwork Councils



In each local area we carried out a series of individual or small group interviews covering a range of viewpoints from Elected Members, Directors of Children's services, Directors of Place or Transport, and Service Leads for Home to School Transport and SEND.

Through the interviews we explored how expenditure on home to school transport is influenced by changes in:

- number of children and young people eligible for home-to-school transport;
- needs of children requiring home to school transport;
- length of journey; and
- unit cost dependent on transport and commissioning type.

We used the interviews to understand how challenges might change going forward; how authorities have mitigated them up until this point and how they intend to do so in the future. We also asked council colleagues about what potential reforms were needed to manage demand, meet needs and maintain quality within the current financial context, including potential changes to national legislation.

Finally, we used the information accumulated through the data analysis, the survey and the fieldwork interviews to construct a methodology for projecting future spend on home to school transport. The methodology we have developed is explained in greater detail in technical annex B.

We would like to extend our thanks to all the Local Authorities that completed the survey and in particular our thanks to colleagues in Hampshire, Essex and Shropshire who supported us in designing the survey and to our five fieldwork authorities who have been so generous with their time and expertise.

We designed a research methodology that combined both qualitative and quantitative elements

HOME TO SCHOOL TRANSPORT POLICY

The legislative framework for the provision for school transport dates back to the Education Act 1944. This was amended under the Education Act 1996, in particular:

- Section 508A of the Education Act 1996: sustainable travel to school;
- Section 508B of and Schedule 35B to the Education Act 1996: travel arrangements for eligible children;
- Section 508C of the Education Act 1996: travel arrangements for other children;

The Education and Inspections Act 2006 extended the provision to free school transport for some primary and secondary school pupils.[3]

In June 2023 the Department for Education updated its statutory guidance for Travel to School for Children of Statutory School Age.[4]

The legislation on which the guidance is based has not changed, but the new guidance offers local authorities, parents and schools some helpful clarity on the interpretation of a local authority's statutory duties in relation to providing travel to school, and the areas where local authorities may wish to exercise their discretion in going beyond the statutory duties.

Summary box 1 below provides a summary of the key points of the guidance.

TRAVEL TO SCHOOL FOR CHILDREN OF COMPULSORY SCHOOL AGE

JUNE 2023 UPDATE TO STATUTORY GUIDANCE

The main points set out at the front of the guidance state that:

- Parents are responsible for ensuring their child attends school. This means they must take all the action necessary to enable their child to attend school.
- For most parents, this includes making arrangements for their child to travel to and from school.
- Local authorities must make arrangements, free-of-charge, for eligible children to travel to school.
- Local authority school travel and special educational needs teams should work together to ensure travel arrangements are considered when deciding what school to name in a child's Education, Health and Care plan.
- Local authorities have a discretionary power to arrange travel to school for other children.
- Local authorities are responsible for deciding what travel arrangements to make, provided they are suitable for the needs of the children for which they are made.
- Schools should support local authorities to deliver their home to school travel functions, for example, by promoting good behaviour on transport, and sharing information to ensure children's needs are met, and taking travel arrangements into account when making changes to their school day.
- Local authorities' school travel policies should be easy for parents to find and understand.
- Local authorities should have a fair and transparent process so that parents can appeal a decision about travel to school for their child.
- Local authorities have a duty to promote sustainable and active travel to school.

UNDERSTANDING WHICH CHILDREN ARE ELIGIBLE FOR TRANSPORT

A child is eligible for free-of-charge travel to school if they are of compulsory school age, attend their nearest suitable school and:

1) Live more than statutory walking distance from the school (2 miles for children under 8; 3 miles for children 8 and over) or;

2) could not reasonably be expected to walk to that school because of their special educational needs, disability or mobility problem, even if they were accompanied by their parent, or;

3) would not be able to walk to that school in reasonable safety, even if they were accompanied by their parent.

In addition, children from low-income households have 'extended rights' to free travel to school which are designed to support low-income families exercise school choice.

The guidance makes clear that the eligibility of children and young people with SEND for home to school transport is not dependent on whether the child has an Education Health and Care Plan (EHCP). Some local areas are concerned that the new guidance may have the effect of increasing the number of children and young people eligible for SEND transport by clarifying that having an EHCP is not a requirement.

Some children with SEND, but without an EHCP, will be eligible for transport. Conversely some children with an EHCP will not. Similarly, attendance at a special school does not automatically mean that a child or young person is eligible for home to school transport.

Instead, local authorities must assess eligibility on the grounds of special educational needs, disability or mobility problems on a case-by-case basis. The assessment should take account of the child's physical ability to walk to school, including if they were accompanied to school, and any health and safety issues related to their special educational needs, disability or mobility problems.

There is no assessment of the financial circumstances of the family in the decision of whether to provide transport or not.

UNDERSTANDING WHAT IS MEANT BY THE NEAREST SUITABLE SCHOOL

A further key element in interpreting the statutory guidance is understanding what is meant in legislation by the "nearest suitable school". A suitable school is defined as one that is suitable for a child's age, ability, aptitude, the child's sex, and any special educational needs. The nearest suitable school is not the same as the 'most suitable' school.

For the large majority of children, the nearest suitable school is likely to be the school nearest to their home, assuming that school has space to admit the child. Where a school is over-subscribed, the nearest school with available places becomes the nearest suitable school for travel purposes.

For children and young people with EHCPs, in most cases the school listed in the EHCP will be the nearest suitable school for travel purposes. Parents have the right to ask for a particular school to be named in their child's EHC plan. The guidance therefore states that "*Local authorities should take the cost of travel into account when deciding whether it would be incompatible with the efficient use of resources to name the parent's preferred school in the EHC plan*."

If a parent would prefer their child to attend a school that is further away from their home than the nearest school that can meet their child's needs, the local authority should consider whether arranging travel to the preferred school would be incompatible with the efficient use of resources.

If the local authority determines that it would be, the local authority may either name a different school that would be appropriate for the child's needs (this may be the nearer school) or name the parent's preferred school on the condition that the parent arranges the travel or provides some or all of the cost of the travel.

UNDERSTANDING LOCAL AUTHORITIES' DISCRETIONARY POWER

Local authorities have a discretionary power to provide travel to school for children resident in their area who are not eligible children. It is for each local authority to decide whether and how to exercise their discretionary power. Most who do so use it to provide free travel to school for 4-year-olds attending reception classes who would be eligible for free travel when they reach compulsory school age. Local authorities might also offer discretionary travel to enable children to attend a school with a designated religious character or a selective school.

POST-16 TRAVEL TO EDUCATION OR TRAINING

For 16- to 19-year-olds who have started a course before their 19th birthday, Local authorities have a duty to publish an annual transport policy statement that sets out the arrangements for the provision of transport that will facilitate the attendance of all persons of sixth form age receiving education or training. This duty also applies to young people with EHCPs up to the age of 25 who started a course before their 19th birthday.[5]

The intention of this duty is that learners of sixth form age can access the education and training of their choice; and if support for access is requested, this will be assessed and provided where necessary. The legislation gives local authorities the discretion to determine what transport and financial support are necessary to facilitate young people's attendance. The guidance suggests that arrangements for transport might include, but are not limited to:

- The availability of a concessionary fares scheme
- A bus pass or cash equivalent of a bus pass
- A bus pass or cash equivalent plus a companion pass or cash equivalent
- Independent travel training
- A fixed mileage allowance
- Provision of actual transport

In assessing what arrangements might be needed, local authorities must have regard to:

- The needs of those for whom it would not be reasonably practicable to access education or training provision if no arrangements were made, for example the most vulnerable or socially excluded, young people at risk of becoming NEET, young parents and those who live in rural areas with more limited transport infrastructure.
- The need to ensure that young people have reasonable opportunities to choose between different establishments, which might include enabling young people to choose courses outside their home local authority boundaries.
- The distance from the learner's home to their place of education or training.
- The journey time. Young people should be able to reach their education or training without incurring such stress, strain, or difficulty that they would be prevented from benefiting from the education provided. Good practice suggests that up to 75 minutes each way is acceptable.
- The cost of transport. Local authorities are expected to target any support on those young people – and their families – who need it most, particularly those with a low income. Local authorities may ask learners and their parents for a contribution to transport costs, but should ensure that any contribution is affordable for learners and their parents.
- Alternative means of facilitating attendance, such as cycle or moped schemes, or independent travel training.
- Preferences based on religion.
- Non-transport solutions to facilitate learner access, for example e-learning.

The transport needs of young people with special educational needs and disabilities must be reassessed when a young person moves from compulsory schooling to post-16 education, even if the young person is remaining at the same educational setting.

Young people with an EHC plan will have an institution named in their plan. There is no entitlement to transport to and from this named provider and transport should only be named in an EHC plan in exceptional circumstances. Local authorities should ensure during EHC plan discussions that parents are made aware that transport support will be considered in accordance with the local authority's own post-16 transport policy.

In addition to the sixth form duty, described above, local authorities also have a duty to make such arrangements for the provision of transport as they consider necessary for;

- Adults (who are aged 19 or over) for the purpose of facilitating their attendance at local authority maintained or assisted further or higher education institutions or institutions within the further education sector; and

- Relevant young adults with an EHC plan (which can only be maintained up until the age of 25) for the purpose of facilitating their attendance at institutions where they are receiving education or training outside the further and higher education sectors. For those young adults, the local authority's duty only applies where the local authority has secured the provision of education or training at that institution and the provision of boarding accommodation in connection with that education or training.

The adult duty applies only to young people who are attending a course which they started after their 19th birthday, including those with EHC plans. Where the local authority makes such arrangements, any transport provided must be free of charge.

The overall intention of the adult transport duty is to ensure that those with the most severe disabilities with no other means of transportation are able to undertake further education and training after their 19th birthday to help them move towards more independent living.

THE RISING DEMAND FOR AND COSTS OF HOME TO SCHOOL TRANSPORT

WHAT HAVE LOCAL COUNCILS BEEN SPENDING ON HOME TO SCHOOL TRANSPORT?

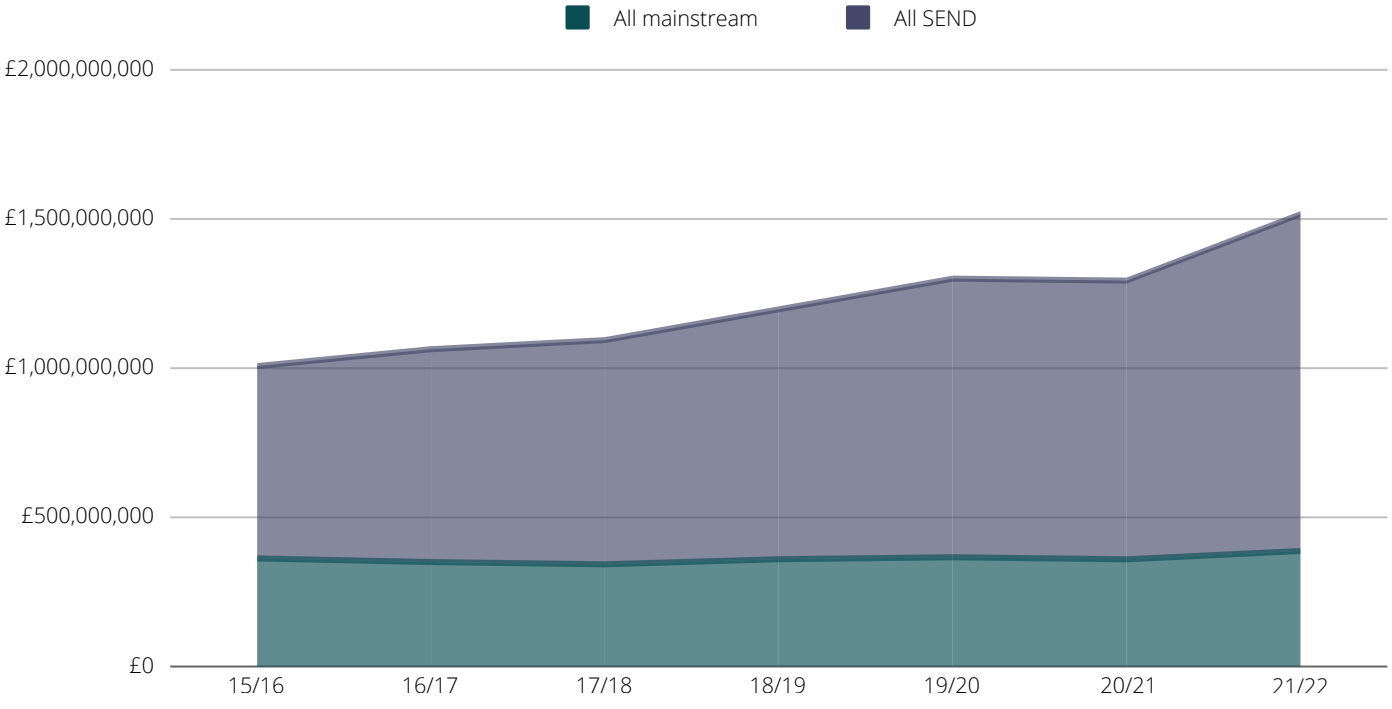
Data published by the Department for Education shows that national expenditure on home to school transport across all local authorities in England has increased from £1 billion in 2015/16 to £1.5 billion in 2021/22 – an increase of 51% over a seven-year period.[6]

Within the overall spending trajectory, we can see two distinct trends at play. Firstly, expenditure on mainstream home to school transport has increased at a very modest rate over the period, increasing by £25 million, or just 7%, over the seven years. Analysis included on page 22 below shows that the increased costs of mainstream home to school transport are largely being driven by inflation.

It is the increase in expenditure on SEND home to school transport that has been truly astonishing at £484 million or 74%. Expenditure on SEND home to school transport now accounts for nearly three quarters of all expenditure on home to school transport.

Due to their larger average geographical footprint, and typically more dispersed patterns of population, county councils and county unitary authorities have historically had to spend much more on home to school transport than other local areas. In 2021/22 CCN members accounted for 57% of all home to school transport spend in 2021/22, although holding just 42% of the 5 to 25 population.

Figure 2 - National Expenditure on Home to School Transport (all LAs), 2015/16 to 2021/22



In fact, looking at per capita expenditure (figures 3-6) CCN members have consistently faced higher home to school transport costs than other local authorities per head of population across all transport types since 2015/16, with the difference particularly substantial in relation to mainstream transport. For pre-16 mainstream transport, these authorities spend £77 more per head of population than other local authorities and for pre-16 SEND transport they spend £31 more per head of population.

Figure 3 - Per capita expenditure on Pre-16 SEND

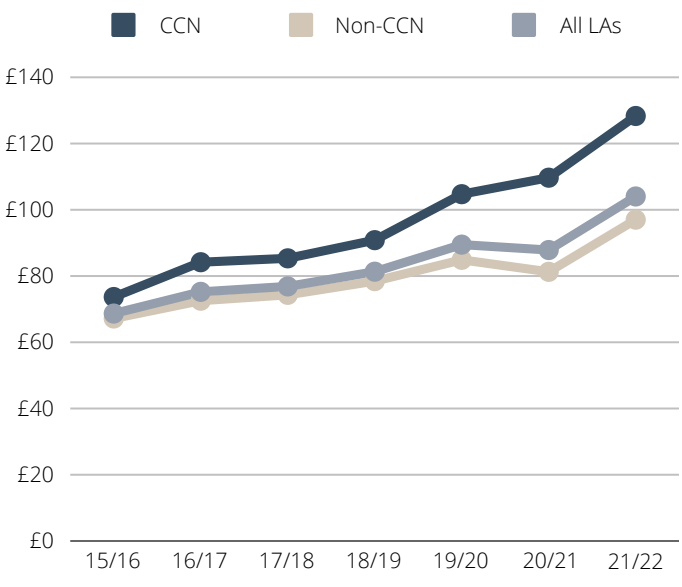


Figure 4 - Per capita expenditure on Post-16 SEND

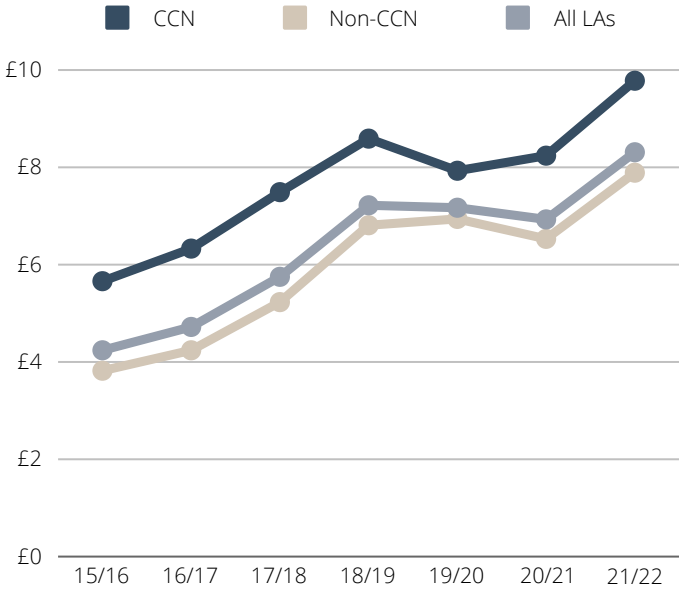


Figure 5 - Per capita expenditure on pre-16 mainstream

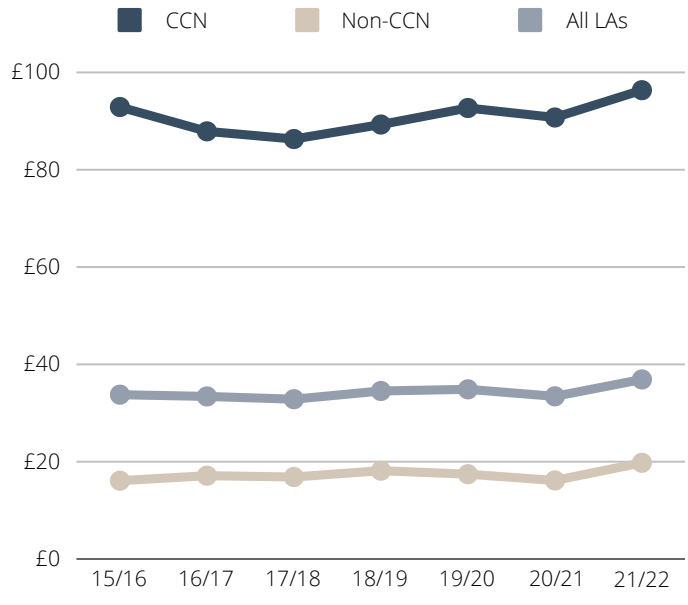
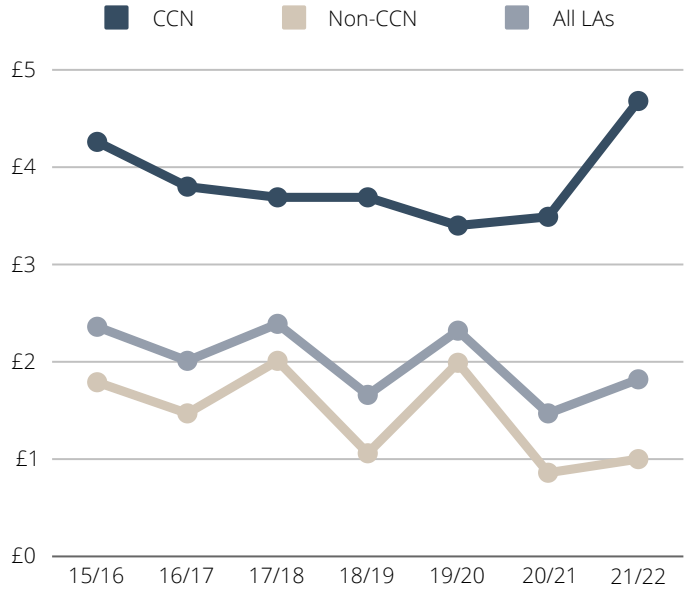


Figure 6 - Per capita expenditure on post-16 mainstream



If we look at the change in per capita expenditure, captured in tables 1 to 4, we can see that local authorities are spending more per head of population (5 to 25) for all categories of home to school transport now than they were in 2015/16, with the exception of mainstream post-16 transport.

Across all local authorities, the largest increases in home to school transport spend per head of population relate to SEN transport, with costs relating to pre-16 and post-16 transport rising by 51% and 96% respectively since the introduction of the SEND reforms. It is worth noting that the per capita percentage increase in pre-16 SEND home to school transport, which is the single most expensive category of transport, is highest in CCN member local authorities.

Table 1 - Change in per capita expenditure on Pre-16 SEND

LA Type	2015/16	2021/22	%. -/+
CCN	£73.66	£128.32	74%
Non-CCN	£67.18	£97.02	44%
All Local Authorities	£68.67	£104.02	51%

Table 2 - Change in per capita expenditure on Post-16 SEND

LA Type	2015/16	2021/22	%. -/+
CCN	£5.66	£9.78	73%
Non-CCN	£3.82	£7.89	107%
All Local Authorities	£4.24	£8.31	96%

Table 3 - Change in per capita expenditure on Post-16 mainstream

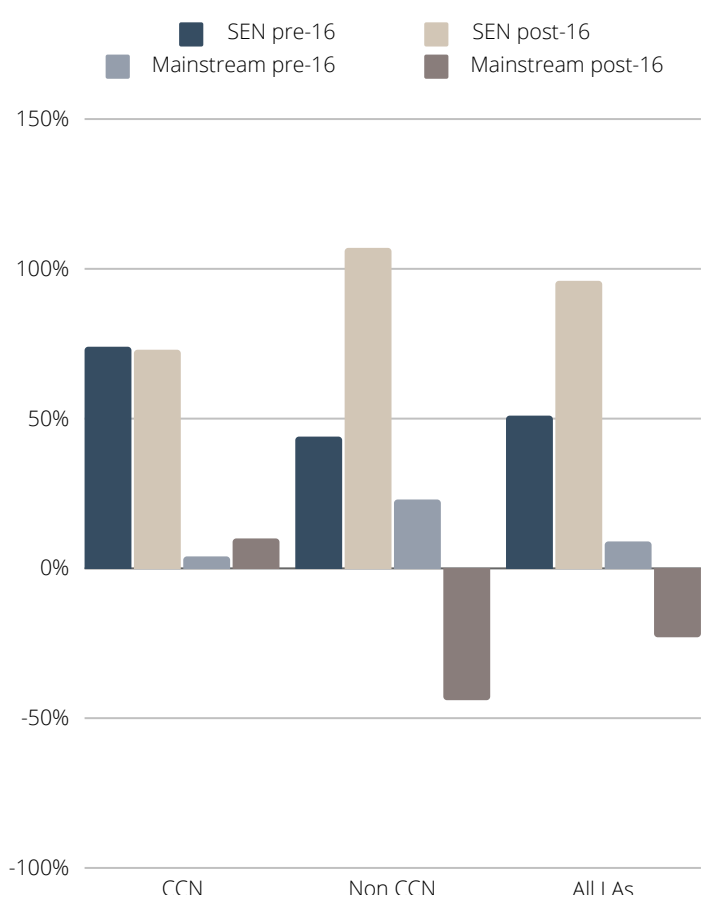
LA Type	2015/16	2021/22	%. -/+
CCN	£4.26	£4.68	10%
Non-CCN	£1.79	£1.00	-44%
All Local Authorities	£2.36	£1.82	-23%

The overall decrease in per capita spend on mainstream post-16 home to school transport can be explained because although the overall 16 to 25 population numbers have fallen slightly, our survey data suggests that the number of young people post-16 receiving mainstream transport has decreased more quickly, as local authorities have adjusted down their eligibility criteria set out in their local transport plans. This is shown in figure 7 below and explained in greater detail in chapter 7 (page 44 onwards).[7]

Table 4 - Change in per capita expenditure on Pre-16 mainstream

LA Type	2015/16	2021/22	%. -/+
CCN	£92.89	£96.35	4%
Non-CCN	£16.09	£19.77	23%
All Local Authorities	£33.77	£36.90	9%

Figure 7 - Change in per capita expenditure 15/16 to 21/22

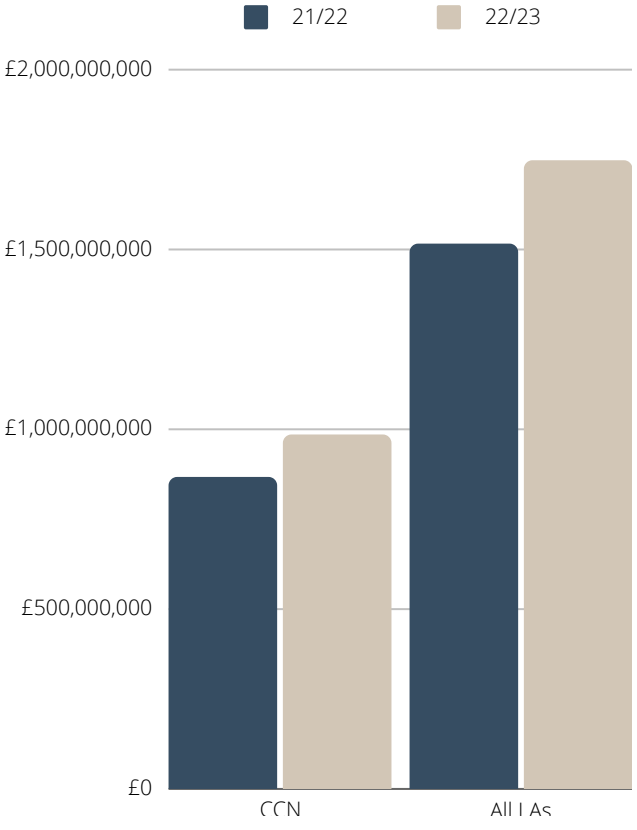


Published outturn expenditure data for 2022/23 is not yet available. However, 29 CCN member authorities responding to our survey have provided their most recent expenditure.

