

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 20 March 2024	<b>Decision maker:</b> Deputy Leader and Cabinet Member for Children, Education and Refugees
<b>Report title:</b>		Gateway 0: Home to School Transport	
<b>Ward(s) or groups affected:</b>		All wards	
<b>From:</b>		Strategic Director of Children and Adult Services	

## RECOMMENDATION

1. That the Deputy Leader and Cabinet Member for Children, Education and Refugees note the content and next steps set out in this Strategic Options Assessment for service provision for Home to School Transport for Southwark Council.

## BACKGROUND INFORMATION

2. While it is the responsibility of the parent to ensure their child attends school, all local authorities have a statutory duty to put in place arrangements for the provision of home to school travel assistance and transport for children with Special Educational Needs and Disabilities (SEND) who meet the published criteria for additional support.
3. A child with SEND is eligible for free travel to school if they attend their nearest suitable school, and they could not reasonably be expected to walk there because of their special educational needs, disability or mobility problem, even if they were accompanied by their parent.
4. They do not need to have an Education Health and Care Plan (EHCP) or have travel specified in the plan. Nor do they need to attend a special school or live beyond the statutory walking distance (2 miles for children under 8 years old and 3 miles for children 8 years and over).
5. The council currently delivers its travel assistance through a mix of bus, and taxi transport as well as allocation of personal budgets and travel cards directly to families as described in this paper.
6. Southwark's Travel Assistance Policy (April 2023) states that the council is committed to reducing traffic congestion, improving road safety and reducing the environmental impact of vehicle journeys by promoting the use of alternative forms of travel, such as walking, cycling, and use of integrated public transport.

7. Southwark Council has a Streets for People strategy which sets out the vision and commitment to improve our residents' quality of life and take action on climate change, by changing how we all travel and use streets in our borough. The strategy works to deliver
  - cleaner air
  - safer and quieter streets with less traffic and fewer accidents
  - healthy travel options like walking, cycling or wheeling
  - greener, and more pleasant spaces for our communities to connect and socialise
  - a better place for all who live, work, study and visit
8. This paper reviews the strategic options for delivering the most effective and efficient service possible in compliance with the Travel Assistance Policy.

## **KEY ISSUES FOR CONSIDERATION**

### **Current provision**

9. The council aims primarily to support parent/carers in ensuring their children access education. They do this through:
  - Personal Budgets are funds delegated to parents to arrange their own transport. The new Personal Budget (PB) system is being mobilised at present to replace the outgoing direct payment scheme. PBs will put parents/carers and sometimes the young person themselves, in control of how they travel to their education provision giving them more choice and independence. The aim is to give parents/carers more flexibility around expenditure and proof of expenditure, promote independence for the student, and reduce the amount of time spent internally on administering the scheme. It should be noted that under government guidance parent carers of children of statutory school age may refuse a PB and ask for their child to be transported in a vehicle.
  - Where possible travel cards are issued to eligible parents to accompany their children on public transport.
  - Subsidised bicycle travel is included in the Home to School transport policy as an option.
  - These are not included within the consideration of the Strategic Options Appraisal.
10. The needs of some children however will be such that they require commissioned travel support to access education. It is this element that is covered in this strategic review. Key points in relation to this element include:
  - The council currently commissions a Home to School travel service

for 762 (as of January 2024) children and young people with SEND. Of these, approximately 391 children and young people travel by bus. This number varies throughout the year as school placement arrangements for some children and young people change. In addition to the bus, 117 travel by taxi or small vehicle, 179 currently have a direct payment to the family although these are being moved across to personal budgets (currently 50), and 25 are issued a travel card.

