Spending Review 2019
School Transport Expenditure

EDUCATION AND SKILLS VOTE
AUGUST 2019

This paper has been prepared by staff in the Department of Public Expenditure and Reform. The views presented in this paper do not represent the official views of the Minister for Public Expenditure and Reform. The paper was finalised July 2019.
Executive Summary

Key Trends and Features of School Transport

- School transport expenditure was €200 million in 2018. Since 2011, the overall cost of school transport has increased 16.8 per cent from €171 million to €200 million in 2018.

- This increase has been driven primarily by special education related costs, which have increased 76 per cent since 2011. These costs now represent half of the total expenditure on school transport, up from 35 per cent in 2011.

- Recent years have seen special education transport making increasing contributions to the overall growth in school transport costs, while mainstream school transport have been falling.

- These increasing costs, particularly in special education transport, point to a need to examine the efficiency of the scheme. Factors that affect the efficiency of the scheme include; the mix of contractor vs. Bus Éireann direct provision routes; the mode of transport employed; the resulting capacity and spare capacity on existing routes; and the geographic distribution of services.

- The number of vehicles in the school transport schemes has increased considerably since 2003 from 2,964 vehicles to 7,041 in 2018, while pupils transported have fallen by 14 per cent.

- Over the period 2010 to 2018 there has been a fall in the number of eligible pupils of nearly 32 per cent, while there has been a considerable increase in the number of concessionary pupils by 647 per cent.

Key Findings

- The increasing contribution of Special Education Needs (SEN) transport is driven by both increases in numbers presenting with SEN for school transport and also, to a lesser extent, increased costs per pupils. Pupils with SEN now represent 11 per cent of total pupils on school transport. The cost per pupil has increased by 9 per cent for pupils with SEN since 2011.

- Recent years have seen considerable increases in smaller capacity vehicles, which are more expensive per pupil, such as taxis and mini buses. This is primarily driven by SEN, with 98 per cent of taxi routes and 59 per cent of mini routes allocated for pupils with SEN.

- In 2017/2018, while there were nearly 117,500 pupils availing of school transport places, there were over 56,000 unused places or spare capacity across school transport routes.
The proportion of concessionary students has shifted from 3 per cent in 2010 to 27 per cent of total pupils in 2018. This is due to partial/non-implementation of the 2011 VFM recommendations to change eligibility criteria and decrease bus size. Given ticket charges are not based on the full economic cost, with on average an 89 per cent subsidy for mainstream primary pupils and a 62 per cent subsidy for mainstream post primary pupils, this affects the efficiency of the scheme. This calls into question the extent to which reform has been delivered and how aligned the scheme is in practice with the 2012 scheme rule changes.

Both the implementation of the VFM recommendations including those in relation to eligible pupils and bus size, and the charging model for mainstream pupils need to be examined and addressed.

Data should be improved in the following areas:

- Comparison data on the expenditure drivers of Bus Éireann direct provision routes.
- More data is needed on SEN school transport, including issues in relation to the composition and what is driving the costs. This will allow a better understanding of issues such as increasing costs and capacity.
- Given the proportion of SEN transport expenditure related to escorts there should be more data available on trends in escort hours and trend drivers.
- More detailed data on capacity per route, taking account of escort places, is needed.
- Issues in relation to quality and detail of route data need to be addressed.
1. Introduction

School transport expenditure represents circa 2 per cent of total gross education expenditure and amounted to €200 million in 2018, an increase of €29 million (16.8 per cent) since 2011. This increase has been driven primarily by increases in special education related costs, which have risen 76 per cent since 2011 and now represents half of the total expenditure on school transport, up from 35 per cent in 2011.

Other factors also drive expenditure in the area such as the different modes of transport used, the capacity available on routes and the geographic distribution of school transport services.

The paper provides a reference point where the totality and drivers of the components of school transport expenditure are set out in a single document. The key objectives of the paper are to:

- Set out a broad overview of historical trends in school transport expenditure over the last two decades,
- Identify key drivers of the overall increase, focusing on recent trends (2011-2018), and
- Identify areas for further expenditure analysis.

This paper is set out in sections as follows:

- Section 2 provides a general overview of school transport expenditure and trends.
- Section 3 examines the key drivers of school transport expenditure including factors effecting efficiency.
- Section 4 sets out a summary of the conclusions/key findings, as well as the data requirements going forward.

Methodology

This paper draws on desk-based quantitative analysis of a range of newly compiled and existing data from the Department of Education and Skills’ (DES) and Bus Éireann.

