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|--------------------------|-----------------------------------------------------------------------|----------------------------------------|--------------------------|
| Subject: | Capacity and Resources in the Home to School Transport Service | | |
| Date of Meeting: | 27 May 2020 | | |
| Report of: | Interim Executive Director, Families, Children and Learning | | |
| Contact Officer: | Name: | Regan Delf | Tel: 01273 291126 |
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| Ward(s) affected: | All | | |

FOR GENERAL RELEASE

Note: The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (as amended), (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that discussions with key stakeholders could not be completed in time given the demands of responding to the Covid 19 pandemic.

1 PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1. The report recommends an increase in the staffing capacity of the Home to School Transport Service in response to recent difficulties and the recommendations of an Independent Review of the service, published in March 2020.
- 1.2. The report also recommends that the budget for the Home to School Transport Service is re-based to take account of benchmarking data with other Local Authorities, and the pressures resulting from an increase in a rise in the numbers of children and young people identified with special educational needs and disabilities.

2 RECOMMENDATIONS:

- 2.1. That the Committee agrees to the staffing increase suggested in this paper for the Home to School Transport Service.
- 2.2. That the Committee agrees to increase the Home to School Transport budget by £1m from April 2021.

3 CONTEXT/ BACKGROUND INFORMATION

- 3.1. The Home to School Transport Service has been placed on the corporate risk register because of serious difficulties that arose in the Summer of 2019 and which have still not been entirely resolved. Despite progress being made under interim leadership arrangements, the service remains fragile and under-resourced to meet the on-going improvements required.

- 3.2. Low capacity in the team, particularly at times of peak demand, was referenced in the report from the Independent Review Team, published in March 2020.
- 3.3. The Independent Review Report was critical of decision-making in 2019 about this service, and the problematic introduction of a new Dynamic Purchasing System (DPS) system for procurement. Wide-ranging recommendations for improvement have been accepted by the council, with significant additional resource implications.
- 3.4. The service is now identified as a corporate risk given the need for service improvements.
- 3.5. The service overspend has increased significantly since the implementation of new arrangements last autumn and the basis on which the budget has historically been set needs to be reviewed. The recommendation here is to consider re-basing the budget, taking into account benchmarking with our statistical neighbours, and also taking account of the local (and national) rise in the numbers of children becoming eligible for EHC plans, as this impacts similarly on numbers eligible for HTST

Service remit and scope

- 3.6. The council has a statutory duty to provide free home to school transport arrangements as necessary to facilitate the attendance at school of eligible children resident in the area.
- 3.7. In the Spring term 2020, prior to school closures due to the Covid19 pandemic, the service was arranging and managing the transport of approximately 470 children with complex SEN and disabilities to school or college and back each day in term time, on 177 routes operated by 8 different firms (please note numbers quoted are subject to variance).
- 3.8. Many of the children have high risk medical conditions and/ or severe emotional and behavioural difficulties.
- 3.9. Destinations for transport are many and varied, including a wide range of mainstream and special schools and colleges, within and beyond the City borders.
- 3.10. The service also books and arranges transport for social care and manages the system of bus passes.

New Procurement System

- 3.11. The council, responding to an escalating overspend in the HTST budget and perceived lack of effective competition in the sector, commissioned Edge Public Solutions to introduce a new Dynamic Purchasing and Procurement of Operators System for September 2020. Edge began working in April 2019 and challenges in capacity at every level of the system soon became apparent. It is acknowledged that the introduction of the new system was rushed, and serious problems resulted with the service from September 2019. Although most were

resolved for November, some persist, and there has been a very significant loss of trust and confidence in the system and council from families and transport operators.