These authorities have collectively spent £819 million on home to school transport in the 2022/23 financial year. If we were to extrapolate that data to all CCN member authorities, based on population size, we estimate that total expenditure on home to school transport in 2022-23 would be around £986 million.[8]

If this is correct (it is an estimate based on responses covering 83% of the total population aged 5 to 25 in CCN members) it represents a very significant annual rise (14%) on the 2021-22 published expenditure of £868 million. If we use our survey responses to estimate total national spend on home to school transport in 2022-23, our data suggests this is likely to be in the region of £1.7 billion.[9]

Figure 8 - 2021/22 expenditure and 2022/23 extrapolated estimate



Digging into the 2022-23 expenditure data further reveals an extension of the trends observed between 2015-16 and 2021-22. In the 29 local areas for which we have data, the most rapidly increasing area of spend was pre-16 SEND home to school transport (21% increase) followed by post-16 SEND (16% increase). Pre-16 mainstream spend remained largely stable. Although post-16 mainstream expenditure showed an uplift in our survey in 2022/23, the numbers are relatively small and quite volatile and therefore need to be treated with some caution.

HOW HAVE THE NUMBERS OF CHILDREN RECEIVING HOME TO SCHOOL TRANSPORT CHANGED OVER TIME?

Increasing numbers of children and young people requiring transport is a key driver behind the rising costs of SEND home to school transport illustrated above. There is no published data on home to school transport numbers. However, local authorities have provided data on numbers of children receiving transport in response to our survey and we have used these to estimate the number of children and young people receiving transport across all CCN member authorities.[10]

The charts below show that in CCN member local authorities the number of children and young people in receipt of home to school transport on account of SEND has grown rapidly since 2019, while numbers of children and young people on mainstream HTST have remained stable (pre-16) or fallen slightly (post-16). The charts show the estimated numbers of children and young people receiving transport under the four categories of home to school transport in all CCN member authorities as well as the percentage change between 2019 and 2023.

Figure 9 - Estimated pupils using Pre-16 SEND - All CCN only

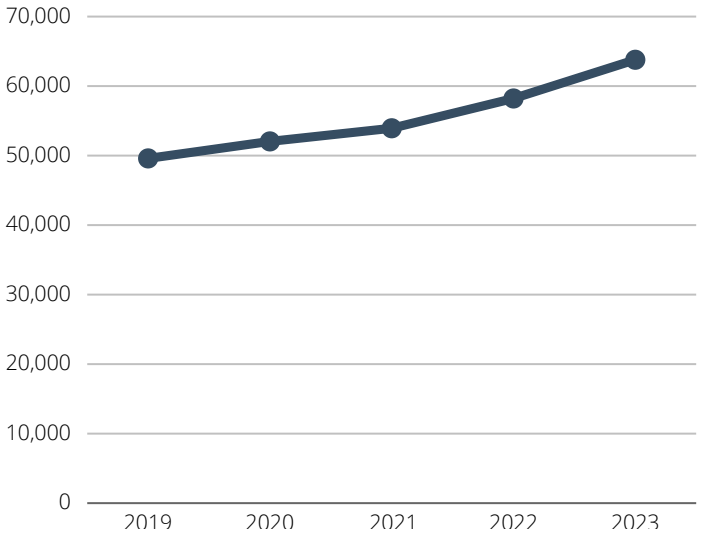


Figure 11 - Estimated pupils using Post-16 SEND - All CCN only

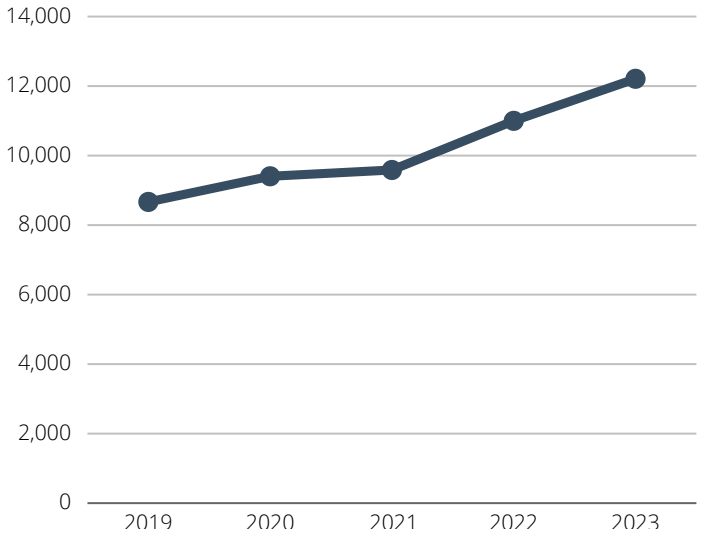


Figure 10 - Estimated pupils using Pre-16 mainstream - All CCN only

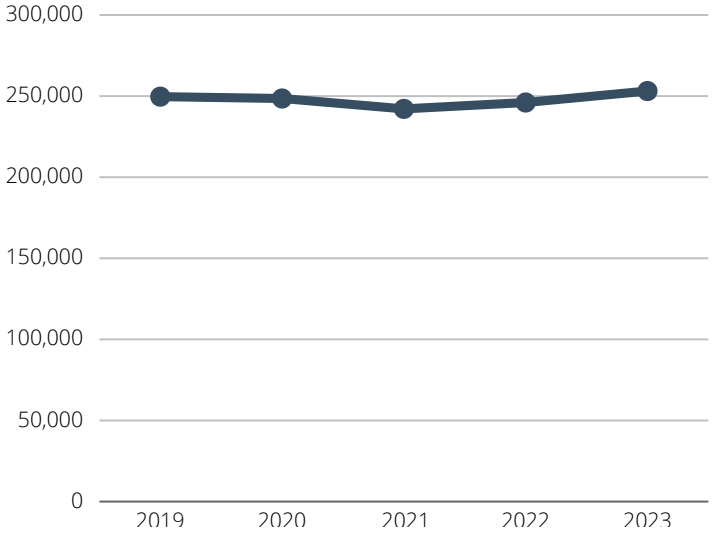


Figure 12 - Estimated pupils using Post-16 mainstream - All CCN only

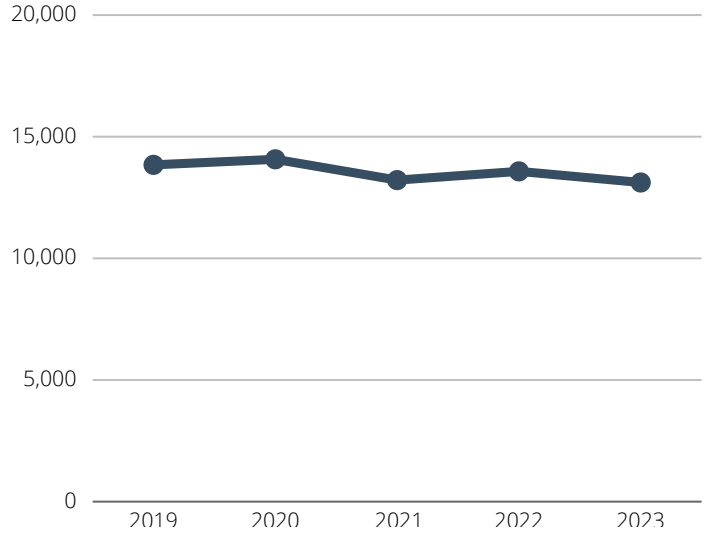


Table 5 - Estimated pupils using home to school transport - All CCN only

Transport Type	2019	2020	2021	2022	2023	Total % Change
Pre-16 SEND	49,600	52,000	53,900	58,200	63,800	29%
Post-16 SEND	8,700	9,400	9,600	11,000	12,200	40%
Pre-16 Mainstream	249,700	248,500	242,100	246,100	253,100	1%
Post-16 Mainstream	13,800	14,100	13,200	13,600	13,100	-5%
Total	**321,800**	**324,000**	**318,800**	**328,900**	**342,200**	**6%**

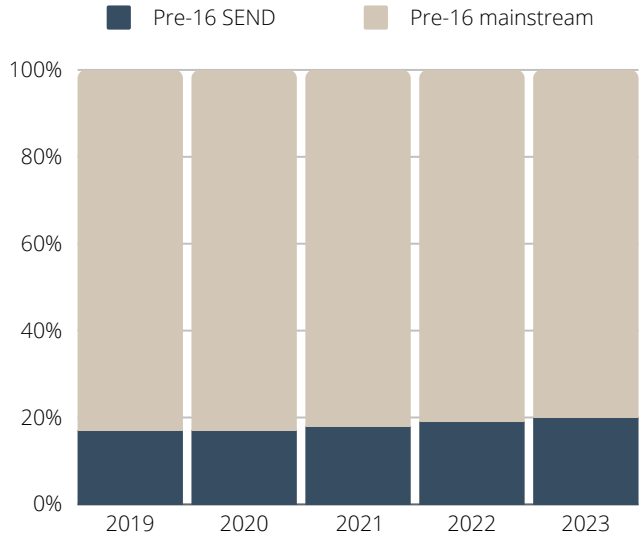
Scaling up the data received in our survey suggests that across all CCN member councils the number of children receiving home to school transport grew in total from around 322,000 to 342,000 between 2019 and 2023 – an increase of around 20,000 more children on transport over the period.

It is striking that the percentage growth in the numbers of children receiving transport is considerably less than the growth in expenditure (6% compared with 43% over the same period). This is because effectively all the growth in numbers is additional children and young people with SEND, whose transport is, on average, more expensive to provide than mainstream home to school transport. It is also because, on average, each child over time is becoming costlier to transport as explained in greater detail on page 22 below.

Data from our survey of CCN member councils shows that the number of young people in receipt of pre-16 home to school transport on account of SEND has grown much more quickly than numbers in receipt of mainstream home to school transport in recent years.

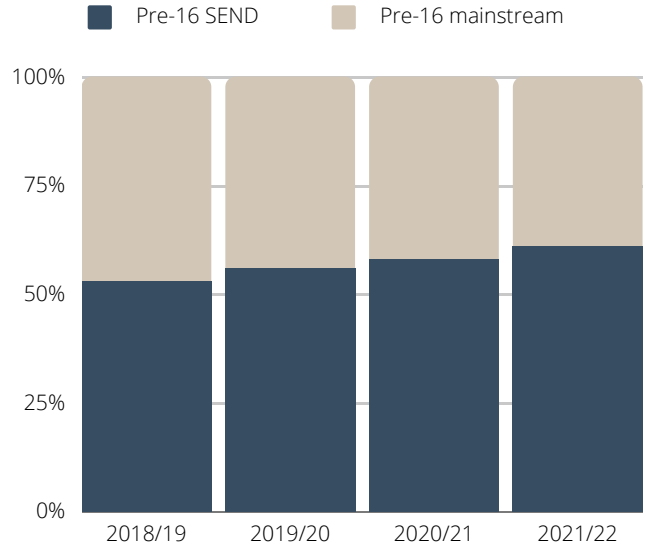
Across the 21 councils which provided complete data, the pre-16 mainstream home to school transport headcount increased by 1% between 2019 and 2023, while the pre-16 SEND home to school transport headcount increased by 28%, shifting the ratio of mainstream to SEND numbers on transport from 83/17 in 2019 to 80/20 in 2023.

Figure 13 - ratio of numbers of children receiving transport comparing SEND with mainstream



The cost of pre-16 SEND home to school transport in those same CCN local authorities has also increased disproportionately over a similar timeframe. Between 2018/19 and 2021/22, expenditure on pre-16 mainstream home to school transport increased by 7% while expenditure on pre-16 SEND home to school transport increased by 49%, shifting the ratio of pre-16 mainstream to SEND expenditure from 47/53 to 39/61.

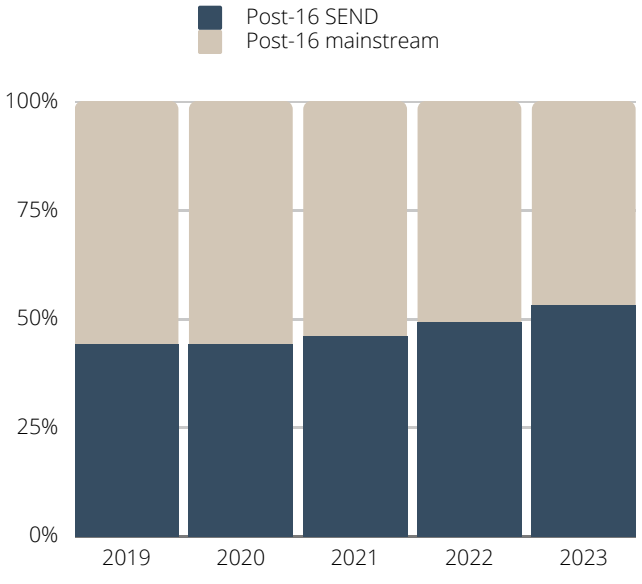
Figure 14 - Ratio of spend on home to school transport comparing SEND with mainstream



Post-16 trends in relative demand between mainstream and SEND home to school transport are even more pronounced. Our survey data suggests numbers of young people in receipt of post-16 SEND home to school transport have grown substantially in recent years, while numbers in receipt of mainstream post-16 home to school transport have fallen.

Across 13 surveyed CCN local authorities with complete data, the post-16 mainstream home to school transport headcount fell by 5% between 2019 and 2023, while the post-16 SEN home to school transport headcount increased by 39%, shifting the ratio of post-16 mainstream to SEND young people on transport from 56/44 in 2019 to 47/53 in 2023. This is shown in the chart below.

Figure 15 - ratio of post-16 young people on transport comparing SEND with mainstream



TRENDS IN UNIT/PER-PUPIL COSTS

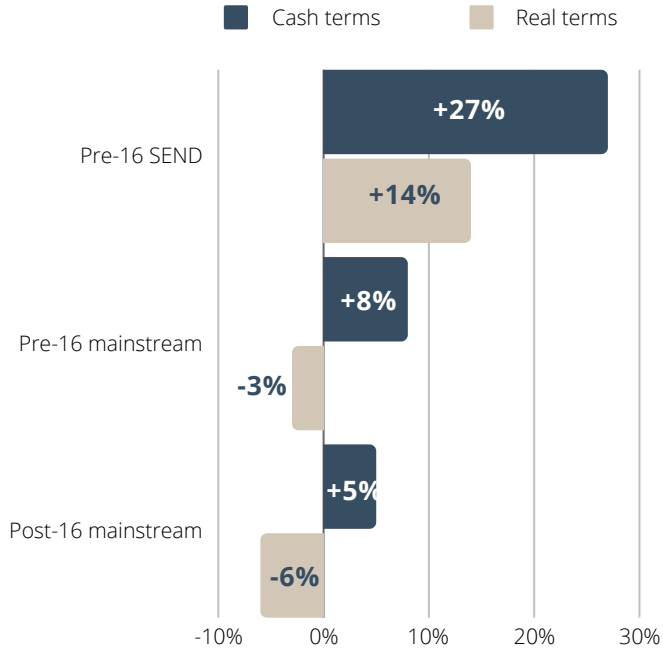
Increasing demand is not the only driver of rising local government expenditure on home to school transport; changes in unit costs are also a significant factor. Across 21 CCN member authorities providing the data for this part of our survey, the unit cost (costs per pupil transported) for pre-16 SEND HTST increased by 27% in cash terms and 14% in real terms (taking into account inflation) between 2018/19 and 2021/22.[11]

This increase in unit cost for pre-16 SEND transport runs in tandem with a 28% increase in demand over the same period: the number of young people receiving home to school transport on account of SEND, and the cost of transporting each of those young people, both appear to be rising significantly.

Unit costs for mainstream home to school transport paint a slightly different picture. While unit costs (per child transported) have grown in cash terms, they have shrunk once the impact of inflation is stripped out.

This pattern is consistent with the messages we heard from our fieldwork authorities. For SEND transport the complexity of children's needs, the length of the journeys and the type of transport being used are all adding to the unit cost of transport – it is costing more on average to transport each eligible child. Inflation and market forces simply multiply the cost pressure. For mainstream transport the journeys are not getting longer or more complex and, in some cases, route optimisation and more dynamic commissioning can lead to lower unit costs. However, these gains are being more than offset by the impact of inflation on core costs. These themes are explored in greater detail in the rest of this report.

Figure 16 - Change in cost per pupil transported



VARIATION IN DEMAND FOR AND COSTS OF HOME TO SCHOOL TRANSPORT

Per capita spend on home to school transport varies widely between local authorities, for all categories of eligibility, as shown in figure 17 below. In the most recently published expenditure data, some local authorities reported per capita spend on pre-16 SEND home to school transport of above £200, while others reported spend below £50.[12] Likewise, for pre-16 mainstream home to school transport some rural and county local authorities' per capita expenditure exceeded £150 whereas most authorities in metropolitan areas had expenditure near zero.

Regression analysis suggests around 89% of local authority-level variation in per capita spend on pre-16 mainstream HTST can be accounted for by factors beyond a local authority's control, including:

- Primary pupil numbers[13]
- Secondary pupil numbers[14]
- Urban vs rural mix of the resident population[15]
- The area of the local authority (square km)[16]

The remainder of the variation in local areas' per capita expenditure on home to school transport is due to factors we were unable to model, which will include those both within and outside local authority control, such as local transport policies; interpretations of guidance; staffing structures; and where schools are located in relation to where people live.

For per capita expenditure on pre-16 SEND transport, the picture is a little different. Carrying out a regression analysis including variables such as the percentage of the population with EHCPs, the percentage of the population in special schools and the size of the local authority only allowed us to explain around 30% of the variation in local areas' per capita expenditure.[17]

This suggests that expenditure on SEND home to school transport is more affected by a range of variables which we cannot model statistically including;

- the effectiveness of relationships between the transport and SEND policy and operational teams;
- parental expectations and preferences, local policy and practice in awarding EHCPs;
- how rigidly eligibility criteria for transport are enforced;
- the nature of the local (or sub-regional) market for Independent and Non-maintained Special Schools (INMSS);
- and the patterns of transport of pupils to special schools and other educational settings which may not be local to their home.

Data collected through our survey of CCN authorities indicates this variation in per capita spend (per head of pupil population) between all authorities is mirrored in data on expenditure per pupil transported. As can be seen in the charts below, average per pupil expenditure ranged from just over £5,000 per pupil transported for pre-16 SEND to over £15,000. For mainstream pre-16 transport the range was around £700 per pupil to £1,600, based on published 2021/22 finance data.

According to data provided through our survey, the average cost of transporting a mainstream pre-16 pupil increased from £1,127 per pupil in 2018/19 up to £1,223 per pupil in 2021/22 – an increase of 8%. Over the same time period the average per pupil cost of pre-16 SEND home to school transport rose from £6,314 per pupil to £8,050 - an increase of 27%.

Figure 17 - Distribution in per capita spend on home to school transport - all LAs

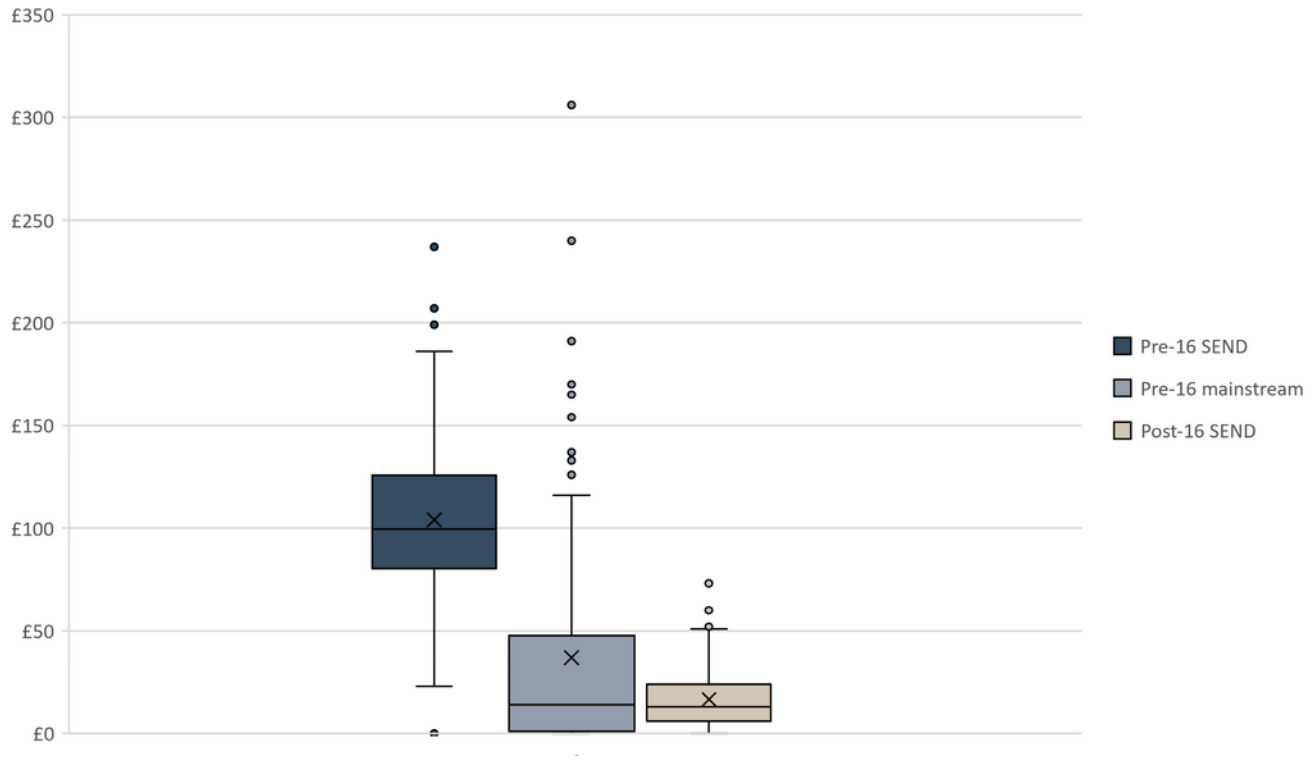


Figure 18 - Variation in cost per pupil, pre-16 SEND, transported by CCN LAs (anonymised)