Quality Assurance (QA)

Quality assurance refers to the concepts of:

- Accuracy of the data and other information presented, and
- Rigour applied in using analytical techniques and integrity in reporting.

As part of the quality assurance process feedback was sought on the analysis format (structure), clarity (quality of writing), accuracy (reliability of data), robustness (methodological rigour), and consistency (between evidence and conclusions). Further detail on the quality assurance process is set out in Section 9. It is important to note that involvement in the QA process does not infer agreement with the findings of the analysis. In addition, the Department of Education and Skills and Bus Éireann were consulted on the paper for observations and fact checking. The paper was finalised in July 2019.
2. Overview of School Transport Expenditure

2.1 Objectives and Eligibility

The objective of the school transport scheme is to provide transport to primary and post-primary schools for children who reside a set distance (3.2km for primary and 4.8km post-primary) from their school and for children with special education needs arising from a diagnosed disability (Department of Education and Skills, 2011). The scheme is operated by Bus Éireann on behalf of the Department of Education and Skills (DES).

Children who are not eligible for school transport under the terms of the scheme may apply for school transport on a concessionary basis, subject to:

- There being spare capacity on the route.
- Routes not being extended or altered; additional vehicles will not be introduced; nor will larger vehicles or extra trips using existing vehicles be provided to cater for children travelling on a concessionary basis.
- No additional State cost (DES, 2011).

The fact that concessionary transport is, under the rules, only available where there is spare capacity and there is no extension of services or additional cost to the State differentiates eligible and concessionary travel.

2.2 Delivery/Governance of School Transport Scheme

School transport services are administered by Bus Éireann on behalf of the DES. Until September 2017 there was no service level agreement (SLA) between the DES and Bus Éireann, rather the service was based solely on arrangements from the 1975 Summary of Accounting Arrangements which have not been changed in the past 40 years. The Comptroller and Auditor General (2017) noted that the accounting arrangements are inadequate taking account of the considerable costs involved.

In September 2017, and within the continuing context of the 1975 Arrangements, a Service Level Agreement (SLA) was put in place augmenting the 1975 arrangements. The document sets out the key responsibilities of Bus Éireann and the DES. The SLA outlines the reporting principles in place and financial oversight arrangements by the DES. The document also sets out the key responsibilities of Bus Éireann and the DES while also establishing a formal methodology for monitoring the Key Performance Indicators. A review of the current SLA is underway in currently.¹

In addition to the administration of the Scheme, Bus Éireann currently provide some 10 per cent of the school transport routes as direct provision. The remaining routes are tendered to private contractors and this is administered by Bus Éireann. Payments to contractors represent 72 per cent of the total cost of school transport in 2018. Bus Éireann receive a transport management charge to cover indirect costs and ‘direct costs’, which are not specified. This lump sum is at most 13 per cent of direct costs as per the 1975 arrangement and a lower cap is negotiated between Bus Éireann and the DES.² There is also potential for an annual rebate collectable by the DES. The rebate is the

¹ This revised SLA will incorporate best practice as per the Code of Practice for the Governance of State Bodies.
² The nature of the arrangements with Bus Éireann in respect of the School Transport Scheme involves the Company recovering its direct costs and a payment in respect of its indirect costs which was based on a formula of 13% of certain direct costs. This charge for indirect costs was referred to within Bus Éireann as the School Transport Management Charge. In recent years the Transport Management Charge has been
balance owing to the DES following the annual reconciliation of the difference in the agreed spread of payments and the Bus Éireann audited school bus statement of account. The charge amounted to €10 million in 2018.3

2.3 Trends in School Transport Expenditure

School transport expenditure was €200 million in 2018.4 This area has seen considerable growth of over 290 per cent over the past 20 years from a base of €51 million in 1998 (Figure 1), while pupils availing of the service have decreased by a projected 22 per cent from 1998 - 2018. Accelerated growth can be seen from 2005-2007, this was due in the main to expenditure on enhanced safety features on buses (both contracted and Bus Éireann) and the purchase of buses for the school transport fleet at this time.5 Since 2011, the overall cost of school transport has increased 16.8 per cent from €171 million to €200 million in 2018. The cost of school transport relating to special education has increased 76 per cent in the same period.

Figure 1: School Transport Expenditure, Pupil Numbers (1995-2018)

€ Millions (LHS) Pupil Number (RHS)

While school transport expenditure is a relatively low proportion of overall education expenditure, its share has been increasing over recent years. In 1994 the share of expenditure was 1.9 per cent, this fell slightly over the following years to 1.5 per cent in 2000 but has increased to surpass the previous peak in 2016 and remains at 2.1 per cent in 2018.

