



Government of South Australia

Department of Treasury
and Finance

REVIEW OF REGIONAL SCHOOL BUS SERVICES



Executive summary

The reality for regional residents (26.8 per cent of the state's total estimated population) is their remoteness to resources, essential support services and recreation, which requires them to travel significantly longer distances to access these services. Well-functioning transport systems are critical to regional social and economic inclusion. School bus services are one part of a broader regional bus and transport system. The regional bus system is separated with different providers (Department of Planning, Transport and Infrastructure, Department of Education, non-government schools and bus companies) each providing their own specific services. Changes to policy settings, access or pricing in one method of delivery will impact on other services.

The central policy principle behind school bus provision is to overcome disadvantages arising from distance (greater than five kilometres) between home and the nearest public school of right. Non-government school students are eligible to access Department of Education (DE) school buses if they meet eligibility criteria. There are currently over 440 government school bus routes, covering nearly 10 million kilometre per annum, servicing around 14 600 students, with over 1200 of the students being from non-government schools, costing \$39 million a year.

Review consultation revealed different community views about who is best placed to administer buses (Education or Transport) and a demand for greater access to services and extension of routes, qualified by concerns about cost and fairness. The consultation also revealed misunderstandings and confusion regarding the current policies regarding school of right and the 5 kilometre distance threshold. Concerns were raised about the broader community use of buses compromising school use and student safety. Concerns were also raised about the relationship between school bus policies, bus use and school enrolments.

School buses are part of a large and complex regional transport system with multiple elements where changing one part of the system has immediate implications for other elements of the system. There is an opportunity to improve regional transport by rethinking the use of school buses.

Changing transport, changes behaviour. Changing policies impacts on enrolment decisions. The diversity and strength of views means there are no easy changes in this policy area. Changing policy will impact on costs. Expanding routes and guaranteeing more students a place on a bus will increase costs.

Eligibility for access can be distinguished from service delivery. Policies regarding who is eligible to access transport assistance and the delivery of school bus services are interwoven causing confusion within communities. Both are managed by DE.

Options for reform are presented in three categories.

option 1	Logistical/Operational reform — extending routes to stop at non-government schools would add an estimated 300 000 kilometres per annum to bus routes. Allowing broader community access to buses would add cost, and administrative burden to schools and have implications for insurance coverage by different users.
option 2	Policy reform — changing school of right to school of choice is estimated to cost. Reducing the eligibility distance by 1 kilometre is estimated to cost. Each would impact on enrolments. Access for preschool students is estimated to cost and would require modification of buses as well as, increased duty of care in increased routes.
option 3	Regional transport system reform — the key ingredient to system reform is the outsourcing of the yellow buses. The contracting of all school bus services would better align with both the capabilities of DPTI to manage contracted service arrangements and is a pre-condition to enabling the integration of school bus services with other regional public transport and improving the effectiveness of both. However, outsourcing yellow buses would realise 'hidden' costs currently managed within DE. These costs would be partially offset by the proceeds from the sale of yellow buses.

Table of contents

Executive summary.....	3
Table of contents.....	5
Introduction	6
Summary of the review.....	7
South Australia’s regional school and transport systems.....	7
Background.....	7
Review analysis	7
Findings	8
Options for reform	10
South Australia’s regional school and transport systems.....	16
School buses as part of regional transport	16
Importance of regional mobility	17
Background	21
The current policy	21
Previous reviews of school buses.....	22
Comparison with other jurisdictions	22
The parameters around regional school buses.....	24
Review analysis.....	27
Whether DPTI or DE	27
Guaranteeing all students access to a place on a school bus	29
Allowing buses to stop at non-government schools	31
Broader community use of school buses.....	32
Other matters	34
Findings.....	37
Options for reform.....	38
Logistical/Operational reform.....	38
Policy reform.....	40
System reform.....	42
Appendix	45
Appendix 1: Consultation participants.....	46
Appendix 2: Previous school bus reviews.....	47
Appendix 3: Jurisdictional comparison of regional school transport services policies	49

Introduction

As part of a suite of election commitments to the non-government school sector, the government committed to non-government school students having fair access to school buses in regional areas. The commitment provided that a review of school bus services would inform the best mechanism for this, to be based on the principle that regional students should have reasonable access to transport as they do in the city. A previous review of regional school bus services undertaken in 2015 did not operate on this presumption.

Scope

The Terms of Reference for the review includes to:

- assess the potential efficiency and effectiveness of the transfer of the school bus management function from DE to the Department of Planning, Transport and Infrastructure (DPTI)
- identify the options and implications of guaranteeing all students, within a specified area, a place on a school bus, including non-government school students
- identify the implications of allowing existing buses on government school routes to make stops at non-government schools within the area of current routes, with consideration also given to broader routes. Currently, stops are only made at non-government schools if the bus passes it in the normal course of its route
- identify the options and implications of allowing buses to be used for broader community uses other than regular school transport purposes
- consider any other matters deemed relevant.

These terms of reference require the review to consider options and implications and do not explicitly seek the review to make specific recommendations. A full copy of the Terms of Reference is attached to this report.

To undertake this review a working group with members from the Department of Treasury and Finance, DE and DPTI was commissioned in late 2018. The working group commenced consultation in January 2019 to gather information, inviting relevant stakeholders and members of the community impacted by the current regional bus system to share their perspectives and raise important issues to be considered. A list of consultation meetings is provided at Appendix One.

This report is the end result of the review. The next section of this report outlines the nature and scope of the regional public transport and regional education systems. That is followed by background to this review that makes reference to previous reviews and details the current policy and parameters behind regional school bus services.

The *Review Analysis* section presents information and views considered as part of the review that have led to review findings (presented in the *Findings* sections) and that have informed the Options for reform presented at the end of this paper.

The length of the document has warranted a summary version of the submission being included as the next section. The summary is then followed by the detailed version of the submission. Structuring the document in this way will mean readers will experience repetition.

The review has relied on contributions from members of the community and has accessed data on student enrolments, bus routes, the costs for operating buses and modelling of the cost to operate bus routes. The working group would like to acknowledge contributors to this review that made time available for meetings, that put efforts into submissions, that provided feedback to the YourSAy website and that contributed other data and information used in this review. The review has also relied on financial modelling of school bus services prepared by KPMG.

Summary of the review

South Australia's regional school and transport systems

The reality for regional residents (26.8 per cent of the state's total estimated population) is their remoteness to resources, essential support services and recreation, which requires them to travel significantly longer distances to access these services.

In regional South Australia (in 2018), 77 054 students attended school at one of 341 regional primary and secondary schools. Of these schools, 278 are government schools and 63 are non-government schools.

It is estimated that around 23 000 school students in regional South Australia (30 per cent of students enrolled) rely on buses to get to and from school. Of this cohort, 14 600 rely on government school buses

School bus services are one part of a broader regional bus and transport system that includes:

- Public regional services (coordinated by DPTI) broken into three categories of service:
 - regional school bus services run and contracted by non-government schools
 - long-haul bus services run by private companies
 - federally funded community services in some communities
 - subsidised medical services used to move patients for medical appointment and treatment.

The regional bus system is separated with different providers (DPTI, DE, non-government schools and bus companies) each providing their own specific services.

Changes to policy settings, access or pricing in one method of delivery will impact on other services.

Background

The central policy principle behind school bus provision is to overcome disadvantages arising from distance (greater than five kilometres) between home and the nearest public school of right.

Non-government school students are eligible to access Department of Education school buses if they live more than five kilometre from their nearest government school but cannot be guaranteed the bus route will drop them at their school.

Previous reviews done by DE have considered changes in policy regarding school of choice, the distance of the nearest school to home and access for non-government school children and preschool children. Changes of policy were not recommended primarily due to a range of factors including cost, impact on school enrolments and associated resourcing issues.

There are currently over 430 school bus routes overseen by the DE (the majority contracted to bus companies) serving students across regional South Australia that cover nearly 10 million kilometres per annum. There are around 14 500 students using the services, with over 1200 being from non-government schools.

In 2018, the school bus services (including allowances) cost \$38.9 million to run.

Review analysis

There are differing views about having DE or DPTI administer school buses. The bus industry and principal associations share the view that buses should be run by transport experts and education by education experts. Feedback gathered during the review indicates the school and parent communities are largely of the view that the bus services are part of their community and should remain within the control of these communities.

Access to a government school bus is a matter of policy. Non-government school students are eligible for access to school buses, if they meet distance criteria consistent with that applying to government students – ie 5km or more from their government school of right. There is a minimum of 10 eligible students required to maintain or establish a school bus route.

Feedback indicated that the current policies regarding access to a place on a bus are not universally well understood. There is further confusion in instances where there is excess capacity on bus routes and ineligible government and non-government schools are granted access, then later excluded where additional eligible students require a seat. This creates the expectation that access will be ongoing.

Consultation revealed a community desire for increased access in general to school buses, notably because it would save families money. Many parents wanted an expansion of eligibility to meet their individual circumstances. Issues of fairness and cost were raised along with the impact that increased access would have on enrolment patterns. It was also noted that increased access to government school buses would disrupt the current functioning of other school and public bus services.

Amending the existing routes of government school buses to include non-government schools is within the authority of the department. A number of school bus routes already stop at non-government schools. Over 100 routes would need to be extended to reach non-government schools. The extension of routes are supported by the community with concerns raised about fairness and cost. The extension of routes to enable non-government students to access their non-government school (effectively their school of choice) creates inequity with government students who do not have the same choice of school.

Broader community access to buses was interpreted in community consultation as shared bus services between school students and members of the public resulting in strongly expressed concerns about student safety. Concern was also shared about community use of buses detracting from the access and timeliness of school bus services. Matters of administering community use and assigning costs for maintaining and running buses to other users were raised as concerns on this element of the terms of reference.

Community feedback, in particular parents, made special note of issues associated with the safety and behaviour of students on buses and on who has duty of care for the students. Another implication of changes to school buses of concern to the community is the impact of school buses on enrolments and on the viability not only of small schools, but also of small communities. Transport options in regional areas are being impacted by: viability difficulties of small airlines and of bus companies; by reforms in other government policies like NDIS and Home and Community Care Schemes and by drought. Participants in the industry put forward views about the opportunity to reform school buses as part of improving access to public transport more generally in regional South Australia.

Findings

School buses are part of a large regional transport system with multiple elements

Changes in policy will result in a range of consequences to existing users and providers. Changing one part of the system has immediate implications for other elements of the system. Expanding the scope of government intervention through guaranteeing access or expanding school bus routes will cost government and will see some crowding out of private providers.