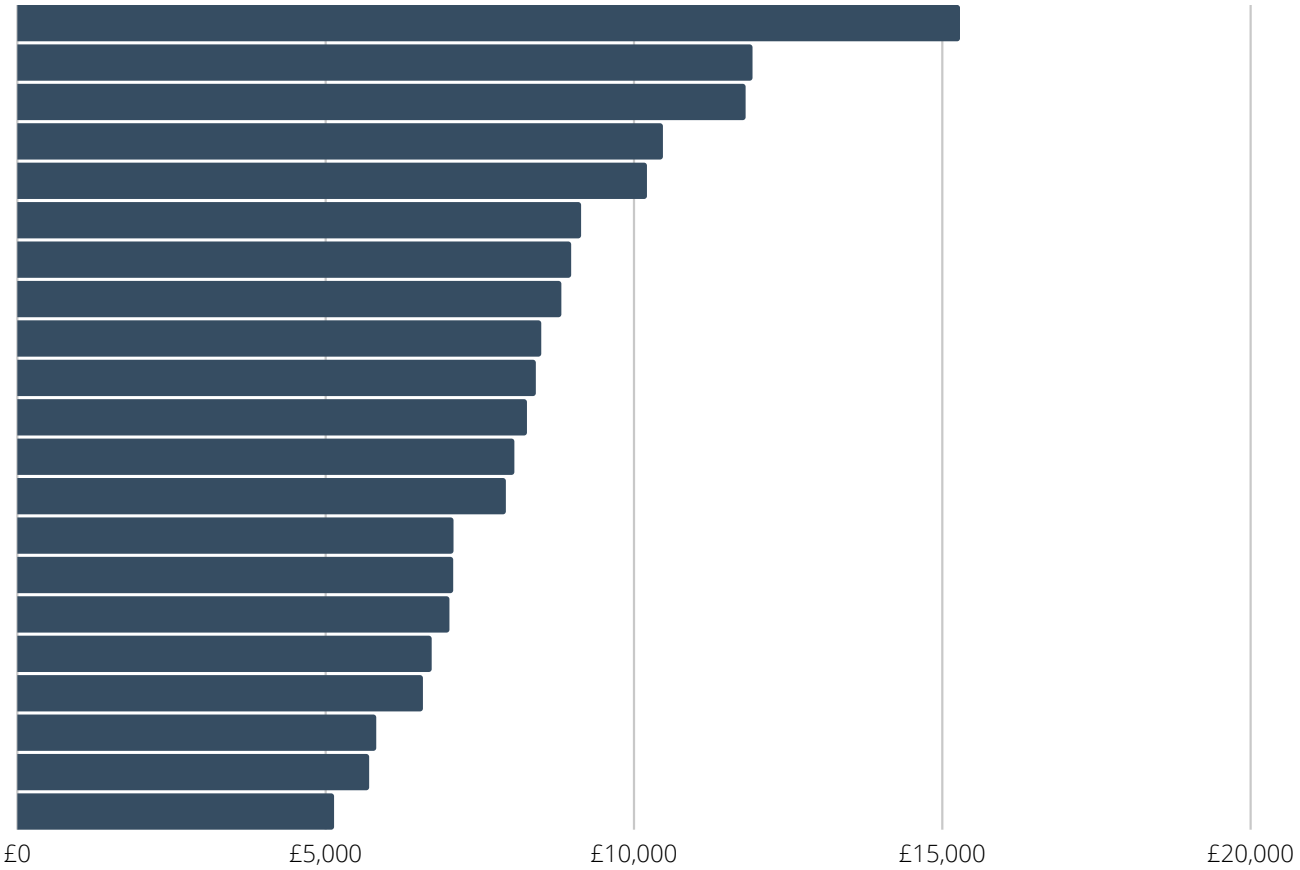
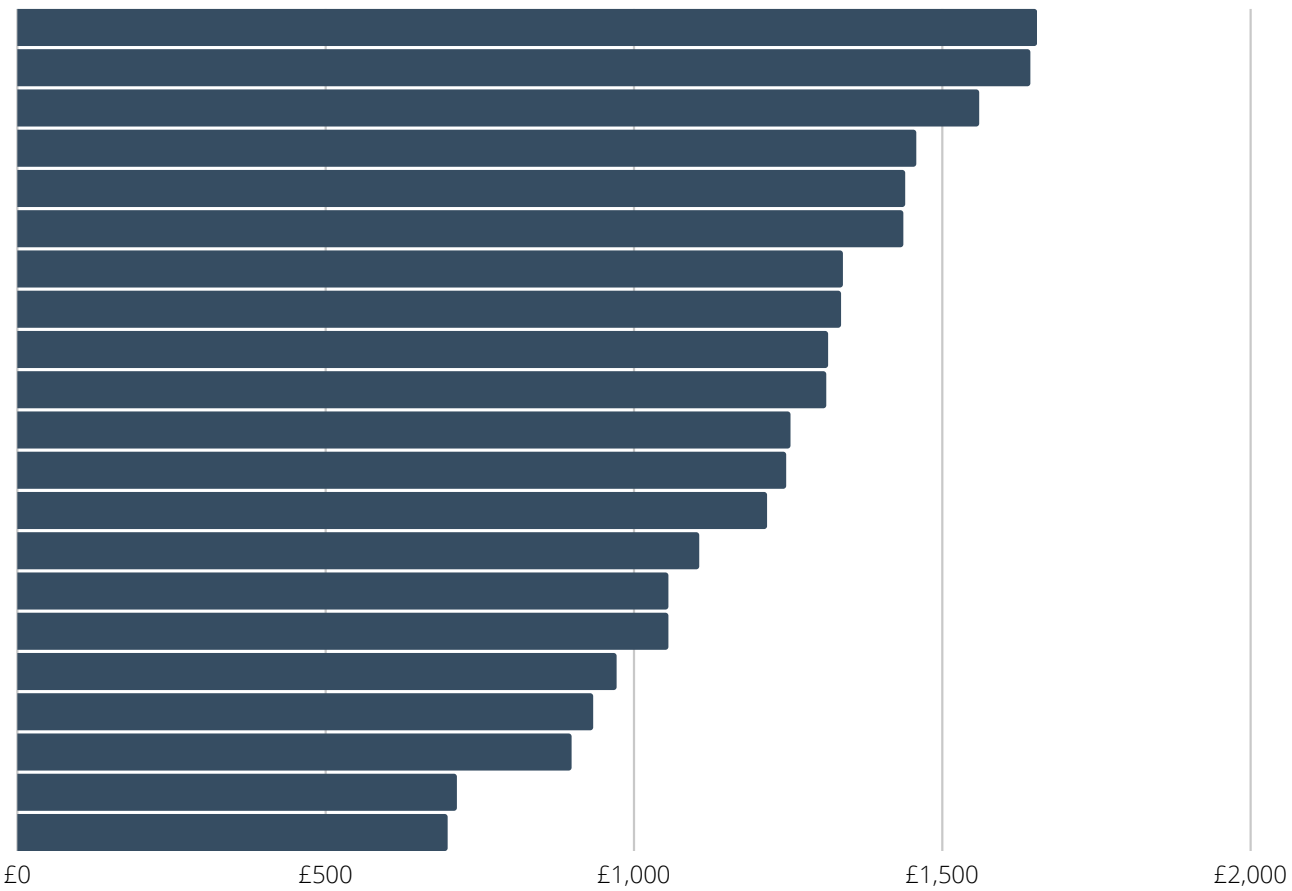


Figure 19 - Variation in cost per pupil, pre-16 mainstream, transported by CCN LAs (anonymised)



89% of local authority-level variation in per capita spend on pre-16 mainstream HTST can be accounted for by factors beyond a local authority's control

PUTTING ALL THE DATA TOGETHER: **THE PROFILE OF PREVIOUS SPEND ON AND DEMAND FOR HOME TO SCHOOL TRANSPORT IN CCN MEMBER AUTHORITIES**

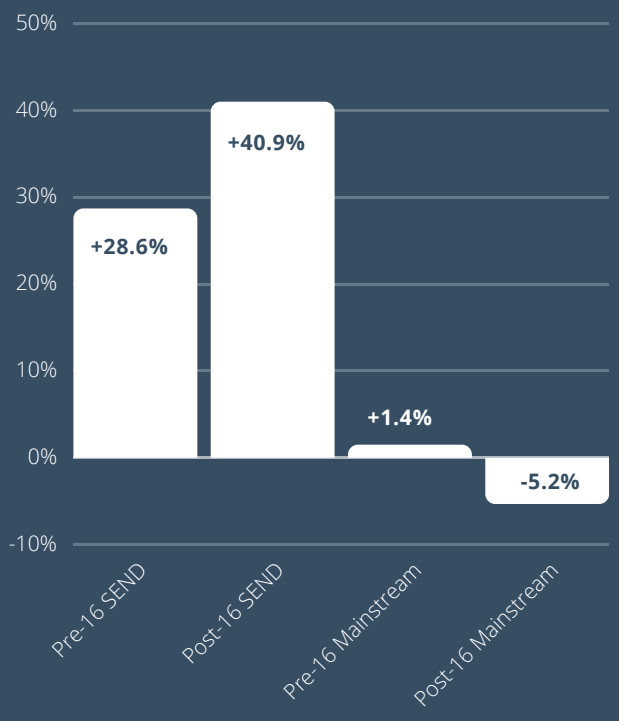
So, to summarise the emerging and complex picture of demand and spend on home to school transport in CCN member authorities:

- Overall expenditure on home to school transport in CCN councils increased by £385 million (64%) between 2015/16 and 2022/23 to an estimated £986 million.[18]

- Pre-16 SEND home to school transport is by far the most expensive area of home to school transport for CCN member authorities, accounting for 58% of 2022-23 home to school transport expenditure.

- Between 2015/16 and 2022/23 pre-16 SEND expenditure is the category that grew by the second highest amount, 114%. Numbers of pre-16 SEND children requiring home to school transport grew by 29% between 2019 and 2023, totalling an estimated 64,000 in CCN member authorities.[19] Between 2018/19 and 2021/22 it has become 27% more expensive to transport each eligible child with SEND in cash terms and 14% more expensive once prices are equalised for inflation.

Figure 20 - Percentage change in no. requiring transport



- Pre-16 mainstream home to school transport is the second largest category of home to school transport spend, accounting for around a third of the 2022-23 expenditure in the local authorities which responded to our survey.

- Post-16 SEND transport has seen the highest growth in expenditure. Since the introduction of the SEND reforms there has been a 116% increase in expenditure on post-16 SEND home to school transport, corresponding with a 41% increase in numbers of young people receiving transport between 2019 and 2023, according to our survey. This is clearly linked to the extension of responsibility for young people with SEND up to the age of 25 introduced as part of the 2015 SEND reforms. However, in total only around 8% of home to school transport expenditure in 2022-23 went on this category of eligibility according to our survey.

- Post-16 mainstream transport is the only category where numbers of children and per capita expenditure have both declined, although the total cost and unit cost have risen. According to our survey in 2022-23 it represented just 2% of overall expenditure.

- For all types of home to school transport, the per capita burden of expenditure is disproportionately high for CCN member authorities compared with all other local authorities. In total these authorities spend £239 per head of population on home to school transport compared with £126 per head of population in other local authorities.

- However, there is significant variation in per capita and per pupil costs, even among CCN member authorities. For mainstream expenditure this variation can largely be explained by factors such as the size of the population, the area of the local authority and rurality. It is less easy to explain the variation in expenditure for SEND, which is influenced by a wider range of local factors.

Figure 21 - Overall HTST expenditure in CCN councils 2015-16 to 2022-23

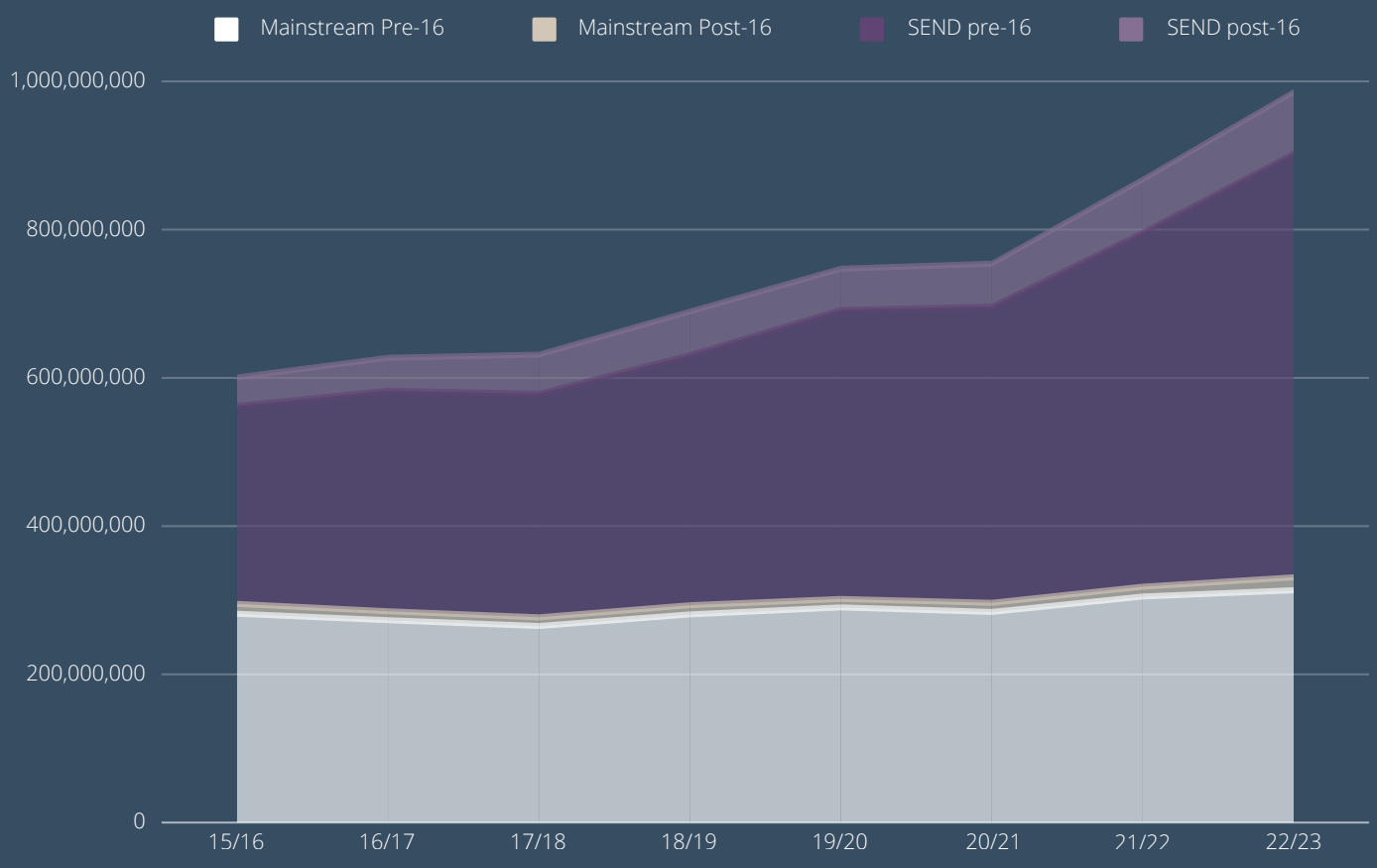
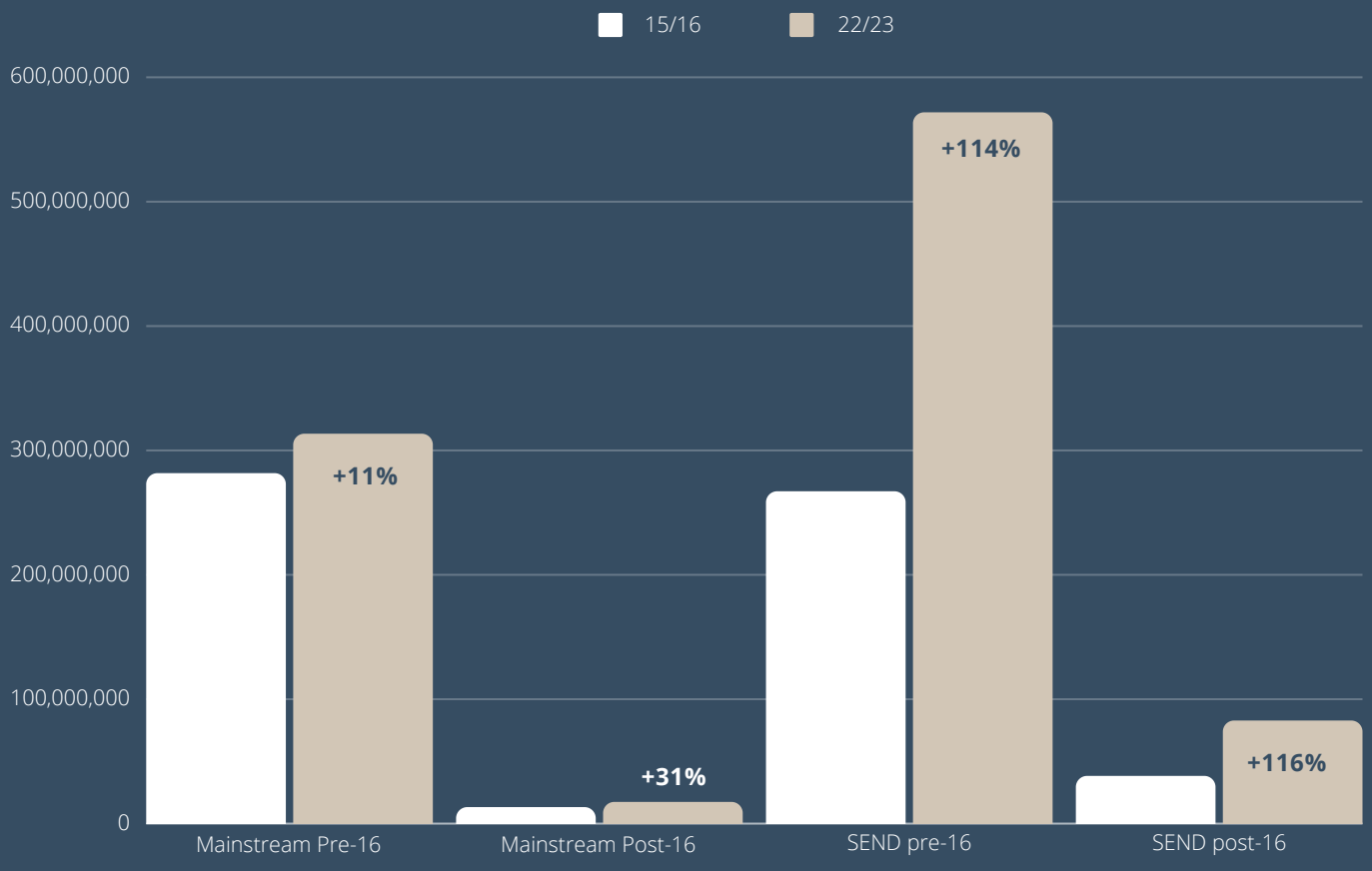


Figure 22 - Change in HTST expenditure in CCN councils 2015-16 and 2022-23



KEY DRIVERS OF INCREASING SPEND

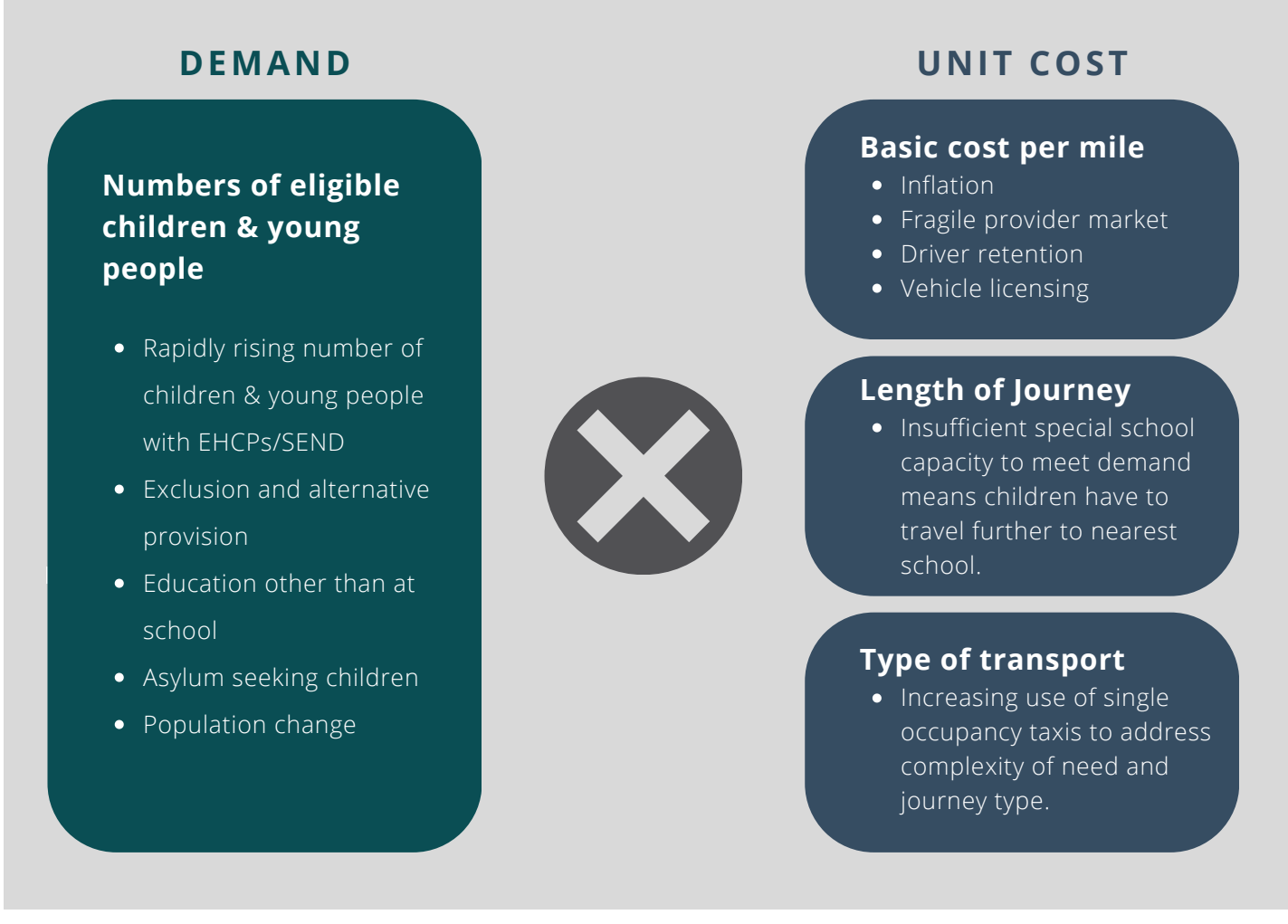
The cost of providing home to school transport is dependent on a deceptively simple equation: the number of children or young people who are eligible for transport multiplied by the average cost per journey.

The average cost per journey is in turn affected by three key variables: the first is the basic cost per mile of providing or commissioning transport. The second is the average length of the journey and the third is the type of transport offered. The interaction of these three variables, combined with the number of children eligible for transport, across a whole population, determines the need to spend.

The issue that local authorities are facing is that a variety of challenges both in terms of broader education policy and the wider economic landscape, are driving up costs on all of these fronts simultaneously. There is a perfect storm of funding pressures, particularly for home to school transport for children with SEND, as described in the diagram below.

In this section we use our survey and fieldwork findings to explain each of these drivers in greater detail.

Figure 23 - Diagram explaining key drivers of expenditure



NUMBERS OF ELIGIBLE CHILDREN AND YOUNG PEOPLE

The first element in our equation is the number of children and young people eligible for transport, and there is clear evidence that this number is rising, particularly in terms of eligibility for SEND transport. As reported on page 26 above, in those local authorities which completed our survey, the total number of children and young people on pre-16 SEND home to school transport have increased by 29% since 2019 and the numbers of children and young people on post-16 SEND home to school transport have increased by 41%. Scaling up our survey responses about 20,000 more children and young people in total are being transported now in CCN member councils than five years ago.

Number of children and young people with EHCPs

Although the statutory guidance makes clear that having an EHCP does not automatically confer a right to access home to school transport, the number of children with EHCPs remains a strong indicator for the number of children and young people with a recognised special educational need in a local area that may give rise to the need for transport.