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3 This could be a payment owing to Bus Éireann in other years if the ex-ante agreed spread of payments was less than the Bus Éireann audited school bus statement of account.

4 The total cost of €207 million was offset by €6.7 million which was recouped from Bus Éireann in 2018, an amount identified by the C&AG Special Report 98.

5 However, it is noted these would represent one-off costs which should not add to the base expenditure.
Figure 2: School Transport Share of Total Education Expenditure (1995 – 2018)

Per cent

Source: PER databank and Department of Education and Skills Administrative Data

School age population (0-19) has remained relatively constant since 1995, with negative growth of less than 1.5 per cent in the earlier period (1995-2003) and some positive growth experienced over the following years. This has led to an overall increase of 9 percent in the school age population since 1995. This contrasts starkly to the over 300 per cent increase in school transport expenditure over the same period. The year-on-year growth in expenditure shows large increases in the late nineties and throughout the early 2000s, with decreases during the crisis period, and a return to positive growth post crisis. Recent years (2016-2018) have seen growth in expenditure exceed growth in school going population. While the school going population has been growing at a fairly steady pace there seems to be little correlation with school transport expenditure (Figure 3). This lack of relationship between the school population is in part driven by the increasing share of special needs transport in the school transport scheme (as discussed in Section 3, the increasing trends in special education and prevalence of special education needs are examined in other Spending Review papers (Department of Public Expenditure and Reform, 2017a, 2017b, 2019)).
The total number of pupils availing of student transport has seen a downward trend since 1998, from 154,206 to 117,808 in 2018, representing a fall of nearly 25 per cent. While there is variability in this trend over time, student numbers have fallen over the same period that costs have been rising, as outlined in Section 2.3. Student numbers have remained relatively steady in more recent years. The total number of pupils availing of the school transport scheme increased by 4% from 113,015 in 2011 to 117,808 in 2018. The majority of students availing of the school transport scheme are at post-primary level (Figure 4). In 1998 post primary represented 60 per cent of students, this fell to 52 per cent in 2010 but has risen again since then to 57 per cent in 2018.

Pupil numbers trends mask variation in the number of pupils by transport type (Figure 5). Data is only available from 2005 on the type of student transport, while mainstream pupil numbers have...
fallen by 18 per cent, the number of pupils with special educational needs availing of school transport services has increased by 84 per cent (with an annual average increase of 5 per cent).  

**Figure 5: Student Numbers Mainstream and SEN (2005-2018)**

Pupil Numbers

![Graph showing student numbers from 2005 to 2018 for mainstream and SEN students.](image)

Source: Department of Education and Skills & Bus Éireann

### 3. Key drivers of School Transport Expenditure

While the number of pupils accessing school transport has fallen (by 24 per cent since 1998), there has been a substantial increase in expenditure over the past two decades (by over 290 per cent). This increase in expenditure may be due to a number of factors, this section explores some of these factors.

#### 3.1 Components of School Transport Expenditure

83.2 per cent of school transport expenditure (subhead A.9) in 2018 was for the Bus Éireann payment for transport provision with the remaining expenditure for the remote area and special transport grant (1.9 per cent) (section 3.1.1) and escort funding (14.8 per cent) (section 3.1.2).  

Examining the components of school transport expenditure (Figure 6), the largest component is payments to contractors which represents some 72 per cent of total expenditure in 2018, and has increased from 62 per cent in 2011. This is followed by payments to special needs escorts at 14.8 per cent, which has increased from 8.8 per cent in 2011.

Payments to contractors can be broken down into those relating to pupils with special educational needs (SEN) and mainstream pupils (including both eligible and concessionary). In 2011 the majority of contractor payments related to mainstream (60 per cent), however, SEN contractor payments

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6 Some spikes are evident in the trends of special education pupils year-on-year growth, particularly in 2011 (11 per cent) and 2016 (19 per cent). This was due to changes in the scheme in these years.
7 DES allocates funding to schools for the employment of escorts to accompany children, who the Special Educational Needs Organiser (SENO) has advised, by reference to DES criteria, from professional reports or through information supplied by the school authorities, has care and safety needs as such to require the support of an escort.
8 Remote area grants are payable by DES as a contribution towards private transport arrangements for eligible pupils for whom no transport service is available. These grants may also be payable for eligible pupils who live 3.2km or more from the nearest pick-up point for school transport.
9 Less than one per cent relates to miscellaneous costs under the sub-head.
have been gaining prominence. Payments in relation to special needs contractors increased by 15.5 per cent in 2018, now presenting 51 per cent of the share of payments to contractors, while payments related to mainstream contractors increased by only 3.1 per cent in 2018. Special Needs Escorts costs also increased by 16.9 per cent in 2018.

