

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cllr Michael Evans Cabinet Member for Children's Services	
MEETING/ DECISION DATE:	On or after 25 April 2017	EXECUTIVE FORWARD PLAN REFERENCE: E 2947
TITLE:	Increase in the charges to denominational transport and the fare paying charge from September 2017.	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report		

1 THE ISSUE

- 1.1 To determine the charges for denominational transport and the fare paying passengers from September 2017.

2 RECOMMENDATION

The Cabinet Member for Children's Services is asked to;

- 2.1 Agree the increase for all fare paying and denominational transport from £300 to £480 per annum from September 2017.
- 2.2 Agree to retain the 50% subsidy for second or third children from families who have more than one child travelling and who are travelling as fare paying or denominational passengers in 2016/17, until those children complete the current (either primary or secondary) phase of their education or become the sole fare paying pupil from that family (whichever occurs sooner).

This means that applications for fare-paying places for any child who was not already travelling in 2016/2017 will incur the full charge of £480 regardless of siblings.

- 2.3 Agree to retain the exemption for low income families travelling on fare paying and denominational transport.
- 2.4 Agree to review the charge annually. Increases will be agreed through the Council's budget setting process.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The school transport budget is £4.2m. In the 2016-17 financial year the budget will overspend by approx. £500,000

- 3.2 The Council currently transports 351 pupils as fare paying passengers paying the full charge. A further 39 children travel with a reduction of 50% in the fare as they have an older sibling travelling. A further 22 children travel who are exempt from the charge as they are from a low income family. The current charge is £300 per annum with a 50% reduction if a family has a 2nd or 3rd child travelling. This currently achieves an annual income of £111,150. The true cost of these seats to the Council is approximately £412,000 based on an average cost of £1000. The Council therefore subsidises these seats by £300,850 per annum. If all children continue to travel the subsidy will decrease to £234,160 with these proposed changes to the charges.
- 3.3 The Council also transports 56 pupils who qualify for transport assistance under the denominational policy. A further 31 children also travel with a reduction of 50% in the fare as they have an older sibling travelling. A further 8 children travel who are exempt from the charge as they are from a low income family. The Council has a statutory duty to transport these low income family pupils free of charge. This currently achieves an annual income of £21,450. The true cost of these seats to the Council is approximately £95,000 based on an average cost of £1000. The Council therefore subsidises these seats by £73,550 per annum. If all children continue to travel the subsidy will decrease to £60,680 with these proposed changes to the charges.
- 3.4 The additional income generated after allowing for the discounts for siblings and low income families is in line with the budget anticipated as part of the strategic review of transport.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The Council has a statutory duty to assist with transport if a child is attending the nearest appropriate school and the walking distance is over 2 miles up to the age of 8 years and 3 miles over the age of 8 years.
- 4.2 The Council has a duty to consider the hazardous nature of the route if the distance between home and school is less than the above distances.
- 4.3 The Council has a statutory duty to provide free transport for low income families if the secondary school attended is between 2 and 6 miles and one of the 3 closest schools to the home address.
- 4.4 The Council has a statutory duty to provide free transport for low income families if they attend a denominational school between 2 and 15 miles from the home address and it is the nearest school preferred for religion or belief.
- 4.5 The Council has a statutory duty to provide transport for low income families if the child is age 8 to 11 years and the closest school attended is over 2 miles from the home address.
- 4.6 The Council is allowed to sell spare seats on vehicles carrying entitled passengers to non-entitled children who wish to travel and determine the amount they decide to charge.
- 4.7 The Council also charges children who qualify for assistance with transport to a denominational school £300 per annum. The Council Cabinet agreed with effect from September 2014 a phased withdrawal of subsidised home to school transport services for new starters attending denominational schools who would not qualify under other home

to school policy subsets, (e.g. as a low income family) save in the case of children with siblings currently at the school. This option did not affect students who currently attend the school, only new pupils joining from September 2014.

5 THE REPORT

5.1 The average cost of the Council transporting a child to school is approx. £1,000 per annum. The cost varies on the type of transport provided. A coach seat will cost £800 per annum while a seat on a taxi can be up to £1500 per annum depending on the distance travelled.