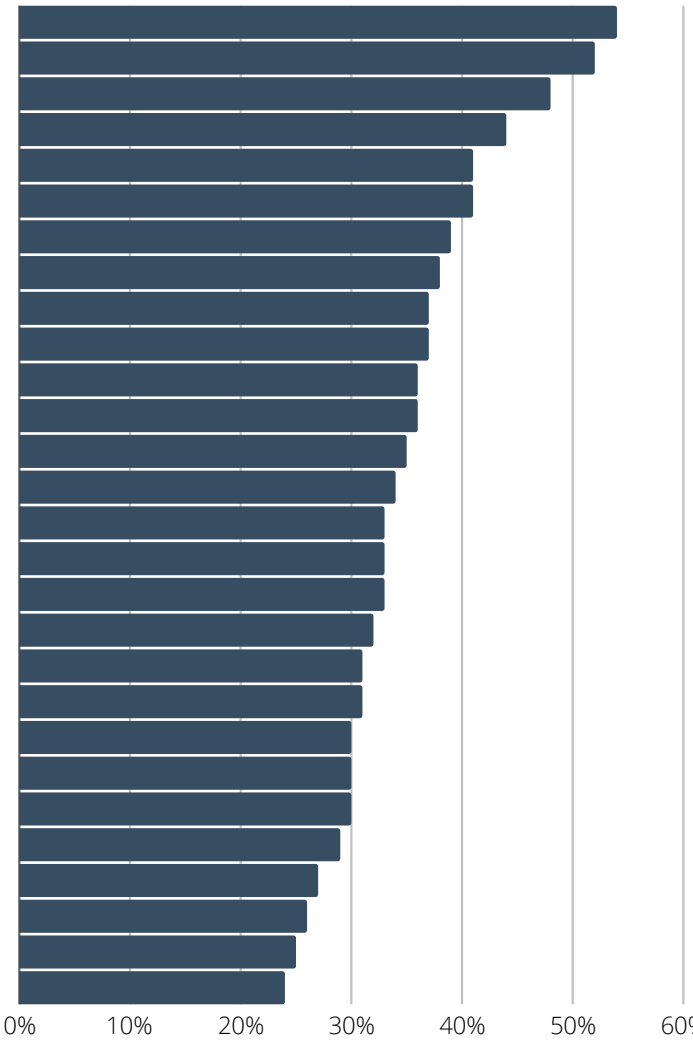
Since the introduction of the SEND reforms in 2015, the number of children and young people with EHCPs has skyrocketed. In 2015 there were 240,183 children and young people with EHCPs and statements. By 2023 this had risen to 517,049 – an increase of 115% in nine years.[20] It is perhaps unsurprising, therefore, that 97% of our survey respondents cited the growing number of children and young people with EHCPs as a key contributor to rising expenditure on home to school transport.

It is beyond the scope of this research to describe the myriad factors within the education system that are driving this increase. Indeed, the Government's own SEND improvement plan described the current SEND system as driving "a vicious cycle of late intervention, low confidence and inefficient resource allocation."[21]

CCN and the LGA have commissioned Isos Partnership to carry out a companion piece of research looking at the key drivers of increasing expenditure in the wider SEND system; the impact of current initiatives on both improving outcomes for children and young people and controlling costs; and the opportunities for system-wide reform. This will be published in Spring 2024.

However, our analysis of survey data shows that there is quite significant variation between local authorities in the percentage of children and young people with EHCPs who are provided with transport.[22] As shown in figure 24 below, this ranges from 24% up to 54%.

Figure 24 - Variation in percentage of children with EHCPs receiving transport by CCN LA (anonymised)



These variations are likely to reflect the underlying geography of the area, the pattern of where children with SEND are placed in schools, and differences between local areas in how their SEND teams operate and the relationships between SEND teams and transport teams.

It is worth noting that in local areas where a lower proportion of children and young people are in receipt of an EHCP on average a higher percentage of these go on to receive transport. This is perhaps to be expected. In authorities where the proportion of children with an EHCP is low the complexity of needs of those children with EHCPs is likely to be higher on average, and more likely therefore to meet the eligibility criteria for transport.

During our fieldwork, local areas described the need to work constructively and proactively with parents to build trust around transport options. Where this was proving more challenging local areas described a situation where parents felt fearful of the risks associated with different forms of transport to school and - in no small part due to their experience of the SEND system more generally - felt that they had to fight for their right to transport for their child. Several fieldwork participants described an expectation among parents that an EHCP automatically comes with a transport entitlement, and transport entitlement automatically means travelling in a taxi. In the words of one DCS;

"There are more children where parental expectation is for personalised transport. There has been an anxiety uptick post Covid. There is also a recognition that bigger transport options [for example minibuses] can take longer [due to the number of stops required]."

Breaking down these assumptions, which are not based on statutory guidance, requires skilled and well-informed staff who can build parental confidence and trust and who can engage meaningfully around questions of the child's welfare while also offering a range of alternative options.

These discussions are time-consuming and given the rapidly increasing demand for transport, local authority teams are finding themselves understaffed and under significant pressure.

A further area of growth in the numbers eligible for transport is in young people over the age of 16 with SEND. Our survey data shows that in the last five years the number of young people post-16 receiving SEND transport has increased by 41%. Here we can see a direct impact of the SEND reforms, introduced through the Children and Families Act 2014, which extended local authority responsibility for SEND to age 25.

To illustrate the cumulative nature of this policy change, a young person who was 16 in 2015 would, under the provisions set out in the Children and Families Act, be entitled to support with education and training up until 2024. This simple calculation shows that we are still seeing the impact of the extended responsibility for young people with SEND work through the system.

Although the underlying transport duties have not changed since 1996, the increasing numbers of young people with SEND in education after sixth form age necessarily leads to more requests for transport assistance. It is also important to recognise that independent travel training, which the guidance rightly emphasises, is hugely beneficial for the individuals involved but is not a panacea at a whole authority level.

In our fieldwork local areas report the anxiety of schools and of parents about the implications of independent travel as a significant obstacle; the perception of a minority of families that if they don't receive an individual transport option, they are missing out on what they are 'entitled to'; and the paucity of a public bus network in many areas that limits the opportunities for young people to travel independently even if they have successfully developed the skills to do so.

Interestingly, our survey data on the numbers of post-16 young people with SEND receiving transport shows quite considerable variation between CCN member authorities.

Comparing the ratio of post-16 SEND transport to pre-16 SEND transport, at one end of the spectrum there are local areas transporting one post-16 young person for every two or three pre-16 children. At the other end of the spectrum the ratio is 1:20. Responses to our survey suggest that the post-16 guidance (for both SEND and mainstream young people) affords a variety of local and national interpretations, which is not helpful for either clarity or consistency. As one survey respondent said:

"The DfE should reconsider Post 16 Guidance which is too subjective and results in inconsistent levels of support across the country. Clarity in this area is required regarding the expectation of provision of transport under the Adult Transport Duty, as the Local Government Ombudsman have a different view on what it means compared to that advised by DfE (who consider it should be only as an exception in a very small number of cases)."

Increasing transport demands from other vulnerable groups

Our fieldwork local authorities highlighted three other groups of vulnerable children and young people for whom transport was increasingly required, and who were therefore contributing to the rising numbers.

The first group was children who had been excluded and required transport to alternative provision. Data shows that in the last five years, permanent exclusions grew from 6,684 a year in 2015/16 to 7,894 in 2018/19 before reducing during the Covid years. Numbers are now climbing again and stood at 6,495 in 2021/22.[23] Local areas explained that for excluded young people a placement in a Pupil Referral Unit (PRU) or another Alternative Provision (AP) would normally mean that their journey to their place of education exceeded the statutory walking distances and that they would become eligible for transport when they had not been previously.

Because PRUs and AP providers might draw in pupils from a wide and dispersed catchment area, it was frequently not possible to accommodate excluded young people on existing mainstream transport routes. An additional pressure comes from the fact that children and young people are tending to stay in PRUs or AP longer than they did previously.

Furthermore, some of our fieldwork participants described an increasingly fragmented landscape of AP providers to meet the demands of the market which served to further inflate the number of young people requiring transport.

Several local authorities also highlighted the growing number of mainstream schools commissioning time in AP for some of their pupils for part of the day, or part of the week, and subsequently expecting the local authority to provide the transport. Councils are now increasingly pushing back against this activity, and making clear that where a school organises alternative provision for a student on their roll, they become responsible for providing the necessary transport.

The pressure placed on home to school transport services by growing numbers of young people in AP does not show up in our survey which recorded broadly stable numbers over the five year period. We suspect that this is because the survey asked respondents to record destinations for children and young people receiving transport on account of special educational needs. Our fieldwork suggested that a large number of those eligible for transport to a PRU or AP formed part of their mainstream transport cohort.

The second group of young people that local areas drew attention to was those with high levels of anxiety, or whose special educational needs had not previously been met in a school setting, and for whom education in a setting other than at school (EOTAS) was deemed to be in the best interest of the young person. Some local authorities commented that the incidence of young people requiring EOTAS had increased in the aftermath of the Covid pandemic.

In some cases where an EOTAS package was agreed, education might be provided at home, for example through an online learning platform in which case there would be no transport implication.

However, the education might also be provided, for some or all of the week, at a setting that is neither a school nor college. EOTAS often means a personalised, complex package of arrangements which may include AP, therapy and extra curriculum activities which makes the transport implications expensive and hard to commission.

As in the case of excluded young people described above, those settings are often not within the statutory walking distance of the young person's home. Survey data shows that, although the numbers are small overall, there has been a very significant increase in the number of young people transported to an EOTAS setting over the last year, increasing by 77% between 2019 and 2023. Scaled up numbers suggest that around 700 children and young people in 2023 were transported to EOTAS settings across all CCN member councils.

Finally, several of our five fieldwork authorities and survey respondents described the increasing pressure to provide transport to school to children of asylum seekers. This issue was particularly acute when groups of asylum-seeking families were placed in hotels, often at very short notice and frequently in relatively inaccessible locations, and councils had to make arrangements to transport children to schools which could offer places, often nowhere near the hotel.

A specific frustration was that in many cases the parents of these children were keen to take the children to school themselves, but without access to a car or public transport, with no recourse to public funds, and without the opportunity to work they were unable to do so. One council responding to our survey explained;

"We had 176 pupils [asylum seeking children] at 5 hotels travelling to 20 different schools. This comes at significant cost in excess of £600k per annum."

THE BASIC COSTS PER MILE OF PROVIDING OR COMMISSIONING TRANSPORT

Just as there are more children and young people to transport on the left-hand side of our home to school transport equation, so there are factors driving up the cost per journey on the right-hand side. The first of these are the inflationary increases in the basic costs of providing or commissioning transport. As a respondent to our survey commented;

"Changes in the raw costs of providing transport – fuel costs, vehicle costs, driver salaries has the greatest impact [on mainstream transport]. We already only provide a statutory minimum service for mainstream children so have no scope to change eligibility locally."

The underlying costs associated with providing transport, such as fuel and vehicle prices and drivers' wages, combined with the competitiveness of the market in which transport contracts are commissioned, provides the basic economic landscape in which all home to school transport – mainstream and SEND, pre- and post-16 – operates.

When we carried out our previous research in 2019, we reported that local areas had experienced an environment of increasing costs and a diminished market of commercial transport operators leading to rising contract prices. The difficulties and challenges that were identified in 2019 have significantly intensified in the intervening years. In this section we look at the impact of inflation, the fragility of the transport provider market and the issue of driver recruitment and retention.

The impact of inflation and the cost of raw materials

Since our previous research into home to school transport, geo-political events including the aftermath of the Covid pandemic and the impact of the war in Ukraine, have contributed to rapidly increasing prices, particularly in the last 18 months.

A quick look at average fuel prices illustrates the challenge perfectly. In January 2019 petrol cost 120 pence per litre and diesel cost 129 pence per litre. By October 2023 this had risen to 157 pence per litre (petrol) and 162 pence per litre (diesel), representing an increase of 31% and 26% respectively. In June 2022, diesel prices reached 198 pence per litre at one point.[24]

These increases in fuel costs sit within an overall context of rising inflation that has been widely reported. ONS data shows that the Consumer Price Index annual rate of inflation stood at 2% in May 2019, falling to 0.2% in August 2020 before rising to a high of 11.1% in October 2022. It has since started reducing again and currently stands at 6.7% (September 2023).[25]

In our survey all local authorities responding said that "Changes in the raw costs of providing transport – fuel costs, vehicle costs and driver salaries" had contributed to increasing expenditure on mainstream home to school transport, and 97% of respondents said that it had contributed to increasing expenditure on SEND home to school transport.

For both types of transport, it was the most commonly cited factor contributing to increased costs. As one survey respondent explained:

> ***"Inflationary pressures mean the cost of operating services is becoming unaffordable. In addition, on costs are still a challenge for the industry, as per figures shared by Operators:***
>
> - ***Tyres - 18% increase (due to increase in cost of rubber as the raw material)***
> - ***Fuel - 15% increase***
> - ***Ad-Blue - c.20p/litre pre-pandemic, has been as high as 90p/litre and has settled at c60p/litre - due to the amount of Gas required to refine it***
> - ***Labour - c20% increase in unit labour costs as a result of high inflation, tight labour market requiring pay increases to improve attraction/retention"***

One Director of Place described how his teams had recently re-tendered several two-year transport contracts for the first time since the end of the Covid pandemic, which are now taking into account the impact of inflation over the previous 18 months. Providers in their area had been seeking a 50% uplift in the price of the contract. The local authority, in this example, was facing a £6 million in-year overspend on their Home to School transport budget. The Director of Place estimated that around 70% of that overspend was due to market factors pushing up the price of contracts and around 30% due to increasing demand.

The difficulties and challenges that were identified in 2019 have significantly intensified in the intervening years

The fragility of the transport provider market

As underlying costs have risen, commercial bus companies, on whom local authorities are reliant for commissioning a high proportion of home to school transport, have come under increasing pressure. Rising costs, combined with the negative impact of the Covid pandemic on passenger numbers, have pushed many commercial bus companies to the edge of viability. Research carried out by SYSTRA on behalf of CCN (summarised in Box 2) demonstrated the severe decline in county buses over the past decade, with more than one in four routes disappearing and 344 million less journeys compared to a decade before.[26]

Several local areas described the impact of losing significant operators from the market, often at short notice, requiring them to re-tender routes quickly in order to meet statutory obligations and pull providers in from further afield to plug gaps in the market.

The head of home to school transport in one local area described how one of their largest operators ceased trading, leaving 15 home to school transport routes without provision. Retendering those routes added £250K per annum to their budget at a stroke. As one survey respondent commented;

"For large bus mainstream transport we are right on the edge. If we lose another provider we will be in trouble."

For mainstream home to school transport, the market is largely determined by providers of large coach services and the availability of the diminished public transport network. For SEND home to school transport, the market is more dependent on taxi companies and providers of smaller, more specialist, mini-buses.

SUMMARY BOX 2

THE STATE OF COUNTY BUSES - SUMMARY OF KEY FINDINGS

- More than one in every four bus services has vanished in county areas over the last decade, as measured by vehicle miles. Between 2010-22, vehicle miles reduced by 26.5% in CCN areas, higher than London and metropolitan borough councils that cover cities and large towns. The pandemic has accelerated this, with vehicle miles dropping by 14.4% in 2021-22 compared to 2019.

- This decline in bus availability has impacted on passenger numbers. Rural and county areas have witnessed the biggest percentage decline (-44%) with 344 million fewer journeys than a decade ago in 2022 compared to 2010. Passenger numbers were decimated during three national lockdowns in the pandemic year of 2020-21 and have not recovered fully. In 2021-22 passenger numbers in county areas were 35% down on 2019: 216.3m journeys. Compared to a high watermark of 2010, there were 344m fewer journeys taken in 2022 compared to 2010, with journeys now at a historic low.

- When a route is deemed unviable from a commercial operator, as many rural routes are, local authorities step in and subsidise the service. However, the analysis revealed with councils in rural and county areas having a £420m (50.7%) shortfall in their local transport budgets, the number of council-supported miles in county areas has fallen dramatically by almost 60%; from 140 million miles a year in 2010 to 58 million miles in 2022. The report also showed that commercial operators have increasingly stopped services since the onset of the pandemic. The number of services, as measured in miles, has decreased by 15.6% since 2019, a drop of 51.2m miles.

Several of the local areas which we engaged with the fieldwork expressed their concerns about the operation of the local taxi market with some fearing that they were reaching 'saturation point', in other words that at peak times the local authority was commissioning almost all of the available taxi capacity in a particular area.

A small number of local authorities also expressed concern that local taxi companies were consulting with each other in bidding for contracts in order to secure a better price – effectively creating taxi cartels – although this was not a universal experience.

The availability of providers able to offer smaller, specialist vehicles, for example mini-buses able to transport children with a variety of special educational needs, was also a concern for some local areas.

One described how "none of the big organisations want to get involved in SEND home to school transport" citing the specialist vehicles required and the potential for reputational risk. Several local authorities explained that they provide specialist mini-bus services through their own fleet due to the lack of external providers. As one survey respondent outlined;

"We became the only option for children with very complex needs. Operators won't invest in very specialist vehicles."

In our survey, 90% of local authorities said that 'Market capacity' was leading to increasing expenditure on SEND home to school transport and 87% said it was leading to higher spend on mainstream home to school transport.

Recruitment and retention of drivers

A further underlying trend that is affecting market capacity, affordability and sustainability for both SEND and mainstream home to school transport is the availability of drivers.

Local areas, through the survey and the fieldwork, described how an ageing workforce, the impact of both Covid and Brexit, and the opportunities for higher-paid or more appealing jobs in other sectors were all leading to difficulties in recruiting and retaining enough drivers. As one survey respondent stated:

"More appealing work in other industries is leading to large vehicle drivers moving away from the bus driving sector and into more delivery service like areas.

"The bus industry is suffering from a shortage of PCV drivers meaning operators are having to pay a premium for drivers. Increases in employee costs, fuel, parts and other business overheads are being reflected in the contract prices local authorities are being charged for delivering school bus contracts - In most cases the increases are circa +20-35%."

Vehicle licensing

Several survey respondents highlighted the fact that new vehicle licensing requirements were also contributing to higher contract prices. In particular, those replying to the survey pointed out that the need for council contracted services that are carrying fare paying passengers to be compliant with Public Service Vehicles Accessibility Regulations (PSVAR) has led to increased contract costs as the exemptions to the scheme that were previously available are being phased out.

PSVAR are designed to improve the accessibility of buses for disabled people and cover all new public service vehicles (buses or coaches) introduced since 31 December 2000, with a capacity exceeding 22 passengers and used to provide a local or scheduled service.[27] One local area had calculated that PSVAR had increased their costs by about £1 million per year because it was unable to sell vacant seats on buses that were not PSVAR compliant.

"DfT insistence on PSVAR requirements being met on all vehicles over 22 seats or more where some seats are sold. This is resulting in unnecessary and quite avoidable purchase of PSVAR compliant vehicles at huge expense which will be reflected in even higher contract prices."

LENGTH OF JOURNEY

The analysis above shows that not only is the basic cost per mile of providing transport increasing, but so are the numbers of children and young people eligible for such transport. The third main factor driving increasing spend is the length of journeys that children and young people are making to school. Mainly this is an issue affecting SEND home to school transport and is most significantly associated with the capacity and accessibility of special schools.

However, a minority of local authorities have also noted pressure on mainstream home to school transport arising from the placement of new housing developments and mainstream schools being full in areas of population growth. The table below shows the range of destinations to which pre-16 SEND children were transported from 2019 to 2023, according to responses to our survey.

The data shows that the vast majority of children receiving transport on account of SEND are travelling to special schools – around two thirds of the cohort. Over the last five years the number travelling to special schools in the local areas that have responded to our survey has increased by 24%. Although the numbers are much smaller, there have also been substantial increases in the last five years in the number of children and young people travelling to Independent and Non Maintained Special Schools (INMSS) and to Education Other than at School (EOTAS).

The table below shows the actual number of SEND children transported to different destinations from 2019 to 2023, according to survey data received from 18 local areas. We have used 2023 survey data to estimate the number of children and young people with SEND travelling to each destination type in all CCN member authorities in 2023, shown in figure 25.[28]

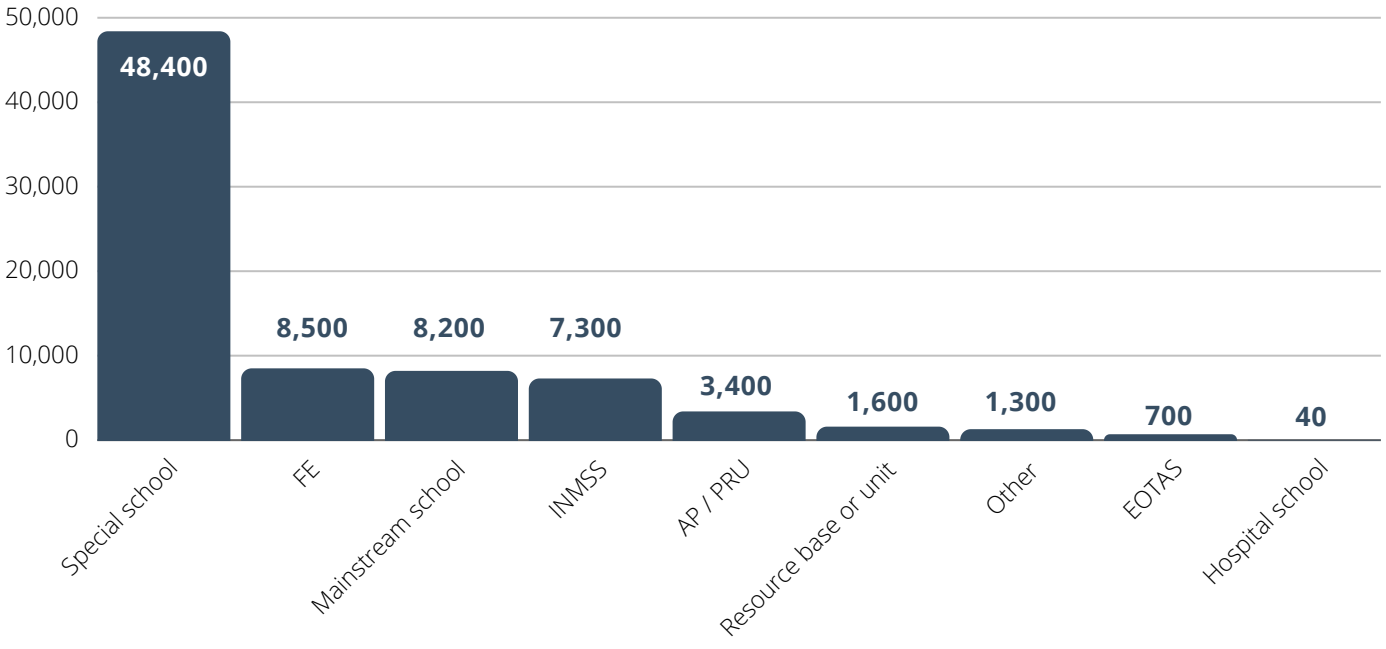
This shows that almost 50,000 children in CCN member councils were travelling to special schools in 2023. The second most common destination was FE, which is likely to be a reflection of the growing numbers of post-16 young people with SEND receiving transport. Almost as many children with SEND were being transported to INMSS as were being taken to mainstream schools.

Table 6 - Numbers of children on SEND home to school transport by destination (18 survey councils only)

Transport Type	2019	2020	2021	2022	2023
Mainstream schools*	1,945	2,044	2,161	2,383	3,020
Special schools*	21,147	22,093	22,849	24,528	26,196
Resource bases or special units	672	664	794	714	776
Independent or non-maintained schools & colleges	1,390	1,673	1,986	2,239	2,904
FE colleges	2,479	2,775	2,959	3,533	3,611
Alternative provision / PRU	1,772	1,794	1,560	1,519	1,645
Hospital school	4	11	10	2	24
EOTAS	88	117	117	166	156
Other	482	448	394	434	444

*Maintained and academies

Figure 25 - Estimated number of children receiving SEND transport by destination - All CCN members



Capacity and accessibility of special schools

One of the clear trends since the introduction of the SEND reforms in 2015 has been the rising numbers of children and young people in special schools. Again, the reasons behind this increase are complex and multiple – they include, but are not limited to:

- changes to the accountability system and the curriculum in mainstream schools,
- the capacity of mainstream schools to make inclusive provision for children with SEND,
- the role of parental preference on school choice and the importance attached to this in legislation,
- the growth of the market in independent and non-maintained special schools and
- constraints on local authorities' ability to commission special provision.