School buses are part of a broader regional bus system that is quite separated and lacks integration. The focus on school buses is a focus on the narrow use of public assets for one purpose.

There is an opportunity to improve regional transport by rethinking the use of school buses.

Changing transport changes behaviour

Changing policies on school buses will not only impact on the access and use of school bus transport, it will impact on family decisions regarding enrolments and placement of children in schools across regional South Australia.

There are diverse and emotive community views about school bus services. The review reveals differing views about who should pay for school bus services and who should have rights of access and rights of choice to use it. The policies have implications for school enrolments, and some also believe, there are implications on the viability of smaller schools and in turn the survival of some small communities.

There are no easy changes in this policy area. Changes to these services will trigger varying responses across the community.

Changing policy will impact on costs.

Eligibility for access can be distinguished from service delivery

Two matters regarding the management of school buses should be distinguished:

- Eligibility to access school buses
- The delivery of school bus services.

Policies regarding who is eligible to access transport assistance and the delivery of school bus services are interwoven causing some confusion within communities. Both are managed by DE. Some of the misunderstanding identified in the review consultation can be attributed to the interconnection between the two elements. They can and should be more clearly distinguished.

The review has reached the conclusion that options for reform can be considered in three categories:

1	Logistical/Operational reform	2	Policy reform	3	Regional transport system reform
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Options for reform

option 1	Logistical/Operational reform (changes to routes and community access to yellow buses)
	<p>Extending routes to non-government schools will:</p> <ul style="list-style-type: none">• impact on 114 current routes;• add an average of 13.5 kilometres per day per route, or 300 000 kilometres per annum;• displace existing public and non-government school bus services;• create confusion regarding eligibility; and• impact on school enrolments. <p>Broader community access to school buses has options of:</p> <ul style="list-style-type: none">• bus only access; or• bus plus driver access on school days (when staff are present and sites accessible) and will require out of hours access to sites and staff on non-school days. This access will have a number of implications, including:<ul style="list-style-type: none">– cost, and cost recovery;– administrative;– national competition policy; and– insurance (community users not covered).

Policy reform (changing school of right to school of choice, changing eligibility distances and access to preschool children)

Reducing the eligibility distance by 1 kilometre is estimated to:

- increase access by 800 students; and
- [REDACTED]

Changing school of right to school of choice will:

- increase usage of school buses;
- result in approximately 4000 eligible students;
- require 60 additional buses;
- [REDACTED]
- impact on school enrolments.

An increase of approximately 1000 students would absorb current capacity.

Access for preschool students (an estimated 1300) will:

- [REDACTED]
- require modification of buses, increased duty of care and increased routes.

System Reform (transferring management, outsourcing yellow buses and integration with other regional public transport)

Current school buses consist of a mixture of direct delivery (yellow buses) and contracted delivery.

- DE is best placed to oversee the direct delivery of yellow buses given their placement in schools.
- DPTI is best placed to oversee the management of contracts to support the delivery of services and best placed to integrate school bus services with other regional bus services.

The key ingredient to system reform is the outsourcing of the yellow buses.

The contracting of all school bus services:

- would better align with the both the capabilities of DPTI to manage contracted service arrangements; and
- is a pre-condition to enabling the integration of school bus services with other regional public transport and improving the effectiveness of both.

Outsourcing yellow buses:

- realises 'hidden' cost of operating yellow buses, that would be partially offset by the proceeds from the (once off) sale of yellow buses.

Summary of options

Situation	Findings	Option	Implications (including cost/revenue)
Current operational arrangements	Current policy provides equity of access between government and non-government school (NGS) students, with the exception of drop off at NGS.	1. Logistical/operational reform option	
		(a) Retain current operation of contracted and yellow buses as well as school of right and distance policy but extend routes within towns so that all students are dropped off at their school (i.e. including drop-off at NGS).	Will affect private contractors who currently obtain fares for this service between the two schools. Consultation feedback suggests extending routes to NGS will impact government school enrolments (potential cost offset). Cost/revenue: [REDACTED] Assumes 177 routes impacted.
Current policy	Current arrangements provide equity in access to school bus services for government and NGS. Exception is that NGS students are not guaranteed to be dropped beyond government school as they are exercising choice in by passing their government school of right. Lack of community understanding of how the policy works	2. Policy reform options (Education costs have not been modelled)	
		(a) No change to current policy. Re-affirm and communicate current policy that ALL children are eligible for a seat to their nearest government school. Implement/reinforce consistent policy application across schools.	Requires no additional resourcing or change to policy. No visible or tangible actions have been implemented and therefore perceived inequity is not addressed Cost/revenue: Nil
		(b) Reduce the boundary for eligibility by 1 km (from 5km to 4km).	Increases amount of students who can access buses. Likely to require additional routes. No rationale for 4km limit over other distances — e.g. 3.5km — will always be someone who 'just misses'. Cost/revenue: [REDACTED] Assumes an additional 800 government students being eligible.
		(c) Change from school of right to school of choice — allowing all students to have access to bus to their school of choice.	Removing school of right will change enrolments and may impact viability of smaller schools in regional towns. Additional school resourcing and staffing costs (not costed). Smaller schools cannot be closed without parent agreement. Cost/revenue: [REDACTED] Approximate increase of 4000 eligible students and 60 additional buses — assuming 1000 can be absorbed within current capacity.
		(d) Include all preschool students as eligible in current policy (i.e. reside >5kms).	Extending eligibility to preschool children requires an increased duty of care with younger children and specialised seating. Additional routes may be required for half day sessions. Cost/revenue: [REDACTED] Assumes 1300 pre-school students.

Situation	Findings	Option	Implications (including cost/revenue)
Current system	<p>Cost of yellow buses is <u>lower than</u> contracted services, on both average km and per student cost basis.</p> <p>[REDACTED]</p> <p>In future years there is likely to be significant capital cost to replace the fleet as the buses reach replacement age.</p> <p>Key cost driver in expanding contracting options.</p> <p>Differential costs identified would not result in equivalent reduction of government costs if all services contracted.</p> <p>[REDACTED]</p>	3. System reform options (No change in eligibility policy)	
		<p>(a) Transfer responsibility for both yellow buses and contracted services from DE to DPTI.</p> <p>Shared function:</p> <ul style="list-style-type: none"> – DPTI to operate the school bus service. DE to maintain the administration of the education policy – DE to manage local school administration of bus access (currently managed by individual principals and SSOs). 	<p>Better alignment of service delivery with capability and agency expertise.</p> <p>Brings SA school bus responsibility into line with other jurisdictions.</p> <p>Bus industry prefers DPTI as contract manager.</p> <p>Yellow bus services could be transitioned to contracted services over time.</p> <p>DPTI do not currently employ bus drivers or directly operate bus services – operation of yellow buses would be a new service.</p> <p>Functions across two departments may be administratively more complex to manage and some local school management may still be required.</p> <p>Cost/revenue: [REDACTED]</p> <p>FTEs would transfer from DE to DPTI.</p>
		<p>(b) Contract all bus routes and transfer operation to DPTI to manage contracts.</p> <p>DE to manage parent /school matters and determine access eligibility of individual students.</p>	<p>Better alignment of service delivery with capability and agency expertise.</p> <p>Bus industry prefers DPTI as contract manager.</p> <p>More efficient operation with bus operators to determine best routes.</p> <p>Enables alternative uses of buses outside school use.</p> <p>More expensive.</p> <p>Cost/revenue: [REDACTED]</p>
		<p>(c) Transfer management of school buses, outsource yellow buses and integrate with other regional transport to:</p> <ul style="list-style-type: none"> – DPTI to manage all functions – DE to advise student eligibility. 	<p>Integration of regional school bus service contracts with regional passenger services provides more attractive service offering to private operators and may result in lower contract prices overall.</p> <p>Contract operators to determine routes to best meet demand.</p> <p>Maximises potential use of buses.</p> <p>Combining regional school bus services with passenger services may exclude smaller operators.</p> <p>Cost/revenue: [REDACTED]</p>

Situation	Findings	Option	Implications (including cost/revenue)
		<p>(d) Transfer management of school buses, outsource yellow buses, integrate with other regional transport and:</p> <ul style="list-style-type: none"> – remove school of right policy – reduce eligibility to >4km. 	<p>Maximises efficiency of services and asset utilisation.</p> <p>Maximises service delivery and standards for regional communities.</p> <p>Provides equity of access.</p> <p>Does not guarantee a seat on the bus for all students – distance eligibility remains.</p> <p>Removing school of right will change school enrolments.</p> <p>Additional school resourcing and staffing costs likely, potentially offset by movement to non-government schools (not costed).</p> <p>May exclude small operators.</p> <p>More expensive.</p> <p>Cost/revenue: [REDACTED]</p> <p>Cost estimate is subject to a range of assumptions — difficult to reliably estimate behaviour change for school of choice, distance distribution of students and route changes.</p> <p>Should this option be supported — further would need to be undertaken to confirm cost.</p>
Current costs	<p>Average cost per km is higher for contracted bus services, compared with the average cost of yellow buses (operated by DE), comprising estimated cost of:</p> <ul style="list-style-type: none"> - financing - insurance - overheads - profit margin/other. 	Cost recovery options	
		(a) Charge all students [REDACTED] to access school bus services.	<p>Additional costs associated with options to expand access could be offset.</p> <p>Cost/revenue: [REDACTED]</p>
		(b) Charge students not attending their school of right metro fares for each trip.	<p>Provides pricing signal.</p> <p>Consistent with metro school students.</p> <p>Cost/revenue: [REDACTED]</p>
		(c) Introduce a ticketing system, similar to metro buses.	<p>Would require capital investment and system development.</p> <p>Optimum benefit if all services outsourced and integrated with regional passenger services.</p> <p>Provides information for route planning.</p> <p>Cost/revenue: [REDACTED]</p>

Situation	Findings	Option	Implications (including cost/revenue)
		(d) Introduce a user pays contribution from non-government schools.	<p>Some NGS currently provide bus services — sample data obtained from 21 NGS indicates those schools provided transport for around 25 per cent of students.</p> <p>Should government provide additional services for NGS, this would reduce NGS' costs.</p> <p>Independent schools indicated a preparedness to pay during consultation.</p> <p>Cost/revenue: To be negotiated.</p>

South Australia's regional school and transport systems

More than one quarter of South Australians live in regional South Australia. As of June 2018, our regional population was 465 400 people, 26.8 per cent of the state's total estimated population of 1 736 422 people.

