

Business case template for savings

Directorate Peoples	HOS Roger Harris	Budget College Transport									
Budget Code	BC011										
Description of service or information required	<p><u>Post 16 School/College Transport proposal:</u></p> <p><u>Option 1:</u></p> <p><i>Continue to offer post 16 transport; do nothing;</i></p> <p>Presently, Thurrock Council offers post 16 transport at a cost of £245,955 (less income received) per annum (net cost £ 175,000). The numbers have been in decline in recent years and currently only 247 students use the service. It is a discretionary service. Assistance is given to students who meet the Council criteria otherwise it a chargeable service. If travel assistance is awarded in one academic year free transport is not automatically awarded for further years. There is no charge for families in receipt of Income Support or other forms of benefit.</p> <p>Ensign bus company have introduced a travel card which means, once purchased at £ 36 every four weeks, that students can use the bus any-time of the day (including weekends). This has proved very popular and resulted in the drop off in the Council commissioned routes.</p> <p>This option is, therefore, not recommended.</p> <p><u>Option 2 :</u></p> <p><i>Continue to offer post 16 transport, but increase the amount charged.</i></p> <p>Current charges per year (shown below) are heavily subsidised:</p> <table border="1" data-bbox="603 1854 1353 2040"> <thead> <tr> <th data-bbox="603 1854 751 1928">Band</th> <th data-bbox="751 1854 1161 1928">Transport route</th> <th data-bbox="1161 1854 1353 1928">Cost Per Year</th> </tr> </thead> <tbody> <tr> <td data-bbox="603 1928 751 2002">Band 1</td> <td data-bbox="751 1928 1161 2002">Post-16 schools and colleges in Thurrock</td> <td data-bbox="1161 1928 1353 2002">£330</td> </tr> <tr> <td data-bbox="603 2002 751 2040">Band 2</td> <td data-bbox="751 2002 1161 2040">South Essex College</td> <td data-bbox="1161 2002 1353 2040">£760</td> </tr> </tbody> </table>		Band	Transport route	Cost Per Year	Band 1	Post-16 schools and colleges in Thurrock	£330	Band 2	South Essex College	£760
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	Basildon & Southend Campuses	
Band 3	Post-16 schools and colleges outside Thurrock	£1,270

The sums charged are not in line with those charged by external providers or other local authorities within Essex for the same or similar routes. For example, Essex County Council charges £500 per year while utilising its own home transport scheme. Southend Council charges £470 per year utilising public transport that offers unlimited travel. Both Essex and Southend offer free transport to families on income support.

There are a few cases whereby the subsidised amount is relatively higher; for instance, where pupils had no option other than to travel outside of the borough due to the cancellation of their current course at a local college.

Under this option young people may be charged in the region of £460 to £500 which is the range of current charges in five boroughs considered for the purpose of this proposal. The actual cost is yet to be determined and will be dependent upon a retendering exercise. The exercise will incorporate the amalgamation and revision of a number of routes to enhance the potential for savings.

However, this option ignores the fact that even if we increase the charge considerably it will still only be on the commissioned routes and so not have the flexibility of the student bus-pass.

So again this option is not recommended.

Option 3:

Discontinue the offer of post 16 transport, encourage use of bus-pass with the Council continuing to support students from families on income support

The service is not meeting current needs. Students like the opportunity of having the bus pass as it allows them to use it during the week and also around the time of their studies not just when the Council commissioned routes operate.

There may be some students who will have to make

	<p>one change and there will be some students from the more rural parts of Thurrock that will have some distance to get to a bus route. However, the advantages considerably outweigh the disadvantages.</p> <p>The contracts with existing operators has a 6 week termination clause. It is felt reasonable to give students a minimum of 1 terms notice so it is proposed the new arrangements will come into place from the start of the summer term.</p>
Accountable cost	£ 235,000
Savings 13/14	£ 175k (already in MTFS assumptions)
Implications	<p>A full EIA is being produced to ensure that students from low income families are not disadvantaged nor students that may have a longer distance to travel because they either live in a more rural part of the Borough or are not on a main bus route</p>