Budget

- 3.12. The current budget for the service is £2.4M. The overspend at the end of 2019/20 was £968K.
- 3.13. The projected overspend for 2020/21 is £1.2m, although disruption on account of the COVID-19 crisis will impact forecasts this year.
- 3.14. In terms of benchmarking, many caveats apply to section 251 data, including different structures within LAs and variable reporting. Nonetheless, benchmarking for the financial year 19/20 indicates the following:
- The 19/20 budget for Brighton (£2.375m) was 59% lower than the average budget for our statistical neighbours. This equates to £1.4m.
 - BHCC budget increased by 2% from 2018/19. The average increase for our statistical neighbours was 4% and nationally it was 9%.
 - On average our statistical neighbours overspent their 18/19 budget by 7% (nationally this was 16%). BHCC overspent by 9% (£0.210m).
 - Children with EHCPs have increased by an average of 14% each year over the last 4 years. Special school pupil numbers have increased by 2.4%.
- 3.15. This report is recommending that the council recognises the pressures on the service budget, the rise in eligibility of children owing to changes in SEND legislation, and comparison with similar Local Authority budgets and in this context, increases the base budget for the service by £1m. The Medium-Term Financial Strategy 2021/22 went to Budget Council on 27 Feb 2020 and contained provision for an increase of £750k to the HTST budget. Based on current estimates of transport costs together with a staffing increase as detailed below, the recommendation is that this should increase to £1m
- 3.16. This would still mean that the service budget was £0.2m below the statistical neighbour average but careful management of contracts and efficiencies would be employed to ensure the budget balanced in future.

Staffing

- 3.17. The service struggles with capacity issues and has done since before the summer of 2019.
- 3.18. New temporary leadership capacity from mid-January 2020 has enabled significant progress to be made in areas of concern with robust planning for September 2020. However, the COVID 19 crisis has brought new uncertainties and challenges to the sustainability of current services.

- 3.19. The service needs to undertake a range of complex tasks over the next few months, notably:
- meet the wide-ranging recommendations of an independent review;
 - secure new systems to ensure arrangements for September 2020 are not a repeat of the inadequate services in September 2019;
 - respond to the COVID 19 pandemic and the significant difficulties raised for safe transport of highly vulnerable children, in terms of social distancing, cleaning vehicles to prevent contamination and PPE for transport staff;
 - ensure the sustainability of transport firms and staff over the school closure period, with many facing considerable financial difficulty;
 - introduce more robust contract management and compliance monitoring to ensure best value and improved budgetary control.
- 3.20. The current service establishment is small – 1.75 FTE client transport officers (scale 5) and a team manager (interim postholder on M10), plus a new post of SEN caseworker yet to be appointed.
- 3.21. The recommended action is to increase the team establishment to ensure a safe and effective service delivery going forward.
- 3.22. In a high profile and high-risk area, recruitment to new posts needs to take place as a matter of priority to secure the improvements needed.
- 3.23. The current annual staffing costs of providing the HTST are detailed below:

Current Annual Cost of HTST team, including temporary posts

| | FTE | Basic | On-costs | Total |
|--------------------------------|------------|----------------|-----------------|----------------|
| Team manager (secondment) | 1.0 | 35,934 | 9,913 | 45,847 |
| Transport Officers | 1.75 | 45,862 | 12,072 | 57,934 |
| Admin assistant (agency) | 1.0 | 20,788 | 0 | 20,788 |
| <i>SEN caseworker (agency)</i> | <i>0.6</i> | <i>27,820</i> | <i>0</i> | <i>27,820*</i> |
| Interim Head of Service | 0.6 | 78,000 | 0 | 78,000 |
| Total | | 208,404 | 21,985 | 230,389 |

**SEN caseworker post is funded by DSG High Needs Block*

Estimated staffing costs for 20/21, excluding DSG funded post £202,569

- 3.24. The 20/21 staffing budget for HTST is £60k and the Team Manager post (£46k) was to be funded as part of the savings envisaged under the new DPS for procurement of routes. These savings have not materialised.

- 3.25. The additional interim staffing costs (£96k – interim Head of Service and admin support) were put in place as an emergency measure as part of the HTST recovery plan given the urgent need to address the deficits in the service.