- The majority of the pupils are in the 0-16 cohort (587), with roughly the same number in the 17/18 years cohort (88) as the 19-25 cohort (87) making a total of 762 pupils to be transported.
- Most journeys require one or more passenger assistants (PAs) to support children or young people due to their additional needs. The needs of the children and young people may include:
  - Physical disabilities including wheelchair access
  - Additional learning needs
  - Autism
  - A range of communication, emotional, behavioural support needs.
  - Visual and/or hearing impairments.
- The majority of eligible children are supported through the “bus” contract which supplies vehicles for children to access their site of education usually in people carrier vehicles (no larger than 10 seaters). The current contract was awarded in July 2023 to Healthcare and Transport Services (HATS) Group Ltd for an initial period of two years with one year potential extension. HATS has won the contract for Southwark since 2015.
- The Home to School bus contract has an estimated annual value of £3.9m although this is likely to increase in the future due to rising levels of need and eligibility as well as rising costs to deliver the service. It is priced through a banding system of fixed costs per a set number of passengers transported.
- The service has historically performed overall satisfactorily against its set Key Performance Indicators (KPIs) although recent concerns around the timeliness of the service have been raised. Resolved complaints that families have previously raised included complaints regarding timeliness and attitude of staff.
- An assessment of need is undertaken and for those young people who have the highest level of medical or behavioural need, taxis are provided. A taxi might also be used where the number of pupils travelling to a particular school is below ten and is therefore better value than a bus.
- Southwark has in place a contracted framework for Home to School taxi providers. Due to the constraints of the market there are now only two providers remaining of the original three on the framework

agreement. It was commissioned in 2022 and has until 2026 to run.

- The Home to School taxi framework has an estimated annual value of £2.3m and again is likely to increase in the future.

## **Challenges**

11. Many families rely on the service. Any change will be highly sensitive and robust consultation needs to be undertaken with both families and schools.
12. The service is dependent on how successfully other council teams are able to locate and source daytime education provision – a process which has significant challenges associated with it. Increasing numbers of children are needing to access their daytime education provision outside of the borough and this drives the increase in numbers eligible for travel support.
13. There is therefore continued demand-led cost pressure attached to the provision of travel assistance. The banding model of charging for children transported keeps costs at a planned level while the increased demand is causing overall spend levels to increase. The travel support service is currently managing this pressure through reducing the numbers travelling by bus per term and gradually working to switch more pupils onto personal budgets or independent travel.
14. Bringing the budget under control is a key priority. While a growth target plan has been set against the whole service for the next three years, a £1.2m savings target has been built in for the period 2024-25 to 2026-27.
15. Additionally, while the council is committed to helping all families to ensure their children access education, there is also a need to ensure that all young people are supported to access their community as independently as possible. The council must work with our young people and their surrounding community, to ensure that they are able to travel to education, leisure and work settings as needed.

## **Future service requirements**

16. All indications are that the number of young people with special educational needs is set to continue to rise both in Southwark and across the country and therefore demand for home to school transport is likely to grow alongside.
17. It is important to consider that levels of complexity of need are rising as well. The impact of lockdown where less young people accessed the support and interactions that they receive at school and the continued repercussions of this, combined with the impact of the cost of living crisis at home, means that more young people are requiring – and will continue to require - more complex support. This will continue to impact on the numbers of pupils eligible for travel support.

18. The close proximity of the end dates of the current bus and taxi contracts (2025 and 2026), combined with the fact that they form a continuum of delivery as outlined above, mean that it is possible to combine the two into a single approach.

### **Aspirations for the service**

19. The overarching aims for the Home to School transportation of children and young people with SEND are that:
  - eligible children are supported to access education that enables them to thrive
  - there is a clear structured offer of transport support tied to level of need and an ethos of training young people towards independent travel where possible to enable them to lead fulfilled adult lives
  - schools, parents and primarily the children and young people receive a quality service that meets their needs
  - the fleet, routes and processes move towards meeting climate objectives as soon as possible
  - the council delivers a financially sustainable and viable transport offer

### **Market considerations**

20. The transport market is facing a number of challenges at present including: high inflation, minimum wage increases, increasing vehicle costs, a continued driver and passenger assistant shortage, and challenges in recruiting against competition, increasing fuel costs and the drive towards net zero.
21. The commercial large bus market has reduced considerably with a rise in the number of bus companies who have ceased trading. This means less providers bidding for contracts and therefore less room to negotiate on price.
22. The taxi and private car hire market availability has also changed significantly over the last few years with the introduction of ride-hailing services such as Uber. These have forced them to become more competitive by for example introducing technology to improve location tracking, passenger experience, or driver screening and that is good for all customers including councils. However, they also represent a threat to the taxi and private car hire market as they are able to undercut their business and poach their drivers, potentially reducing the number of providers able to bid for contracts.
23. With that in mind, a key element for Southwark to consider when reviewing sustainable options is the ability of the market to deliver sufficient capacity. The council needs to be able to meet demand and ensure sufficient providers.

