

DERBYSHIRE COUNTY COUNCIL

**CABINET MEMBER FOR CHILDREN AND
YOUNG PEOPLE**

1 April 2014

Report of the Strategic Director for Children & Younger Adults

Increased Charges for Home to School Transport

1. Purpose of Report

- 1.1 To seek Cabinet Member approval to increase the charge made for the use of spare seats, denominational transport and any other sold seats on home to school transport, by the relevant inflation rate on an annual basis with effect from September 2015. If proposals which are currently the subject of consultation are approved, this increase would also apply to transport charges for children with Special Educational Needs (SEN) of sixth form and pre-school age.

2. Information and Analysis

- 2.1 Derbyshire County Council currently transports 10,017 pupils on home to school transport. 1,726 of these have Special Educational Needs. There are 26 spare seats sold on SEN transport. 8,291 pupils travel on mainstream or denominational transport. This includes pupils who are entitled to transport from the Council on the grounds of distance or other factors, such as medical reasons, and also those travelling on spare and denominational seats.
- 2.2 The Council is currently out to consultation regarding charging non-school age pupils with SEN. This includes pre-school children and sixth form age pupils. If charges were made for these in the future they would be at the same rates as the spare and denominational charges.
- 2.3 Derbyshire County Council currently charges a contribution of £316 per year per child (primary) and £349 (secondary) for the use of spare and denominational seats for pupils travelling from home to school. This charge was last increased in September 2013.

- 2.4 The current average cost per seat on SEN home to school transport is £4,788. The current average cost per seat on denominational home to school transport is £988 and £705 per seat on mainstream. At the present time 972 seats are charged for in the secondary sector and 89 in the primary sector. The current charge covers less than 50% of the cost of a seat on mainstream transport and 35% of the cost on denominational transport.
- 2.5 The contractors are able to increase their charges by RPI without having to retender. The current rate of RPI is 2.7%; it is proposed to increase charges by this amount. This would mean a charge of £360 per year (secondary) and £325 (primary). It is proposed to increase these charges by the relevant rate of inflation on an annual basis in September at the start of each academic year. Due to all the proposed changes to transport currently being considered and to recognise that some families are in difficult times financially it is proposed that this annual increase should not begin until September 2015. An annual increase at the rate of inflation will be made each September thereafter with the inflation rate taken in the January of that year.
- 2.6 The majority of payments are made in ten instalments. This would be a payment of £36 an increase of £1.10 per payment (secondary) and a payment of £32.50 an increase of 90p (primary) per payment.

3. Financial Considerations

- 3.1 Currently there are 35 spare seats on mainstream transport. There are 568 spare seats on denominational transport. 433 denominational seats are charged for and this will increase by approximately 160 in September 2014 and September 2015 as another 2 years are phased in. When charges started in September 2011 for denominational transport, students already travelling were protected. Due to the size of the vehicle used these charges are not subject to VAT. Passenger transport within the UK in any vehicle designed or adapted to carry ten or more passengers (the driver and crew are treated as passengers for the purposes of determining the carrying capacity) is zero rated. This would give an additional income of approximately £14,500 a year.
- 3.2 There are 25 spare seats on SEN transport which, due to the size of the vehicle used, are subject to VAT. This would give an additional income of approximately £200 a year.
- 3.3 If charges were made for non-school age pupils with SEN these charges could be subject to VAT.

4. Equality of Opportunity Considerations

- 4.1 Eligibility for denominational transport will continue to be based on faith criteria. Access to spare seats will remain on a first come first served basis. Eligible pupils aged 5-16 with disabilities will continue to be provided with home to school transport free of charge.

5. Other Considerations

In preparing this report the relevance of the following factors has been considered – prevention of crime and disorder, equality of opportunity, health, environmental, transport, legal and human rights, human resources and property considerations.

6. Background Papers

Consultation on changes to policy for home to school transport for children of sixth form and pre-school age and young adults subject to a learning difficulty assessment, January 2014

Increase to charges for denominational transport on home to school transport, October 2012

Increase to charges for spare seats on home to school transport, July 2012

Home to school transport policy, January 2012

Review of support bus network and public transport subsidies, March 2011

Transport based on faith or belief funding arrangements, July 2008

7. Key Decision No

8. Call-in Is it necessary to waive the call in period in respect of the decisions being proposed within this report? No

9. Strategic Director's Recommendation

- 9.1 That the Cabinet Member approves an annual increase in the charges for spare seats on home to school transport, and denominational transport, by the relevant inflation rate, each September at the start of the academic year with effect from 1

September 2015. The charges from September 2015 would be £360 per year (secondary) and £325 per year (primary).

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