Proposed new HTST structure:

The proposed new structure includes the following:

- 3.26. **New post** – FTE 0.6, 2-year fixed contract - high level interim leadership post at M6, working to a brief to establish a safe and secure service, co-produced with families and other stakeholders, offering best value, with the interests of children and families foremost at all times.
- 3.27. A dedicated team manager at M9 – this post has been previously advertised and did not attract a short-listable field of candidates, so the proposal is to upgrade from M10 to M9, with enhanced duties and responsibilities in the JD.
- 3.28. **New posts** - an increase in transport officers from 1.7 FTE to 3.5 FTE to ensure adequate cover and the implementation of processes and procedures to ensure a safe, family-friendly and compliant service, including at times of highest pressure and demand – it is also proposed to consider the upgrading of these posts from scale 5 to scale 6, contingent on new responsibilities specified in JD.
- 3.29. **New post** – a contract manager post (0.5 FTE) to support procurement, the effective management of contracts and the securing of best value principles in running tenders.
- 3.30. SEND caseworker – this post has already been agreed and will link the service securely with processes in the SEN team (a deficit in this area was highlighted in the independent review report) – this post will be funded from the DSG High Needs Block.
- 3.31. **New post** - administrative support officer – this post will deal with routine processes, such as allocation of bus passes, checking on enhanced DBS compliance in transport staff and general team administration. Currently there is a temp admin worker from Guidant in this post.
- 3.32. **Budget implications of new proposed structure**

| Post | FTE | Grade | Basic | On- Costs | Total |
|-----------------------|-------------|--------------|---------------|----------------------|----------------|
| Head of Service | 0.60 | M6 | 34,831 | 9,056 | 43,887 |
| Team Manager | 1.00 | M9 | 42,509 | 11,052 | 53,561 |
| Transport Officers | 3.50 | Sc 6 | 90,303 | 23,479 | 113,782 |
| <i>SEN Caseworker</i> | <i>1.00</i> | <i>So1/2</i> | <i>30,229</i> | <i>7,860</i> | <i>38,089*</i> |
| Admin officer | 1.00 | Sc 3/4 | 19,945 | 5,186 | 25,131 |
| | 0.50 | M10 | 19,303 | 5,019 | 24,322 |

Contract & Compliance
Manager

Total Team costs

298,772

**SEN caseworker post is funded from DSG High Needs Block*

Proposed costs to council general fund, excluding DSG post 260,683

- 3.33. The on-going costs of £261k would be for 2 years i.e. until Sept 2022 and would then reduce to £217k per year when the Head of Service 2-year post ends. The 20/21 HTST staffing budget of £60k would require additional funding of £201k for 2 years, reducing to £157k from Sept 2022.

The early budget forecast for 2020/21 originally estimated a full year spend on HTST of £3.6m resulting in a budget overspend of £1.2m. The budget overspend included an assumption of additional staffing costs due to the current pressures being experienced by the service. Once the new structure is in place the service can focus on making efficiencies where possible, thereby reducing operating costs where it is safe to do so.

4 DETAILS OF ANY ALTERNATIVE OPTIONS CONSIDERED:

Option 1: Leaving service structure unchanged

- 4.1 The independent review report points to the lack of capacity in the current service to cope, especially at times of peak demand. This was also an issue of concern reported by Edge Public Solutions, who said that they would have expected a larger team from their experience in similar Local Authorities. New interim leads within the team report serious capacity issues to deal with anything beyond the often-intense day to day traffic of calls and issues. The systems and structures needed to ensure a safe and compliant service are not in place yet and their introduction and implementation going forward cannot be guaranteed with the team at its current size.
- 4.2 Currently, day to day business, plus the need to develop and implement a whole range of new co-produced systems and compliance monitoring procedures, is managed by a team of 1.75 FTE transport officers (scale 5) and a team manager (interim seconded - M10) plus some temp part-time support from an interim head of service and a Guidant temp admin support.
- 4.3 The team does not have the capacity for the robust management and compliance monitoring of the expanded number of contracts. This leads to risks within the service, which have been exposed within the last several months. With the introduction of the DPS system, more companies are working on our framework, some of whom have less well-developed management systems of their own and are inexperienced in HTST work.
- 4.4 Some of the key areas where policy and practice needed to be embedded and where greater capacity is needed are listed below:
- spot checks – weekly checks of compliance and vehicle safety are needed at numerous school sites, within and beyond the City borders;