24. From recent benchmarking work undertaken with other Local Authorities, of the 16 Local Authorities who have opened their contracting system to be a flexible, multi-provider, bidding system called a Dynamic Purchasing System (DPS), five have had periods where they have struggled to source provision. Reasons given for this included a shortage of vehicle types/drivers, delays in licensing of drivers, too difficult for small companies to sustain provision, and providers failing the quality assurance process. None of these five LA's were in London. One London borough has recently run a campaign to recruit more providers to their DPS. This resulted in an increase from 32 providers to 37 with around 25 relatively inactive providers on their DPS. This suggests that Southwark would be able to ensure sufficiency of providers.
25. An initial Prior Information Notice (PIN) was published on the procurement portal to gauge interest in the provider market and understand what type of provider and how many might be interested in bidding on a Southwark contract. There were 22 responses that were received and 100% indicated that they were interested in one or other of the different options of contract that were proposed as shown in Table 1 below. This gave an indication that the council would be able to meet sufficiency.

Table 1: PIN provider responses by type of contract

Number of interested providers	Type of contract
two	A single termed contract for both bus and taxi transportation
four	Separate contracts, one for bus and one for taxi transportation
six	DPS by routes
eight	DPS by vehicle type
five	fixed framework for 4 years
four	All of the above

26. Should a commissioned service be the chosen strategic approach then further engagement and market warming sessions would be run to gain feedback on the most attractive and viable options for structuring a tender and ensuring sufficiency.

### **Strategic service delivery options**

27. The service is currently structured in two elements. The service delivery is commissioned externally. The council team undertake the following:
- Identify the cohort eligible for travel support
  - Identify the needs of the young people and communicate them to the provider

- Procure specific routes through the taxi framework
- Monitor take up, trends and costs
- Communicate with families and schools including managing complaints
- Contract manage the provider

28. There are effectively four strategic approaches for delivering the service:

- fully in-source the service,
- outsource the service
- establish a joint venture
- establish a hybrid model with some commissioned elements and some internal elements

### **Option 1 – Do nothing**

29. The current contracts expire in 2025 with provision to extend to 2026. If nothing is done then there will be no service to take vulnerable children to school. This would put the council in breach of its statutory duties under the Education Act 1996 and Education Inspection Act 2006. It would also create an extremely serious and significant reputational risk to the council. This option is not viable.

### **Option 2 – In-source the service**

30. Several other Local Authorities have at least an element of internal delivery. In consulting extensively with other Local Authorities (LA's) not one had the entire service delivered exclusively in house. Where an internal service exists, the trend is to keep the larger buses as an internal service which ensures sufficiency of quality and appropriately-licensed drivers, passenger assistants, as well as greater control of routes and quality of service delivery. This is complemented by externally commissioned multiple smaller providers to do the out of borough, small volume, or solo routes.

31. The positives of delivering the service internally include greater control over the quality of provision and ability to ensure strategic objectives are met (climate, local job creation and security, etc.).

32. The negatives of delivering the service internally include that Southwark has no available depot in borough to park the vehicles, there is no existing fleet so an entire fleet would need to be funded, sourced and to appropriate climate standards, including the requirement for new infrastructure for electronic charging points. The timeline for this approach would not permit immediate follow on from existing contract end points and could be quite extensive. Therefore if this is chosen as the approach there will need to be an interim period of commissioned service while the internal service is built.

33. The likely cost to this approach would be extremely significant and all the cost and risk is borne by the council. The initial outlay is estimated to be in the region of £9.8 million (see Appendix A for more detail). A depot alone would need to be created at an estimated cost of £6 million and £500,000

annual running costs. An entire fleet of vehicles to transport approximately 500 children would be a significant initial spend then with running costs. Finally, the required staffing levels of qualified drivers and passenger assistants would all represent a significant and long term cost to the council.

34. A more complete analysis is given in Appendix A.

### **Option 3 – Outsource the service**

35. The current service is outsourced. This can be renewed by new tendering processes and there are different commissioning approaches that could be used:

- a block contract, as per the current bus contract,
- a fixed framework, as per the current taxi framework,
- payment and incentive approaches,
- a DPS, as is the case for the many other Local Authorities.

36. Detailed analysis and the approach required to progress and deliver these options would be set out in a Gateway 1 report.

37. The advantages to this are that the risks and costs of managing and servicing the vehicle fleet, parking the fleet, recruiting and retaining the drivers and PA's, route mapping, and fulfilling the contract specifications are all held by the provider. The council passes on its requirements and can hold the provider to account for all delivery.