The stark fact is that there are now nationally nearly 46,000 more children in maintained and academy special schools than there were in 2015/16.[29] Our survey data, as described above, shows that around two thirds of SEND transport is taking children and young people to special schools, accounting for just under 50,000 pupils in CCN member authorities.

It is perhaps not surprising then that 84% of respondents to our survey said that where children with EHCPs were placed in schools, for example greater numbers of children in special schools, was driving increased expenditure. It is worth teasing out the various mechanisms by which the limited capacity of the special school sector is driving growth in transport costs.

The first important point is that in most local authorities the large majority of special schools are full. This means that every additional child or young person seeking a special school place is increasingly unlikely to receive a place in their nearest special school and are more likely to have to travel further to find a school that will meet their needs. This both serves to increase the number of children and young people eligible for transport and pushes up the average length of journey. It also adds to the complexity and illogical nature of the transport routes required.

When special schools are full children and young people will often be offered spaces as and when they become available, wherever they are available. If subsequently a place were to become available at a nearer school parents are often not willing to take it because to do so would cause significant disruption to their child's education.

Consequently, children and young people get locked into patterns of travel which, as a whole system, do not make sense. It is not uncommon for children in the north of a county to be travelling to a special school in the south, while children in the south are making the same trip in reverse, not because the nearer schools could not have met their needs, but because there were no places at the time of application.

Even when local authorities have commissioned new special schools, these often rapidly fill not with children from the local area but children waiting for a special school place from much further afield. During our fieldwork engagements we asked about the longest and most costly travel times, as well as the average. Many local authorities could cite individual transport options costing in excess of £60,000 a year for one child. The longest journey to a special school that we heard about was a round-trip of 104 miles.

Secondly, several local authorities highlighted challenges in how their special school estate was organised that exacerbated the issues described above. One local area, for example, described the fact that there were no generic special schools – each served a particular type of special educational need. This meant that there was one specialist school for Social Emotional and Mental Health (SEMH) needs in the North of the county and no provision for SEMH in other parts of the county. In another local area local reorganisation left the local authority with a significant shortage of special schools in comparison with their geographical neighbour creating a challenging transport dynamic.

The capacity for local authorities to address these challenges by commissioning new and additional special school provision is very circumscribed. The only route by which a local authority can create a new special school is through an application to commission a special free school. This is time-consuming and not all applications are successful.

The shortage of maintained and academy special school places, in the localities in which they are needed, has led to growing reliance on independent and non-maintained special schools (INMSS) to fill gaps in provision.

Local authorities also report that many parents express a preference for a place in an INMSS school for their child – a trend which again tends to lead to longer average length of journeys. The numbers of children and young people transported to INMSS in our survey authorities more than doubled between 2019 and 2023. We estimate, from scaling up our survey, that in 2023 around 7,300 children and young people were being transported to INMSS in CCN member authorities. As one fieldwork participant explained:

"Our own special schools are full which means that we have to rely on INMSS. More therefore come to market their places. The availability of INMSS means that parents express preferences for them. Which often means bespoke journeys in individual taxis."

In the case of parental preference for a school that is not the nearest that can meet needs, the guidance is clear that local authorities can make a judgement on whether transport to that school is compatible with the efficient use of public resources, and if it is not can agree to name the school on the proviso that the parent either covers the cost of, or makes a contribution to, travel.

In some local areas this rule is strictly adhered to, but others describe much more difficulty in implementing it in practice. Some councils were frank in acknowledging that there had at times been insufficient communication between the SEND teams and the transport teams, which could lead to a school (which is not the nearest suitable school) being named in a plan at a parent's request before the transport implications are clear, at which point the opportunity to broker a different solution has been lost.

Others pointed to the role that the SEND Tribunal could have in undermining transport decisions. Although Tribunals cannot rule on SEND transport, examples were cited in which Tribunals ruled on the school named in a child's EHCP and rejected local authority arguments that the transport costs were not compatible with the efficient use of public resources. As a council in our fieldwork outlined:

> ***"We find there is an opening challenge at tribunal – that the school we have named can't meet needs. We do factor in and provide transport costs, but tribunals don't always consider them. The Tribunal often sets aside the transport argument. The case is built on whether the school can meet need or not."***

Full mainstream schools and new housing developments

For the most part, the structural issues that are leading to longer, and therefore more costly, journeys mainly apply to SEND transport. However, in our survey, a small number of councils also highlighted the impact of population growth on mainstream transport.

In these areas local mainstream schools were full, which meant that pupils were travelling further to their nearest suitable school. In some cases, new housing developments were creating demand for additional places.

This could be particularly challenging when new developments were reliant on accessing school places at some distance. Such problems can be exacerbated in two-tier county council areas, where decisions around housing and planning are held at lower tier district council level. Several survey respondents also highlighted the difficulties caused when schools independently changed their start and finish times, or put in place staggered starts for different year groups, which reduced the opportunity to combine transport for more than one school or for multiple year groups onto a single vehicle.

> ***"There are a number of large housing developments within our authority that have created further demand for school places. The impact of catchment areas and parental preference, and headteachers changing school hours, also has an impact on transport requests."***

TYPE OF TRANSPORT

The final part of the equation which helps to explain the increasing cost pressures associated with home to school transport is the type of transport being used. Again, this is primarily an issue affecting SEND rather than mainstream transport. Put simply, it is much more expensive to transport a child to school in a taxi - particularly a taxi for individual use - than it is to take a child to school on a bus or by public transport.

The cost difference becomes even more marked when a child's needs are such that they also require a passenger assistant. Our survey data shows that use of cars, including taxis, to transport children with SEND to school increased by 36% from 2019 to 2023. In the last two years, for the first time, cars are on a par with minibuses as the most common form of transport to school for children and young people with SEND. Scaling up our survey data, we estimate that this year just over 30,000 children and young people are being transported in cars, including taxis, across CCN member authorities.[30]

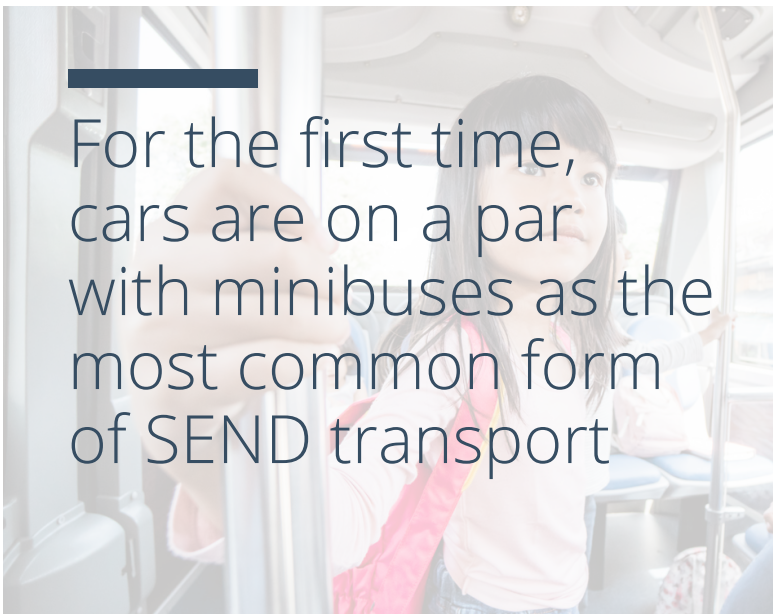
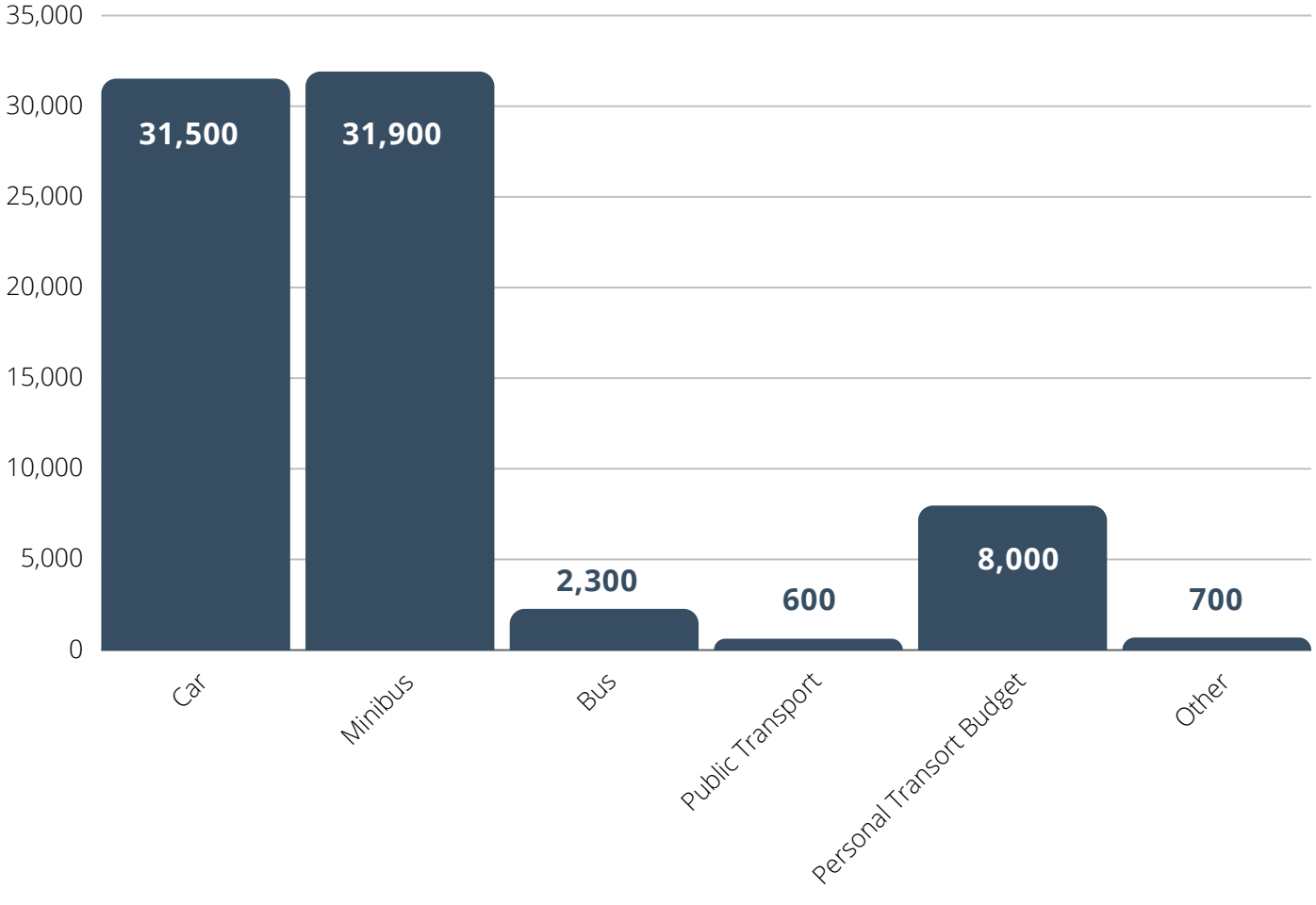


Table 7 - Change in number of children receiving transport, by transport type, 2019 – 2023 (16 survey councils only)

Transport Type	2019	2020	2021	2022	2023
Car - 5 seats or less*	10,973	11,904	12,818	13,606	14,950
Minibus or MPV - 5 to 16 seats	12,626	12,959	13,080	13,547	14,465
Bus - 16 seats or more	1,006	2,105	1,150	1,049	1,197
Public transport	323	233	197	205	205
Parental mileage allowance / personal transport budget	1,542	1,695	2,024	2,520	3,356
Other	375	397	398	408	466

*including taxis

Figure 26 - Estimated number of children receiving SEND home to school transport, by transport type, all CCN members



The relationship between the length of journeys and the use of taxis

The increased use of taxis to transport children and young people with SEND cannot be seen in isolation from the tendency towards longer journey times and distances described above.

Several local areas explained that although it would be more cost efficient to transport five children together on a minibus, the time it took to carry out five pick-ups and drop offs, in addition to the already lengthy journey time, would mean that children were on school transport for longer than the recommended maximum travel time set out in DfE statutory guidance.

Parents and schools, not unreasonably, were also concerned about the length of time that children were required to travel. This had led to local authorities having to split up groups of children travelling together and move them into smaller, or individual, transport arrangements.

However, a couple of senior local leaders also observed that, in some cases, parents favoured an earlier transport pick up time and a later drop off. They speculated that this might be indicative of the need to provide greater support for families with SEND in the home, and greater accessibility to respite options, rather than allowing lengthy transport journeys to replace effective respite.

A further corollary of the increase in individual taxi use is the amount of commissioning capacity it can absorb within the local authority. Several areas commented that arranging bespoke taxi pick-ups, that might change from one day to the next, was extremely time-consuming and added to the overall cost burden.

Greater complexity of needs

Seventy-seven per cent of local authorities responding to our survey said that changes in the complexity of children's needs that might require more individualised transport arrangements were contributing to higher costs of SEND transport.

As a field work participant and respondent to our survey observed;

"Rural county and fewer settings, so distances are longer and often lead to requirement for a Passenger Assistant. Children with complex and/or behavioural challenges requiring specialist training/personnel/vehicles." Survey respondent

"There is a tendency in care plans to specify escorts, specialised vehicles and medical needs." Head of SEND

Through the fieldwork, local areas identified two particular groups of children and young people for whom this was a particular issue. The first was a growing number of children and young people with significant behavioural challenges, with autism or with other neuro-diverse conditions who required individual transport either for their own safety of for the safety of others.

The second group were children and young people whose medical needs were such that they might need a specially adapted vehicle; that the driver might need specific health training on the actions to take in the case of a medical emergency; or they might need a specially trained passenger assistant. Local authorities were very concerned not just by the cost implications of transporting children with the most complex medical needs to school, but also having sufficient input from health professionals to ensure that the risks were managed safely and proportionately.

One DCS, however, commented that there was a danger of being overly risk-averse in relation to medical assistance and described the cases of two children for whom the local authority spends in excess of £100,000 per year on medical assistance. In neither case has the medical assistance ever been required, and furthermore both children routinely travel with their families with no medical assistance in place.

Parental expectations

Finally, several local areas flagged that increasing numbers of parents approach transport discussions with the expectation that individual taxi transport is required and will be provided.

In some cases, this is symptomatic of a breakdown in trust between the local authority and the parent. One head of home to school transport explained that where a parent feels that they have had to fight to get their child's needs recognised and the appropriate support put in place, they will tend to approach discussions about transport in a cautious and defensive way and argue strongly to secure what, in their view, constitutes the best transport offer. In many cases this will be transport in an individual taxi.

Another local authority explained that there can sometimes be a misalignment of expectations between the education offer and the transport offer. For example, a child may be assessed as requiring one-on-one support in the classroom in order to progress in learning and ensure the child's safety in a classroom environment. That does not necessarily mean that a transport risk assessment would recommend that the same child requires one-on-one support for the duration of their journey to school.

However, being able to establish the right relationship with parents in order to facilitate a constructive dialogue around the range of transport arrangements requires significant capacity in the transport teams, which is not always available. Interestingly, several local authorities commented that they did not think that parents were always aware of the cost of transport provision and might be shocked to discover that in some cases the cost of the transport exceeded the cost of the education placement itself. One local authority has instituted a new policy of being much more transparent with parents about the cost of the travel arrangements being put in place.

THE DRIVERS OF INCREASING DEMAND & SPEND

Through our fieldwork and survey this chapter has explored in detail the key drivers of increasing demand for home to school transport which has resulted in the rapid growth in council expenditure.

The cost of providing home to school transport is dependent on a simple equation: the number of children or young people who are eligible for transport multiplied by the average cost per journey. This is in turn affected by the basic cost per mile of providing or commissioning transport; the average length of the journey; and the type of transport offered.

The issue that local authorities are facing is that a variety of challenges both in terms of broader education policy and the wider economic landscape, are driving up costs on all of these fronts simultaneously. There is a perfect storm of funding pressures, particularly for home to school transport for children with SEND.

To summarise the key factors described in this chapter;

- **Embedded challenges within the wider SEND system which is giving rise to more and more children and young people with EHCPs.** The number of children and young people with EHCPs has skyrocketed. In 2015 there were 240,183 children and young people with EHCPs and statements. By 2023 this had risen to 517,049 – an increase of 115% in nine years.

- **The increasing numbers in special schools, the constraints on capacity and accessibility, and as a result, the length of journeys.** The maintained special school sector is largely full and there is a burgeoning market for independent and non-maintained special schools. Over the last five years the number travelling to special schools in the local areas that have responded to our survey has increased by 24%. Our analysis suggest across CCN member councils, almost 50,000 children were travelling to special schools in 2023.[31]

- **Increasingly frequent use of individual taxis and other high-cost forms of transport, partly as a result of changing complexity of children's needs, increased parental expectations, and demand for individual travel arrangements.** Our survey data shows that use of cars, including taxis, to transport children with SEND to school increased by 36% from 2019 to 2023.In the last two years, for the first time, cars are on a par with minibuses as the most common form of transport to school for children and young people with SEND. Scaling up our survey data, we estimate that this year just over 30,000 children and young people are being transported in cars, including taxis, across CCN member authorities.[32]

- **Additional demand from groups of vulnerable young people including those requiring AP and EOTAS, and asylum seeking children.** Survey data shows that, although the numbers are small overall, there has been a very significant increase in the number of young people transported to an EOTAS setting over the last year, increasing by 77% between 2019 and 2023. Scaled up numbers suggest that around 700 children and young people in 2023 were transported to EOTAS settings across all members councils.

- **The impact of inflation, a fragile provider market and a diminished public transport network.** The underlying costs associated with providing transport, such as fuel and vehicle prices and drivers' wages, combined with the competitiveness of the market in which transport contracts are commissioned and declining bus routes, provides the basic economic landscape in which all home to school transport operates. The difficulties and challenges that are associated with these costs and provider markets have significantly intensified as result of Covid-19 and the cost-of-living crisis.

WHAT CAN LOCAL AREAS DO TO MANAGE DEMAND AND SPEND?

As local budgets for home to school transport have come under increasing pressure, CCN member authorities have been taking action to mitigate, as far as possible, the rising costs and rising demand. ADEPT recently published a detailed and well-thought through SEND Transport Toolkit which explores the various ways in which local authorities have been successful in curbing rising expenditure.[33]

During the course of this research all the fieldwork authorities had either recently taken action, or were actively in the process of exploring options, to manage down expenditure on home to school transport, while still fulfilling their statutory obligations.

This section of the report describes some of the actions that they, and local authorities responding to our survey have taken, but also explores the constraints and limitations of what can be achieved locally.

REDUCTIONS IN LOCAL ELIGIBILITY CRITERIA

A very high proportion of local authorities that engaged in this research had already put in place measures to reduce eligibility for transport, set out in local transport plans, to at, or near to, the statutory minimum. Those areas that had not done this already, were considering or even actively consulting on such measures. The timing of when councils had made these changes varied considerably. One local authority, for example, stated that it had operated a policy of statutory minimum entitlements since 2012.

In others, reductions were still the focus of live debates. As one elected member said:

> ***"HTST used to be a real political hot potato. However, a lot of other Local Authorities have changed their policy. The noise is slightly quieter now every council is looking at it."***

The ways in which local areas had reduced eligibility include stopping providing home to school transport for children with SEND attending nursery placements; only providing transport once a child reaches statutory school age (the school term following their fifth birthday); consistent application of the 3 mile statutory walking distance from a child's 8th birthday; firmer application of the SEN eligibility criteria and withdrawing transport when it is not to the nearest suitable school; and implementing financial contributions for post-16 travel. Some local areas were also exploring the opportunities to provide transport from and to local pick-up points, rather than to a child's home. Many local areas were also reviewing unsafe walking routes and looking at whether targeted capital investment could make some of them safe.

Some local areas, in responding to our survey, quantified the savings that they achieved as a result of making these policy changes. One County Council, for example, was able to realise savings of around £340K for stopping providing transport for children with SEND to nursery placements; around £600K on not providing transport until a child reaches statutory school age, and around £500K on withdrawing SEND transport when it is not to the nearest suitable school.

However, the strong message from the research is that, at least as far as CCN member authorities are concerned, the capacity to make further savings (or limit future growth in expenditure) through this mechanism is very limited because so many areas are now operating a 'statutory only' policy.

Some local areas also highlighted the, at times, perverse consequences of reducing towards statutory minimums – that some children who are more vulnerable and might significantly benefit from transport assistance would not receive it because they do not meet the eligibility criteria whereas a less vulnerable child, for whom the transport assistance will make less difference to their ability to access education, might still receive support through meeting the statutory threshold.

"The current system is inequitable in that families who live in more rural, yet affluent areas, are often eligible for council-funded school transport on the basis of distance/unsafe walking, whereas urban areas of deprivation may not be eligible for help with school transport." Survey respondent

SHARPER COMMISSIONING

The large majority of local authorities we engaged through this research reported maintaining and increasing their focus on effective commissioning in order to secure the most cost-effective provision. Local areas described a range of strategies including;

- constantly reviewing routes;
- engaging proactively to shape the market; trialling different forms of commissioning to suit different market conditions including, but not limited to, dynamic purchasing systems and reverse auctions;
- investing in new software to have better real-time information on transport usage;
- and retendering the highest cost routes.

The very moderate growth in mainstream home to school transport expenditure, despite the impact of inflation and other market pressures, is testament to the ability of CCN member authorities to manage costs effectively, when they have the levers to do so.

Some local authorities were able to report savings of £3 or £4 million from more effective commissioning practices, but often such large savings were seen as a one-off dividend from a large-scale recommissioning exercise which could not be continually repeated. Survey responses suggest that councils were less optimistic about the opportunity to achieve savings through sharper commissioning going forward in the current financial climate.

BETTER COMMUNICATION BETWEEN SEND AND HOME TO SCHOOL TRANSPORT TEAMS, AND WITH PARENTS

One of the findings of our 2019 research was that a key element in mitigating cost pressures in home to school transport is the ability of local authorities to establish coherent and joined up ways of working between those who set the SEND transport policy, those who make decisions about individual pupil placements, those who make decisions about the award of transport assistance and packages and those who commission the actual transport.

This research suggests that many local authorities have come a long way in recent years in bringing together decision-making between SEND and home to school transport teams, but for some there is further to go. One head of home to school transport said;

"We get involved in week 18 out of 20 [in the development of an EHCP]. We need to be involved at week 4. We need to help shape the conversation in terms of cost and welfare."

Where SEND and Transport teams are fully aligned and working as partners there is an expectation that the transport implications of any placement decision in an EHCP would be fully costed and taken into account from the start.

One local area described how they were trialling an approach where every application for transport started with a conversation with the parent and one of the transport officers, not filling in a form, and that conversation would take place at the start and not the end of the EHCP process. A couple of local authorities had also brought in multi-agency panel arrangements to resolve cases where the right transport and placement offer was not straightforward.

Similarly, many local authorities were working towards systematically including consideration of transport at annual review for children and young people with EHCPs, to ensure that the progress a young person was making could be reflected in the transport arrangements that were made available. However, several local areas were concerned about the capacity of transport teams to fully engage in annual reviews and flagged the reluctance of schools to raise transport issues unless there was perceived to be a problem.

A key action that councils identified as contributing towards managing and mitigating rising costs was carrying out reviews of solo taxi usage. Local experience suggests that these reviews are far more effective when SEND and Transport teams work together, and with parents, to review the range of alternatives to individual taxi journeys. In some cases, local areas also reported working effectively with individual special schools, particularly those with large numbers of pupils travelling long distances and in relatively high-cost forms of transport, to review alternative ways of providing transport.