**Figure 6: Components of School Transport Expenditure**

€ Million

![Graph showing components of school transport expenditure from 2011 to 2018](image)

Source: Department of Education and Skills & Bus Éireann

### 3.1.1 Special Transport Grant

For pupils with special education needs, a Special Transport Grant towards the cost of private transport arrangements may be provided at the discretion of the Department of Education and Skills in situations where:

- Bus Éireann is not in a position to provide a transport service;
- A child’s age, behavioural difficulties or medical needs are such to make the provision of a transport service impracticable;
- An escort is considered necessary and the provision of such support is not feasible;
- The costs of establishing / maintaining a service is considered prohibitive.

From an operational perspective the grant is always offered where it is the most economic option. If the parent/guardian cannot accept the grant then a service is put in place. The Special Transport Grant rates per kilometre are set out in Table 1 below.
Expenditure on the special needs grant fell following 2011 from €3 million to €2.2 million in 2014 (Figure 7). However, this has started to increase again to €2.9 million in 2018, while remaining 7 per cent below the peak. The share of post-primary special needs education grant expenditure has been increasing as a proportion of the total grant expenditure from 14 per cent in 2011 to 21 per cent in 2018.

Figure 7: Expenditure on special needs grant, 2011 - 2018

€ '000s

<table>
<thead>
<tr>
<th>Year</th>
<th>Sp Needs Grant - Primary</th>
<th>Sp Needs Grant - Post Primary</th>
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<tbody>
<tr>
<td>2011</td>
<td>2,500</td>
<td>500</td>
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<td>2012</td>
<td>3,000</td>
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<tr>
<td>2018</td>
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<td>4,000</td>
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Source: Department of Education and Skills Expenditure Data

3.1.2 Escort Funding

Escort funding makes up a considerable proportion of the special education transport costs, increasing from 25 per cent of total SEN costs in 2011 to 28 per cent in 2018 (€15.2 million to €29.6 million). There has been an overall increase in expenditure of 96 per cent in escort funding over the period 2011 to 2018, with an average annual increase of 10 per cent (Figure 8a). While the 2011 VfM publication identified the number of escorts from 2004-2008 this data is not available from the more recent years. Instead the number of escort hours is tracked as escorts are hired for the specific time of bus routes. Figure 8b shows a considerable increase in escort hours of 66 per cent from the 2015/16 school year to 2016/17, this increase slowed to 9 per cent in 2017/18. Given the proportion of SEN expenditure related to escorts there should be more granular data available on trends in escort hours and drivers.

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Table 1: Special Transport Grant

<table>
<thead>
<tr>
<th>Kilometres (km)</th>
<th>Rate</th>
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<tr>
<td>Up to 6437</td>
<td>39.12</td>
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<tr>
<td>Over 6437</td>
<td>21.22</td>
</tr>
</tbody>
</table>

Source: Department of Education and Skills

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10 “Grants are calculated based on the mileage for four trips daily multiplied by the number of days a child attends school and this amount is considered to be a reasonable return for parents who are transporting their children to and from school.” PQ 2018/581,582
3.2 Mainstream and Special Education Transport Expenditure

Disaggregating the costs related to mainstream and special education transport expenditure can provide a better understanding of the drivers of the overall increase in expenditure.

3.2.1 Contribution to Change in Expenditure

Since 2012 SEN transport has been making an increasing contribution to the overall increase in school transport costs (Figure 9). While total costs decreased slightly in 2012 (-1.8 per cent) they have been increasing since then. This has been largely driven by SEN costs, which far outweigh decreases in costs related to mainstream school transport.

Source: Department of Education and Skills
Looking at the key drivers, both SEN and mainstream costs can be broken down into the number of pupils (volume) and the implied cost per pupil (price). Figure 10 shows an index for SEN and mainstream of each driver. This index demonstrates the strong effect of demand and pupil numbers increase in SEN. The number of pupils with SEN have grown by 62 per cent over the period 2011 to 2018. SEN cost per pupil have also increased considerably although by a smaller magnitude of 9 per cent. In contrast, mainstream pupil numbers have remained relatively constant and mainstream cost per pupil has been falling. This shows that special education is becoming an increasing driver of costs in school transport, due to both increasing demand (volume) but also by increases in the cost per pupil (price).