School buses as part of regional transport

Regional school bus services coordinated by DE is one component of South Australia's regional transport system.

Other elements of the system to assist school students include:

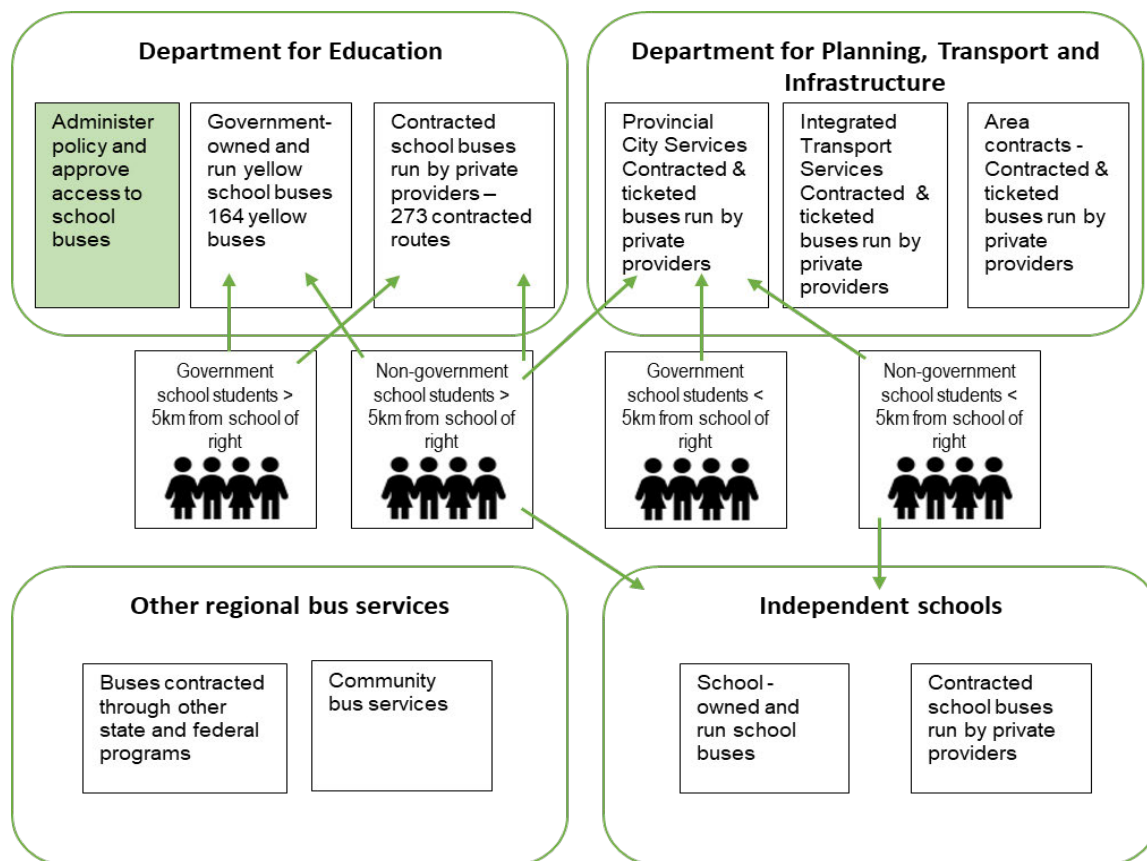
- Non-government school buses coordinated by non-government schools for the benefits of their own students. Some of these buses are owned and operated by non-government schools, while others are contracted out by non-government schools to commercial bus companies. Some buses are funded by the local school community to pick up children who reside within 5 kilometres of the school and are also used for school excursions and events.
- Public transport buses that transport children to schools as part of the normal public bus routes.

For nearly all of regional South Australia, there are no regional train systems. The only regional train services that operate are the Ghan, the Indian Pacific and the Overland.

School bus services are also one part of broader regional bus and transport services. In the regions there are a range of bus services including:

- public regional services (coordinated by DPTI) broken into three categories of service:
 - provincial city services
 - integrated transport services
 - area contracts
- regional school bus services, coordinated by the DE and delivered by schools and contractors
- regional school bus services run and contracted by non-government schools
- long-haul bus services run by private companies
- federally funded community services in some communities
- subsidised medical services used to move patients for medical appointment and treatment.

Figure 1: Overview of school buses as part of the regional bus services



The school bus service is large relative to other regional bus services. For DPTI services, budget papers report 1.1 million passenger journeys in regional South Australia per annum. The school bus services, coordinated by DE, cover over 2.7 million passenger journeys per annum.

The regional bus system is separated with different providers (DPTI, DE, non-government schools and bus companies) each providing their own specific services.

Changes to policy settings, access or pricing in one method of delivery will impact on other services. For example, enabling access to government run school buses for community use during the day, could disadvantage incumbent bus companies that rely on fares from, or grants for, community use buses.

Feedback received during the review has included views that changing policies for the delivery of regional school buses is an opportunity to improve regional public transport. There has been a plea to focus on redesigning regional public transport services to improve the movement of people in regions generally, not just school students.

Importance of regional mobility

The reality for regional residents is their remoteness to resources, essential support services and recreation, which requires them to travel significantly longer distances to access these services. This contributes to residents' disconnection from everyday community involvement, placing them at a heightened risk of social exclusion. A lack of personal mobility opportunities increases the risk of:

- isolation
- unemployment
- adversely impacted child health and development
- family violence
- ability to access essential services such as medical and dental.

In addition to their remote living, regional South Australia is limited in its public transport options, making it almost a requirement for residents to own a car. However, some are unable to drive (eg, children, elderly residents, etc.).

Even with the limited transport options available in regional South Australia, there is considerable spare resource capacity not being used. For example, the community transport buses frequently travel only short kilometres during the year with evenings and weekends having considerable spare capacity. Further, the school buses are restricted to transporting students to and from school, but otherwise sit idle during the remainder of the weekdays and weekends.

A coordinated public transport system in regional South Australia that integrates school buses into a 'total transport model' would combat some of the disadvantages faced by regional communities and help to enhance social inclusion.

South Australia's regional school system

In regional South Australia (in 2018), 77 054 students attended school at one of 341 regional primary and secondary schools. Of these schools, 278 are government schools and 63 are non-government schools. There are also 184 regional preschools that had 5798 enrolments in 2018.

Summary data for regional schools and preschools is provided in Figure 2.

Figure 2: Summary data for regional schools in 2018

Type of school	Number	Enrolments	Use government school bus	% of enrolments
Primary and Secondary				
Government	278	57 661	13 310	23.1
Non-government	63	19 393	1 263	6.5
Sub total	341	77 054	14 573	18.9
Government preschools	184	5 798	not eligible for bus	

Figure 2 shows that in 2018 over 14 500 regional students relied on a government school bus for transport to and from school. Of these students, over 1200 students were from non-government schools.

The review sought data from non-government schools on the provision of bus services by those schools. Detailed data was provided by 21 schools. A summary of this data is provided in Figure 3.

Figure 3: Sample data from non-government schools

Type of school	No. of responses	No. of enrolments	Use government school bus	% of enrolments	Use non-government school bus	% of enrolments	Total bus use	% of enrolments
Catholic	10	3 951	236	6.0	512	13.0	748	18.9
Independent	11	4 395	147	3.3	1 540	35.0	1 687	38.4
Sub total	21	8 346	383	4.6	2 052	24.6	2 435	29.2

The sample data indicates that the respondent schools provide transport for nearly a quarter of their students. When this is combined with the students that use government school buses, the sample data indicates that over 29 per cent of students in the regional schools surveyed rely on either a government bus or on their own school bus to get to school.

Across all regions, this translates into an estimated 5658 students relying on buses, of which 1263 use government buses and the remainder relying on non-government school bus services. This level of reliance will have implications for guaranteeing access to a government school bus.

DPTI collect data on student patronage of public buses in regions. This data indicates that around 2900 students rely on public buses each day.

Together, the data suggests that around 23 000 students in regional South Australia rely on buses to get to and from school. This equates to around 30 per cent of all enrolled students in regional South Australia. The majority rely on government provided school buses (ie, 14 573 equating to 18.9 per cent of all enrolled students).

The number of students that use government provided school buses is determined by demand from families which is constrained by DE policies. The next section of the report will provide some background to these policies and more details behind the operations and costs of government school buses.

Regional bus passenger services — DPTI

Overview

DPTI administers 28 contracts for regional passenger transport services, comprising:

- **11 Area Contracts.** Area contracts provide long distance services between key towns and regional centres with Adelaide. Contractors do not receive an operating subsidy, rather the cost of service is recovered by fare revenue and concession reimbursements for concession fares provided to eligible passengers.
- **7 Provincial City Contracts** operated in the six regional centres of Port Lincoln, Port Pirie, Port Augusta, Whyalla, Mount Gambier and Murray Bridge. Contractors provide regular town and school services within these cities.
- **10 Integrated Transport Service Contracts** that connect smaller communities with regional centres. These contracts provide a range of service models, including fixed, scheduled services, dial-a-ride services and demand responsive services.

There are a total of 11 contractors providing these services, using approximately 140 contractor owned vehicles across approximately 110 routes.

Cost

- Contractors meet the cost of providing services through fares and subsidy payments for some services.
- Concession fares are available to eligible concession card holders and are 50% of the regular fare. Some contractors also provide discounted multitrip tickets and four-weekly student passes. Concession reimbursements are paid to contractors for concession fares provided to eligible passengers
- In 2018-19, regional bus patronage was 1,065,000.

Key points to note from the South Australia's regional school and transport systems section

The reality for regional residents (26.8 per cent of the state's total estimated population) is their remoteness to resources, essential support services and recreation, which requires them to travel significantly longer distances to access these services.

In regional South Australia (in 2018), 77 054 students attended school at one of 341 regional primary and secondary schools. Of these schools, 278 are government schools and 63 are non-government schools.

It is estimated that around 23 000 school students in regional South Australia (30 per cent of students enrolled) rely on buses to get to and from school. Of this cohort, 14 600 rely on government School buses

School bus services are one part of a broader regional bus and transport system that includes:

- Public regional services (coordinated by DPTI) broken into three categories of service:
- regional school bus services run and contracted by non-government schools
- long-haul bus services run by private companies
- federally funded community services in some communities
- subsidised medical services used to move patients for medical appointment and treatment.