38. The disadvantages differ in relation to the approach chosen. For example a block contract could risk creating a monopoly of provision resulting in no or reduced commissioning leverage over the provider, or no competition driving down prices. There may also be a risk of a reduced ability to use Key Performance Indicators to identify areas to streamline the service or initiate improvements. A DPS might increase the risk of not being able to meet sufficiency of provision.

39. The cost implications would vary according to the commissioning approach chosen but all would require procurement costs and all would be more reliant on the costs imposed by providers. As an example a DPS is a procurement-heavy option and therefore may incur costs to address this however it also creates a more competitive environment that would serve to keep provider costs down.

40. Detailed analysis and the approach required to progress and deliver this option would be set out in a Gateway 1 report.

### **Option 4 – Establish a joint venture – outsource to a company part-owned by the council**

41. Procurement regulations allow for an expedited process to establish a joint venture between public sector organisations because a procurement



exercise is not required. Originally a European Court of Justice (ECJ) judgement in 1999, the “Teckal” (C-10798) regulation has been brought into UK law. It establishes an exemption from public procurement for the award of contracts between public sector bodies provided that certain requirements are met when establishing the joint venture. These are that:

- the contracting authority must exercise sufficient control over the new entity The local authority must control all of the shares in the company and must also exercise effective day-to-day control over its affairs
  - and the legal entity must carry out the essential part of its business on the contracting authority’s activities. At least 80% of the activity of the Teckal company – that is, over 80% of its turnover – must be for its public sector owners.
42. The advantages to a Joint Venture with a Teckal company include the ability to rely on the experience of a provider already delivering multiple such services across the country, the ability to retain overall control of the organisation and also the long term opportunity to use it as a stepping stone to becoming fully insourced.
43. The disadvantages include that no other London authority has yet undertaken this step so it is not known how this model might address London-specific risks. There is still the issue of securing a depot and fleet to address. There are unknown risks (at present) around how and whether the Joint Venture might make itself a profitable enterprise.
44. The cost implications are potentially positive. With no procurement exercise required, there are no procurement costs. However, there would be costs associated with setting up the Joint Venture.
45. Detailed analysis and the approach required to progress and deliver this option would be set out in a Gateway 1 report.

**Option 5 – a hybrid option of augmenting the internal management of the service as well as commissioning the delivery.**

46. It could be envisaged that the route mapping function currently largely performed by the provider be brought in-house. This would allow the team greater oversight of route and vehicle optimisation as well as flexibility on contracting different routes. It would maximise the potential impact of a DPS. However, absorbing this function into the council requires reviewing the implications for the internal team structure, roles and training.
47. The advantages are that the council would continue to share risk with the provider(s); that the council would not need to invest high levels of expenditure in depot or fleet provision, that the council would retain control of the overall process with greater oversight of opportunities for efficiencies and operational improvements as well as still holding experienced provider(s) to account for the quality of their provision.

48. Disadvantages will include that the council does not retain overall control and is reliant on provider(s) to support with work towards other strategic objectives e.g. climate friendly vehicles. There are the same additional risks posed by whichever commissioning approach is chosen. There will also be risks associated with the changes required to the team.
49. The cost implications would require relatively minor investments if any. Costs might arise from requiring an additional member of staff or from an additional IT service. Otherwise the costs and risks would be very similar to Option 3.
50. Detailed analysis and the approach required to progress and deliver this option would be set out in a Gateway 1 report.

### **Recommendation**

51. When drafting the GW1 report, options 3, 4 and 5 will be explored in greater detail.
52. The rationale is that these options potentially offer the best solutions in terms of market sufficiency, competitive pricing, and future investments that can be implemented in time to follow existing contracts; that shares risks with providers; and that offers the most opportunity for delivering change and flexibility which would allow the team to ensure best outcomes for pupils and best value for the council.
53. These options also represent the best opportunities to explore wider transformation opportunities such as Pick Up Points for specific schools, offering schools the opportunity to devolve transport funding to them should they be able to deliver a better value contract, and exploring joint commissioning opportunities with neighbouring councils. Discussions are ongoing with neighbouring boroughs around opportunities for joint work which could include setting up a joint venture, sharing a depot or other.