**Figure 10: Growth in Key drivers, cost per pupil and pupil numbers**

Index

![Graph showing growth in key drivers, cost per pupil and pupil numbers](image)

Source: Department of Education and Skills & Bus Éireann

### 3.2.2 Trends in Mainstream and Special Education Expenditure

As seen in Section 3.2.1 Special Education provision contributes a substantial proportion to the cost of the overall school transport scheme. While overall costs of school transport have increased by 16.8 per cent over the period 2011 to 2018 this masks considerable variation within (Figure 11). Mainstream school transport costs have in fact fallen by 15.3 per cent since 2011, while special education related costs have increased by some 76 per cent. This has led to the share of special education transport costs as a percentage of total school transport costs, increasing from 35 per cent in 2011 to 53 per cent in 2018, an increase 18 percentage points.

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11 Using the total costs for each type of transport and dividing by the number of pupils gives a cost per pupil.
Overall pupil numbers have seen a slight increase of 4 per cent since 2011. Mainstream pupils continue to make up the majority of pupils (104,398 pupils in 2018). At 93 per cent in 2011 this number has been relatively steady with a marginal fall, particularly driven by a fall in 2014 of 1.9 per cent although this was largely offset by growth in 2015 (Figure 12). In contrast the number of pupils with SEN, while in a clear minority of pupils availing of school transport (13,410 pupils in 2018), has seen a considerable increase of 62 per cent over the 2011 to 2018 period. These trends have led to an increase in the proportion of students availing of school transport with special education needs to 11 per cent in 2018, from 7 per cent in 2011.
3.2.4 Trends in Cost per Pupil

The average cost of transport for mainstream and pupils with SEN differs (Figure 13). On average over the period 2011 to 2018 the average cost per pupil for a pupil with SEN was €7,247 in contrast the average cost per mainstream pupil was €986. Since 2011 the cost per pupil for mainstream students has decreased from €1,062 to €902. The cost per pupil for mainstream students has been broadly on a downward trajectory from 2012 to 2018. In contrast, while cost per pupil with SEN decreased marginally in 2012 it has seen an overall increase by some 9 per cent since 2011 to €7,909 in 2018. These cost differences are driven by a number of factors, including different modes of transport required, costs related to escorts for students with special educational needs, and different types of grants. When examining the average cost of transport for pupils with SEN it is important to recognise that there are a number of cases that may have especially high costs due to particular circumstances and that impacts on the average cost. For instance, distance, nature of special education needs, presence of escorts and specially adapted vehicles are the key determinants of cost. Furthermore, special education transport is a door-to-door service. Taking a sample of 70 highest cost SEN cases in the 2018/2019 school year with a total cost of €1.9 million cost per pupil range from €6,588 to €64,050. These cases cover a range of needs and distances.

Figure 13a: Index Cost per Pupil
Base year 2011=100

Figure 13b: Cost per pupil
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Source: Department of Education and Skills & Bus Éireann

12 Bus Éireann is responsible for the planning and timetabling of school transport routes. Bus Éireann endeavours, within available resources, to ensure that each eligible child has a reasonable level of school transport service. Where practicable, and subject to consideration of cost and logistics, the Department will consider, based on information provided by the SENO, Parents/Guardians, School Authorities etc. the provision of specific/individual transport arrangements in circumstances where travel in the company of other children is not deemed feasible. The SENO will advise the Department, where s/he is aware, by reference to Department criteria, from relevant professional reports or through information supplied by the School Authorities that a child’s care and safety needs are such as to require the support of an escort. The Department allocates funding to schools, for the employment of escorts to accompany these children.
3.3 Factors effecting the Efficiency of School Transport

The increasing costs related to school transport and in particular special education transport points to a need to examine the efficiency of the scheme. Efficiency of a scheme can be examined by assessing the links between inputs and outputs. As noted in Section 3.2 special education is making an increasing contribution to the cost of total expenditure on school transport. This is in part related to increased demand as pupil numbers with special education needs increasing across the Education system (Department of Public Expenditure and Reform, 2017a and Department of Public Expenditure and Reform and Department of Education and Skills, 2019). Factors that affect the efficiency of the school transport scheme include the mix of contractor vs. Bus Éireann direct provision routes; the mode of transport employed; the resulting capacity and additional capacity on existing routes; the geographic distribution of services; and the breakdown of concessionary and eligible pupils and ticket charges. In 2018 Bus Éireann direct provision costs some €22.7 million, 11.4 per cent of total costs.13 As only 10 per cent of the routes are provided by Bus Éireann, direct provision routes are more expensive than contractor routes. This suggests the balance of contractor and direct provision routes will affect the overall efficiency of the scheme.