The regional bus system is siloed with different providers (DPTI, DE, non-government schools and bus companies) each providing their own specific services.

Changes to policy settings, access or pricing in one method of delivery will impact on other services.

A coordinated public transport system in regional South Australia that integrates school buses into a 'total transport model' would combat some of the disadvantages faced by regional communities and help to enhance social inclusion.

Background

The current approach to delivering regional school buses is determined by Department of Education policy which has its roots in legislation. This section of the report will provide background to the review by making reference to the current policy, referring to previous reviews and by presenting a range of parameters that summarise the current service.

The current policy

Authority for the transport of school children to and from school is contained in Section 9(8) of the Education Act 1972 which provides that:

“The Minister may, in such manner and to such extent as he thinks fit, provide or arrange for the transport of children to and from any school and may pay the whole or any portion of the cost of transporting children to and from any school.”

The main principle behind this policy is that school is compulsory and that families should not be disadvantaged by the distance from their home to their nearest available government school (their school of right). The current policy defines disadvantage by reference to a ‘school of right’ (the nearest appropriate government school). The current policy **does not** define disadvantage with respect to the ‘school of choice’.

Eligibility for access to school transport is determined with reference to the nearest government school and bus routes are defined with reference to government schools.

The current policy states that:

“A school bus service may be established where at least 10 school age students reside 5 kilometres or more by the shortest most practicable route from the nearest appropriate government school or school bus service provided by the department, and the majority live beyond 8 kilometres.”

Eligibility for school bus travel is determined having regard to the place of residence of the student at any given time.

For **government** school students: To be eligible for travel on a departmentally operated or contract provided school bus to and from school, students must reside 5 kilometres or more by the shortest most practicable route from the nearest appropriate government school.

Primary and secondary students attending **non-government** schools and who reside 5 kilometres or more by the shortest most practicable route from the nearest appropriate government school, have a right to use existing bus services to travel to that government school.

The Chief Operating Officer (COO) of DE has delegated authority from the Minister to approve the establishment of a new school bus service.

Bus routes are established with reference to government schools and, as a matter of policy, buses are not involved in additional travel to visit a non-government school.

While non-government school students have a right to use the bus services, the service may not be designed to drive these students to their non-government school. For non-government school students eligibility is necessary, but not sufficient, to get to school on a government school bus. They also rely on their non-government school being on the route to their government school of right.

Where a bus route is not available to an eligible student, the DE provides an allowance to help cover part of the costs incurred by the family in transporting their child to school.

Where there is excess capacity on an existing bus routes, ineligible students, including pre-school and TAFE students may be granted permission to use the school bus, but is not guaranteed a place. Permission is granted on a case-by-case basis, determined by the school principal charged with managing the bus concerned.

Previous reviews of school buses

The 2015 School Bus Review (2015 Review) focused on identifying areas of the School Transport Policy that were working well, and areas where resources could be reconfigured to improve services to ensure equitable and efficient school transport services to students.

The key parameters that were considered include the:

- Distance requirement — reducing the 5 kilometre requirement;
- Student eligibility, including for:
 - Non-government school students, and
 - Preschool students; and
- ‘School of right’ — changing to a ‘school of choice’ approach.

An online survey was facilitated as part of the 2015 Review, which invited government schools, preschools and their school communities to share their views on the current regional school transport system. The survey identified community support for the option for students to be transported to their school of choice by the government buses, regardless of attendance at government or non-government schools. The survey also found that 65 per cent of respondents supported the prospect of expanding eligibility for transport services to preschool children.

While limited cost estimates were presented as part of the 2015 Review, DE identified the likely implications that changes to the School Transport Policy would have on government costs and resources. In summary, the review made the following findings:

- Reducing the distance requirement would result in an increase in the number of students eligible to access transport services. Reducing the distance requirement to 4.5 kilometres was estimated to require the purchase of an additional eight buses [REDACTED]
- Amending the School Transport Policy to a ‘school of choice’ approach would result in a significant increase in the size, complexity and cost of transport services operated across the State and impact on school enrolments.
- Transporting non-government school students to their school rather than their nearest government school was not recommended due to cost.
- Expanding eligibility to preschool children would have cost implications and would be highly complex to administer.

The DE also completed an earlier review of its School Transport Policy in 2006 (2006 Review). Similar to the 2015 Review, the 2006 Review did not recommend changes to the distance requirement, student eligibility or changes to the ‘school of right’ principle. The reasoning provided for these recommendations were largely consistent with those of the current review in particular, that the changes would have significant cost implications.

Comparison with other jurisdictions

As part of the review a comparison was with other state regional school bus systems. In other states, a distinction is made between the policies for eligibility to access school buses (administered by Education Departments) and the delivery of school bus services (administered by Transport authorities). Other jurisdictions use distance as a means of determining eligibility for an allowance or free fare to use a public bus or a publicly operated school bus. The following table provides a summary jurisdictional comparison.

Appendix Two provides more detail on the jurisdictional comparison of the current regional transport systems managed and operated across Australia.

Jurisdictional Comparison of Regional School Transport Services Policies

	Policy administration	Management of school bus services	Determination of eligibility	Fully outsourced	Access to nearest government school	Access to nearest non-government school	Priority to non-government students	Fares charged to students	Subsidies provided to students	Free travel options	Boundary limitations Km
SA	Education	Education	Education	No	Yes	No	same eligibility	some NGS	Yes	Yes	5km
NSW^(b)	Transport	Transport	Transport	Yes	Yes	Yes	No	Yes	Yes	Yes	2.9km
VIC^(c)	Education	Transport	Education	Yes	Yes	No	Yes	Yes	No	Yes	4.8km
QLD^(d)	Transport	Transport	Transport	No	Yes	No	Yes	Yes	Yes	No	4.8km/3.2km ^(a)
WA^(e)	Transport	Transport	Transport	No	Yes	Yes	Yes	Yes	Yes	Yes	4.5km

(a) 3.2km for primary school students.

Key points:

- (b) NSW: fully outsourced system subsidised by Transport. Combination of both regional bus services as well as school specific bus routes.
- (c) VIC: free travel if they attend closest school, pay a fare if not attending the closest school. Priority to closest school students.
- (d) QLD: has a combination of both contractor and government owned routes — mainly due to extensive distances of some routes in particular regions.
- (e) WA: free travel to nearest appropriate school, a fare may be charged if the region is outside of the 'designated' region.

The parameters around regional school buses

Current data regarding school buses

There are currently over 430 school bus routes overseen by the DE serving students across regional South Australia that cover nearly 10 million kilometres per annum. A number of routes are run by schools using government owned 'yellow' buses with drivers hired by the DE. All other routes are contracted out by the DE to bus companies that deliver services with their own buses and their own drivers. A summary of the scope of services is provided in Figure 4.

Figure 4: Distances covered by government-run School Buses

	No. of routes	Km per route per day	Km per year	Average km per route	Average km per year
Yellow buses	164	20 143	3 927 885	122.8	23 950.5
Contracted buses	266	30 080	5 865 600	113.1	22 051.1
Temporary contracts	7	680	132 600	97.1	18 942.9
Total	437	50 903	9 926 085	116.5	22 714.2

The routes are run by 48 operators (including DE). The majority (33 businesses) are small operators which have anywhere from 1 to 3 routes.

This would imply that a large portion of the routes are operated by small businesses. The nature of the business involved is relevant to considering the impact of any changes in the configuration of regional and school buses services.

Figure 5: Number of operators

Operator type	#
Small — 1 route	16
Small — 2 routes	11
Small — 3 routes	6
Medium — 3-10 routes	10
Large — 10+ routes	5

Aside from the Department of Education, larger operators include:

- Australian Transit Enterprises operates 70 routes including almost half of all the routes in the Adelaide Hills, Mid-North and Barossa Region;
- Stone Bus Services operates 40 routes largely in the South East
- Willunga Charter operates 27 routes including almost half of the routes across the Fleurieu Peninsula; and
- Swan Hill Bus Lines Pty Ltd operating 15 routes largely in the Riverland.

When considering regional impacts it is worth noting how routes are dispersed across cities and towns in regional South Australia. This is summarised in Figure 6.

Figure 6: Number of routes

	Number of routes per city or town												
	1	2	3	4	5	6	7	8	9	10	11	12	16
# of Cities/Towns	21	11	12	12	10	11	6	3	5	3	2	1	1

Usage and capacity

Delivery of a bus service requires demand for services to be matched as best as possible with supply of services. For school buses, this is managed by DE through the operation of routes with different sized buses. Based on 2018 data, some regional buses were facing the issue of excess seating supply compared to demand, with some buses having over 20 per cent excess capacity. Figure 7 presents a range of data, by region, to demonstrate usage of school buses.

Figure 7: Usage and capacity of school buses

Region	No. of government schools	Current bus use by government	NGS student use (of government schools bus)	No. of bus users	Total bus capacity	Excess bus capacity	Excess capacity (%)	No. of bus routes
Eyre	35	1 635	118	1 753	2 030	277	13.6	64
North	32	461	7	468	476	8	1.7	20
Yorke	14	746	73	819	1 017	198	19.5	28
Mid-North	51	2 032	372	2 404	2 673	269	10.1	68
Barossa	15	1 006	132	1 138	1 369	231	16.9	26
Hills	32	598	104	702	640	-62	-9.7	25
Fleurieu	16	2 491	81	2 572	2 710	138	5.1	59
Riverland	25	1 415	110	1 525	1 541	16	1.0	35
Murray-Mallee	18	1 079	81	1 160	1 511	351	23.2	48
South East	41	1 849	180	2 029	2 657	628	23.6	67
Total	279	13 312	1 258	14 570	16 624	2 054	12.4	440

In the current system there is capacity of over 2000 seats, albeit unevenly spread across regions. Some have larger capacity and some have smaller capacity.

Overall, there is capacity on selected bus routes (as shown from the above tables) to accommodate additional students.

The Hills is an area of concern. There is currently more students in need of a school bus seat than there are available. From the information supplied by DE, the three schools of concern are Heathfield High School, Birdwood High School and Mount Barker High school. These three schools have both DE and contractor buses servicing the students and there are no non-government students on these routes.

Costs

In 2018, it cost DE \$39.7 million to deliver school bus services to regional South Australia and to provide allowances to eligible students that did not have bus services available.

A breakdown of these costs is shown in Figure 8.