5.2 Therefore the current charge is only a contribution to the actual cost of the seat.

5.3 The current charge has not increased since September 2012. To avoid large increases in the future it is proposed that the charge should be reviewed annually as part of the Council's budget setting process.

5.4 The current fare paying rate charged by other neighbouring authorities is as follows:-

Dorset £640 per annum.

Gloucestershire Primary £450 per annum, Secondary £600 per annum, Post 16 £750 per annum.

North Somerset £522 per annum.

Somerset Between £331 and £631 per annum depending on school and distance travelled.

South Gloucestershire £414 per annum

Wiltshire Between £255 and £414 per annum depending on school and distance travelled.

5.5 The Council will introduce a direct debit option for parents to pay the charge. The monthly cost will be £60 spread over 8 monthly instalments for each child. The current charge for each child is £50 paid 6 times a year. Parents will be asked to complete a direct debit form at the time they apply for the transport.

6 RATIONALE

6.1 The Council currently has an annual budget of £4.2m per annum for Home to School Transport. The budget in the current financial year is projected to overspend by £500,000. The proposed increase to the fare paying charge will help reduce this overspend.

6.2 Consideration was given to removing the 50% subsidy for all families travelling with more than one child and the exemption for low income families.

6.3 The current annual charge paid by a family with two children travelling is £450. Under the new charge this will increase to £960. This will currently affect 66 families.

6.4 The current annual charge paid by a family with three children travelling is £600. Under the new charge this will increase to £1440. This will currently affect 4 families.

- 6.5 It was felt the increase for existing fare-paying families was unreasonable and as they had already made their choice of school based on the lower charge they should be given protection at a subsidised rate.
- 6.6 Similarly it was felt the increase in charge for low income families was unreasonable and they should continue to be exempt from the charge.
- 6.7 The increase brings the Council charge more in line with those of our neighbouring authorities but continues to be significantly subsidised by the Council in comparison with the actual costs of the transport.
- 6.8 The fare paying charge only applies to children who do not qualify for free assistance with transport under the Council's Policy. If parents choose to send their children to a school which is not the nearest to their home address the Council does not have responsibility to provide transport and the responsibility rests with the parents to ensure their children attend school.

7 OTHER OPTIONS CONSIDERED

- 7.1 To remove the 50% subsidy for all families travelling with more than one child and the exemption for low income families. [See 6.5 and 6.6 above].

8 CONSULTATION

- 8.1 Consultation with schools and parents ran from the 13th March to the 7th April 2017. An e mail was sent to schools and parents who currently pay for school transport.

- 8.2 A total of 23 responses have been received. A summary of the responses is below:-

- Whilst accepting there needs to be an increase, I would suspect a fairer way is to increase in line with council tax percentage increase along with a £50 premium to be reviewed each year.
- I support the increase generally for school transport. However I strongly disagree with taking away the exemption for those on low income, this is totally unfair and could end up with children from those families not being able to get to school, as the parents cannot afford it.
- I have two children travelling and have just been made aware that you are planning to increase school bus fees jointly from £450 to £960 pa. This is an excessive increase and losing the second child discount is extremely harsh and will adversely affect many families.
- An increase to £480 per annum would seem to be too steep – their transport should be subsidised by BANES whilst they continue in education to 18 and sibling discount in this situation would be fair (e.g. twins in sixth form).
- Whilst I am happy to pay a bit more for my two seats, I think an increase £960 a year is unrealistic.
- We would be extremely unhappy with the proposed fare increases. We realise that a fare increase is at some point inevitable but we would expect it to be in line with inflation. The proposed increase would be unaffordable to us and we would therefore be forced into finding an alternative way of getting our two children to school, i.e driving daily to school and back. This would contribute to the already high level of congestion on Bath's roads which would in turn increase our carbon footprint and result in a negative impact on the environment.

- I would like to object to the scale of the proposed increase. It is hard to see how an additional 60% can be justified, particularly when the Council Tax is also increasing by 3.1% overall and at a time when many people's pay isn't keeping pace with inflation.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	<i>List here any background papers not included with this report, and where/how they are available for inspection.</i>
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