3.3.1 Mode of Transport

The different modes of transport used in part drive overall expenditure. A variety of different modes of transport are employed in the school transport scheme. These range from double decker buses to taxis. The use of different modes of transport may be due to a number of different factors including special needs of pupils, regional variance and the number of eligible pupils on a route.

For the 2017/2018 school year there was 7,063 routes in operation across the country, this decreased marginally to 7,041 for the 2018/2019 school year (Figure 14). Approximately 60 per cent of routes in both years related to mainstream school transport. Mainstream transport routes are concentrated in large and medium vehicles — together representing approximately 77 per cent of routes over both years — followed by mini’s which represent 22 per cent of routes. In contrast the majority SEN transport routes are taxis (c.48 per cent) followed by mini’s (46 per cent), the remaining 6 per cent are catered for on large and medium vehicles.

13 Of this cost €8.2 million related to driver payroll, €14.8 million to running costs (including maintenance costs of €10.3 million) the remaining costs relate to insurance, depreciation and interest.
The number of vehicles in the school transport schemes has increased considerably since 2003 from 2,964 vehicles to 7,041 in 2018 (Figure 15). While changes with regard to the accommodation ratio between 2003 and 2009 effect the increase from 2003 to 2008 there has also been considerable increases in the number of vehicles since 2008. Since 2008 there has been an 80 per cent increase in the total number of vehicles (an increase of 3,092 vehicles). The largest percentage increase has been in medium size vehicles at 118 per cent closely followed by taxis at 116 per cent. The considerable increase in taxis is likely to be in part due to the increase in pupils with special education needs requiring individualised school transport.

14 The accommodation ratio was reduced to one pupil per adult seat from three pupils per two adult seats.
15 98 per cent of taxi routes are for SEN routes, this compares to 59 per cent of Mini route and 6 per cent of medium sized vehicles.
3.3.2 Capacity on Existing Routes

The capacity available on routes will have an impact on the costs of school transport. Where there is spare capacity on an existing route children may be placed on these routes. If there was no spare capacity new routes may need to be procured. Procuring new routes would lead to increased costs, while placing children on existing routes would lead to a fall in average cost per pupil. In 2017/2018 while there was nearly 117,500 pupils availing of school transport places there was over 56,000 places additional capacity across school transport routes. While some of these places may be taken up by school transport escorts, for which no data is available, this represents nearly 50 per cent of the total number of pupils on the scheme. 16

The recent Comptroller and Auditor General report (2017) examined the provision of School Transport over the period 2007 to 2015 and found an increase in estimated spare capacity over the period of some 20 per cent from 28 per cent in 2007 to 48 per cent in 2015. This was in contrast to the recommendation in the 2011 VFM to decrease the size of buses to only cater for eligible pupils.

3.3.3 Geographic Distribution

School transport services are taken up in all counties. The geographic profile of eligible and concessionary pupils availing of school transport services for the 2018/2019 school year are shown in Figure 16. Cork has the largest number of eligible and concessionary pupils, at 11,623 and 3,257 respectively. Roscommon has the lowest number of eligible pupils and Dublin has the least concessionary pupils.

Figure 16: Eligible and Concessionary Pupils per County

Cork has the highest number of pupils availing of school transport with nearly 14,900, followed by Donegal at over 9,450 and Galway at 8,680. Figure 17 shows the geographic distribution of spare capacity in school transport for the 2017/2018 schools. Cork appears to have the most spare capacity at over 6,700 places, followed by Donegal at nearly 6,400 places and Galway at nearly 5,200 places. As noted this measure only takes account of the number of pupils per route in comparison to

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16 It should be noted that some of this additional capacity will be due to vehicles being used for double runs, where the costs are kept down for the second run but the vehicle may not be full. In 2018 there was 3087 routes that operate double runs, 808 that operate more than 2 runs. Thus 55 per cent of routes operate more than one run. Sufficient data was not available to assess the costs of double runs.
the total capacity of the mode of transport. Some of this spare capacity may be due to mitigating factors such as the presence of escorts, the needs of the child, geographic dimensions or the route available. It is not possible from the present data to identify the number of places taken up by escorts or due to these other factors. This data should be identified by the Department of Education and Skills to inform a review of routes ensuring the most efficient use of bus size in line with the 2011 VFM recommendations. This would also facilitate a more granular examination of routes in the context of both mainstream and special education needs transport.