- compliance monitoring visits to contractors' offices as per the contract specifications;
- ensuring training of driving and escort staff – the LA needs a well-developed training offer, plus a robust system for ensuring staff are adequately trained;
- risk assessments - the maintenance of up-to-date risk assessments needs to be part of the job descriptions of transport officers going forward.
- safety and safeguarding concerns – the team needs a robust; safeguarding policy agreed with all companies and enough capacity to investigate concerns raised;
- the team needs capacity to maintain and update its register of enhanced DBS checks on transport staff, which given the turnover of staff in this sector, can be a significant task.

Option 2: not recruiting the M6 year interim leadership post in the new structure (0.6 FTE on 2-year contract)

Alternatives considered:

- 4.5 Leadership could resume as previously under the 'School Organisation' M5 post. This was rejected because of the very substantial need for change and re-development and the need for a clear focus on this service alone. Previous leadership capacity from within 'School Organisation' was over-stretched by the demands of HTST, alongside other significant areas of responsibility.
- 4.6 Providing leadership at a lower grade than M6: while this is a small service, the political aspects of service re-development and the need to regain the trust and confidence of the community are such that very significant leadership and management skills and experience are needed. The person appointed would be required to have direct contact with Members, to be able to negotiate with a variety of stakeholders, and to deal confidently with actions to improve the service in the face of considerable residual volatility and press interest. The time limit of two years for this post recognises that once service improvements are secure and stability regained, there will no longer need to be a post at this level.

Option 3: not recruiting the new post of Contract Manager post (0.5 FTE)

- 4.7 The service could attempt to carry out contract management work within existing capacity. However, staff have not had the training, and nor does the team have the capacity, to manage the increased number of contracts that we now have because of the DPS system introduced last summer. The HTST needs to hold operators fully to account for contractual compliance via contract reviews and compliance checks.
- 4.8 The service needs the capacity to review continuously contracts and route prices to ensure 'best value' i.e. the right mix of quality and price.
- 4.9 The service could rely on support from central services or other FCL teams for this work but other services and teams have not had the capacity in several key areas to support the service as needed.

Option 4: not increasing the transport officer posts and upgrading to scale 6 from scale 5

Alternatives considered:

- 4.10 Transport officer posts could remain at 1.75 posts at scale 5: there are currently two transport officers, one full time and one who works term time only. Cover is a serious issue if one is sick or on leave, the other can be over-stretched by the daily business, which includes a high level of calls, and a daily range of urgent and sometimes emergency issues. This can lead to longer than response times and a loss of confidence from families using the service.
- 4.11 The council could retain these posts at Scale 5. However, the job description currently does not include a requirement for skill and expertise in the areas that need to be carried out by transport officers:
- risk assessments: these have not previously been a part of the role, but are essential to the safety and wellbeing of children and young people;
 - monitoring of contractual compliance: visits to operators need to take place to check on compliance with key requirements, including those relating to safe practice;
 - processing allegations/ concerns, including those relating to safeguarding, alongside the team manager and LADO as necessary.
- 4.12 The above tasks would normally be graded above scale 5, hence the request for an upgrade of these post consequent on new job descriptions.