Figure 8: Department cost of school buses and allowances (2018)

	Cost \$
Allowances	
Contractor expenses	
Other transport services (operating buses)	
Depreciation of Yellow buses	
Total	
Total cost excl. allowances	38 681 233

The 'Other transport services' costs include the cost of:

- hiring bus drivers

- fuel
- maintenance of buses
- registering buses.

They do not include costs incurred by schools in administering the delivery of services at the local level. The cost bases for yellow buses and for contracted services are quite different. For contracted services, in addition to the costs above, there are also costs specific to these enterprises that are not recognised in the 'yellow bus' costs, namely:

- costs of financing buses
- insurance costs
- overhead costs associated with running a bus business
- margins required to maintain a viable business.

The costs reported in Figure 8 have been combined with the distances covered and with the number of students using the service. The results of this are reported in Figure 9 below.

Figure 9: Average cost per kilometre and per student (\$)

	Total cost for 2018 \$
Contractors expense	
Yellow bus expense	
Total cost (excluding allowances)	38 681 233

The figures in the table reflect the different cost bases for contractors and for yellow buses. The review has looked into the difference in costs and is satisfied that the different can be explained by the different treatment of costs by contractors and the department.

The contractor's expense line is considered the best indicator of the cost per kilometre and cost per student. The average cost per kilometre and the average cost per student will be used as the basis for estimating the cost impacts of reforms suggested by the terms of reference to this review.

Key points to note from the background section

The central policy principle behind school bus provision is to overcome disadvantages arising from distance (greater than five kilometres) between home and the nearest public school of right.

Department of Education school bus routes are designed around government schools.

Non-government school students are eligible to access Department of Education school buses if they live more than five kilometre from their nearest government school but cannot be guaranteed the bus route will include their school.

Previous reviews done by the Department of Education have considered changes in policy regarding school of choice, the distance of the nearest school to home and access for non-government school children and preschool children. Changes of policy were not recommended primarily due to Departmental budget constraints.

There are currently over 430 school bus routes overseen by the DE (the majority contracted to bus companies) serving students across regional South Australia that cover nearly 10 million kilometres per annum. There are around 14 500 students using the services, with over 1200 being from non-government schools.

In 2018, the school bus services (including allowances) cost \$39.7 million to run.

Review analysis

This section of the review report presents an analysis of consultation that occurred on each of the elements of the terms of reference. This analysis will be presented under headings that align with the review's terms of reference, namely:

- Whether DPTI or DE
- Guaranteeing all students access to a place on a school bus
- Allowing buses to stop at non-government schools
- Broader community use of school buses
- Other matters.

Three primary forms of consultation occurred in the review:

- Consultation with DE staff involved in the delivery of transport services
- Meetings with organisations and participants in the regional school system
- Online consultation through the YourSAY platform to receive feedback from across the South Australian community.

A number of participants made written submissions to the review.

Whether DPTI or DE

DPTI have responsibility for the delivery of regional public transport by managing contracts with bus companies across regional South Australia. DPTI manages three contract types:

- Provincial city Services
- Integrated Transport Services
- Area Contracts

DPTI no longer hire their own bus drivers.

DE run over 430 routes. Of these, 164 are bus services owned and run by the school and department, while 273 bus routes are contracted out to regional bus contractors.

It is observed that in other jurisdictions in Australia, policies and assessment regarding eligibility for school bus travel are managed separately from the delivery of bus services. The former is typically administered by the jurisdiction's Education department while the latter is typically administered by the jurisdiction's Transport department.

Issues raised in consultation

Consultation has shown this to be a polarising issue.

Associations like Bus SA, the Motor Transport Association and the secondary and primary schools principals associations believe that bus services should be delivered by those with expertise in the area that is DPTI.

Bus operators would prefer to contract with the agency that has specialist expertise in managing bus services and bus contracts. Feedback from contractors was that DE did not seem to understand their business as well as DPTI would, impacting on the viability in the provision of school bus services. It was observed that Education Services had a primary focus on the costs of delivering services and less on the longer term sustainability of delivering the services.

The view of industry participants and bus operators is that the delivery of regional school bus services should be considered alongside the delivery of public and community regional bus services. The view shared is that the

current approach separates the delivery of regional school bus services from other regional services to the detriment of regional bus transport in general. The yellow school buses are public assets that are underutilised and which could be put to use to deliver mobility solutions to a wider community base than just school children.

To the contrary, feedback from yourSAy, and from some within the school system is that the school buses are more like an extension of the school and that due to matters of duty of care and behaviour management, responsibility for school buses should remain with DE.

Those who see the bus service as an extension of the school community make the case for leaving the service with the DE and schools:

“It also ensures that the bus service is seen as an extension of the school community and that child safety and staff connections are maintained within the school.”

The yellow buses also provide a flexibility for those schools they service to be used for school excursions or other school events across the school year.

There were also views shared in consultation that DPTI may not understand regional requirements and safety issues.

School buses are a workload issue for school principals and for Education Directors. The workload and budget are not aligned. A number of schools are using their core funding to allocate resources to running bus services. School principals also have the issue of not having backups should drivers not be able to attend work. Education Directors receive a range of complaints about school buses from parents. This represents a material amount of their time and effort.

Figure 10: Summary of YourSAy feedback — DPTI or DE

Preferred management	Number	Percentage
DPTI	22	36.7
DE	24	40.0
Neither ^(a)	14	23.3
Total	60	100.0
(a) The YourSAy feedback suggests there is not a strong view either way about who is best placed to manage school bus services.		

Views shared on the YourSAy platform

- Children’s safety: members of the community raised concerns that there are no child protection laws or safety measures in place if the ownership shifts to DPTI.
- Many comments were made that ownership should belong to country operators as they best know the area. Some suggestions were made that DPTI/DE could contract out country operators.
- Arguments were made insisting that departments should do what they are made to do i.e. ‘Transport for Transport’ and ‘Education for Education’.
- Those that favour DPTI believe that:
 - it will relieve pressure from schools who are currently responsible for administering bus services under the policy, and
 - DPTI are the experts in the field of transport.
- Those that favour DE believe they have the schools’ and children’s best interests in mind.
- Regardless of which agency retains administrative responsibility of the regional transport system, that agency should work closely with the regional communities (i.e. parents, schools, committees, etc.) to ensure administration of the services aligns as best as possible with student and school needs.
- Moving administering responsibilities to DPTI would lead to charges being applied across all bus users as per regular buses in metropolitan Adelaide.

Guaranteeing all students access to a place on a school bus

Which students are guaranteed access to a place on a school bus is a matter of policy.

The current policy guarantees a place on a bus for:

- Eligible government school students (those that live more than 5 kilometres from their nearest government school) who choose to go to that school
- eligible non-government school students (those that live more than 5 kilometres from their nearest government school) who choose to use the service to their nearest government school.

The current policy does not guarantee a place on a bus for:

- government school students that live within 5 kilometres of their nearest appropriate government school
- government school students that choose to go to a government school other than their nearest government school
- non-government school students who live within 5 kilometres of their nearest appropriate government school
- any preschool students or TAFE students.

Students in the latter three categories may be granted permission to use the school buses, provided there is space, but cannot be guaranteed a place on the bus. Permission is granted on a case by case basis, determined by the principal of the school concerned. This creates uncertainty for these families, requiring alternative transport arrangements to be made.

The current policy operates under the ‘school of right’ principle, where a student’s ‘school of right’ is:

‘the nearest appropriate government school to their place of residence, measured by the shortest most practicable from the government school to their residence’.

Where parents choose to enrol their child in a non-government school, or a government school other than the school deemed to be their ‘school of right’, this is classified as a ‘school of choice’.

The 5 kilometre distance requirement is applied in determining a student’s eligibility. A student, **whether a government or non-government school student**, is eligible for access to a departmentally run school bus service where the student resides 5 kilometres or more from their nearest appropriate government school — their ‘school of right’.

It is emphasised that eligibility extends to both government and non-government school students. However, it is important to distinguish being “guaranteed” a place on a bus from the routes that the buses follow. While a non-government school student has a right to a place on the bus, there is no guarantee that the bus will stop at their school.

The bus will only stop at their non-government school if that school is on the route and at a scheduled stop. If the school is not, the student will be dropped off at the government school and then find their own way to their school.

Issues raised in consultation

There is some misunderstanding of the extent to which the current policy guarantees access to school bus transport. It is not well understood that there is currently a guarantee for non-government school students that are eligible and that choose to use the service.

The current policy seeks to overcome the regional travel disadvantages with distance linked to a school of right.

Many of the complaints about guaranteed places relate to students that live within 5 kilometres of their nearest government school (i.e. that are not eligible under the current policy). This gives rise to varying

opinions about the choices available to parents. Parents of children in non-government schools assert that their right to choice of a school is impacted by the current policy.

Guaranteeing all students a place on a bus regardless of distance, implies a change in policy which will bring with it significant additional costs from having more children catching buses.

Changing access to school bus transport by reducing or removing the eligibility distance requirement will impact on:

- The use of existing bus services contracted by schools and the use of regional public transport services
- The consultation also suggests that guaranteeing students' access to school bus services, regardless of which school they attend, will change enrolment patterns. Easier access to transport is likely to result in more families choosing non-government schools over their current government school and will likely change enrolment patterns within the government school system.

The matter of who should pay for a guaranteed place on a bus has been raised during the consultation. It is seen that guaranteeing students a place on a bus would mean wider access to school bus services. This has led to questions regarding the affordability of the policy and questions of equity where students attending non-government schools are given access to free bus services for what is a school of choice rather than a school of right.

Guaranteeing all students a place on a bus must also have regard for whether the term '*all students*' includes preschool students and TAFE students. Allowing access for preschool students brings attention to duty of care policies and the requirement for suitable adult supervision on buses. Access to TAFE students also introduces the possibility of people of any age (TAFE students can include mature age attendees) sharing buses with preschool, primary and secondary school students.

Figure 11: Summary of YourSA feedback — Guaranteeing Access

	Number	Percentage
Main concerns/issues		
• cost	28	16.8
• routes	13	7.8
• opportunity/fairness	126	75.4
Total number of responses	167	100.0
Support for all students to have access		
• yes	145	86.83
• no	10	5.99
• undecided	12	7.19
Total number of responses	167	100

Views shared on the YourSAy platform

- There is an overwhelming support for all students of both government and non-government schools to have guaranteed access to a school bus.
- The main issues is that there is fairness amongst students and that it is there 'right' to have access to any school bus.
- A few comments raise concerns of the potential costs involved in the event that all students are guaranteed access to a school bus, including concerns that parents will incur these costs.
- A large number of comments are from parents whose children attend non-government schools and who are calling for a review into the service to make it a fairer system.
- There is a call to review the current rule that if a student lives within 5 kilometre of a school they are not entitled a seat on a bus. A number of participants agree this should be changed.
- Many respondents believe that government run buses should be for government schools only.
- Some comments suggest that regional students need to have the same access to transport as those of non-regional (city) students.