Figure 17: Additional Capacity per County

Source: Department of Education and Skills & Bus Éireann

3.3.4 Concessionary and Eligible Pupils

The rules governing eligibility are set out in Section 2.1 above. Pupils who are not eligible for school transport may apply for a concessionary ticket if there is spare capacity on an existing school transport route and no additional cost to the State arises. Figure 18 shows the breakdown of mainstream pupils in terms of eligibility for primary and post-primary pupils. Over the period 2010 to 2018 there has been a fall in the number of eligible pupils of nearly 32 per cent, while there has been a considerable increase in the number of concessionary pupils by 647 per cent. This has in part been due to changes in the scheme rules in 2012 following the 2011 Value for Money Review of the School Transport Scheme. These changes saw the cessation of the Closed/Central School Rule (CSR) at primary level and the catchment boundary system at post primary level. This also increased the number of eligible pupils to retain a route to 10. Concessionary pupils make up a higher proportion of total pupils at primary than post primary level, with 37 per cent of primary pupils being concessionary and 22 per cent of post primary pupils being concessionary in 2018. This represents an increase from 11 per cent and 1 per cent respectively in 2011.

As concessionary seats are only meant to be made available to pupils where there is a seat available on a bus at no additional cost to the State this should not affect the efficiency of the scheme, if

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17 “Where a primary school has been closed and amalgamated with another, children for whom the closed school would have been the nearest are eligible for transport, without reference to distance rules, to the school of amalgamation, even though this school may not be the nearest school. This is called the closed school rule.” DES (2011) pp 59
anything the efficiency should be improved due to increased contributions by pupils. However, as at 2018 there were 93 routes, 62 primary and 31 post-primary which did not have an eligible pupil on board. This suggests that concessionary pupils are leading to additional costs to the State, while most of these routes are multiple runs, some of which have no additional cost identified, there are at least 16 routes with additional costs, with a daily costs of €3,183 noted.

Similarly examining the prevalence of routes with less than 10 eligible pupils, in direct contrast with the 2011 VFM scheme changes shows 1,342 mainstream routes with less than 10 eligible pupils. This is in contrast to the recommendations under the 2011 VFM “the discontinuation of services under the minimum numbers which are part of double tripping arrangements with effect from September 2011.” and “… further recommends that a service will cease to be provided where there are less than ten eligible pupils.” (pp.115, Department of Education and Skills, 2011). An additional daily cost of €27,868 is noted for the 155 routes where a cost identified in the data.

**Figure 18: Mainstream Eligible and Concessionary Pupil Numbers**

**Number of Pupils**

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<td>Primary Concessionary</td>
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<td>Post Primary Eligible</td>
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<td>Post Primary Concessionary</td>
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</table>

Source: Department of Education and Skills & Bus Éireann

**3.3.5 Ticket Charges**

Charges for pupils are the same regardless of concessionary or eligible status. The charges in effect as at publication are outlined in Table 2. Given the average cost per mainstream pupil of €902, the charge per primary pupil represents 11 per cent of the total economic cost and the charge per post primary pupil represents 38 per cent of total economic costs. This is the same regardless of concessionary or eligible status. While a primary charge has been introduced since the 2011 VFM it is half of the recommended amount as per the VFM recommendations of €200.

**Table 2: Ticket Charges**

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<th>Charge</th>
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<tr>
<td><strong>Category</strong></td>
<td><strong>Charge</strong></td>
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<tr>
<td>Primary</td>
<td>100</td>
</tr>
<tr>
<td>Maximum Family Payment for Primary</td>
<td>220</td>
</tr>
<tr>
<td>Post-Primary</td>
<td>350</td>
</tr>
<tr>
<td>Maximum Family Payment for Post-Primary</td>
<td>650</td>
</tr>
</tbody>
</table>

Source: Bus Éireann
3.4 Interaction with other schemes

3.4.1 Medical Cards

Pupils who are eligible for school transport and who hold a valid medical card are entitled to free school transport to the nearest school. At the end of 2018 there were 29,066 pupils (25 per cent of total school transport scheme pupils) being transported who have medical card waivers, 6,809 of which were in primary school (13.7 per cent of total primary school transport scheme pupils) and 22,257 in post primary (33.4 per cent of total post primary school transport scheme pupils) (Figure 19). The 2011 VfM review recommended a nominal charge of €30 for those with a medical card and this has not been implemented.

Figure 19: Medical Card Waiver

Number of Pupils

Source: Department of Education and Skills, December 2018

4. Conclusions and Next Steps

The School Transport Scheme represents circa 2 per cent of total gross education expenditure and amounted to €200 million in 2018. This area has seen considerable growth, of over 290 per cent, over the past 20 years, from a base of €51 million in 1998. While pupils availing of the service have decreased by 22 per cent from 1998 - 2018. Although there was a softening of growth and some decreases in expenditure over the crisis period, expenditure in recent years has returned to growth and accelerated. Since 2011 the overall cost of school transport has increased 16.8 per cent from €171 million to €200 million in 2018. This increase has been driven primarily by increases in special education related costs.

