Proposals: Free School Transport Changes to standardise with Greater Manchester approaches:

a. **Removal of Faith element of FST eligibility**
b. **Removal of Working Tax Credit additional support**

1.0 Summary of Proposals

1.1 The Council is required to make substantial savings over the next 4 years to ensure self-sufficiency. All services that have a transport element have been asked to put forward options as to how they might contribute to this significant savings target. This then includes within its scope the Free School Transport Scheme. The follow options are submitted for further consideration. They relate to two proposals:

a. Removal of Faith element of Free School Travel eligibility,

b. Removal of Working Tax Credit additional support.

2.0 Proposal

2.1 **Background and Context**: The Council has a mandate to provide financial assistance under Section 509 Education Act 1996 to those pupils deemed eligible for free school transport according to prescribed criteria. The criteria can be defined in three distinct sections; Statutory eligible, Extended Rights, Facilitating attendance:

<u>Statutory Eligible</u>

- Child is under the age of 8 and lives 2 miles or more from the Nearest Suitable School*,
- Child is over the age of 8 and lives 3 miles or more from the Nearest Suitable School*.

<u>Extended Rights</u>

Pupils whose families are in receipt of low income benefits:

- who attend one of the three nearest Suitable Schools and they live 2 miles or more from the School (maximum 6 miles home to school distance),
- who attend a school on the basis of faith of philosophical belief and live 2 miles or more from the School (maximum 15 miles home to school distance).

<u>Facilitating Attendance</u>

- Pupil is in Year 10 or 11 and has taken options for GCSE**

*The Council defines a 'Suitable School' as the Catchment area school or associated Catholic School designated to the Pupil's home address.

**These will typically be children of families who have moved to the area and need a school that offers the GCSE options that they have been following.

2.2 The current Council Home to School Travel Policy goes beyond the statutory requirements in two ways:

a) It provides discretionary assistance to pupils attending denominational schools due to the use of the associated Catholic school element of the 'Suitable School' definition. Furthermore, the current policy states that if a denominational institution is not available within the Borough, the Council will assist with transport to and from that institution. The current policy makes provision for the Council to provide discretionary financial assistance to parents of pupils attending a denominational school because of their faith, regardless of whether there is a nearer non-denominational school with places available.

   In practice this means that Stockport Council supports children attending Catholic schools within the Borough; supports some children attending a Church of England secondary school outside of the Borough; and supports some children to attend a secondary Jewish school; King David High School.

b) In the case of extended rights entitlement, statutory guidance outlines what a low income family will be defined as; one element of this definition is a family in receipt of the maximum level of Working Tax Credit.

Following a review of arrangements in 2008 review a decision was made to provide eligible families on any level of Working Tax Credit with free school travel and it was suggested that the subject be reviewed in the future.

Stockport Metropolitan Borough Council continues to provide free school travel in respect to the above category beyond the minimum statutory definition and therefore incurs additional costs. Under the existing policy all families in receipt of Working Tax Credit, irrespective of level, benefit from free school travel if assessed as eligible on distance.

2.3 Current Free School Travel Pass Uptake

The table below provides information on free school travel pass uptake in Stockport since 2011. It is evident from the figures provided that there has been a decrease year on year. The decrease ties in with pupil numbers in the secondary sector whereby they've plateaued; capacity has been added to the school system in preparation for predicated increases which in the short term has eased pressures. However further capacity is needed to meet the demand our projections indicate. Pupil numbers are going to rise as these cohorts have been tracked through primary school.

Year	Total Passes Issued
2011/12	1482
2012/13	1497
2013/14	1476
2014/15	1419
2015/16	1368
2016/17	1308
2017/18	1294
2018/ to date	1226

2.3.1 Breakdown of pupils made eligible based on faith or philosophical belief:

Of the 1,226 passes issued so far this year, 374 are pupils whose eligibility has been based upon faith or a philosophical belief, equalling 30.5% of total applications in this period. They attend the following schools:

School	Total Passes Issued
Harrytown Catholic High School	146
St Annes' Catholic High School	7
St James' Catholic High School	205
The King David High School	10
Trinity Church of England High School	6

If the proposal in this document to redefine 'Suitable School' is accepted the number of pupils made eligible based on faith or philosophical belief will reduce as follows:

School	Still eligible	No longer eligible
Harrytown Catholic High School	146	0
St Annes' Catholic High School	7	0
St James' Catholic High School	184	21
The King David High School	0	10
Trinity Church of England High School	0	6

2.3.2. Breakdown of pupils made eligible based on Working Tax Credit additional support:

Of the 1,226 passes issued (2018 to date) 94 are for families who are not in receipt of their maximum Working Tax Credit, equalling 7.6% of total applications in this period.