- Under the current arrangements, kindergarten children are not able to use the buses — some comments suggest this should be reviewed.

Allowing buses to stop at non-government schools

The Chief Operating Officer in the Department of Education has delegated authority from the Minister to plan new bus routes and vary existing routes.

The current policy states:

“Bus stops should be planned so that buses do not stop more than four times in any 2 kilometres section. Principals should consult with bus drivers and bus contractors to establish bus stops, having regard to safety.

Bus stops should, where possible, be off the road on the left hand side, unless a suitable area e.g. a parking bay, is conveniently located. There is no requirement for a bus to pick up or set-down students on the school side of the road. However, this should be encouraged where practicable.

Students must not be set-down at other than their normal bus stop without specific approval in advance from the principal (see below).

Students attending non-government schools are permitted to use existing school buses to travel to those schools, provided that the buses are not involved in additional travel to visit the non-government school.”

Analysis has been done of the 177 routes that currently transport eligible non-government students. Of these, 63 already have a stop at the relevant non-government school. The remaining 114 routes do not have a stop at the non-government school requiring the route to be extended should an additional stop at a non-government school be required. The distance for most routes from the government school to the non-government school is between 0.5 kilometre and 4 kilometre at an average of around 2 kilometres. There are a number of examples of schools that are over 10 kilometres apart (e.g. Coffin Bay-Port Lincoln) adding both time and distance to bus routes.

Issues raised in Consultation

A number of schools have observed that government school buses that could stop at non-government schools are not, rather driving past non-government schools and dropping students off at their nearest government school.

Figure 12: Summary of YourSAy feedback — Extending bus routes

	Number	Percentage
Overall impact		
• positive	56	70.89
• negative	8	10.13
• undecided	17	21.52
Total number of responses	81	100.0
Main concerns/issues		
• cost	26	32.91
• routes	25	31.65
• eligibility/fairness	28	35.44
Total number of responses	79	97.5

Views shared on the YourSAY platform

- The main concern is that students should be able to get to school as efficiently as possible.
- There is strong support for buses to stop at non-government schools, irrespective of whether the school is currently not on the route.
- There are concerns of half empty buses bypassing non-government students who are not eligible to ride on the bus.
- Similarly, there are concerns of non-government buses bypassing non-government schools on their existing route.
- Many respondents have raised the question, 'is it fair' and makes perfect and reasonable sense.

Positive impacts noted

Some of the common views arising out of the feedback received relating to the option of allowing buses to stop at non-government schools included:

- Parents having the ability to choose a school for their child without having to consider whether or not their child is eligible to use a government operated bus would be a fairer system.
- There would be less financial burden on parents of non-government schools who pay for buses and/or the costs of their travel.
- This would ensure buses are being fully utilised/filled and parents will feel secure that their children have a safe transfer to school.
- Expanding routes will have positive environmental impacts by reducing the number of cars on the road.
- Non-government school kids will be safer.

Negative impacts noted

Some of the common views arising out of the feedback included:

- Expanding existing routes would be a complicated process. The government would need to consider critical factors such as would extending routes mean significantly longer travel time and therefore, children would be on buses for longer.
- This option may result in increased traffic around school areas.

Broader community use of school buses

School buses are public assets. Of the 437 routes, 164 are operated by yellow school buses. The yellow buses are primarily used in the morning and mid-afternoon pick-up and drop-off times for 195 days a year. When they are not in use (outside school mornings and afternoons and for 170 days a year), they are underutilised public assets.

Allowing buses to be used for broader community uses, other than regular school transport services, seeks to utilise these assets at other times during the day and during the year. Options raised include:

- local government volunteers being able to use the buses while children are at school or on non-school days to run community services
- commercial operators accessing the yellow buses to complement their fleets during the day and on non-school days.

Implications to consider from using school buses for community use are:

- it could result in customers shifting from commercially run routes to free or cheap school use services impacting on the viability of commercial operators
- it would require policies to be established around constraints to use the buses and arrangements, should community use result in a bus being held up or being late as a result of a community run
- would increase administration of the use of yellow school buses currently undertaken within the schools
- would increase costs associated with school drivers that are currently contracted for morning and afternoon
- would require some form of cost-sharing to reflect the impact of community use on running costs like maintenance and fuel

- matters of liability and insurance depending on who is allowed to run and operate the bus for community use.

Issues raised in consultation

The administration of the running of school (yellow) buses within schools is not explicitly funded by transport services. This cost is absorbed into the general administration costs of the schools and is effectively a hidden cost in running a bus service.

Consultation revealed that the terms of reference of this review was confused by some as meaning that members of the public would be able to share the bus with school children in the mornings and afternoons. This triggered responses of concern largely from among parents about children sharing the bus with members of the public.

Preschool children only attend preschool for between three and four hours per day. In some preschools, children will attend mornings on some days and early afternoon on others. The different hours will require additional bus runs during the day to transport preschool children to and from preschool.

Figure 13: Summary of YourSAy feedback — Community use of buses

	Number	Percentage
Concerns		
• cost/ economic benefit/ loss	19	23.8
• routes	5	6.3
• eligibility	2	2.5
• child safety	34	42.5
• purpose	20	25.0
Total number of responses	80	100.0
Should buses be available for the wider community?		
• in favour	43	53.8
• not in favour	23	28.8
• undecided	14	17.5
Total number of responses	80	100.0

Views shared on the YourSAy platform

- There is some support for buses to be extended to community use.
- There is a need to address the purpose of the buses. Lots of comments are happy for the buses to be used during school time, but their main use should be the servicing of students to and from school.
- Overwhelming concern of the safety of the students on the bus if used with the general public.
- Of the responses who support community use, there is strong support for the buses to be used for other community groups during the day when they would otherwise sit idle.
- Concerns of the financial costs — how would drivers distinguish between school students and members of the public.
- Concerns with maintenance of the buses — additional driving would result in higher maintenance costs. Members of the public were concerned about who would be charged this fee.
- Buses are used for evacuations in relation to bush fires in some country areas — buses need to be readily available for this use.

Other matters

Safety, behaviour and a duty of care on buses

Feedback from parents in the review revealed a strong concern for moving from dedicated school buses to shared buses (children sharing buses with members of the public), particularly on longer country bus routes. Parents shared safety fears arising from students travelling with strangers.

Concerns were also shared about the behaviour of students on buses. These include worries that the increased use of government school buses by non-government school students may fuel more 'us vs. them' behaviour on buses that may not be able to be contained by drivers. Further, the ability of the government school principal to manage behaviour and exercise duties of care become more difficult when a greater number of bus passengers do not attend their school.

Countering these concerns are observations made that thousands of city students share transport to school every day with strangers and adult members of the public. Feedback also suggested that behaviour and safety on buses with school children is improved by having adults on board providing a form of immediate accountability for young peoples' behaviour. It is suggested that bullying and anti-social behaviour between students is greater on dedicated school buses and less when buses are shared with adults.

Many of these concerns reflect issues that exist now on a range of bus routes. There are currently regional students sharing buses with strangers in order to get to school. There are currently non-government and government school students sharing buses (both Education run buses and public buses).

There are currently government and non-government school students sharing buses with only the driver available to moderate behaviour on the bus.

Another duty of care issue raised repeatedly to defend maintaining yellow buses was that Education department control was required to respond to local events like bush fires. It was suggested that DE were better placed to manage this than DPTI. Countering this view is that a range of regional bus services of one form or another are currently overseen by both DPTI and DE. A range of DE routes are contracted out. DPTI would be equally well placed to manage contracted services as DE is for government school routes.

Risks travelling on school buses

In research conducted by Bus SA, fear of child abuse was one of the major barriers identified as preventing the wider use of school buses in regional areas. However, this view was not held by all locals and limited reports exist of abuse on children by adult passengers on school transport. The more common event to occur on school transport and which is highlighted by bus drivers as a significant problem is bullying. Bus drivers reported that bullying and aggression occurs daily on school buses, with common forms of bullying including verbal (90 per cent), psychological intimidation (70 per cent), physical bullying and fights (27 per cent), and sexual harassment (20 per cent). Parents also raised concerns about their children being exposed to unsuitable language and the behaviour of older students, while surveyed children reported their bus riding experience to be negative with teasing and bullying occurring on the school bus, often with younger students being targeted by older students.

While drivers have been reported to use a range of strategies to interrupt or prevent bullying, bus drivers have expressed frustration with the lack of interest schools are taking around the problem.

Research has indicated that bullying is more commonly committed by children/youths and more frequently occurs on the school bus than during any other part of a student's school day. Bullying has also been found to be more common where there is a lower level of adult supervision and therefore, the presence of adults on school buses may help to reduce or prevent the incidence of bullying, particularly where adults are equipped with successful intervening methods.

Impact on small town communities

Concerns have been shared about the viability of some smaller schools should transport policies change from a policy based school of right to one based on school of choice. However, in some cases, concerns about the viability of schools translates into concerns about the viability of small communities, some of which exist

primarily because of the school. Examples of small towns that would be impacted by threats to the viability of their schools include:

- Andamooka (Upper North)
- Nangwarry (South East)
- Kalangadoo (South East)
- Wilmington (Southern Flinders Ranges)
- Melrose (Southern Flinders Ranges)
- Hawker (Flinders Ranges)

There are inconsistencies in the application or perceptions of policies. Some non-government schools are charged an administration fee for their children to access government school buses.

An opportunity to reform regional public transport

Participants in the industry put forward strong views that a review of school buses represented a good opportunity to reform regional public transport.

Government run school buses are one part of the effort to help members of regional communities move around. Government delivery of school buses by DE and the regulation of regional public transport services by DPTI both indicate that regional transport services relies on government intervention to function.

Regional communities and regional bus services have been impacted by:

- cheaper airfares impacting on the viability of long-haul providers
- the drought and increased fuel prices, impacting decisions about changes in funding arrangements in areas like home and community care (HACC) and disability funding (NDIS). Traditionally, funding was provided directly to service providers that would then deliver services to clients. Reforms in these areas have seen funding move away from traditional providers of services and allocated directly with clients. The market for a range of services, including transport, has changed. This has threatened the immediate viability of some service providers, while they and their clientele adapt to the new funding models.