Since 2012 Special Education transport has made increasing contributions to the overall increase in school transport costs, while mainstream school transport costs have been falling. Special education school transport costs have increased 76 per cent since 2011 and now represents half of the total expenditure on school transport, up from 35 per cent in 2011. This is driven by both increases in numbers presenting with special education needs for school transport and also to a lesser extent increased costs per pupils. Pupils with special educational needs now represent 11 per cent of total pupils on school transport, and have increased by 62 per cent since 2011. Cost per pupil with special educational needs has increased 9 per cent since 2011.
The increasing costs related to school transport and in particular in special education transport points to a need to examine the efficiency of the scheme. Factors that affect the efficiency of the school transport scheme include; the mix of contractor vs. Bus Éireann direct provision routes; the mode of transport employed; the resulting capacity and additional capacity on existing routes; and the geographic distribution of services.

The costs and efficiency of school transport are in part driven by the modes of transport, with taxi’s and mini buses attracting a higher cost per pupil than medium and larger vehicles. Since 2008 there has been an 80 per cent increase in the total number of vehicles (an increase of 3,143 vehicles). The largest percentage increase has been in medium size vehicles at 120 per cent closely followed by taxis at 118 per cent. The considerable increase in taxis is largely driven by the increase in pupils with special education needs requiring individualised school transport (98 per cent of taxi’s are for pupils with special educational needs).

The size of vehicles and the number of pupils transported has come under scrutiny by the Comptroller and Auditor General (2017), who indicated a concern amount of additional capacity in the system. While some of this capacity has led to additional provision of concessionary places, the 2011 VFM recommended the decrease of the size of buses to only cater for eligible pupils. In 2017/2018 while there was nearly 117,500 pupils availing of school transport places there was over 56,000 places additional capacity across school transport routes. This additional capacity needs to be examined by the Department of Education and Skills to ensure efficiency and value for money of the Scheme.

Over the period 2010 to 2018 there has been a fall in the number of eligible pupils on school transport of nearly 32 per cent, while there has been a considerable increase in the number of concessionary pupils by 647 per cent. This is due to only partial implementation of the 2011 VFM recommendations to change eligibility criteria and decrease bus sizes. Given ticket charges are not based on the full economic cost, with on average an 89 per cent subsidy for mainstream primary pupils and a 62 per cent subsidy for mainstream post-primary pupils, this effects the efficiency of the scheme.

Next steps:

- An independent route audit is currently ongoing, within the Department of Education and Skills, which will provide information on the effectiveness and the cost efficiency of the mainstream network. The policy implications of this route review should be considered along with progress on the 2011 VFM recommendations.
- Given one of the key drivers of expenditure is special educational needs transport and the growth in this area a review of special education needs transport should be undertaken to better understand the dynamics. This review should also consider how the scheme will operate in the coming years given the changes in special educational needs provision.
- Data should be improved in the following areas:
  - Comparison data on the expenditure drivers of Bus Éireann direct provision routes.
  - More data is needed on SEN school transport, including issues in relation to the composition and drivers of expenditure. This will allow a better understanding of issues such as increasing costs and capacity.
  - Given the proportion of SEN expenditure related to escorts there should be more data available on trends in escort hours and trend drivers.
  - More detailed data on capacity per route, taking account of escort places, is needed.
  - Issues in relation to quality and detail of route data need to be addressed.
5. Bibliography / References


Department of Public Expenditure and Reform and Department of Education and Skills, 2019, Monitoring Special Education Inputs, Outputs and Outcomes, Spending Review 2019, to be published July 2019.
6. Quality Assurance

Quality Assurance Process
To ensure accuracy and methodological rigour, the author engaged in the following quality assurance process.

✓ Internal/Departmental
  ✓ Line management
  ✓ Spending Review Sub-group and Steering group

☐ Other divisions/sections – Central Votes Section and the Public Service Reform and Delivery Office.
☐ Peer review (IGEES network, seminars, conferences etc.)

✓ External
  ✓ Other Government Department
  ✓ Semi State Body

☐ Advisory group
☐ Quality Assurance Group (QAG)
☐ Peer review (IGEES network, seminars, conferences etc.)
☐ External expert(s)

☐ Other (relevant details) – INSERT