### **Identified key risks for the service and recommended strategic option**

<b>No.</b>	<b>Risk</b>	<b>Residual risk Level</b>	<b>Mitigation Action</b>
1.	There is a risk that the possible options may not remain within the expected funding envelope	High	All commissioning approaches to be examined and the financial impact considered. Continue to explore additional service transformation where possible.
2.	There is a risk that the shortage of appropriately qualified	Amber	Ensure that any tender documentation uncovers robust recruitment and retention

No.	Risk	Residual risk Level	Mitigation Action
	drivers and passenger assistants might impact negatively on delivery		<p>approaches from providers.</p> <p>Work with appointed provider(s) to develop a workforce development plan including exploring innovative ideas with parent carers.</p>
3.	There is a risk that any chosen commissioning approach may not mitigate against the issue of the existing bus contract provider achieving a monopoly of provision in Southwark	High	Undertake robust market warming activity prior to tender to ensure wide basket of applicants and tendered applications.
4.	There is a risk that the possible options may not deliver sufficiency of provision	Amber	Undertake robust market warming activity prior to tender to ensure wide basket of applicants and tendered applications.
5.	There is a risk that the continued escalation of fuel costs will impact negatively on the delivery of the service within existing financial envelopes.	Medium	<p>Continue to explore additional service transformation where possible.</p> <p>Work with successful provider(s) to track impact and ensure any external funding opportunities are accessed.</p>
6.	There is a risk that the possible options may not deliver improvements to service quality	Low	<p>Ensure robust consultation with families and schools. Ensure family representation during tender processes.</p> <p>Ensure strong and innovative contract management in place including involvement of families, young people and ad hoc audit processes.</p>
7.	There is a risk that the possible options may require some element of internal team roles review	Low	Ensure full engagement of service in identifying chosen commissioning approach.

## Key/Non-Key decisions

54. This is a key decision.

## Next Steps

### Service Delivery Project Plan (Key Decisions)

55. Project Plan time-lines are shown in the table below.

Activity	Without activating year extension Complete by:	With activating year extension Complete by:
DCRB Review Gateway 0	17/01/2024	
CCRB Review Gateway 0	25/01/2024	
Notification of forthcoming decision – IDM	18/03/2024	
Approval of Gateway 0: Strategic Options Assessment	08/03/2024	
Scrutiny Call-in period and notification of implementation of Gateway 0 decision	08/04/2024	
DCRB Review Gateway 1	05/06/2024	Indicate whether year extension to contract is required and plan Gateway 3 paper
CCRB Review Gateway 1	13/06/2024	
Brief relevant cabinet member (over £100k)	02/07/2024	
Current contract end date	31/08/2025	31/08/2026
Contract award	03/04/2025	03/04/2026
Mobilisation	May to August 2025	May to August 2026
New contract start date	01/09/2025	01/09/2026

56. As the specific recommendation is clarified in the Gateway 1 report, the timetable of events will become known. This will determine whether the year extension to the current contract is required or not.

## **Community impact statement**

57. These two contracts (bus and taxi) are key tools for the council to ensure smooth and successful school runs are in place across the community. Successful implementation ensures that pupils are delivered to their places of learning in a fit condition to learn, that their families are reassured and able to access their employment without impediment, that schools and colleges have calm and safe drop off and pick up times, that local job opportunities are created and that the local roads are kept as traffic free and environmentally clear as possible.

## **Equalities (including socio-economic) impact statement**

58. To ensure that the Home to School Travel Assistance continues to meet the needs of families in Southwark, an Equality Impact Analysis was undertaken (Appendix B). The specific recommendations that were made are given below.
59. The specification for the new service should consider the needs of different groups and make provision accordingly such as vehicle accessibility, staggered arrival times, literature available in easy read format and audibly, interpreters in the most common languages and British Sign Language (BSL).
60. Data is not currently systematically collected on ethnicity of person's being transported to school although this has begun. It is therefore not possible to verify that the anticipated ethnic breakdown is accurately reflected in numbers of children transported. Any future contract will continue gathering this and other protected characteristics data so that future analysis can be done.
61. Ensure that all contractors are fully briefed on the different risks presented to/by the cohort of children that they are transporting as well as the appropriate mitigating actions.
62. Placements for children looked after should continue to consider school travel time when care placements are being considered.

## **Health impact statement**

63. Repeated surveys on the subject of home to school transport identify how critical the service is to the health and wellbeing of both the children and their families. A well run service that shows consideration and compassion towards the children will ensure that young people are safely transported to school in a fit state for learning when they get there. In some instances, the service can even extend into the learning of the children. By contrast, a service that is not responsive to the needs of the young people can create negative experiences and environments that may leave lasting impacts on

the young people's wellbeing and ability to travel independently or even perform well in school.