One County Council has rolled out an innovative scheme to lease fully funded minibuses to schools in return for them providing the home to school transport for pupils identified by the local authority. The local authority estimates that this scheme has delivered around £450,000 in cost savings, as well as benefits to schools and pupils alike.

However, some local areas also highlighted how the constraints of existing home to school transport legislation could hamper their ability to broker creative and mutually beneficial solutions with parents.

One practical example that was highlighted was a family with multiple children, one of whom was entitled to transport on account of their special educational needs. The parent would have preferred to take the child with SEND to school herself if the local authority could have offered transport to her other children. This would have been more cost effective for the local authority and better for the children. However, this is not what is enshrined in statutory eligibility criteria. Although the local authority acknowledged that they could have used their discretionary powers to offer transport to the other children in the family, they found that acting outside the defined eligibility criteria often sparked complaints from other parents who might feel they had not been treated equitably.

ENCOURAGING GREATER USE OF PERSONAL TRANSPORT BUDGETS

Responses to our survey show that in those CCN member authorities providing data the number of personal transport budgets has more than doubled between 2019 to 20232023. Scaling up our survey data we estimate that around 8,000 families or young people were in receipt of personal transport budgets, making this the third most commonly used mode of home to school transport for children and young people with SEND.[34]

This trend is fully borne out by fieldwork discussions and qualitative survey responses. Many local authorities are viewing the increased use of personal budgets as a key element in their strategy to manage costs. This is particularly targeted at parents of children for whom the alternative transport arrangement might be an individual taxi to school, and where therefore the provision of a personal transport budget might present both a better transport experience for the child and an immediate cost-saving.

One local area reported achieving around £4m savings on reducing solo taxi usage and increasing the uptake of personal budgets.

Our fieldwork, however, suggests that there is quite a wide divergence in how local areas view and implement personal budgets. On one extreme are councils in which parents are paid a standard mileage allowance for four journeys to and from school a day. On the other extreme are areas which have approached the development of personal budgets with greater freedom and flexibility, for example paying parents up to 50% of what it would otherwise cost to transport their child to school.

Feedback from councils would suggest that take-up and impact of the scheme has been greater in areas where there is greater license to offer parents an option which is more financially rewarding. However, local areas also flagged the risk that families can come to rely on sizeable personal transport budgets, almost like a second income, which can present difficulties when a young person with SEND turns 16 and transport arrangements are reviewed, and personal budgets are unlikely to be continued at the same level.

As well as offering personal transport budgets to parents of children with SEND, some local authorities are consulting on making personal transport budgets the core of their offer for post-16 transport.

INDEPENDENT TRAVEL TRAINING

The value of independent travel training for building the confidence of young people with SEND and providing them with essential life skills to support their preparation for adulthood is indisputable. Many local areas to whom we spoke are continuing to grow and embed their independent travel training offer mainly for the benefits that it can offer young people, but also as a strategy to help reduce demand and expenditure, particularly for Post-16 SEND transport.

However, very rural authorities, which many CCN member authorities are, also emphasised the limitations of independent travel training in areas where the public transport network is not extensive which means that many young people who gain independence are not able to use their new skill. One local authority has started providing an on-demand minibus from their own fleet to serve a rural area with very few other public transport connections. The scheme is in its infancy, but they hope that it will provide a viable and attractive travel alternative for young people with SEND for both education and work purposes. Local areas also reported that parents, and some schools, tend to be very risk averse and often need a lot of persuasion to take up this option.

SUPPORTING INCLUSION AND RESHAPING SPECIAL SCHOOL PROVISION

Close integrated working between SEND and transport teams is essential in operational terms but is just as critical in strategic policy and planning. Many participating local authorities emphasised that making significant and lasting savings to home to school transport expenditure is not possible without fundamentally addressing the systemic factors which mean that more and more children with SEND are travelling longer and longer distances to reach a special school.

The actions that local areas are taking include working with mainstream schools to promote highly effective ordinarily available provision and to reduce exclusions, while building the confidence of parents in the mainstream education offer; considering the designation of special schools so that they are able to take a wider variety of children's needs, without compromising on their safety and efficacy; working with maintained schools and academies to commission a geographically dispersed network of additionally resourced provisions or special units to enable a higher percentage of children with SEND to be educated closer to home; and using the Free School route to commission new special schools in areas with little provision.

These, however, are long-term actions which require changes in culture and behaviour as well as policy and commissioning. The space that local authorities have to act as strategic commissioners of the SEND system is also significantly curtailed.

With the majority of schools being academies, local authorities must rely on negotiation and persuasion to create a different environment around inclusion, to agree the creation of additional resourced provision or achieve a special school redesignation. With no capital funding and no power to open a new school, councils are dependent on successful free school applications to plug gaps in provision. Without some systematic changes in national policy, local areas are sceptical about whether they can achieve the strategic transformation needed on their own.

MAXIMISING USE OF THE PUBLIC TRANSPORT NETWORK

Several of the councils that participated in the research were actively exploring opportunities to grow and develop their network of public transport providers, both for the benefit of communities more generally and as a means to offer cost effective home to school transport opportunities, particularly for the post-16 cohort. However, to achieve significant investment in the local bus infrastructure, local authorities are largely dependent on funding for Bus Service Improvement Plans submitted to the DfT.

Analysis carried out by SYSTRA, on behalf of the CCN, found that two thirds of the £1.1 billion national investment to address the decline in bus services went to urban areas. The 37 largest county and rural authorities, representing almost half England's population, only received £363 million – around 10% of the funding requested through Bus Service Improvement Plans.[35] These are, of course, exactly the local areas which this research has shown are the most significantly impacted by home to school transport pressures.

One fieldwork authority strongly argued that in both developing and assessing funding applications for investment in public transport, the full cost implications of not creating a sustainable public transport network, including the ongoing costs to the public purse of home to school transport, need to be taken into account.

USE OF FLEET VEHICLES

Finally, local authorities are actively looking into the opportunities to make greater strategic use of their own fleet vehicles to meet public transport needs. Many local areas have continued to run their own vehicles for specialised SEND transport, given the paucity of providers in this space.

Historically, however, councils have not found cost effective ways to provide home to school transport in house as a large number of vehicles are needed for concentrated periods of time, which might then sit idle for the rest of the day, or indeed during school holidays.

One of our fieldwork authorities is looking at ways to address this by combining responsibility for education, adult social care and health transport and providing this through a fleet of council-owned and run vehicles.

Another area is looking at the possibility of running their own coach services although there is some nervousness among other authorities to whom we spoke about the logistical challenges of this, particularly in terms of recruiting and retaining sufficient drivers. Nonetheless, for some local areas consideration of using council-run vehicles for home to school transport is becoming a necessity in areas or routes where there is a dearth of providers.

LOCAL AREAS ARE DOING ALL THEY CAN TO MANAGE DEMAND AND SPEND - **BUT IT'S NOT ENOUGH TO TURN THE TIDE**

Based on our fieldwork and engagement with CCN member councils, this chapter has shown that councils are deploying a range of interventions in order to better manage demand, from sharper commissioning, to improving collaboration between departments and communication with parents, to exploring better use of personal budgets and public transport options.

However, the message from CCN members authorities taking part in this research is very clear. Constant attention to efficiency, to streamlining policy and to creative solutions to providing transport can, and has, yielded dividends. And yet these savings are a drop in the ocean compared with the mounting tide of costs that local areas are facing. One council shared with us the key elements in their financial plan for home to school transport over a five-year period. Through a combination of many of the strategies outlined above the council was able to achieve savings of £5.8 million, and yet over the same period expenditure grew by £15 million.

Nor are these savings cost neutral in terms of staffing requirements. The need for ongoing route reviews and individual child transport reviews, working with parents and other SEND stakeholders and managing an increasingly fragile market all require additional resource at a time when funding is stretched to breaking. One local authority explained that they now spend £1 million a year just on the home to school transport team. Other areas have not been able to invest to increase staff to meet the extra demands which is putting a very significant burden on those in post.

The testimony of local areas highlights the limited opportunity to effectively manage costs to a sustainable level within the current environment. No amount of effective commissioning will completely offset the impact of core inflation, particular in a market where providers are scarce and there is limited competition for contracts.

Demand for EHCPs, and by implication demand for SEND transport, is being driven by factors which stem from a deeper national policy environment of funding, curriculum, accountability and SEND entitlement well beyond local government control. Special schools are full and local government does not have the capital funding or the legislative powers to enable them to act as a strategic commissioner of the special school market.

The home to school transport legislation is rigid, and at some points insufficiently clear, stifling creativity. And public transport is in decline in rural areas, reducing the opportunities to skill up young people and adults with SEND to travel independently. Given the constraints on action, it is little wonder that costs have risen so dramatically.

"We carry out route reviews, however these have only off-set to some degree the increased market costs in providing the transport."

"Over the past 3 years the education transport budget has only increased. While savings are being made by carrying out independent travel training to facilitate and enable young people to be able to utilise public transport services more and by carrying out regular route reviews to achieve cost efficiencies, the savings being made are being swallowed up by increasing costs, passenger numbers and passenger needs."

"Constant reviewing of packages has created savings, but these have been negated by the increase in volume and price."

"Making significant and lasting savings to home to school transport expenditure is not possible without fundamentally addressing the systemic factors which mean that more and more children with SEND are travelling longer and longer distances to reach a special school."

PROJECTIONS OF FUTURE SPEND & DEMAND

Through our survey we asked CCN members what they thought the future trajectory of SEND and mainstream home to school transport expenditure would be over the next three years, excluding the impact of inflation. Every local authority that answered the question said that spending on SEND home to school transport would increase. In the qualitative survey responses we received, several respondents referred to local modelling that they had done which suggested that their SEND budgets were likely to increase by 15-20% per year for the next 1 to 3 years.

We asked the same question for mainstream home to school transport and two thirds said it would increase, and a further 29% thought it would remain stable. Only 3% of respondents thought expenditure on mainstream transport would decrease.

Using both published and survey derived data, we have projected forwards for the next four years what might happen to home to school transport expenditure and demand if there are no significant changes in national policy. Summary Box 6 provides an overview of the key stages used in the methodology to arrive at our estimates, with further technical detail provided in Appendix 1.

The resulting five-year projections of expenditure and demand for CCN member authorities, alongside expenditure for all local authorities, for each of the main home to school transport categories, are now taken in turn. It has not been possible to develop projections for all local authorities demand for home to school transport as data on home to school transport numbers in non-CCN authorities is not available, and we know that CCN member councils are not representative of the country as a whole.

SUMMARY BOX 3

SPENDING & DEMAND PROJECTIONS - SUMMARY OF METHODOLOGY

First, we calculated per capita expenditure values for each local authority and for each category of home to school transport. These were calculated as follows:

- Per capita spend on pre-16 mainstream = total spend on pre-16 mainstream transport divided by the total number of pupils in reception to Y11
- Per capita spend on post-16 mainstream = total spend on post-16 mainstream transport divided total number of pupils in education and / or training aged 16 or 17
- Per capita spend on pre-16 SEND = total spend on pre-16 SEND transport divided by the total number of pupils with EHCPs aged 5 to 15
- Per capita spend on post-16 SEND = total spend on post-16 SEND transport divided by the total number of pupils with EHCPs aged 16 to 25

Second, we adjusted each per capita spend value to 2016 prices using consumer price index data. This adjustment showed the trend in per capita spend removing the effects of inflation.

Third, we projected forwards the adjusted per capita spend based on observed trends and knowledge of likely future trajectories.

Fourth, we calculated population projections for 2024 to 2027, based on the Annual School Capacity and historic trajectories of numbers of children and young people with EHCPs.

Finally, we multiplied the projected per capita spend by the relevant projected population numbers, and applied an uplift for inflation, based on OBR forecasts.

For demand estimates we used the same base population forecasts that we developed for our expenditure projections and then calculated a simple 'conversion rate' of base population numbers to numbers of children and young people requiring transport, based on our survey data. For example, we know from our survey data that on average in CCN member authorities around 42% of children pre-16 with EHCPs require home to school transport. We have therefore used this multiplier to predict demand for pre-16 SEND transport based on our forecasts of pre-16 EHCP numbers.

FORECAST MAINSTREAM PRE-16 EXPENDITURE & DEMAND

Our mainstream pre-16 projections suggest that for all local authorities, expenditure will rise from £382 million in 2022/23 to around £406 million in 2027/28.

For CCN members we are projecting that expenditure on mainstream pre-16 home to school transport will rise from £313 million to £339 million in 2027/2028.

Our forecast on demand suggests that the number of pupils using this type of transport in CCN member councils will rise from 253k in 2022/23 to 261k in 2027/28.

This trajectory takes into account predicted changes in pre-16 pupil numbers and assumes that the majority of local authorities currently only provide transport at or near to statutory minimum requirements, and that therefore per capita expenditure will continue to rise roughly in line with inflation.

Figure 27 - Forecast Mainstream Pre-16 Home to School Transport spend, CCN and all LAs

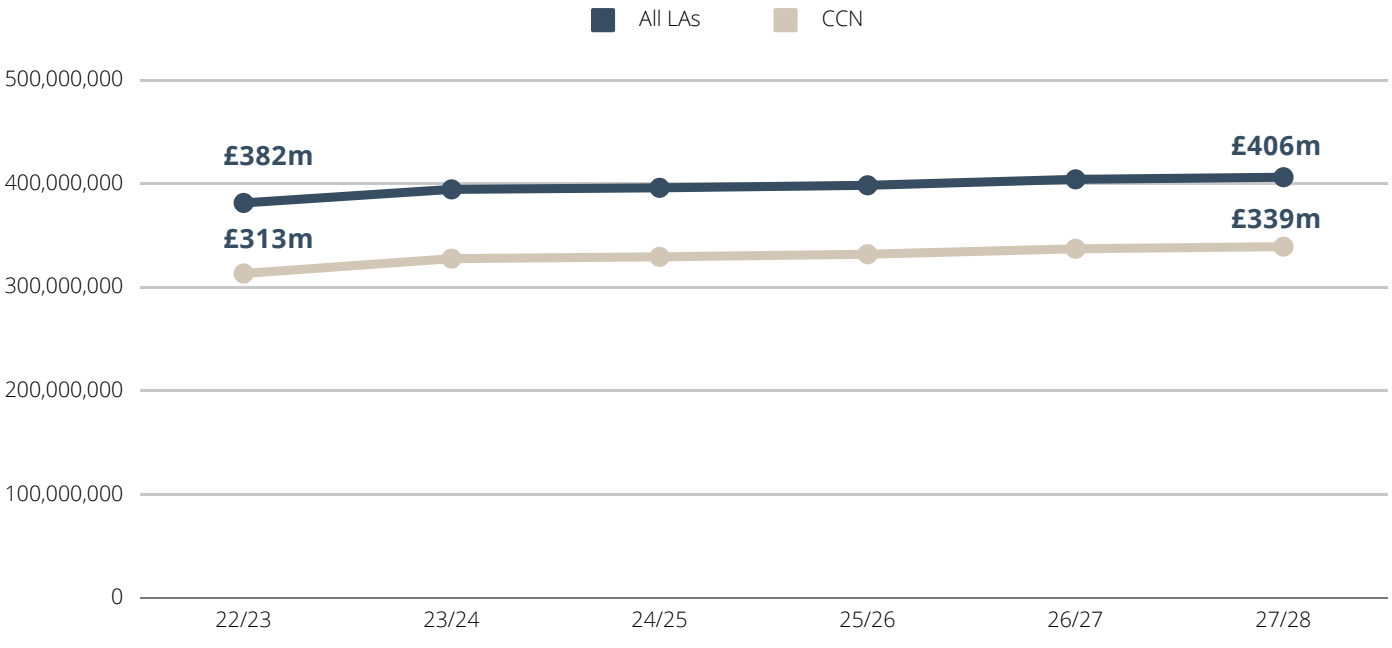
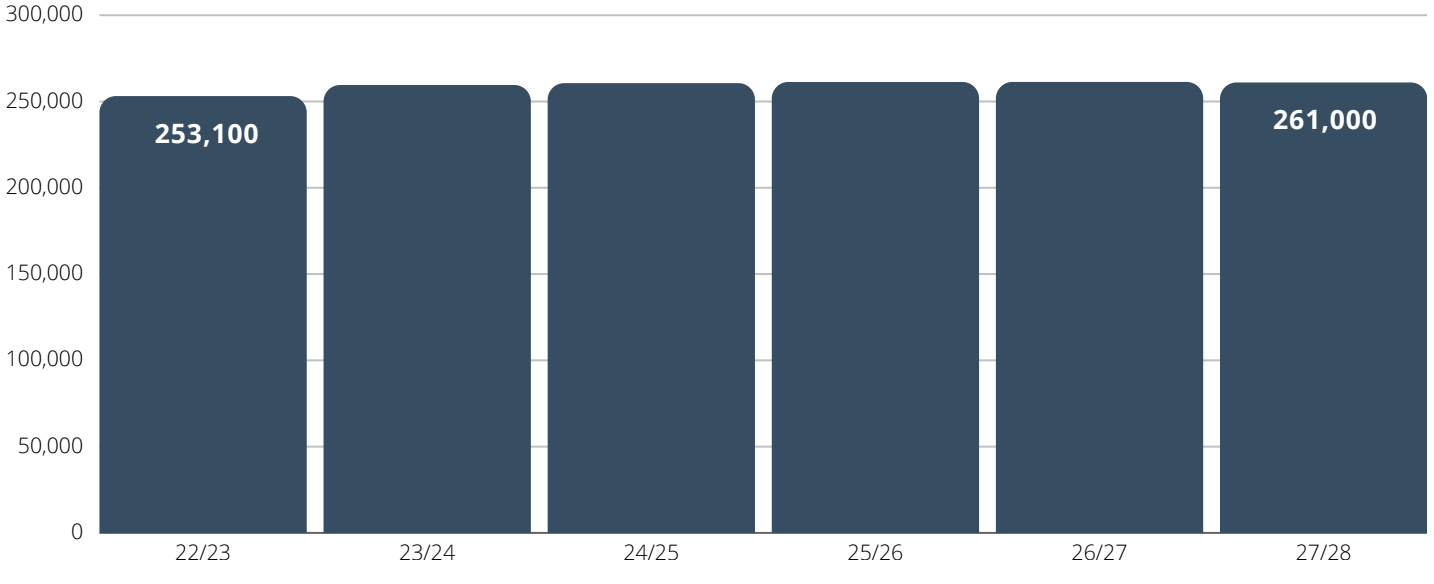


Figure 28 - Forecast Mainstream Pre-16 Home to School Transport demand, CCN only



FORECAST MAINSTREAM POST-16 EXPENDITURE & DEMAND

Mainstream post-16 expenditure is by some distance the smallest area of home to school transport expenditure. As with mainstream pre-16 expenditure, we project that it will rise modestly over the next five years in line with overall population growth and inflation.

We project therefore that, for all local authorities, expenditure will rise from around £15 million in 2022/23 to £16 million by 2027/2028. This is mirrored in CCN local authorities, which account for the majority of post-16 mainstream expenditure, where we project that spend will rise from around £12 million to £13 million.

Our forecast on demand for CCN member councils suggests that the number of pupils using this type of transport will rise from 13k in 2022/23 to 14k in 2027/28.

Figure 29 - Forecast Mainstream Post-16 Home to School Transport spend, CCN and all LAs

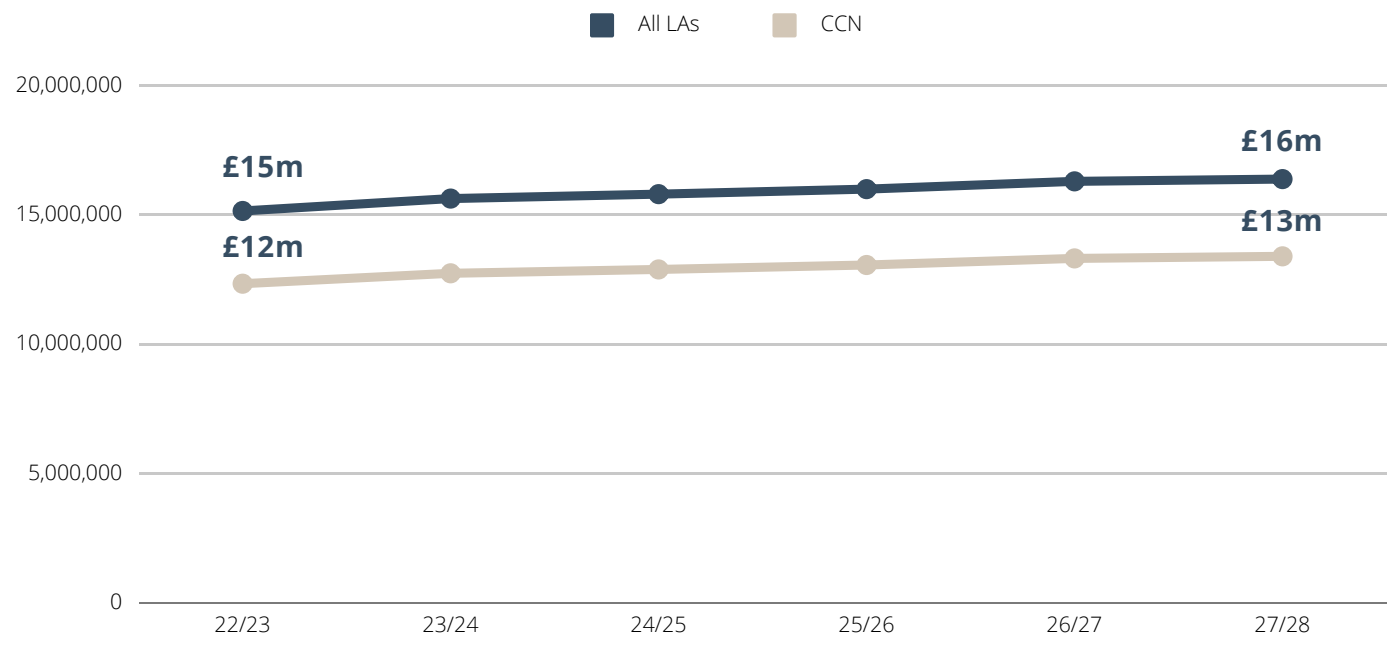
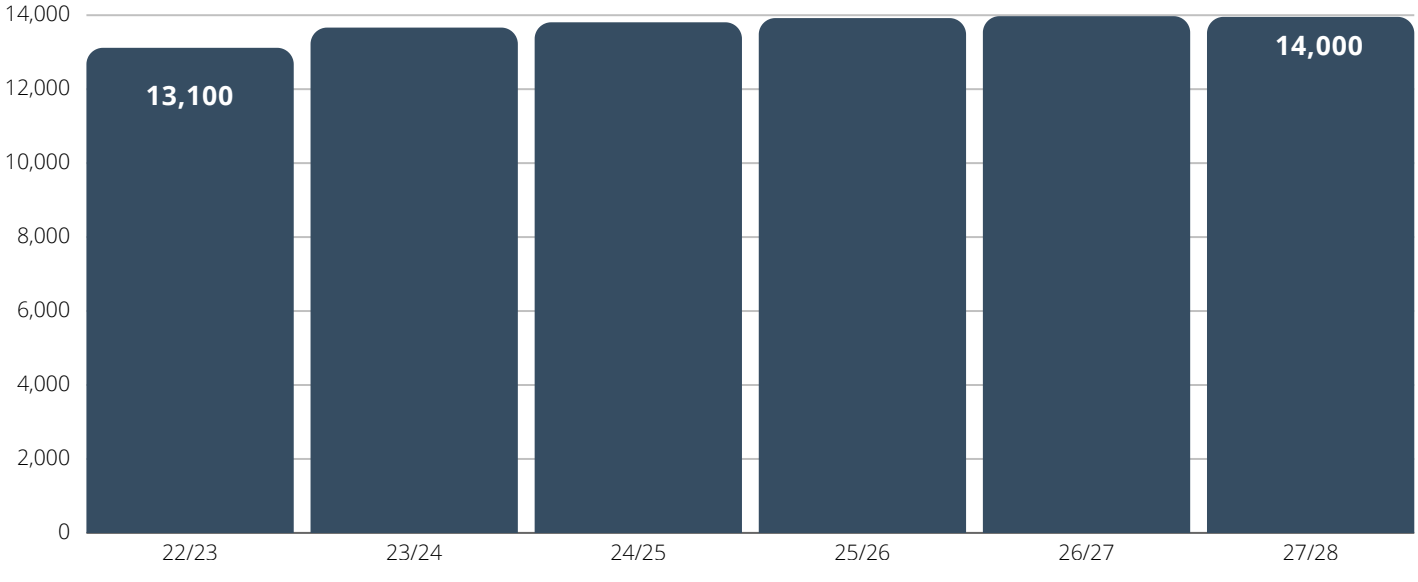


Figure 30 - Forecast Mainstream Post-16 Home to School Transport demand, CCN only



FORECAST SEND PRE-16 EXPENDITURE & DEMAND

Pre-16 SEND expenditure on home to school transport, in line with historic trends, is where we project most of the growth in spend and demand will occur.