The viability of bus companies is an issue being faced by both DE and DPTI with bus contractors to both agencies alerting their departments to tight operating conditions.

Requests were made to not reform school buses in isolation from reconsidering how the full range of regional transport solutions are delivered.

Suggestions were put forward of more flexible service delivery models that allowed bus companies to tender for the provision of a vehicle that could address a range of community needs (including school buses) with funding levels set for a number of kilometres of routes serviced and/or a number of passengers and then let the bus providers work with communities to understand demands and to design services to go to where the demand is. More flexible approaches to regional public transport delivery should be considered.

Other specific feedback received in the review includes:

There is some perception about secrecy regarding routes and a non-transparency in cost benchmarks.

There is some confusion about the application of policies and a perception of inconsistent application. In some cases, routes are changed to accommodate non-government school children and yet in others there is inflexibility.

Changes in school curriculum are impacting on transport requirements. Increasing numbers of year 11 and year 12 students include TAFE courses in their studies. There is an increasing need to transport children to TAFE as part of their year 11 and year 12 courses as well as the benefit of transport to TAFE improving TAFE enrolments.

Key points to note from the Review Analysis section

There are differing views about having DE or DPTI administer school buses. The bus industry and principal associations share the view that buses should be run by transport experts and education by education experts. The school and parent communities of the view that the bus services are part of their community and should remain within the control of these communities.

Access to a government school bus is a matter of policy. The current policies regarding access to a place on a bus are not well understood. Non-government school students are eligible for to access school buses. Consultation revealed a community desire for increased access to school buses, notably because it would save families money. Issues of fairness and cost were raised along with the impact that increased access would have on enrolment patterns. It was also noted that increased access to government school buses would disrupt the current functioning of other school and public bus services.

Amending the existing routes of government school buses to include non-government schools is within the authority of the department. A number of school bus routes already stop at non-government schools. Over 100 routes would need to be extended to reach non-government schools. The extension of routes are supported by the community with concerns raised about fairness and cost.

Broader community access to buses was interpreted in community consultation as shared bus services between school students and members of the public resulting strongly expressed concerns about student safety. Concern was also shared about community use of buses detracting from the access and timeliness of school bus services. Matters of administering community use and assigning costs for maintaining and running buses to other users were raised as concerns on this element of the terms of reference.

Community feedback, in particular parents, made special note of issues associated the safety and behaviour of student on buses and on who has duty of care for the students. Another implication of changes to school buses of concern to the community is the impact of school buses on enrolments and on the viability not only of small schools, but also of small communities. Transport options in regional areas are being impacted by: viability difficulties of small airlines and of bus companies; by reforms in other government policies like NDIS and Home and Community Care Schemes and by drought. Participants in the industry put forward views about the opportunity to reform school buses as part of improving access to public transport more generally in regional South Australia.

Findings

School buses are part of a large regional transport system with multiple elements

Changes in policy will result in a range of consequences to existing users and providers. Changing one part of the system has immediate implications for other elements of the system. Expanding the scope of government intervention through guaranteeing access or expanding school bus routes will cost government and will see some crowding out of private providers.

School buses are part of a broader regional bus system that is quite separated and lacks integration. The focus on school buses is a focus on the narrow use of public assets for one purpose.

There is an opportunity to improve regional transport by rethinking the use of school buses.

Changing transport changes behaviour

Changing policies on school buses will not only impact on the access and use of school bus transport, it will impact on family decisions regarding enrolments and placement of children in schools across regional South Australia.

There are diverse and emotive community views about school bus services. The review reveals differing views about who should pay for school bus services and who should have rights of access and rights of choice to use it. The policies have implications for school enrolments, and some also believe, there are implications on the viability of smaller schools and in turn the survival of some small communities.

There are no easy changes in this policy area. Changes to these services will trigger varying responses across the community.

Changing policy will impact on costs. Expanding routes and guaranteeing more students a place on a bus will increase costs.

Eligibility for access can be distinguished from service delivery

Two matters regarding the management of school buses should be distinguished:

- Eligibility to access school buses
- The delivery of school bus services.

Policies regarding who is eligible to access transport assistance and the delivery of school bus services are interwoven causing confusion within communities. Both are managed by DE. Some of the misunderstanding identified in the review can be attributed to the interconnection between the two elements. They can and should be more clearly distinguished.

The review has reached the conclusion that options for reform can be considered in three categories.



Changing routes is a matter of logistics and changing operational parameters without necessarily changing fundamental policy parameters. It will be considered in the section on operational reform.

Giving access to all students involves a fundamental change to policy parameters and has wider implications. It will be considered in the section on Policy reform.

Allowing school buses to be used for broader community use and transferring the school bus management function from DE to DPTI are elements of system and regional reform of bus services more generally. They will be considered in the section on regional transport reform.

Options for reform

Options for change have been identified with regard to the fact that the delivery of school buses is part of a broader regional transport system and that the changes sought in the terms of reference are interrelated. For example, guaranteeing access requires a change in policy that will force an expansion and changing of routes.

Options for reform are presented in three categories.

1	Logistical/Operational reform — changes routes without changing eligibility of access for funded school bus services
2	Policy reform — changes in policy that extend eligibility.
3	System wide Reform — rethinking the delivery of regional transport in general.

As sought by the terms of reference to the review reform options are presented along with the implications of these options. The terms of reference did not the review to make recommendations.

Logistical/Operational reform

The most straightforward reform from the terms of reference is to extend school bus routes to allow stops at non-government schools. The other operational change covered by the terms of reference is to make yellow buses available for broader community use outside of school hours without disruption to the current services to transport students.

Extend routes to non-government schools — distances and \$

The primary impact of extending routes to non-government schools is the cost from the additional distances driven for each route. The implications of extending routes has been looked at for each of the routes that currently carry non-government school students.

The main implication from this change is financial with either additional kilometres travelled on existing routes or changes to routes to accommodate non-government schools.

The number of routes impacted by this change is 177.

Of these, 63 currently stop at non-government schools along the route and 114 would need to have their route extended. Extending a route by 1 kilometre results in an additional 4 kilometres of travel per day. Routes impacted by this change would be increased in length by an average of 3.4 kilometres resulting in a total increase in route distances of 384 kilometres. This amounts to a total increase in the number of kilometres driven per day by school buses of 1537 kilometres.

Over a full school year, this would see school buses travel an additional 300 000 kilometres across all routes. At an average contractor cost, the estimated cost to government of extending routes to reach non-government schools is [REDACTED]

Extend routes to non-government schools — other implications

Extending existing bus routes to travel to non-government schools would impact on the current services used to get non-government school students from government schools to their school. Public transport buses and non-government school buses currently transport students from government school stop off points to non-government schools. These services would lose fare paying students from these routes.

Some of these buses may stop and some may continue with a change in routes for government school buses.

Changing this arrangement is likely to result in confusion as there will be government school buses transporting eligible students from government schools to non-government schools, while non eligible students will need to continue to rely on public transport and non-government school buses for this purpose.

Feedback received during the review suggests that changing routes to extent to non-government schools would impact on enrolments. This transport constraint is currently a reason why some families do not choose to enrol in non-government schools.

Broader community use — options

Access for broader community use only applies to the yellow buses owned and run by DE. Options include:

- Access to the bus only (no driver) on non-school days only — community members or groups book the use of school buses on days when they will not be used for school (i.e. weekends, public holidays and school holidays). While this would require minimal administration, it would require some school staff to be available during holiday periods for users to access and return the bus.
- Access to the bus only (no driver) when not used by the school — this option enables broader community use during school days and out of school hours but still accessing the bus with their own drivers. This requires a more sophisticated booking system and runs the risk of incidents on school days interrupting the use of the bus by the school.
- A more complex variant on each of the above options would include access not only to the yellow bus, but also to the DE driver.

Another option is for all remaining yellow buses to be outsourced to private contractors for all operations, enabling private contractors to utilise the buses for broader community use.

Broader community use — implications

The implications to government and to its schools of broader community use are:

- financial — additional bus use will increase the cost of running buses.
- school flexibility — schools having access to yellow buses provides them with greater flexibility
- administrative — yellow buses are currently administered by the local schools. There will be increased administration to schools from them effectively operating a bus hire business
- insurance/liability — yellow buses are the property of DE and therefore, broader community use will have insurance implications.
- The cost and cost recovery implication also include the triggering of national competition policy as community access to school buses is likely to displace other bus services.

There will also be implications from this to existing regional bus providers. The likelihood of access to yellow buses being cheaper than access to publicly provided buses would see some crowding out occur. An example would be a local government using volunteers to driver yellow buses for a series of community events scheduled for weekends or during school holidays. This would displace the use of other bus contractors to support the event impacting on the viability of the regional bus company.

Policy reform

Guaranteeing all students within a specified area, a place on a school bus, including non-government school students represents a fundamental change in the policy on eligibility for school buses.

The current policy restricts eligibility with respect to distance (over 5 kilometres) from a school of right (the nearest government school). Guaranteeing all students a place on a school bus removes the restriction arising from school of right and contemplates reviewing distances.

Without changing the distance (5 kilometres) more students become eligible for transport assistance if the policy is changed from school of right to school of choice. At the extreme, every family could make their school of choice one that is more than 5 kilometres from their home, thereby making every regional student eligible for transport assistance.

There are a number of potential implications from this guarantee:

- Increase the number of non-government school students eligible to use government funded buses.
- Reduced number of students using public bus routes and paying fares
- Reduced number of students using buses provided by non-government schools
- Increased cost of allowances
- Impact significantly on enrolments including:
 - government school students switching from their government school of right to a government school of choice
 - government school students switching to a non-government school
 - non-government school students switching to a government school of choice.
- ‘all’ can be interpreted to include preschool students.

Implications from policy changes have been considered in three stages. The first considers changing the policy regarding school of choice whilst keeping other policy parameters the same (i.e. distances and exclusion of preschool students). The second considers also narrowing the distance parameters in the current policy and the third adds the impact of extending the policy to preschool students.

Implication 1: Change school of right to school of choice. Keep the distance at 5 kilometres. Continue to exclude preschool students.

There are currently 19,300 students enrolled in non-government schools. Around 1,250 of these students are currently using school buses with an estimated 5,600 relying on non-government school buses. Guaranteeing all non-government students a place on a bus would likely see the majority of these 5,600 students transfer their transport from their own school buses that incur a cost across the government school buses.