5 COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1. The service is working hard to regain the trust and confidence of the community but within a context of a serious lack of capacity, and a significant overspend.
- 5.2. Families and children are at the front and centre of all proposed improvements and all new policies and operational practices are being co-produced with the Parent and Carers Council, using feedback from the families using the service.
- 5.3. Wherever possible, new guidance and policy is published for consultation before being finalised with all stakeholders, including transport operators and schools, as well as families.
- 5.4. Once schools are fully re-opened, a survey of parents/ carers' view on the HTST service will be carried out and then conducted annually and the service will incorporate feedback into securing further improvements.

6 CONCLUSION

- 6.1 The service has been through a period of turbulence and needs to regain the trust and confidence of the community and stakeholders.
- 6.2 This is a statutory service providing transport for very vulnerable children and young people.
- 6.3 The budget is well below the average for our statistical neighbours and even including the projected overspend, remains below the average for statistical neighbours.

- 6.4 The HTST team does not have the capacity for daily operational demands and the improvements required.
- 6.5 Substantial progress has been made following difficulties in the autumn term 2019, but to secure a quality sustainable service for the future, the team needs to be of sufficient size and expertise to tackle all challenges and to work with a budget that recognises the current pressures and context.

7 FINANCIAL AND OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The early forecast for 2020/21 originally estimated a full year spend on HTST of £3.6m resulting in a budget overspend of £1.2m. Within this estimated spend there was an assumption of additional interim staffing costs due to the current pressures being experienced by the transport team. Compared to the projected interim costs, the revised staffing structure proposed in the report will not therefore increase the forecast costs in 2020/21 as this will have only a part-year effect. The Families, Children & Learning Directorate is managing the 2020/21 position 'at risk' as part of its wider budget strategy.
- 7.2 The proposed staff team outlined within the report has a total cost of £0.299m of which £0.038m would be funded by the Dedicated Schools Grant. The current annual budget available to fund the transport team amounts to £0.060m. Additional full year funding of £0.201m would therefore need to be identified from 2021/22. From 2022/23, if the Head of Service post was no longer required, this would reduce to £0.157m on a permanent basis.
- 7.3 In terms of transportation costs, the Medium-Term Financial Strategy (MTFS) presented to Budget Council on 27 February 2020, outlined that pressures on the Home to School Transport budget were predicted and would need to be recognised from 2021/22. The Budget Book (Appendix 1, Page 114 of the Budget Report) included a provision of £0.750m toward Home to School Transport pressures. This report indicates that this should be increased to £0.800m bringing the total additional funding requirement in 2021/22 to £1m. This is an increase of £0.250m on the original MTFS provision and will therefore increase the predicted budget gap of £9.300m in 2021/22 by a further £0.250m to £9.550m.

Finance Officer consulted:

David Ellis

Date: 11.05.20

Legal Implications:

- 7.4 The Council is under a statutory duty to promote the use of sustainable travel and transport and to ensure suitable travel arrangements are made, where necessary, to facilitate a child's attendance at school (Section 508 Education Act 1986). The proposals in this report are made pursuant to those duties and the associated statutory guidance.

Lawyer consulted:

Elizabeth Culbert

Date: 18.05.20

Equalities Implications:

- 7.5 The large majority children transported by the service have complex special educational needs and disabilities. The Equalities Act of 2010 requires the council to make reasonable adjustments to ensure disabled children are not treated less favourably or subject to unfair treatment.

Any Other Significant Implications:

None

Crime & Disorder Implications:

- 7.6 None

Risk and Opportunity Management Implications:

- 7.7 The Home to School Transport Service is a corporate risk and actions have been identified to mitigate these risks.

SUPPORTING DOCUMENTS

Annexes

1. The independent review report
[Brighton and Hove-HTST independent review-Final draft \(005\).pdf](#)
2. Report to Members Policy Panel
[Members Panel - Home to School Transport report 27.2.10.docx](#)

Appendices

1. Appendix A – Proposed new structure for HTST Service: Structure Chart

Proposed new structure for HTST service: structure chart

