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To: Education, Learning and Skills Policy Overview and Scrutiny Committee

Date: 16 September 2011

Subject: Post-16 Transport Policy Consultation

Classification: Unrestricted

Summary	<p>The main element of the KCC Post-16 Transport Policy for 2012 will be a “Kent 16+ Travel Pass” (the Pass) for bus travel.</p> <p>The Pass will be available to Kent resident learners in Years 12 and 13 (and Year 14 students who are completing their 14 – 19 studies).</p> <p>It will be available to 16-24 year-olds with Statements of Educational Need or a Learning Difficulty Assessment (139a) (in line with the 16-19 Statutory Duty and existing KCC discretionary transport policy.)</p> <p>The new scheme is intended to provide support for learners to:</p> <ul style="list-style-type: none"> • meet travel costs to schools, colleges and work based learning providers • ensure Kent providers meet the requirements of Full Participation in learning to 18 by 2015 • ensure fair access and maintain choice to post-16 provision for Kent learners <p>A trial will be undertaken during terms 1, 2 and 3 to determine key details of the operation of the Pass.</p>
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Introduction

1. (1) The purpose of this paper is to inform POSC Members, by way of a progress update, on the practical approach KCC wishes to take to provide post-16 students with a subsidised travel pass, as part of KCC’s Post-16 Transport Policy for 2012. The timetable for the consultation and production of the Post-16 Transport Policy 2012 is outlined in Appendix 1.

(2) The KCC Post-16 Transport Policy for 2012 is being written against the backdrop of the need to fulfil the Authority’s responsibility to ensure Full Participation for all 18 year olds by 2015 and the removal of the Education Maintenance Allowance (EMA).

(3) From September 2011 Education Maintenance Allowances to low-income learners is closed to new learners. The 16-19 Bursary Fund, which replaces EMA, is

being given directly to schools, colleges and work based learning providers for them to allocate. This provides an opportunity to work with all schools, colleges and others to introduce a new post-16 scheme for transport for September 2012.

(4) At the Kent County Council Meeting on 21 July 2011, the Council resolved “that the progress to date for the development of a subsidised Kent 16+ Travel Pass be noted and that further development of the Pass will be done in partnership with the Youth Council and other stakeholders.”

Financial Implications

2 (1) In respect of transport for Post-16 students, Local Authorities only have a statutory duty to meet the transport needs for pupils with Statements of Special Educational Needs aged 16 -19, with discretionary support provided for learners up to 24. In 2010/11 KCC spent £2.48 million assisting 794 SEN students to travel to learn, but also £1.36 million assisting another 2,006 mainstream students from home to provider fees under the discretionary policy. This is the status quo.

(2) Passes will cost learners between £380 and £520. We assume that 4,000 learners would buy passes if they cost £380. We assume that 3,000 learner would buy passes at £520.

(3) If KCC chooses to adopt the full subsidy option for the Kent Post-16 Travel Policy, described in section 5 below, then the potential cost to KCC in addition to SEN provision, is between £690,000 and £1.48 million¹ for between 3,000 and 4,000 students at 2010/11 prices. Under this model, KCC would shoulder most of the financial risk.

(4) If KCC chooses to adopt a capped subsidy model, it would choose the level at which it subsidises Post-16 Travel, which it could limit at its existing level of support (2010/2011) to £1.36 million for 4,000 learners or £690,000 assuming support is reduced for 3000 learners.

(5) Even if the Pass were not introduced, the cost to KCC for transport would rise overtime given the increase in participation and the expected inflation-plus rises in travel costs year on year.

(6) A projection of the costings forward to the 2014/15 academic year is attached as Appendix 2.

(7) The Trials that will be undertaken in 2011/12 will cost a maximum of £ 75,000. Funding will come from schools and FE colleges, via 16-19 Bursary Fund, from YPLA exceptional funds and from KCC, via the Raising Participation grant funding.

Bold Steps for Kent and Policy Framework

¹ KCC guarantees to fund the difference between the cost of a Pass (£750) and the price paid by learners (£380). For 4,000 learners this is $4,000 \times £370 = £1.48$ million at todays prices. .

3 (1) Under the existing Post-16 Transport Policy, KCC currently chooses to underwrite the financial risks for providing post-16 transport for eligible learners in the county through its discretionary policy to support learners from low income families and others. It also administers the policy. Schools, Colleges and Work Based Learning providers (WBL) are able to use existing Learner Support Funding to support post-16 transport for their students.

(2) The current Post-16 Transport Policy therefore supports the Bold Steps ambitions of tackling disadvantage and putting the citizen in control.

Legal Implications

4 (1) Under section 509AA of the 1996 Education Act, Local Authorities have a duty to publish a Post-16 Transport Policy. The Kent Post-16 Transport Policy 2012 must be published by 31st May 2012, for September 2012, and reviewed annually.

