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| Report To: | Policy & Resources Committee | Date: | 17 September 2019 |
| Report By: | Chief Financial Officer | Report No: | FIN 87/19/AP |
| Contact Officer: | Alan Puckrin | Contact No: | 01475 712223 |
| Subject: | School Transport Funding –Requests from the Education & Communities Committee | | |

1.0 PURPOSE

- 1.1 The purpose of this report is to seek Committee consideration of a remit from the 3 September Education & Communities Committee in respect of increased funding arising from the recent review of school transport within Inverclyde.

2.0 SUMMARY

- 2.1 The Education & Communities Committee held on 3 September, 2019 considered a report from the Corporate Director, Education, Communities & Organisational Development which provided an update on recent consultation regarding moving towards equity of transport provision in Inverclyde.
- 2.2 The Committee took two decisions which have financial implications and the Education & Communities Committee agreed to remit both to the Policy & Resources Committee for consideration.
- 2.3 The body of the report contains further details of the matters remitted and the financial implications were both remits agreed by the Committee.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee considers the funding requests from the Education & Communities Committee.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 The Education & Communities Committee held on 3 September, 2019 considered a report from the Corporate Director, Education, Communities & Organisational Development which provided an update on recent consultation regarding moving towards equity of transport provision in Inverclyde
- 4.2 The Committee took two decisions which have financial implications and the Education & Communities Committee agreed to remit both to the Policy & Resources Committee for consideration.
- 4.3 The first matter remitted was to request that the increased revenue budget funding for providing subsidised buses for St Columba's High School where no alternative public service route is available be included in the 2020/23 Revenue Budget process.
- 4.4 The second matter remitted was that the cost of providing free transport to secondary school pupils in receipt of free school meals and who live between 1 and 2 miles of their school be met from Reserves.

5.0 MATTERS TO CONSIDER

- 5.1 The estimated financial impact of the first remit is £177,000/year and would commence from August, 2020. This cost would be partially offset by expected reduction in transport costs arising from other changes to the policy giving an estimated net cost of £156,000. This represents a £218,000 reduction on the current costs being funded from the SEMP earmarked reserve.
- 5.2 The figure of £156,000 could potentially reduce if take up of the bus passes is lower than estimated (80% take up is assumed in the estimated sum) and officers would closely monitor take-up and reduce the extra sum allocated as actual information becomes clearer.
- 5.3 The Council has a £200,000 unallocated Budget pressures allowance in 2020/21 and this could be used to fund the sum requested. Alternatively the Committee could remit the funding request back to the Education & Communities Committee to identify how it would contain the funding requested within current resources.
- 5.4 The estimated financial impact of the second remit is between £65-70,000/year from August, 2020. The Education & Communities Committee decision was to fund this from the Reserves subject to Policy & Resources approval, as the budget holder.
- 5.5 Whilst the Reserves have sufficient resources to pay the £65-70,000 / year for a number of years such an approach is time limited and outwith the normal approach to budgeting for Council policy delivery. As such, were the Committee to agree to this approach, this policy change would not be "hard wired" into the Council Revenue Budget.
- 5.6 A more sustainable solution would be for Members to remit the funding for this proposed policy change back to the Education & Communities Committee to identify funding from within current resources. An alternative would be to remit this matter to the current Budget Process and for Members to consider this in tandem with the savings exercise in line with the approach taken with extra funding for Free School Meals in the last budget round.

6.0 IMPLICATIONS

6.1 Finance

The financial implications are as outlined in Section 5.

Financial Implications:

One off Costs

| Cost Centre | Budget Heading | Budget Years | Proposed Spend this Report £000 | Virement From | Other Comments |
|--------------------|----------------------|------------------|------------------------------------|---------------|---------------------|
| Earmarked Reserves | Unallocated Reserves | From August 2020 | 70/year | | See 5.5 & 5.6 above |

Annually Recurring Costs/ (Savings)

| Cost Centre | Budget Heading | With Effect from | Annual Net Impact £000 | Virement From (If Applicable) | Other Comments |
|-------------|----------------|------------------|---------------------------|-------------------------------|---|
| Schools | Transport | Aug 2020 | 156 | Budget Pressures Contingency | £200,000 currently available in 2020/21 Pressures Contingency |

6.2 Legal

Any school transport policies must be applied consistently within Inverclyde otherwise the Council may be open to challenge in terms of the Equalities Act 2010.

6.3 Human Resources

There are no HR implications arising from this report.

6.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

| | |
|---|--|
| | YES (see attached appendix) |
| X | NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required |

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

| | |
|---|--|
| | YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed. |
| X | NO |

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

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|---|
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| X |

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

6.5 **Repopulation**

There are no repopulation issues arising from this report.

7.0 **CONSULTATIONS**

7.1 None

8.0 **BACKGROUND PAPERS**

8.1 Reports to May 2019 and September 2019 Education & Communities Committee