2.3.3 Breakdown of Working Tax Credit from students eligible in 2018 to date:

	Number	Cost
Maximum working tax credit	7	£2,646
Below maximum working tax credit	94	£35,541
Total	101	£38,187

2.3.4 Breakdown of Working Tax Credit by area in 2018 to date:

Area	Maximum Working Tax Credit	Below maximum Working Tax Credit	Current Total
Adswood		9	9
Brinnington	5	49	54
Cale Green		6	6
Cheadle		3	3
Cheadle Heath		2	2
Edgeley	1	3	4
Hazel Grove		3	3
Heald Green		4	4
Heaton Chapel		1	1
Heaton Norris		1	1
High Lane		2	2
Marple		1	1
North Reddish		2	2
Offerton		3	3
Portwood		3	3
Romiley	1	1	2
South Reddish		1	1

2.4 The following options therefore exist:

In relation to Removal of Faith element of Free School Travel eligibility:

a) Redefine the concept of a ‘Suitable School’ omitting catchment and associated Catholic school areas in favour of: *The nearest School to the pupil’s home address with places available*. This proposed definition is aligned with the definition provided in statutory guidance, Home to School Transport Guidance July 2014,

b) Omit the stipulation regarding funding / providing assistance to pupils who wish to attend a denominational institutions outside of the Borough whose offer cannot be provided for within Borough boundaries.

In relation to Removal of Working Tax Credit additional support:

Vary the definition used in extended entitlement back to its statutory level i.e. low income be defined as:

1. Pupils who qualify for free school meals,
2. Pupils whose parents/guardians are in receipt of their maximum level of Working Tax Credit.

3.0 Scope

3.1 The services in scope of this proposal are:

- Services to Schools.

4.0 Financial Summary

Saving Name	2018/19 Cash Limit Budget £000	Full Year Saving £000	Revised Cash Limit £000
Removal of Discretionary faith element	453	(17)	401
Vary low income definition		(35)	

5.0 Key Timescales

Milestone description	Date expected	Output at milestone
Scrutiny consider draft proposal	27th November 2018	Scrutiny views on the proposal
Public consultation	7th December 2018	Feedback on the proposal
Cabinet consider draft proposal	18th December 2018	Cabinet views on the proposal
Update to Scrutiny	15th January 2019	Scrutiny views on the final proposal
Cabinet Decision	5th February 2019	Cabinet decision
Implementation – Subject to Cabinet approval	From March 2019	Preparations put in place for the new arrangements to start from the beginning of the 2019/20 academic year

6. Consultation and Engagement

The consultation plans for this proposal are as follows:

6.1 The following stakeholders will be invited to participate in the consultation:

- Parents and guardians of pupils with free school bus passes,
- Stockport residents,

- Primary and Secondary School Headteachers,
- Diocesan and Faith representatives.

6.2 The consultation will be conducted via an online questionnaire published on the Have Your Say pages of the Council website.

6.3 Elected Councillors will be involved throughout all stages of Consultation and Engagement at both Scrutiny Committee and in other settings.

7.0 Interdependencies, Constraints, and Risks

7.1 Aligning free school transport eligibility with statutory guidance reduces the risk of challenge, particularly investigations made under Section 496 Education Act 1996; Unreasonable Exercise of Functions. The statutorily defined criteria is considered the minimum that the Local Authority is expected to carry out however consideration should be given to the points below.