(2) Within the new 2012 Policy KCC will set out;

- the strategic direction for post-16 transport in Kent (e.g. Full Participation);
- a framework for a flexible and targeted use of resources in response to learner need through the issuing of a Kent 16+ Travel Pass (the Pass) for bus travel;
- consistent eligibility criteria for those learners with statutory travel requirements;
- eligibility criteria for those learners who will receive any subsidy; and
- a consistent framework within which all Kent providers will be asked to operate the new Pass.

(3) Under section 509AB (1) of the 1996 education Act Local Authorities have to specify transport support for pupils with Statements of Special Educational Needs or Learning Difficulty Assessment (139a) up until the age of 19. However the expectation from the YPLA guidance is that, since learners with learning difficulties may take longer to complete a programme of learning, then it will be “good practice” for the LA to extend the arrangements for the provision of transport until the learner has completed their programme, even if they have reached the age of 19. KCC practice reflects this.

Equality Impact Assessment

5. (1) Following a draft initial screening it was determined that internal action was required to ensure that the operation of the new Pass minimises the impact on learners, compared to the operations of the current Post-16 policy. The full impact assessment will be completed after operation of the Trails, with the support of the relevant new Diversity and Equality Officer.

Alternatives and Options

6. (1) KCC is currently considering two options for the operation for a new post-16 Pass and is comparing them with the status quo. The key element to each option is that learners will approach their School, College or WBL provider to apply for assistance with travel, although KCC will coordinate the scheme. Schools, Colleges and WBL providers will be expected to make a financial contribution to the scheme from Learner Support Funds and the new 16-19 Bursary Funds.

(2) The options for the Pass are described below:

- **Status Quo:** KCC spent £3.84 million (2010/2011) on travel for 16 – 24 SEN learners and learners exempt either in whole or part from travel costs. Approximately 2,800 learners were supported in this way. Under the status quo KCC would continue to fund, either in whole or in part, travel for those students from low-income families.
- **A Pass offering unlimited free bus travel at all times is issued at a cost of between £380 and £520 to Learners (Full subsidy model):** We expect that take-up of the Pass will be approximately 3,000 (£520) to 4,000 (£380) learners. Each Pass will cost approximately £750. KCC will buy the Passes from the bus companies and sell them to Schools, Colleges and WBL providers for £380 or £520. The difference represents the subsidy that KCC is making. They can sell the passes to learners for between £0 and £380/£520 depending on the individual learner's assessment against their financial criteria. These costs will be met from the providers' Bursary Funds and Learner Support Funds.

This option carries a risk for KCC if take-up exceeds the projected 4,000 figure, or costs escalate. As this is a discretionary policy, extra costs would have to be borne by raising Council Tax or making savings elsewhere. This option carries minimal risk for providers.

- **A Pass offering unlimited free bus travel at all times is issued at a cost of between £380 and £520 to Learners (Capped subsidy model):** KCC will determine what resource it can afford to spend to support post-16 travel. KCC will continue to provide statutory and discretionary travel support for 16-24 SEN learners. The KCC subsidy would be allocated directly to Schools, Colleges and WBL providers who wish to join the scheme, on a formula basis, where they agree to manage financial assistance against strict learner eligibility criteria. KCC would buy the passes and sell them at the full £750 cost to learning providers. Schools, Colleges and WBL providers would use the allocated KCC subsidy amount, Bursary Funding and Learner Support Funds to sell the Passes at between £0 and £380/£520 to learners. The financial risk for this model is more evenly shared between KCC and providers.

(3) From September 2011, post-16 students will be eligible to apply to their provider for 16-19 Bursary Funding. Bursary Funding can be used to cover travel costs. Certain vulnerable students will be automatically eligible for a minimum £1,200 annual grant from this fund and it is proposed that they will not receive any KCC subsidy for travel as this is already covered within their bursary grant.

(4) Other low income post-16 learners who are eligible for Bursary Funding, but not the automatic £1,200 (and who will all receive considerably less funding than this) may be eligible to receive full subsidised travel. This element will be agreed through the proposed trials.

(5) If bus travel is not the most appropriate form of transport for a learner, it will be up to the provider to facilitate an alternative. KCC would continue to act as a broker to procure other transport at attractive rates, but as a paid-for service.

(6) In this way KCC will coordinate and set the Transport Policy. The direct operation is passed onto Schools, Colleges and WBL providers enabling the support for travel to be more focused, flexible and responsive to learners needs.

Eligibility criteria

7. (1) It is proposed that Schools, Colleges and Work Based Learning Providers will use Bursary Funding, Learner Support Funding and any potential KCC subsidy allocation to ensure that learners in most need pay the least for the Passes. It is proposed that eligibility for this subsidy is based on household income.