64. For families, the impact of the service on their finances, their ability to work, their relationships, and their mental health cannot be overstated. Being clearly informed, able to plan, able to rely on safe, quality and timely transportation, able to get to their own work on time, and freedom from worry over their child's journey is critical to the mental wellbeing of the families.

### **Climate change implications**

65. The new Home to School transport arrangements will be in line with the council's relevant policies and strategies, as set out in Southwark's Borough Plan and Streets for People strategy.
66. Development of the specification will ensure consideration of journeys being mapped to the most efficient transport route which will help keep emissions to the minimum. Officers in the Climate Change programme will continue to explore funding opportunities as they arise and ensure that all opportunities are utilised.

### **Social Value considerations**

67. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing any procurement process, how wider social, economic and environmental benefits that may improve the wellbeing of the local area can be secured.
68. The Social Value Portal's Themes and Outcomes Measures Framework will be built into the tender documentation. Categories likely to be included will be: more local people in employment, more opportunities for disadvantaged people, more opportunities for local SME's and VCSE's, creating a healthier community, vulnerable people are helped to live independently, climate impacts are reduced, and air pollution is reduced. This will enable measurement of the social value and impact of the awarded contracts.

### **Economic considerations**

69. The provider(s) of the service will be required under the Fairer Future Procurement Framework (FFPF) to pay the London Living Wage (LLW). There is an expectation that providers will seek to employ and recruit appropriate staff locally.
70. It should be noted that this service has strong dependencies on the cost of petrol, the cost of vehicles and the availability of qualified and DBS-checked drivers and passenger assistants. It cannot therefore disassociate itself very far from the adverse economic impacts of those elements.

## **Social considerations**

71. The Home to School travel assistance supports children, young people and their families who come from a wide range of different socio-economic backgrounds. This service seeks to support all eligible families to access Home to School transport regardless of their background, by providing access to quality and reliable support. As there is a strong association between deprivation and levels of disability, the service is more likely to impact and benefit families in areas of deprivation.
72. Any procurement strategy will ensure accessibility of providers, including Small Medium Enterprises (SME), organisations with leaders from a Black, Asian or Minority Ethnic backgrounds and organisations in the community and voluntary sector.

## **Environmental/Sustainability considerations**

73. The council will expect providers to minimise the ecological impact of their service and be working towards compliance with national climate targets.
74. Providers shall be expected to use digital resources, including electronic mail and databases to avoid unnecessary use of paper.
75. Providers will be expected to be based in or close to the borough of Southwark and will be required to adhere to the council waste management and recycling guidance.

## **Plans for the monitoring and management of project**

76. The council's contract register publishes the details of all contracts over £5,000 in value to meet the obligations of the Local Government Transparency Code. The Report Author will ensure that all appropriate details of this procurement are added to the contract register via the eProcurement System.
77. Any new Home to School transport contract(s) will continue to be performance managed by the quality and performance team in conjunction with relevant transformation leads.
78. KPIs will be set as part of the specification review and all service providers will need to provide regular reports on the KPIs. Contract monitoring will also include:
  - Analysis of on-going engagement/feedback with families and pupils on service experience and satisfaction
  - Visits that can be announced or unannounced
  - Scheduled quarterly and annual contract monitoring meetings
  - Agreed service development plans for continuous improvement.

79. The monitoring arrangements will provide information on whether the contract is performing as expected. Annual performance reports will be prepared and presented in line with the council's Contract Standing Orders.

### **Resource implications**

80. If the recommendation is approved the Children and Adult commissioning team will lead on the project with support from procurement and service colleagues. No additional resource is required to deliver this project.
81. The Home to School transport project group has been established since September 2023 and includes colleagues from Commissioning, Procurement, Finance, Travel Support, Climate Change team and Legal.

### **TUPE/Pensions implications**

82. TUPE is likely to apply to any of the identified options. How precisely TUPE will apply will be examined and detailed as part of the Gateway 1 process. Particular attention will be paid to staff duties around route mapping and passenger assistants.