7.2 Stockport's current policy is different from other neighbouring authorities in terms of our compliance with the statutory guidance

7.3 Adherence to statutorily defined 'Suitable School' definition in other Local Authorities:

Authority	**Criteria**
Bolton	Statutory definition
Bury	Statutory definition
Manchester	Statutory definition
Oldham	Statutory definition
Rochdale	Statutory definition
Salford	Statutory definition
Stockport	Own definition
Tameside	Statutory definition
Trafford	Statutory definition
Blackpool	Statutory definition
Cheshire East	Statutory definition

7.4 Extended entitlement for Working Tax credit implementation in other Local Authorities:

Authority	**Criteria**
Bolton	Maximum level
Bury	Maximum level
Manchester	Maximum level

Oldham	Maximum level
Rochdale	Maximum level
Salford	Maximum level
Stockport	Any level of WTC
Tameside	Maximum level
Trafford	Maximum level
Wigan	Maximum level
Blackpool	Maximum level
Halton	Maximum level
Cheshire East	Maximum level
St. Helens	Maximum level

7.5 However aligning eligibility criteria with capacity within the school system will lead to uncertainty regarding the number of children who will be eligible year to year. School organisation reports indicate the capacity challenge that is faced both in primary and secondary sectors within regards to the demand for school places. Based on their projections it can be inferred that the number of schools holding vacancies in the years approaching, and past, 2022 will diminish resulting in a greater proportion of pupils being made eligible for free school transport as their local schools are full.

7.6 Flux within the in-year transfer system also makes it an ongoing challenge as to whether a pupil will be deemed eligible. A place may be available in a year group one day but may not a day later, depending on when the pupil applies will have a significant impact on whether they are found to be eligible or not.

7.7 Redefining ‘Suitable School’ will affect non-faith applications as well as faith applications. Currently non-faith applications are assessed to their catchment school irrespective of places available, this shift will increase the number of eligible pupils on the basis that their local school is full.

7.8 A case to illustrate this risk would be applicants who live in Marple Hall catchment area in the latest Year 7 allocation. In the most recent admissions round, Marple Hall School was filled to its admissions limit and had large waiting list comprising of residents living in its locality. On the basis that Marple Hall School is full and the next nearest school with available places was in Bramhall (5 miles away). This means that these pupils could apply for any other school in the Borough and providing they were admitted, the local authority would have to fund their transport. In the most recent Free School Transport application round 6 pupils would have fallen into this category offsetting any saving outlined previously.

7.9 The table below outlines the number of pupils in the latest Free School Transport application round who would be made eligible as a consequence of redefining ‘suitable school’ in policy:

School	Number of children
Cheadle Hulme High School	1
Hazel Grove High School	3
Marple Hall School	6
Priestnall School	1
Stockport School	8
Total additional cost	**£7,183**

7.10 A final risk or uncertainty exists due to the flux in the in-year sector should those pupils who are subsequently made ineligible due to redefining 'Suitable School' decide to move schools to a school with places available. This small shift in pupils has the potential to make other pupils eligible due to a lessening in capacity i.e. the number of schools with places available.

7.11 Implementation of Universal Credit changes benefit entitlement causing more pupils to be eligible. As more benefits are absorbed into the implementation of Universal Credit, it becomes less clear to a third party exactly what benefits the family are entitled to. As such a greater proportion of families are likely to be classed as low income meaning a greater proportion of children eligible for Free School Transport. In the most recent change, enacted in April 2018, the Government redefined Free School Meals entitlement acknowledging the implementation of universal credit and as such it is estimated by The Institute of Fiscal Studies that an additional 50,000 children will be made eligible for Free School Meals. This entitlement is an indicator for low income used in Free School Transport eligibility.

7.12 Pupil attendance particularly from Priority 1 areas will likely fall. Due to a disproportionate amount of families affected by the variation of low income definition living in Priority 1 areas, such families may find it too difficult or too expensive to get their children to school on time or to school at all.

7.13 For example for a Brinnington family who have one or more children attending the secondary schools – Werneth; Hazel Grove; Bramhall; Stockport School; Harrytown Catholic High and others – the proposed change to eligibility criteria and would result in families either having to pay £378 per child (as at November 2018) for an annual travel pass or seeking alternative arrangements. For families with multiple siblings there is the potential for significant additional costs.