(2) The household income level will be tested within the trials, around a base household income level below £20,817. This is the 2009/10 household income threshold for learners to qualify for the maximum £30 a week EMA payment.

Consultation and Communication

8. (1) Between September 2011 and February 2012 KCC will be operating trial schemes in Kent to inform the development of the Pass. The trials will take into account;

- Travel to learn patterns
- The number of learners likely to take-up a pass
- The amount that learners can afford to pay for passes
- The level of subsidy available from Schools, Colleges and WBL providers
- Eligibility criteria for learners to receive subsidised travel support
- Provider Curriculum offer
- Participation rates
- Impact on vulnerable learner groups
- Eligibility of SEN learners aged 16-24.

(2) It is proposed that the trials will take place in:

- Dartford/Gravesham involving all Post-16 providers across the Districts
- Sheppey College
- Shepway District
- Sandwich Technology College

(3) The trials will involve up to 100 learners in each area. Of the total, 100 will be learners who already have a season ticket under the existing Post-16 Transport Policy, either issued free or at a cost of £490, depending on eligibility.

(4) A virtual Trial will also be conducted, involving a survey of young people, parents and providers to measure the perceived impact of travel issues on learner choice and participation.

(5) Initial feedback from Schools, Colleges and WBL providers for the Pass to date has been very positive and bus companies are interested. The Pass fits well with the three Bold Steps priorities. It addresses Growth without Gridlock objectives and the Green Agenda.

Recommendation

9. Members of the policy Overview and Scrutiny Committee are asked to:
 - Note the progress to date for then development of the Kent Post-16 Transport Policy Statement and the subsidised Kent 16+ Travel Pass.
 - Note the future consultation timetable.

Background documents

Consultation timetable for the Post-16 Transport Policy 2012 - Appendix 1

Costings for transport options until 2014/2105 - Appendix 2

16-19 Bursary Fund Consultation Paper

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Consultation Timetable for Post-16 Transport Policy

KCC has a statutory duty to consult on the Transport Policy statement. Schools, Colleges and WBL providers will be involved at an early stage to consult on the principles and operational details of the scheme, along with employers, learners, parents and carers. Initial discussions with Kent Association of Further Education Colleges (KAFEC) and sixth form providers indicate a strong willingness to engage with KCC over the development of the proposed scheme and the development the trials.

A joint 16-19 Bursary Fund and Post-16 Transport consultation paper has been drafted and will be used according to the following timetable:

August 2011	Paper presented to KAFEC and Transport Pilot group
August 2011	Paper presented to Director for ELS/DMT
September 2011	Consultation Paper presented to 14-19 Strategic Forum
September 2011	Paper distributed to post 16 providers for information and consultation
September 2011	Consultation with employers, learners, parents and carers. Youth Council Transport Group
September 2011	Policy Overview and Scrutiny Committee
September 2011 to February 2012 Pilot schemes run with a range of providers.	
October 2011	Comments from post 16 providers collected and evaluated.
March 2012	Priorities and eligibility fully agreed by Council
May 2012	Publish Transport Policy
September 2012	Implement, if agreed by Council, a new post-16 Transport Policy for Kent, in collaboration with FE sector, schools, training providers and employers.

Appendix 2:

Projected Costs of a16+ Travel Pass Scheme Options

	Status Quo		Full Subsidy Model			Capped Model		
			SEN	Value of Passes		SEN	Value of Passes	
	SEN	Discretionary		£380	£520		£380	£520
2012/2013*	£2,893,104	£1,587,600	£2,893,104	£1,728,000	£804,600	£2,893,104	£1,587,600	£804,600
2013/2014	£3,124,552	£1,714,608	£3,124,552	£1,866,240	£868,968	£3,124,552	£1,714,608	£866,240
2014/2015	£3,374,516	£ 1,851,777	£ 3,374,516	£2,015,539	£ 938,485	£3,374,516	£1,851,776	£935,539

For each year and each model, the total cost of Post-16 travel to KCC is the SEN column plus either the £380 column or the £ 520 column.

*The Post-16 Pass is proposed to start in September 2012.

Assumptions

- (1) Travel costs are inflated by RPI plus 3% each year. We have assumed that RPI currently equals 5%.
- (2) If a Pass costs £380 to learners, then 4,000 learners will purchase them.
- (3) If a Pass costs £520 to learners, then 3,000 learners will purchase them.
- (4) Under the capped subsidy model, we assume that the maximum subsidy that can be provided is equal to the current value of the KCC discretionary spend on transport (multiplied by inflation), for the £380 pass.
- (5) For a Pass costing £520, we have assumed that, under the capped model, KCC would consider paying three quarters (3000/4000 learners) of the total available subsidy amount.