### **Financial implications**

83. The total spend on the home to school service for FY 2023-24 is currently estimated at £7.9m including £6.2m on the bus and taxi contracts. This is just over one million pounds more than four years ago (£6.6m) and the increasing trend is likely to continue for the reasons outlined in the report. This trend is the same for a significant majority of Local Authorities.
84. Additional budget commitments are expected to be £1.9m in 2024-25, £457,000 in 2025-26 and £411,000 in 2026-27 to support the historic growth in the service. Any change in the provision should aim to come within the budget available for the service.
85. The factors driving the escalation of costs in delivering this service relate to more children becoming eligible for the service and the nationally increasing costs of maintaining and running a fleet of vehicles as well as other inflationary cost pressures such as staffing and fuel. Moving the service from a commissioned service to an in-house or arms-length body one will have limited if any effect on these factors but will incur significant additional costs.

### **Investment implications**

86. There are no investment implications other than those discussed during the options appraisal earlier in the document (paragraphs 27-53).



## **Legal implications**

87. Section 508A, 508B and 508C of the Education Act 1996 (as amended) and the Education Inspection Act 2006 set out in detail the local authority's duties and powers respectively, to make the travel arrangements required to facilitate a child's attendance at school.
88. Please see concurrent from the Assistant Chief Executive – Governance and Assurance.

## **Consultation**

89. In developing this paper the following consultation exercises were undertaken by commissioners:
  - Internal colleagues in the travel team, the project group, finance, climate team, internal fleet service lead, corporate taxi service commissioner and SEND colleagues were interviewed.
  - Local authority colleagues in Lambeth, Lewisham, Wandsworth, Greenwich, Islington, Bromley, Achieving for Children (Kingston, Reading) Surrey, Milton Keynes, and Lancashire were spoken to by phone
  - London Councils and London Innovation and Improvement Alliance (LLIA) colleagues were contacted via email
  - Over 300 email addresses across the country in SEND transport forum were sent a questionnaire with 19 responses received and a further three later on
  - A Prior Information Notice and questionnaire was published to the market on contracts finder and sent out to providers. There were 22 responses received giving a clearer picture of the ability of the market to provide sufficiency locally.
90. In the event that the recommended approach is agreed, engagement activities with prospective bidders would take place prior to commencement of the tender. Market engagement would seek feedback on the proposed service delivery model and further explore ways to best deliver Home to School travel across Southwark.
91. A consultation and engagement plan has been developed to include service users and families. This is scheduled to take place over January and February 2024. There will also be a consultation with schools.

## **Other implications or issues**

92. There are none.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Finance**

93. The strategic director of finance notes the recommendations of this strategic options assessment for the council's Home to School transport and the recommendations set out in 51-53.
94. When reviewing the various options it is important that the financial risk to the council's general fund is minimised. In the current economic climate any option taken forward needs to ensure it is financially sustainable in the future.

### **Head of Procurement**

95. This report seeks approval of the Gateway 0 strategic options assessment for the council's Home to School transport service, and the recommendation set out at paragraphs 51-53. In accordance with the council's Contract Standing Orders, decision must be taken by the Deputy Leader and Cabinet Member for Children, Education and Refugees, following review by DCRB and CCRB.
96. Analysis and accompanying narrative associated with each of the proposed strategic options is contained within paragraphs 27-50.
97. Headline risks associated with the recommended strategic option are contained within table at the end of paragraph 53.
98. Intended alignment with the Fairer Future Procurement Framework (FFPF) is referenced within the content of paragraphs 69-70 generally, and specifically highlights consistency with the council's economic, social and environmental/sustainability objectives.
99. Proposed methodology for performance/contract monitoring is detailed within paragraphs 76-81. The report also confirms that an annual performance review will be provided to the council's DCRB and CCRB in alignment with council Contract Standing Orders.
100. The community, equalities and health impact statements are set out in paragraphs 57-64.
101. The climate change, social value, economic and environmental / sustainability statements are set out in paragraphs 65-75.