7.14 Financial impact to families living in Priority 1 areas: Due to a disproportionate amount of families affected by the variation of low income definition living in Priority 1 areas, such a change may result in a greater proportion of these families having additional financial difficulties should they try and fund transport themselves. The majority of bus passes in the secondary area where our capacity is not necessarily in the right areas.

8.0 Equality Impact Assessments

Equality Impact Assessment	
Proposal A: Removal of Discretionary Faith Element	**16th November 2018** **Draft**

Stage 1: Do you need to complete an Equality Impact Assessment (EIA)?
Yes, this document will examine the potential impact on groups sharing protected characteristics and ensure any disproportionate impact can be mitigated in some way.

Stage 2: What do you know?

Background already presented as part of this business case. Further to this:

Free School Travel Pass Uptake

The table below provides information on free school travel pass uptake in Stockport since 2011. It is evident from the figures provided that there has been a decrease year on year. The decrease ties in with pupil numbers in the secondary sector whereby they've plateaued; capacity has been added to the school system in preparation for predicated increases which in the short term has eased pressures however further capacity is needed to meet the demand our projections indicate. Pupil numbers are going to rise as these cohorts have been tracked through primary sector. Of the 1226 passes issued so far this year 374 are pupils whose eligibility has been based upon faith or a philosophical belief, equalling 30.5% of total applications in this period.

Year	Total Passes Issued
2011/12	1482
2012/13	1497
2013/14	1476
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Breakdown of pupils made eligible based on faith or philosophical belief:

School	Total Passes Issued
Harrytown Catholic High School	146
St Annes' Catholic High School	7
St James' Catholic High School	205
The King David High School	10
Trinity Church of England High School	6

Pupils made eligible based on faith or philosophical belief who will still be eligible following the redefining of 'Suitable School':

School	Still eligible	No longer eligible
Harrytown Catholic High School	146	0
St Annes' catholic High School	7	0
St James' Catholic High School	184	21
The King David High School	0	10
Trinity Church of England High School	0	6

The protected characteristics under the Equality Act 2010 are as follows:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation.

On the basis of the data outlined above it would seem that pupils who are seeking education at a denominational institution which is not provided within Stockport are being disproportionately affected given that all pupils are impacted by the change. Whilst the numbers remain low, political sensitivities, particularly regarding pupils of the Jewish faith need to be considered by senior management.

Section 509AD of the Education Act 1996 requires the Council to have regard to, amongst other things, a parent's wish for their child to be provided with education or training at a school/institution on grounds of the parent's religion or belief when carrying out their duties/exercising their powers relating to travel. Paragraph 39 of the Guidance referred to above sets out the basis for compliance with these duties/powers, requiring the Council to have due regard to the provisions of the Equalities Act 2010 and the European Convention on Human Rights.

The Public Sector Equality Duty (PSED), Section 149 of the Equality Act 2010, requires that the Council, in the exercise of its functions, has 'due regard' to the

need to;

a) eliminate discrimination, victimisation, and harassment;
b) advance equality of opportunity between persons who share a relevant protected characteristic and those who do not,
c) foster good relations between those who share a relevant protected characteristic and those who do not.

Schedule 3, part 2 of the Equality Act 2010 provides an exemption to discrimination on the grounds of religion or belief in relation to transport to or from school.

Local Authorities remain under a general duty to 'have regard' to the wish of a parent for their child to be provided with education at a particular establishment on the grounds of the parents' religion or belief. However, other than the statutory duty towards pupils who are from low income families, there is no statutory duty to provide free transport to denominational schools for children generally.

Stage 2a: Further data and consultation

Subject to approval to progress to the consultation stage, an extensive consultation will be undertaken.

The results of the consultation will be used to inform the EIA to asses and mitigate against any disproportionate impact to those who identify with the protected characteristics.

Stage 3: Results and Measures

To be completed following the consultation stage.

Stage 4: Decision Stage

To be completed following the consultation stage.