According to our projections, based on trends in per capita expenditure on pre-16 SEND home to school transport and trends in numbers of children and young people with EHCPs, we project that in CCN authorities spend will rise from £572 million in 2022/23 up to £983 million in 2027/28. This equates to an uplift of 72% over five years. At a national level these projections suggest that expenditure in England on pre-16 SEND transport will rise from £1.1 billion to £1.9 billion over the same period.

Our forecast on demand for CCN member councils suggests that the number of pupils using this type of transport will rise by 69% over the period, from 64k in 2022/23 to 108k in 2027/28.

Figure 31 - Forecast SEND Pre-16 Home to School Transport spend - CCN and all LAs

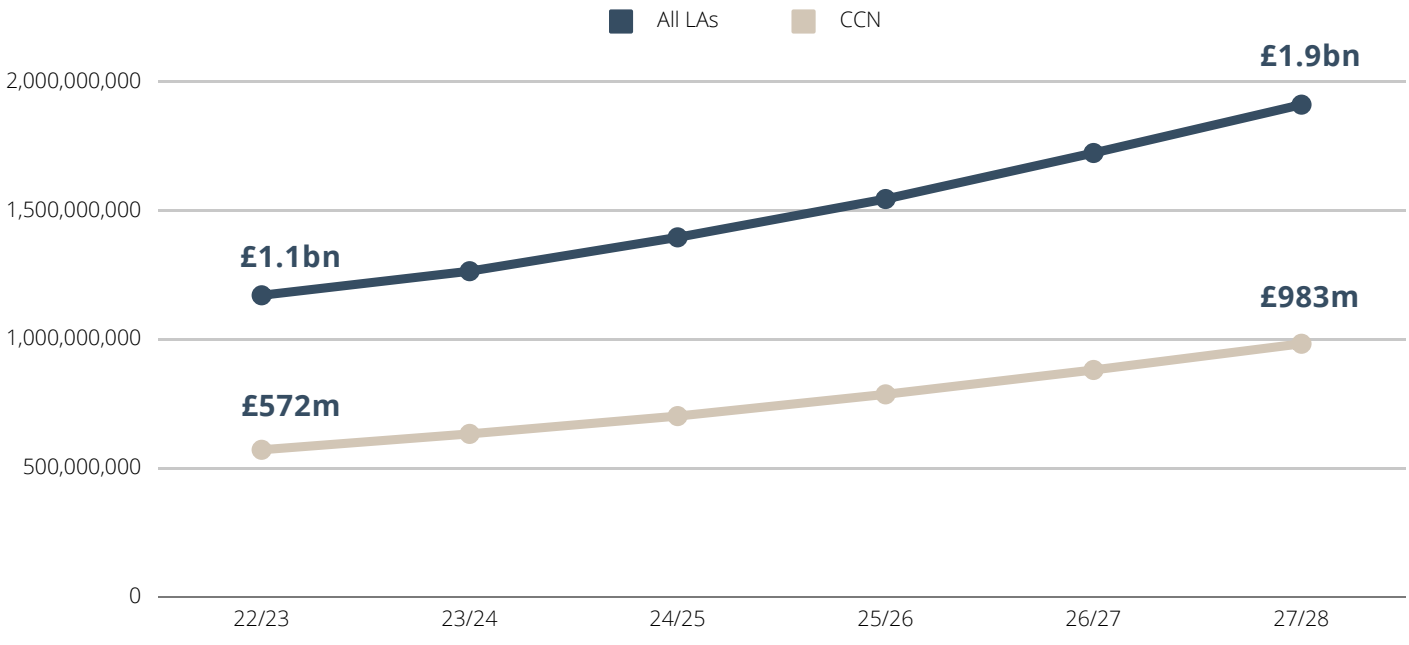
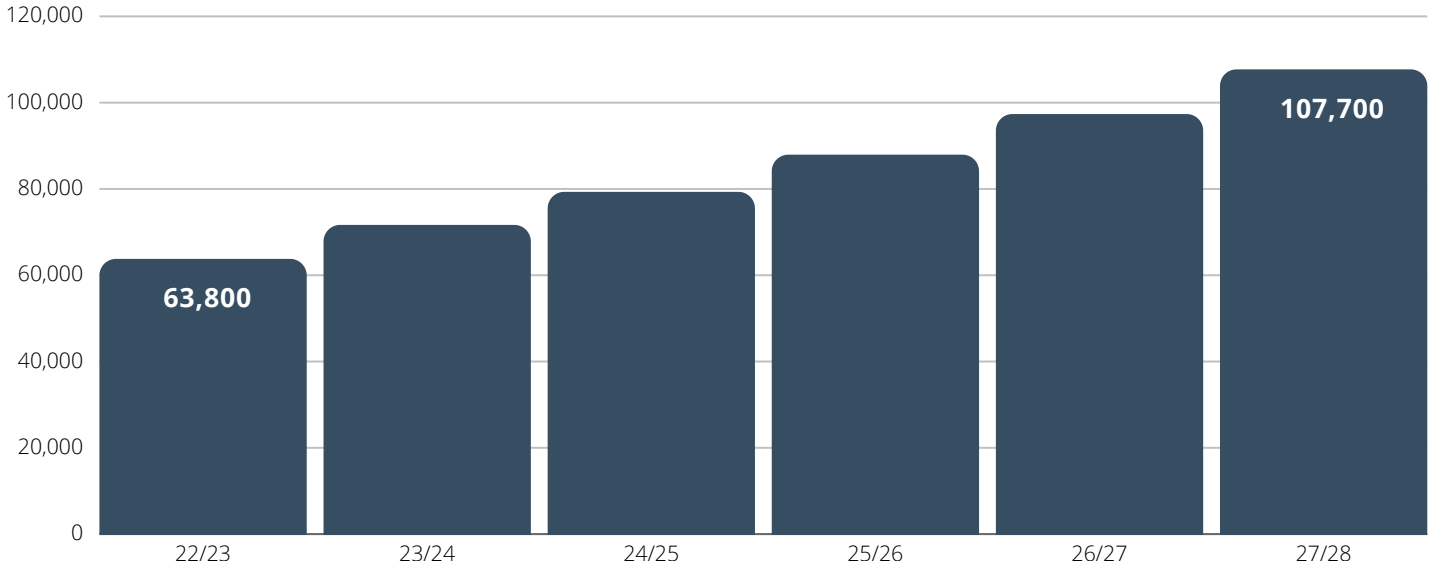


Figure 32 - Forecast SEND Pre-16 Home to School Transport demand, CCN only



FORECAST SEND POST-16 EXPENDITURE & DEMAND

Finally, our forecast for post-16 SEND expenditure also shows a steeply rising trajectory, albeit from a lower base, where we anticipate spend may increase nationally from £174 million to £289 million. In CCN member councils we are projecting a rise from £83 million to £142 million which would represent growth of 71%.

Our forecast on demand for CCN member councils suggests that the number of pupils using this type of transport will rise 75% from 12k in 2022/23 to 21k in 2027/28.

Figure 33 - Forecast SEND post-16 Home to School Transport spend - CCN and all LAs

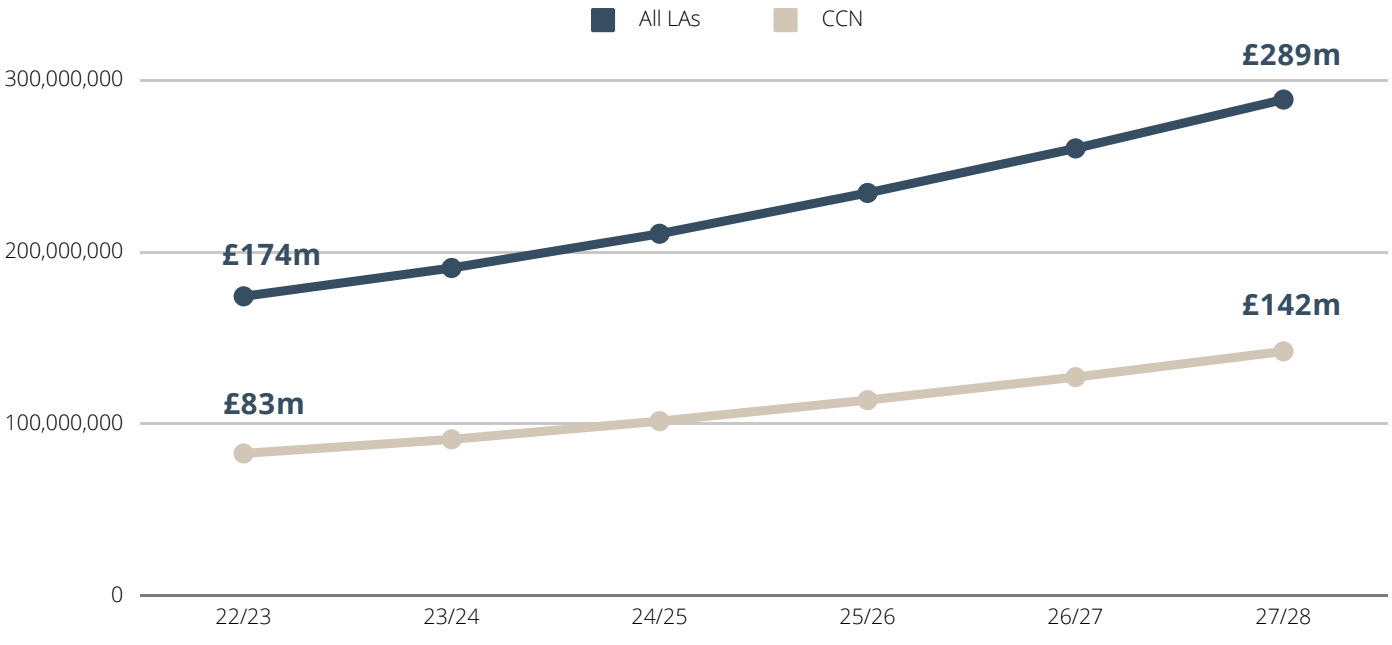
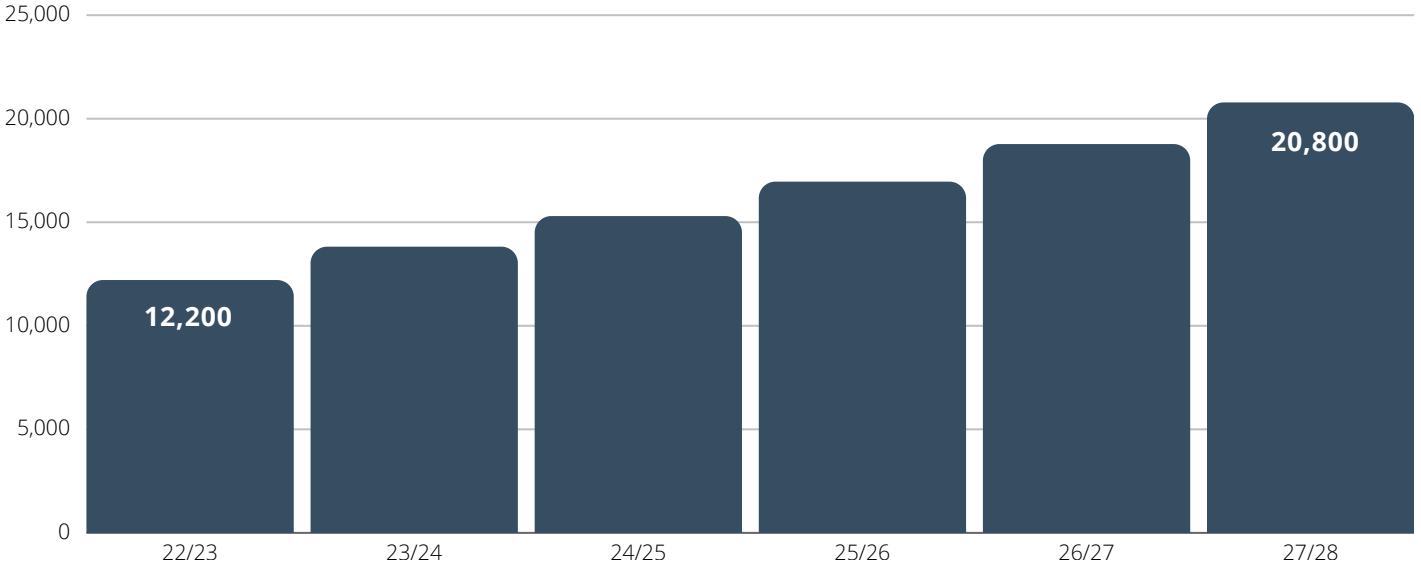


Figure 34 - Forecast SEND post-16 Home to School Transport demand, CCN only



A DECADE OF RISING COSTS AND DEMAND

Bringing the four components together, the chart and tables below show how expenditure on and demand for home to school transport has changed over the last five years in CCN member authorities, and nationally, and how we predict that it will continue to change over the next five.

By 2027/28, if there is no significant change to policy, we are projecting that nationally all local authorities may be spending as much as £2.6 billion on home to school transport by 2028. Of this, we estimate that CCN member local authorities will be spending £1.48 billion on home to school transport - £789 million more than they were spending 10 years previously.

This would represent an increase of around 50% on the estimated 2023 expenditure and 114% on the known 2018/19 expenditure. This is in line with the local modelling that several local areas described which is in the region of 15% to 20% per year over the next few years.

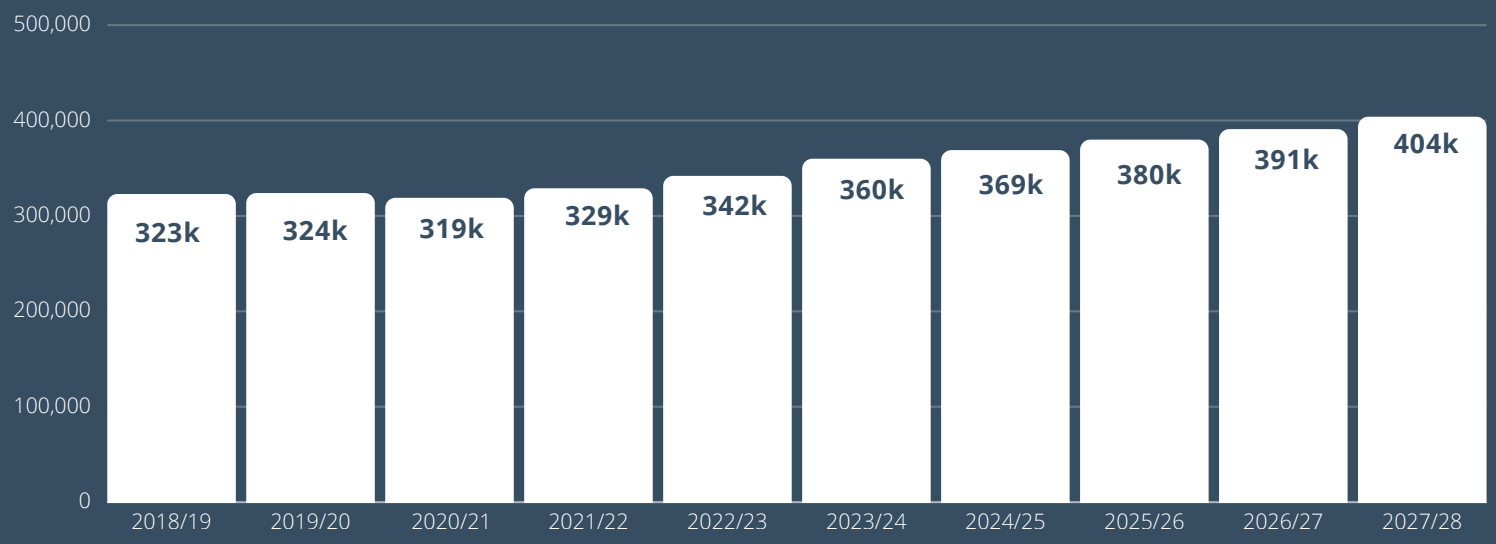
The single biggest driver of cost is pre-16 SEND home school transport, growing nationally from £714m in 2018/19 to an estimate of £1.9bn by 2027/28. Over the same period, pre-16 SEND transport costs will grow in CCN member councils from £338m to £983m. This would represent an increase of 72% on estimated 2023 expenditure, and 191% increase on the known 2018/19 expenditure

The demand projections suggest that without significant policy changes in 2027/28 there are likely to be around 80,000 more children and young people requiring transport in CCN member authorities than there were a decade earlier - a 25% increase over a decade. In total we forecast that by 2027/28 there may be as many as 404,000 children and young people in CCN authorities requiring transport, of which around 129,000 are likely to be children and young people with SEND.

Table 8 - Known (2018-22), estimated (2022/23) and projected total home to school transport expenditure

LA Type	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
CCN	**689**	**747**	**754**	**868**	**986**	**1,065**	**1,147**	**1,246**	**1,359**	**1,478**
All local authorities	1,197	1,300	1,294	1,516	1,748	1,866	2,019	2,194	2,404	2,623

Figure 35 - Estimated total home to school transport demand, CCN only



CONCLUSION AND RECOMMENDATIONS: WHAT COULD BE CHANGED NATIONALLY TO MAKE HTST SUSTAINABLE?

The evidence gathered through this research demonstrates that the cost of providing home to school transport in county and rural areas is rapidly becoming unsustainable.

As the previous section showed, CCN member councils are estimated this year to spend over £1bn on home to school transport, with our estimates suggesting all councils will spend £1.9bn in 2023/24. In the last two years alone, spending has risen 23%. Spending on pre-16 SEND home to school transport has risen over the same period by 33% in CCN member councils, and 29% nationally.

To put this in perspective this is almost as much as CCN member authorities spent in 2021/22 on all their safeguarding services for children and young people. It is considerably more than CCN member authorities spent on Sure Start, Family Services and Youth Services combined. This perhaps runs counter to the emphasis placed on early intervention in the Government's recent reform paper *Stable Homes, Built on Love*.[36]

By 2027/28, if there is no significant change to policy, we estimate that CCN member local authorities will be spending £1.48 billion on home to school transport - £789 million more than they were spending 10 years previously. And they will be transporting over 400,000 children and young people a day – around 80,000 more than accessed transport in 2018/19.

This research has demonstrated that there are a number of key factors that together combine to create a financial environment that is unsustainable.

These factors can be summarised as;

- **Embedded challenges within the wider SEND system which is giving rise to more and more children and young people with EHCPs and increasing numbers in special schools;**
- **Additional demand from groups of vulnerable young people including those requiring AP and EOTAS, and asylum seeking children;**
- **The impact of inflation, a fragile provider market and a diminished public transport network;**
- **A maintained special school sector which is largely full and a burgeoning market for independent and non-maintained special schools;**
- **Increasingly frequent use of individual taxis and other high-cost forms of transport, partly as a result of the changing complexity of needs and journey types, alongside increased parental expectations and demand for individual travel arrangements.**

With rising demand and escalating unit costs, it is little wonder that CCN member councils are increasingly concerned over how they can offset these against limited local budgets. As part of survey, we asked local areas how confident they were that they would be able to balance their home to school transport budget over the next three years.

Their answers are captured in the chart below. Some 60% of respondents were either not very confident or not at all confident that they would be able to balance their mainstream budget. Those that were confident, were often basing that judgement of having already increased planned expenditure as part of their medium-term financial plan. A massive 97% of respondents were not confident that they would be able to balance their SEND transport budget.

This year, three quarters of councils raised their council tax by the maximum permitted . Despite this, CCN's recent budget survey findings show a cumulative funding gap of £4 billion between 2023 and 2026, with in-year overspends this year forecast to be £639m.[37]

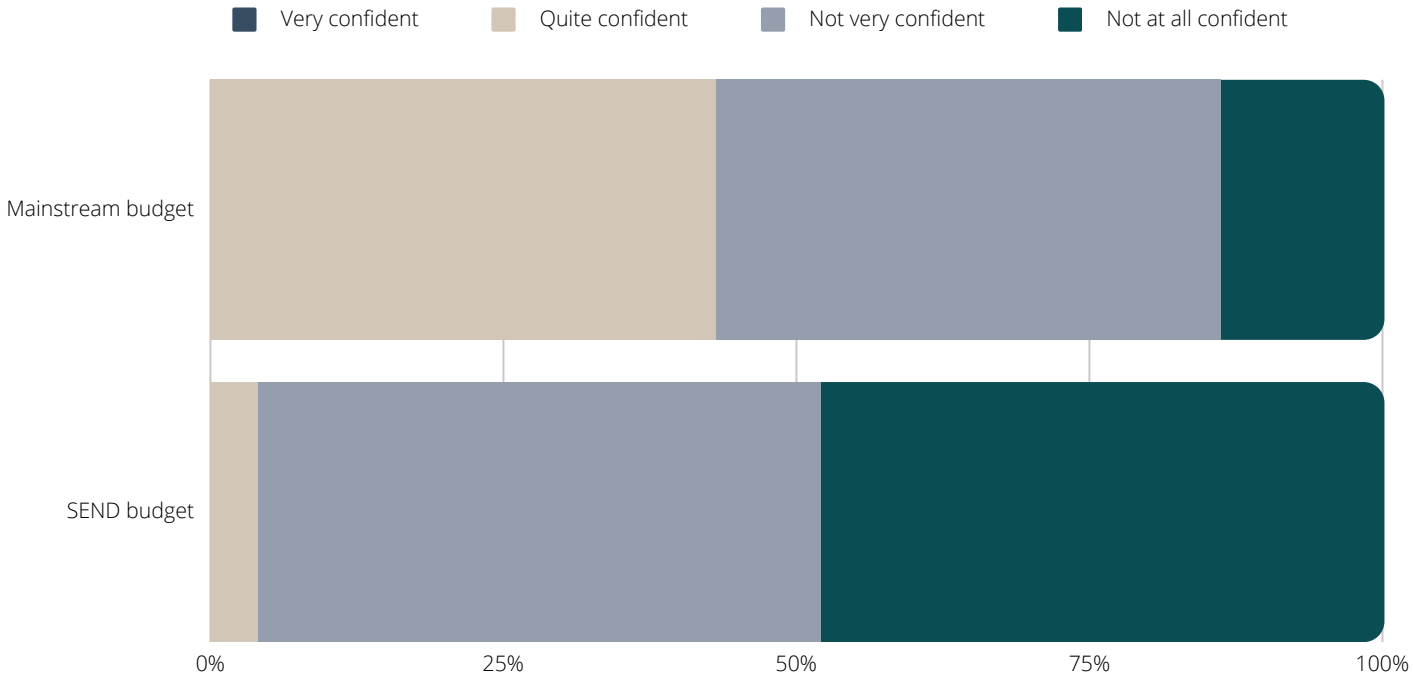
With home to school transport expenditure continuing to significantly exceed budgets, local councils have no choice but to use reserves or cut other essential services. Many do not have the luxury of meeting continual overspends through use of reserves. This is not a problem that local government can tackle alone. The limitations of efficiencies that can be generated locally are clear to see.

This is an area in which central government will need to take action to either change the statutory duty so that it fits within the envelope of funding available to local authorities, or provide additional funding to meet the statutory duty as it stands.