## Assistant Chief Executive – Governance and Assurance

102. This report seeks approval of the strategic options assessment for the delivery of the council's Home to School Transport service.
103. Paragraphs 27 to 50 note the various delivery options, including an assessment of their respective advantages and disadvantages. A more detailed analysis of the preferred options, together with confirmation of the recommended procurement route will be set out in a Gateway 1 report.
104. The decision to approve the recommendation of this report is one which is reserved to the Deputy Leader and Cabinet Member for Children, Education and Refugees, following consideration of the report by the Departmental and Corporate Contract Review Boards, in line with the council's Contract Standing Orders.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Gateway 1 – Procurement Strategy Approval – Special Educational Needs and/or Disabilities (SEND) School Bus Transport	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Neil Colquhoun 020 7525 5000
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CIId=302&amp;MIId=4554&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CIId=302&amp;MIId=4554&amp;Ver=4</a>		
Education Act 1996	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Neil Colquhoun 020 7525 5000
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/1996/56/contents">https://www.legislation.gov.uk/ukpga/1996/56/contents</a>		
Education Inspection Act 2006	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Neil Colquhoun 020 7525 5000
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2006/40/contents">https://www.legislation.gov.uk/ukpga/2006/40/contents</a>		
Equality Act 2010 (Section 149)	Children and Adults Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Neil Colquhoun 020 7525 5000
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2010/15/section/149">https://www.legislation.gov.uk/ukpga/2010/15/section/149</a>		

Background Papers	Held At	Contact
Southwark's Fairer Future Commitments	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Neil Colquhoun 020 7525 5000
<b>Link:</b> <a href="https://www.southwark.gov.uk/council-and-democracy/fairer-future">https://www.southwark.gov.uk/council-and-democracy/fairer-future</a>		
Public Contract Regulations 2015 (Regulation 72)	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Neil Colquhoun 020 7525 5000
<b>Link:</b> <a href="https://www.legislation.gov.uk/uksi/2015/102/regulation/72/made">https://www.legislation.gov.uk/uksi/2015/102/regulation/72/made</a>		
Public Services (Social Value) Act 2012	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2012/3/enacted">https://www.legislation.gov.uk/ukpga/2012/3/enacted</a>		
Southwark's Travel Assistance Policy	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="https://www.southwark.gov.uk/assets/attach/238058/Southwark-Travel-Assistance-Policy-2024.pdf">https://www.southwark.gov.uk/assets/attach/238058/Southwark-Travel-Assistance-Policy-2024.pdf</a>		
Travel to school for children of compulsory school age Statutory guidance for local authorities June 2023	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="https://assets.publishing.service.gov.uk/media/659d7ebb0dd0a200138b612a/Travel_to_school_for_children_of_compulsory_school_age.pdf">https://assets.publishing.service.gov.uk/media/659d7ebb0dd0a200138b612a/Travel_to_school_for_children_of_compulsory_school_age.pdf</a>		
Understanding the drivers for rising demand and associated costs for home-to-school transport	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="#">Understanding the drivers for rising demand and associated costs for home-to-school transport   Local Government Association</a>		

Background Papers	Held At	Contact
Local Government Transparency Code	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="#">Local Government Transparency Code   Local Government Association</a>		
Southwark Borough Plan 2022	Planning Policy team, 160 Tooley Street, London SE1 2QH	<a href="mailto:planningpolicy@southwark.gov.uk">planningpolicy@southwark.gov.uk</a>
<b>Link:</b> <a href="#">Southwark Plan 2022 - Southwark Council</a>		
London Councils services to Londoners and London Boroughs -taxicard -freedom pass	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="#">Taxicard   London Councils</a> <a href="#">Freedom Pass   London Councils</a>		
The Approvals Process for the Creation of New Arm's Length Bodies: Guidance for Departments.	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="#">Public Bodies Handbook – Part 2. The Approvals Process for the Creation of New Arm's-Length Bodies: Guidance for Departments (publishing.service.gov.uk)</a>		
Gateway 0 - Strategic Options Assessment Commercial Fleet Procurement paper	Children and Adult Services, Commissioning Directorate, 160 Tooley Street, London SE1 2QH	Rachael Horner 07566 298 507
<b>Link:</b> <a href="#">Agenda for Cabinet on Tuesday 17 October 2023, 11.00 am - Southwark Council</a>		

## APPENDICES

No	Title
Appendix A	Detail on Option 1 In-house service implications
Appendix B	Equality Needs Impact Assessment
Appendix C	Challenges and good practice – findings from London Councils' SEN transport research; Feb 2022; London Councils

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Jasmine Ali, Deputy Leader and Cabinet Member for Children, Education and Refugees	
<b>Lead Officer</b>	David Quirke-Thornton, Strategic Director of Children and Adult Services	
<b>Report Author</b>	Rachael Horner, Senior Commissioning Officer SEND	
<b>Version</b>	Final	
<b>Dated</b>	14 March 2024	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance	Yes	Yes
Head of Procurement	Yes	Yes
Assistant Chief Executive – Governance and Assurance	Yes	Yes
<b>Contract Review Boards</b>		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		20 March 2024