Equality Impact Assessment	
Proposal B: Variation in Low Income definition	**16th November 2018** **Draft**

Stage 1: Do you need to complete an Equality Impact Assessment (EIA)?

Yes, as decisions are being made regarding the future provision of Free School Transport in respect to families who are in receipt of Working Tax Credit and possible changes to the existing eligibility criteria.
This EIA considers the potential change to the criteria within the existing Free School Transport policy to the minimum statutory duty for the above category of applicants.
The document will consider the potential impact of the proposal with regard to protected characteristics and ensure that the needs of individual groups within the customer base are met.

Stage 2: What do you know?

Background already presented as part of this business case. Further to this:

Free School Travel Pass Uptake

The table below provides information on free school travel pass uptake in Stockport since 2011. It is evident from the figures provided that there has been a decrease year on year. The decrease ties in with pupil numbers in the secondary sector whereby they've plateaued; capacity has been added to the system in preparation for predicated increase in pupil numbers and as such competition for places has been eased. Pupil numbers are going to rise as these cohorts have been tracked through primary sector. Of the 1,226 passes issued (2018 to date) 94 are for families who are not in receipt of their maximum Working Tax Credit, equalling 7.6% of total applications in this period.

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Breakdown of working tax credit from this students eligible in 2018 to date

	Number	Cost
Maximum Working Tax Credit	7	£2,646
Below Maximum Working Tax Credit	94	£35,541
Total	101	£38,187

Breakdown of working tax credit by area in 2018 to date

Area	MAX WTC	WTC Will lose bus passes	Current Total
Adswood		9	9
Brinnington	5	49	54
Cale Green		6	6
Cheadle		3	3
Cheadle Heath		2	2
Edgeley	1	3	4
Hazel Grove		3	3
Heald Green		4	4
Heaton Chapel		1	1
Heaton Norris		1	1
High Lane		2	2
Marple		1	1
North Reddish		2	2
Offerton		3	3
Portwood		3	3
Romiley	1	1	2
South Reddish		1	1

There is a potential negative impact on low income families who fall just below the threshold for maximum Working Tax Credits, who do not receive free school meals and live over 2 miles from a suitable school, which would have entitled them to free school transport. This is the group that is most likely to be affected by the proposed change to eligibility criteria and would result in families either having to pay £378 per child (as at November 2018) for an annual travel pass or seeking alternative arrangements. For families with multiple siblings there is the potential for significant additional costs.

It is important to note that the majority of travel passes issued under the existing eligibility criteria are for pupils from areas of deprivation (priority 1) within the Borough and particularly in Brinnington. For example in 2018 to date 52% of the total passes issued were to families who lived in Brinnington and of that 52% only 4.9% will be eligible should the proposals be implemented. Furthermore there is no alternative school provision in the Brinnington area for pupils to attend without the need for bus travel.

PROTECTED CHARACTERISTICS

Race: In the context of free school travel in respect to families who are in receipt of Working Tax Credit, consideration of this matter indicates it is unlikely that there will be any differential impact.

Disability: In the context of free school travel in respect to families who are in receipt of Working Tax Credit, consideration of this matter indicates it is unlikely that there will be any differential impact.

Gender: In the context of free school travel in respect to families who are in receipt of Working Tax Credit, consideration of this matter indicates it is unlikely that there will be any differential impact

Religion and Belief: In the context of free school travel in respect to families who are in receipt of Working Tax Credit, consideration of this matter indicates it is unlikely that there will be any differential impact

Sexual Orientation: In the context of free school travel in respect to families who are in receipt of Working Tax Credit, consideration of this matter indicates it is unlikely that there will be any differential impact

Age: In the context of free school travel in respect to families who are in receipt of Working Tax Credit, consideration of this matter indicates it is unlikely that there will be any differential impact

Socio-economic: Low income families are likely to be affected by the proposal.

Stage 2a: Further data and consultation

Subject to approval to progress to the consultation stage, an extensive consultation will be undertaken.

The results of the consultation will be used to inform the EIA to asses and mitigate against any disproportionate impact to those who identify with the protected characteristics.

Stage 3: Results and Measures

To be completed following the consultation stage.

Stage 4: Decision Stage