The home to school transport duty was introduced as part of the 1944 Education Act and has changed very little since then. The world in which the duty operates, however, has arguably changed beyond recognition. To take one pertinent example; in 1951, seven years after the home to school transport duty was first introduced, only 14% of households had access to a car or a van. By 2021, 78% of households had access to a car or van, and nearly a third of all households had more than one car.[38]

It is hard to reconstruct the policy intentions behind a 79-year-old piece of legislation, but presumably the underlying principle was that no child or young person should miss out on their entitlement to education because they were unable to get to school.

Figure 36 - Confidence of CCN member councils that they will balance their home to school transport budget



If that were to remain our underlying principle today, we might ask ourselves how many children and young people would really be unable to get to school if the statutory responsibilities for local government were to be scaled back? We might also ask ourselves how certain we are that the statutory duties, as currently configured, are effectively targeting support at those who need it most?

A home to school transport duty for the 21st century needs to be fit to address 21st century challenges and must be financially, educationally and ecologically sustainable both for government and for families.

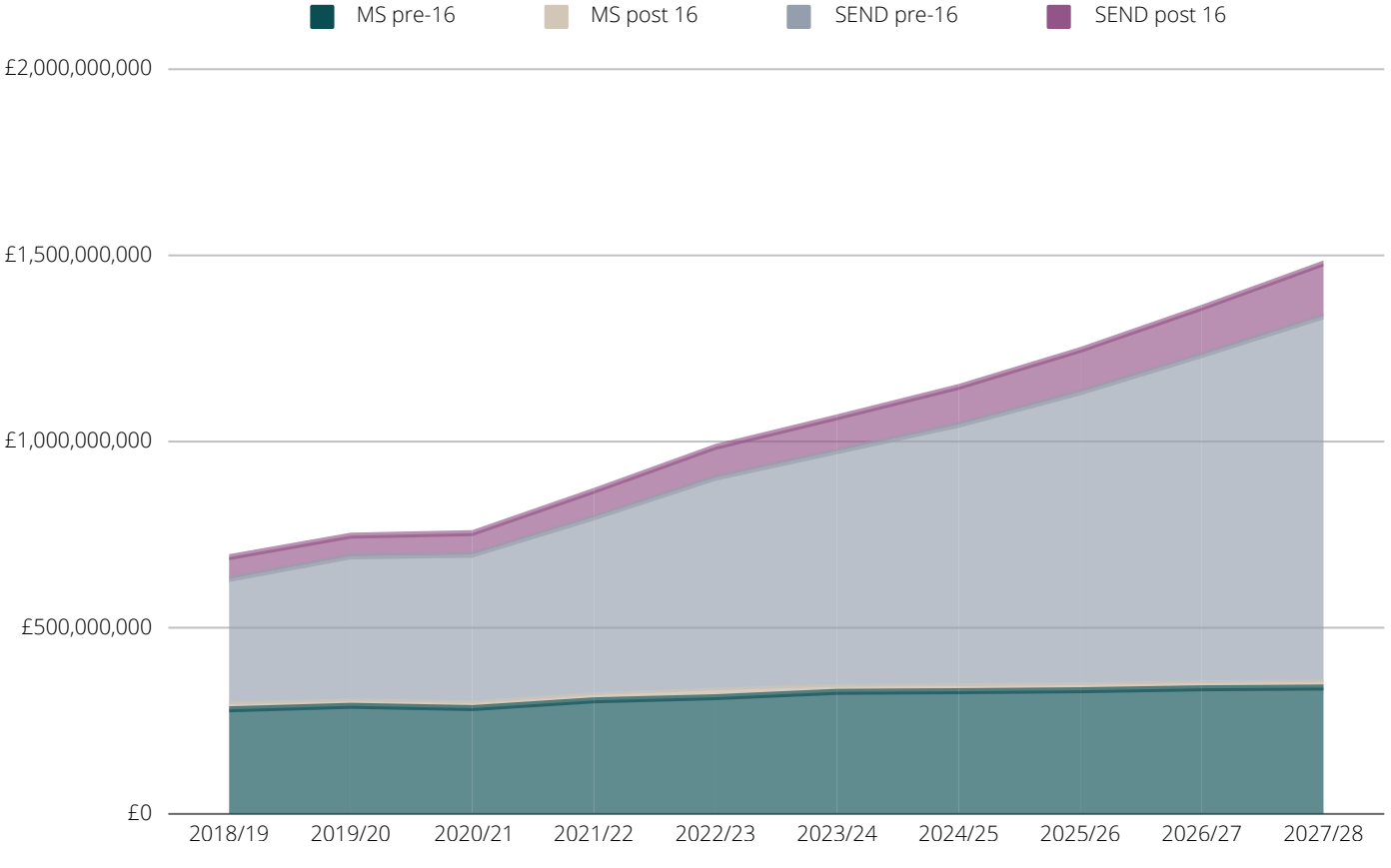
It would not be ecologically sustainable, for example, to put the whole onus of transport to school onto parents and precipitate half a million more individual car journeys every morning and every afternoon.

It would not be educationally sustainable, in the middle of a school attendance crisis, to put additional barriers in the way of accessing school for the most vulnerable.

We also need to recognise that the greatest burden on home to school transport expenditure emanates from the duties to provide transport to children and young people with SEND. The spiralling costs of the last eight years are the symptom of a wider SEND system that is not working.

Meaningful action to address the unsustainable demand for home to school transport is dependent, to a great extent, on finding solutions to the current suite of endemic challenges within the SEND system. This is the subject of a parallel piece of research for CCN and the LGA that we will be publishing in Spring 2024.

Figure 37 - Known (2018-22), estimated (2022/23) and projected total home to school transport expenditure - CCN Only



POSSIBLE PRINCIPLES FOR THE TRANSPORT OF CHILDREN TO SCHOOL

However, it is important that nationally we do not lose sight of changes that can be made to the home to school transport system, within a wider context of SEND reform.

It is therefore proposed, that as a first stage, there is a national consensus developed around a set of home to school transport principles. Below, we offer some initial thoughts on what those principles might be, and some suggested changes to legislation that would be commensurate with those principles.

However, the data collated through this research also demonstrates that many CCN member authorities are facing an immediate funding crisis in relation to home to school transport. Legislative change takes time to achieve, and even longer to have an impact at the front line. It is therefore argued that additional investment from central government is required at the forthcoming Autumn Statement to ensure that CCN members are able to continue to meet their statutory obligations in the face of unprecedented pressures.

PRINCIPLES TO INFORM REFORMS TO HOME TO SCHOOL TRANSPORT

1. Every child is entitled to an education, and no child should be prevented from accessing that entitlement because they cannot get to school.
2. It is the responsibility of the parent or carer to ensure that a child attends school, and that means making arrangements to get their child to school.
3. Local government has a role in supporting parents to fulfil their duty to get their child to school, focusing public resources on those families who have the least capacity and resources to arrange or provide transport themselves.
4. Local government also has a role in delivering action to fight climate change. The default expectation, therefore, is that wherever possible home to school transport should be based around public transport networks or active travel options (walking or biking), and where that is not possible the use of individual transport should be minimised as much as possible.
5. As a nation we have a responsibility to create a truly inclusive education system so that all children, irrespective of their needs, can be educated as close to their home as possible.

RECOMMENDATIONS FOR NATIONAL LEGISLATIVE CHANGE

The policy recommendations that follow are based around these principles and organised against the headings of our 'home to school transport formula' – reducing numbers of children requiring transport, reducing basic costs, reducing journey length and addressing transport type.

REDUCING NUMBERS

- Develop and apply the optimum combination of curriculum, training, funding, inspection and accountability levers that might be used to incentivise and support mainstream schools to be as inclusive and as effective as possible in supporting children with SEND.

- Provide a national means-testing policy so that families above a specified income threshold are required to make a financial contribution to home to school transport, if they choose to use it. The contribution could be determined locally, up to a national ceiling. This would need to be implemented sensitively and progressively, bearing in mind the current cost of living crisis. It should also be recognised that this recommendation divided opinion, particularly among elected members, so would require careful consultation and implementation.

- Reconsider the statutory walking limit eligibility criteria. An alternative could be eligibility for support with travel to school for families that cannot reach the nearest suitable school through either walking, public transport or cycling (this would need to be modelled and a simple method for assessment would have to be devised).

- "Support with travel" assessments for children and young people with SEND could then be based on whether they could reasonably make the journey to school by walking, cycling or public transport, if accompanied by a parent or another adult.

- Support local areas in carrying out root and branch reviews to map overall demand for all passenger transport including home to school transport, social care transport, health transport and public transport, with a view to commissioning a public transport network that meets the totality of demand, wherever possible.

- Target funding for bus improvement schemes at areas with little existing public transport infrastructure and take into account public spending on home to school transport in calculating the potential benefits.

- Provide greater clarity on guidance of what constitutes an "unsafe route" to make it simpler for local areas to invest in capital improvements that support both walking and cycling to school. Greater consideration should be given to what is a 'safe' route for cycling.

- Clarify the adult transport duty to make clear that it is only for rare and exceptional circumstances.

REDUCING JOURNEY LENGTH

- Give local government, or local SEND partnerships, additional powers, and capital funding, to create new special units and/or special schools where there is undersupply.
- Ensure that the proposals for a "tailored list of schools" takes into account the transport cost implications of any school on the tailored list.
- Provide clearer guidance to the SEND Tribunal that rulings on placements cannot be made without full consideration of the relative transport costs or make clear that a Tribunal ruling on a placement does not supersede the local decision on the nearest suitable school for the purposes of transport.
- For families eligible for support with transport, transport should be provided to a pick-up or drop-off point within a 2-mile radius, but not to individual homes. Local government could use their discretionary powers to support families with multiple challenges who might not be able to access local pick-up points.
- Make clear in statutory guidance that where one child in a family with multiple children is eligible for home to school transport, the local authority can work with the family to discharge its duty to provide support with transport by transporting any of the children within the family.

ADDRESSING TRANSPORT TYPE

- Local authorities should maintain the duty to support home to school transport through a locally calculated personal travel budget formula that considers distance, public transport infrastructure and the complexity of the child's needs. This would include the ability to enforce the take-up of personal travel budgets on cases where market prices are outside budget envelope (for example a capped price per mile or maximum overall journey cost)
- Statutory guidance to make clear that local government should only be offering, and parents should only be expecting, individual taxi transport as an option of last resort, if deemed to be essential on the grounds of health and safety or because maximum journey times would otherwise be exceeded.
- Statutory guidance to enable local authorities to pass on responsibility for organising individual travel by taxi to parents where bespoke and complex arrangements are required.
- Statutory guidance to make clear that transport arrangements for children and young people with SEND should be reviewed annually, with a presumption towards encouraging greater independence over time wherever possible.

REDUCING COST

- Enable an exemption to Public Service Vehicles Accessibility Regulations for vehicles which are only used for home to school transport.
- Provide greater clarity over health's role in transporting children with complex medical needs.

FORECAST METHODOLOGY FOR EXPENDITURE ON HOME TO SCHOOL TRANSPORT

Two approaches were considered in generating spend forecasts. The first used linear regression to try to identify characteristics at the local authority level that influenced per capita spend across each of the four spend categories. The second method analysed trends in per capita spend in previous years and projected forwards based on past trends and knowledge about likely future trends.

The linear regression models used the following explanatory variables: year, whether or not the LA is CCN authority, population (either mainstream[39] or number of pupils with EHCPs),[40] percentage of population by type of residence (city, large town, medium town, small town, village),[41] the area of the LA in square kilometres,[42] whether or not the LA is in inner / outer London or Birmingham (London and Birmingham have subsidised transport and have very low or 0 spend on mainstream transport) and, for the models on SEND spend, the percentage of pupils with EHCPs and the percentage of pupils in special schools.

Whilst a number of the explanatory variables were significant in the models, the explanatory power of the regression models was generally not strong enough to accurately predict future spend. This was particularly the case for the SEND models and post-16 mainstream models which only explained between 15 and 30% of the variance in per capita spend respectively. The model on pre-16 mainstream per capita spend was much better, explaining almost 90% of the variance in per capita spend. However, when we ran test forecasts with this mode the model did not generate forecasts that appeared to be an accurate predictor of future spend, even though (for mainstream pre-16 transport) the regression model was a useful tool in explaining the variance between authorities.

The second approach to creating forecasts, and the one that we used to generate the figures in this research, projects forward per capita spend based on trends in previous years. Spend data is taken from the Section 251 outturns for 2016 to 2022. Outturn[43] data for 2023 has not yet been published so planned / budgeted S251 expenditure data was used to generate 2023 estimates.[44] Figures from the CCN survey were then compared to the 2023 planned expenditure to estimate the likely increase between planned and actual expenditure in 2022/23. The only exception to this was post-16 mainstream expenditure where our survey data was too partial, and the numbers too small and volatile, to make an accurate prediction for forecasting purposes. For post-16 mainstream spend we therefore used the change between planned and actual expenditure for pre-16 mainstream to estimate the post-16 mainstream spend. Forecasts for CCN authorities and other authorities are calculated separately. The steps in the approach are as follows:

STEP 1 - CALCULATE A MEASURE OF PER CAPITA SPEND ON HOME TO SCHOOL TRANSPORT

For each category of home to school transport expenditure we calculated the average per capita spend in each year from 2016 to 2022 for CCN local authorities and other local authorities. To note, these are not the same as the whole population per capita benchmarking measures published as part of the S251 statistical releases, as they use more specific populations as the base measure.

- Per capita spend on **pre-16 mainstream transport** was calculated by dividing the total spend on pre-16 mainstream transport with the total number of pupils in reception to Y11.
- Per capita spend on **post-16 mainstream transport** was calculated by dividing the total spend on post-16 mainstream transport by the total number of pupils in education and / or training aged 16 or 17.[45]
- Per capita spend on **pre-16 SEND transport** was calculated by dividing the total spend on pre-16 SEND transport by the total numbers of children and young people with EHCPs aged 5 to 15.
- Per capita spend on **post-16 transport** was calculated by dividing the total spend on post-16 transport by the total numbers of young people with EHCPs aged 16 to 25.

STEP 2 - ADJUSTING PER CAPITA SPEND TO 2016 PRICES

We adjusted each per capita spend measure to 2016 prices using consumer price index data[46] (average of quarterly figures for each year). This adjustment shows the trend in per capita spend between 2016 to 2022 removing the effects of inflation.

STEP 3 - PROJECT FORWARD ADJUSTED PER CAPITA SPEND

We used observed trends and knowledge of the sector to predict what might happen to per capita spend for different forms of transport.

Mainstream transport

The data that we calculated at step 2 showed that for mainstream transport per capita spend, once inflation is stripped out, has been falling since 2016. This is what you might expect in a situation in which the base population has increased, but eligibility has been reduced and tighter commissioning practices have been put in place. However, testimony gathered through this research from local authorities suggests that the scope to reduce eligibility for mainstream transport further is limited – many local areas are near to or at statutory minimums. We have therefore assumed that there is little scope for per capita spend to reduce much further so per capita spend for 2024 onwards is based on the 2023 values.

SEND transport

For SEND transport, the data that we calculated at step 2 showed that per capita spend, once inflation was stripped out, was still rising. We therefore used a rolling three-year average to predict forward future per capita spend values. So, for example, 2024 per capita spend is calculated using a rolling average of 2021-2023 per capita spend.

STEP 4 – UPLIFT PER CAPITA SPEND BASED ON INFLATION PREDICTIONS

Having calculated our future per capita spend values from 2023/24 to 2028/29 for each type of transport, and for CCN LAs and other LAs, we then uplifted these each year to take account of expected levels of inflation. Inflation forecasts were based on OBR inflation forecasts.[47]

STEP 5 – CALCULATE POPULATION PROJECTIONS

Having generated expected levels of per capita spend from 2023/24 to 2028/29, we developed population projections for each of the population groups set out in step 1 above.

- **For pupils in Reception to Year 11**, which was the base population for our pre-16 mainstream transport calculations, we used pupil population projections which are available from the Annual School Capacity Survey.[48][49]

- **For young people in education or training, aged 16 or 17**, which was the base population for our mainstream post-16 transport projections, we estimated future numbers by rolling forward 2023 populations based on forecast changes in the secondary age mainstream population.

- **For children and young people aged 5 to 15 with EHCPs**, which was the base population for our pre-16 SEND transport calculations, we estimated future numbers by calculating the 5-year average increase in EHCP numbers (5-15) and used this to project forwards.

- **For young people with EHCPs aged 16 to 25**, which was the base population for our post-16 SEND transport calculations, we also estimated future numbers by calculating the 5-year average increase in EHCP numbers (5-15) and used this to project forwards. We used this measure, rather than the historic increase in young people with EHCPs post-16, because we wanted to eliminate the cumulative impact of the increase in eligibility up to age 25. The cohort of young people who were 16 in 2015 (when the SEND reforms were implemented) will be approaching 25 this year, so the inflationary effect on numbers of the expended age range will have worked its way through the system. We might, therefore, expect this cohort to increase broadly in line with the 5 to 15 cohort.

STEP 6 – MULTIPLY YEARLY PER CAPITA SPEND BY POPULATION NUMBERS

As a final step we multiplied the per capita spend projections by the forecast base population for each category of transport for the years 2023/24 to 2028/29 to arrive at projections for CCN local authorities and non-CCN local authorities. The 'CCN' and 'other authority' estimates are then summed to give a total for all LAs.

FORECAST METHODOLOGY FOR DEMAND FOR HOME TO SCHOOL TRANSPORT

In addition to our forecasts of expenditure on home Step 6 – multiply yearly per capita spend by population numbers to school transport, we have also produced forecasts of the predicted number of children and young people requiring transport in CCN authorities up to 2028/29. For these we identified the CCN local authorities which had provided data through our survey on the numbers of children and young people receiving transport between 2018/19 and 2022/23. We then compared these numbers to the relevant base populations for each transport type described above. We then worked out an average "conversion rate" of children and young people in the base population to numbers requiring transport for each type of transport. We then applied this average conversion rate to the forecast population numbers that we used to underpin our financial forecasts. It was not possible to generate demand forecasts for non CCN local authorities as no publicly available or survey data exists on numbers of pupils on transport in non CCN areas and we know that CCN local authorities are atypical of the whole population when it comes to demand for transport.

FOOTNOTES

1. Isos Partnership, for the LGA and CCN. (2019). Understanding the drivers for rising demand and associated costs for home-to-school transport. Can be accessed here.

2. Department for Education. (2022). LA and school expenditure financial year 2021-22. Can be accessed here.

3. House of Commons. (2009). Transport Committee, Second report – School Travel. Can be accessed here.

4. Department for Education. (2023). Travel to school for children of compulsory school age: Statutory guidance for local authorities. Can be accessed here

5. Department for Education. (2019). Post-16 transport and travel support to education and training - Statutory guidance for local authorities. Can be accessed here.

6. Here and subsequently in the report, where we reference published data on expenditure between 2015/16 and 2021/22 we are using S251 data on local authority expenditure published by the DfE. See endnote 2 above for full reference.

7. Office of National Statistics. Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland. Mid 2021 and Mid 2015 editions of this data set. Can be accessed here.

8. Population size based on the ONS mid 2021 population estimates for 5- to 25-year-olds. For reference, see endnote 7 above.

9. To estimate the total national expenditure we calculated, for each of the four types of home to school transport (pre and post-16, SEND and mainstream) the percentage of expenditure by CCN local authorities compared with all local authorities as published in 2021-22 S251 data. We then applied these same percentages to each category of expenditure in our scaled up 2022-23 survey returns to arrive at an estimate of total national spend.

10. The methodology we used for scaling up the total number of children on HTST was to take the data submitted by survey respondents for numbers on transport in 2023 and scaled that up based on the total size of the population of the authorities responding to the survey as a proportion of the population of all CCN member authorities. We then used the survey returns from those authorities which had submitted complete data for all 4 years to work out the percentage change year on year, and applied this, working backwards, to the 2023 scaled total to derive values for 2022, 2021, 2020 and 2019.

11. HM Treasury. (2023). GDP deflators at market prices, and money GDP September 2023 (Quarterly National Accounts). Can be accessed here.

12. Per capita expenditure calculated in published S251 data. See endnote 2 above.

13. Department for Education. (2023). Schools, pupils and their characteristics: January 2023. Can be accessed here.

14. See reference 13 above.

15. House of Commons. (2018). City & Town Classification of Constituencies & Local Authorities. Can be accessed here.

16. Office of National Statistics. 2023. Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland. Can be accessed here.

17. Department for Education. 2023. Education, Health and Care Plans. Can be accessed here.

18. Based on scaled up survey data and S251 published data. For the latter, see endnote 2 above.

19. See endnote 10 above for an explanation of how we scaled up our survey numbers to be representative of all CCN local authorities.

20. See endnote 17 above for reference.

21. Department for Education. 2023. SEND and alternative provision improvement plan. Can be accessed here.

22. Data based on comparisons between survey returns on numbers of children receiving transport and published data on numbers of children and young people with EHCPs. See endnote 17.

23. .Department for Education. 2023. Permanent exclusions and suspensions in England: 2021 to 2022. Can be accessed here.

24. RAC Foundation. (2023). Pump prices over time. Can be accessed here.

25. Office for National Statistics. (2023). Consumer price inflation time series (MM23). Can be accessed here.

26. SYSTRA for the County Councils Network. (2023). The state of county buses. Can be accessed here.

27. Department for Transport. (2022). Bus and coach accessibility and the Public Service Vehicles Accessibility Regulations 2000. Can be accessed here.

28. Data on the total number of children in CCN authorities being transported by destination was estimated by scaling up the survey returns of the 22 local areas which had provided good quality data for destinations in 2023, on the basis of the size of the 5 to 25 population.

29. See endnote 17 above for reference.

30. Data on total number of children transported by transport type was estimated by scaling up the survey returns of 21 LAs which provided good quality data transport type, on the basis of the 5 to 25 population size. These totals were then adjusted proportionately to ensure consistency with the overall reported number of children and young people receiving transport, based on our survey returns. This adjustment was necessary as not all LAs were able to provide data by transport type on all their eligible children.

31. See endnote 28 above for our method for scaling up.

32. See endnote 30 above for our method for scaling up.

33. ADCS and ADEPT. (2023). Final report from the ADCS and ADEPT working group on home to school travel. The report can be accessed here and the toolkit can be accessed here.

34. See endnote 30 above for our method of scaling up.

35. SYSTRA for CCN. (2023). The state of county buses: recovering services post-pandemic. Can be accessed here.

36. Department for Education. (2023). Stable homes, built on love: Implementation strategy and consultation. Can be accessed here.

37. CCN. (2023). Budget analysis – Autumn 2023. Can be accessed here.

38.Department for Transport. (2011). Transport Statistics Great Britain: 2011. Can be accessed here and Department for Transport. (2021). National Travel Survey 2021: Household car availability and trends in car trips. Can be accessed here.

39. Department for Education. (2023). Schools, pupils and their characteristics: January 2023. Can be accessed here.

40. Department for Education. 2023. Education, Health and Care Plans. Can be accessed here.

41. House of Commons. (2018). City & Town Classification of Constituencies & Local Authorities. Can be accessed here.

42. Office of National Statistics. 2023. Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland. Can be accessed here.

43. Department for Education. (2022). LA and school expenditure financial year 2021-22. Can be accessed here.

44. Department for Education. (2023). Section 251 local authority table (net) information: per capita for 2022 to 2023. Can be accessed here.

45. Department for Education. (2023). Participation in education, training and NEET age 16 to 17 by local authority. Can be accessed here.

46. Office for Budget Responsibility. (2023). The economy forecast – inflation. Can be accessed here.

47. See reference 8 above.

48. Department for Education. (2023). Annual school capacity survey – 2021/22. Can be accessed here.

49. Primary population projections were only available up to 2027 so 2028 estimates were created by rolling forward using the 5-year average increase.

CCN COUNTY COUNCILS NETWORK

THE VOICE OF COUNTIES

CCN is the voice of England's counties. Representing the local authorities in county areas, the network is a cross-party organisation which develops policy, commissions research, and presents evidence-based solutions to issues on behalf of the largest grouping of councils in England.

In total, the 20 county councils and 17 unitary councils that make up the CCN represent 26 million residents, account for 39% of England's GVA, and deliver high-quality services that matter the most to local communities.

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