For the purposes of costing, it is assumed that this change in policy would add 4,000 students to the government bus program. There is some capacity in the current system that could absorb around 1000 of these students, resulting in additional services needed to accommodate 3000 students.

Adding 3,000 students to the government school bus runs, would require an additional 60 buses [REDACTED]
[REDACTED] This policy change would displace demand and fare revenue from existing public bus services and from non-government school providers. The government would, in turn, rely on those same providers and contractors to take up the extra demand on the government school bus program from this policy change.

Implication 2: Reduce the distance parameter by 1 kilometre down to 4 kilometres.

The current policy restricts eligibility to students that are 5 kilometres or more away from their school of right. It is not a straightforward exercise to estimate the number of students within specific distances of a government school. Estimation has been done that suggests that for each 0.5 kilometres that the distance

requirement is narrowed, another 400 government school students would become eligible and would choose to use the services.

If the distances were reduced to 4 kilometres, another 800 government school students would require transport, requiring another 16 buses

Implication 3: Include preschool students.

The third implication to consider from guaranteeing all students a place on a bus is that it implies expanding the policy to include preschool students. In 2018, there were 5800 preschool students enrolled. Assuming a similar take up from preschool students as there are for government primary and secondary school students (23.1 per cent of enrolments) would result in an estimated 1300 preschool students taking up the service across the state.

This would require 26 more buses to be run (assuming full capacity) and based on a cost per student

It is reasonable to expect that transporting preschool students may incur other additional costs including adult supervision on buses with preschool students and increased safety requirements for buses with preschool students. This is likely to make the cost per student higher for this policy change.

Figure 14: Impacts of policy changes

Policy Change	Increase in students eligible	Impact on cost	Other impacts
Change from school of right to school of choice	4000 with 1000 to be absorbed into current capacity		Will see widespread changes in enrolments.
Changing the 5 kilometre boundary to a 4 kilometre boundary	800 government students		Will see some changes in enrolments.
Interpreting ‘all’ students to include preschool students	1300 preschool students		Increased duty of care with younger children travelling including special purpose seating. Additional routes for half day preschool.

If guaranteeing all students on a bus includes all three of the above changes, the additional cost to government This amount would increase further with reductions to the distance parameter below 4 kilometres.

This would see expenditure on school bus programs

Cost recovery options

Given the cost impacts associated with policy changes, consideration has also been given to cost recovery and cost sharing arrangements to offset some of these costs.

Preliminary modelling has been done on the current system resulting in an estimate of



Changes on this scale and a program warrant review of the program’s place amidst all regional public transport. This leads to consideration of reforms to regional school buses as an opportunity to reform regional bus transport.

System reform

As indicated earlier, government school bus services are one part of the demand for public transport in regional South Australia. Changing policies and the provision of school bus services will impact on regional public transport by displacing current services and providing opportunities for bus companies to take up additional school bus runs.

The cost implications of policy reforms detailed in the previous section of this report are material. The additional investment they represent may be better considered as additional investment into regional public transport.

Longer term, efficiency and effectiveness gains in regional school buses and regional public transport will come from:

- the separation of policy eligibility for access to transport assistance from the delivery of the bus services. Eligibility is a matter of policy and allocation of transport subsidies and concessions to families to overcome disadvantage
- reforming how eligibility translates into access to services through the use of a regional student bus card (modelled on the metro card system) with a government funded value determined by policy
- aligning the delivery of school bus services with other public regional bus services and contracts so that the provision of regional bus services that meet the need of customers whether or not they are school students or any other member of the community. Bus operators that transport student can provide services funded by fares collected through the use of regional bus cards.

Elements of system reform that are triggered by the terms of reference and that have arisen during the review include:

- The transfer of school bus management from Education to DPTI
- The outsourcing of 'yellow' school bus services to be delivered by contractors
- The integration of regional school bus services with other regional bus services.

The potential efficiency and effectiveness of the transfer of school bus management from DE to DPTI is impacted by the mix of school bus services (i.e. yellow bus services versus contracted bus services). The current mix is that of the 447 routes operated in 2018, 164 were operated directly by the Department of Education (37 per cent) and the remainder operated by bus companies under contract with the Department of Education (63 per cent).

DPTI is better placed to:

- enable better integration of school bus services with other regional bus services
- design routes that are consistent with school and regional transport requirements
- manage matters associated with fares and concessions
- consider the viability of bus providers as an important ingredient to the provision of bus services
- oversee standards related to bus maintenance, licencing and regulations.

However, DPTI no longer manages the delivery of bus services. For metropolitan and regional bus services, DPTI manages contracts with private suppliers. Management by DPTI is likely to be more efficient and effective where school bus services are managed under contract rather than by direct delivery.

Department of Education is better placed to:

- Manage matters of policy regarding eligibility for access to school transport assistance
- Continue to coordinate routes and maintain yellow bus services as a service within schools as long as there are yellow buses as part of the service delivery mix.

Direct delivery of school buses (yellow buses) is more likely to remain effective remaining with schools and therefore within the Education system.

Simply transferring the management of school bus services with the current mix of yellow buses and contracted buses is unlikely to lead to increased efficiencies or effectiveness in the management of the service.

The key ingredient to system reform therefore becomes the outsourcing of the yellow buses being operated by the Department of Education. The contracting of all school bus services would better align with both the capabilities of DPTI to manage contracted service arrangements and is a pre-condition to enabling the integration of school bus services with other regional public transport and improving the effectiveness of both.

However, the outsourcing of yellow buses to operate under contract will realise a number of additional costs. These cost differences were identified in detailed costings of the current services undertaken for the report and relate to:

- **costs of financing buses** – the Department of Education do not borrow money or incur any costs of capital to finance the purchase of buses. Purchases are funded through the budget process. Any borrowings that would be attributed to the school buses would incur the government's cost of borrowing which would be lower than a bus company's cost of borrowing
- **insurance costs** – the department of Education does not have specific insurance policies associated with running of school buses. The government arranges its own insurance through SAICORP that serves to centralise insurance costs. Bus operators explicitly recognise insurance costs and assign them to the cost of delivering a bus service.
- **overhead costs associated with running a bus business** – yellow buses are kept in schools and overseen by the Department. A number of overhead costs for the business of running buses are not explicitly recognised as such and therefore are understated for yellow buses. Commercial operators make this cost explicit.
- **margins required to maintain a viable commercial business** – schools and the department have no requirement to generate a profit for owners. Commercial bus operators explicitly require a margin as a return on capital to their owners.

It is expected that outsourcing yellow buses will see these costs differences be explicitly recognised in the contracts established with private providers. This will bring to account additional expenses that will impact on the State finances.

This would be partially offset by the once-off proceeds from the sale of the current school bus fleet.

Options available to the government for the transfer of services from Education to DPTI include:

option 1	Immediate full transfer – transfer the management of all school bus services from DE to DPTI with the current mix of services (37 per cent yellow buses and 63 per cent contracted) with DPTI to then be responsible for coordinating routes and outsourcing yellow buses.
option 2	Partial transfer – transfer contract management for contracted school bus services from DE to DPTI but leave the coordination of routes and the operation of yellow buses with DE.
option 3	Outsource then transfer – outsource the remaining yellow bus services and then transfer the management of all school bus services from DE to DPTI. This option would involve having DPTI assisting DE with the outsourcing prior to the transfer of the management of all contracts and routes to DPTI.

Each of these options would require the establishment of a separate project team to oversee the outsourcing of the buses and the transfer of functions, to ensure the delivery of school bus services to families is not disrupted while the reforms are occurring.

Key points to note from the option for reform section

Options for reform are presented in three categories.

option 1	<p>Logistical/Operational Reform (changes to routes and community access to yellow buses — Extending routes to non-government schools impacts on 114 current routes (adding an average of 13.5 kilometre per day per route) and would add a total of 300 000 kilometre per year [REDACTED] Extending routes will displace existing public and non-government school bus services, create confusion regarding eligibility and impact on school enrolments.</p> <p>Broader community access to school buses has options of bus only access or bus plus driver access on school days (when staff are present and sites accessible) and on non-school days that will require out of hours access to sites and staff. This access will have cost, and cost recovery, implications, administrative implications, national competition policy implications and insurance (community users not covered) implications.</p>
option 2	<p>Policy Reform (changing school of right to school of choice, changing eligibility distances and access to preschool children) — Changing school of right to school of choice will increase usage of school buses. An increase of 4000 students would absorb current capacity and require 60 additional buses [REDACTED] This would also impact on school enrolments. Reducing the eligibility distance by 1 kilometre is estimated to increase access by 800 students [REDACTED] Access for preschool students (an estimated 1300) would [REDACTED] require modification of buses, increased duty of care in increased routes.</p>
option 3	<p>System Reform (transferring management, outsourcing yellow buses and integration with other regional public transport) — outsource the remaining yellow bus services and then transfer the management of all school bus services from DE to DPTI. This option would involve having DPTI assisting DE with the outsourcing prior to the transfer of the management of all contracts and routes to DPTI.</p>

Appendix

Appendix 1: Consultation participants

Consultation by meeting occurred with:

- Catholic Education
- Bus SA
- Motor Trade Association (and contractors)
- Association of Independent Schools SA
- SA Primary Principals Association
- SA Secondary Principals Association
- Local Government Authority
- Department for Education — Education Directors

Submissions and supplementary information were received from:

- Independent Schools Association
- Bus SA
- Isolated Children's Parents' Association of SA
- SA Commission for Catholic Schools
- SA Association of School Parent Communities
- Commissioner for Kangaroo Island
- St Columba's Memorial School
- Caritas College
- Eastern Fleurieu R-12 School
- Kangaroo Inn Area School
- Mary MacKillop Memorial School
- Mount Barker District Council
- Nazareth Catholic Community — main campus
- Orroroo Area School
- Samaritan College
- Spalding Primary School
- St Albert's Catholic School
- St Anthony's Catholic School
- St Barbara's Parish School
- St Francis de Sales College
- St James School
- St John's Lutheran School
- St Joseph's School Barmera
- St Joseph's School Clare
- St Joseph's School Murray Bridge
- St Joseph's School Renmark
- St Joseph's School Peterborough
- St Joseph's School Port Lincoln
- St Joseph's Parish School
- St Mark's College
- St Mary MacKillop School
- Xavier College

YourSAy feedback from:

- Parents
- Principals
- Teachers
- Bus drivers
- School bus coordinators
- Bus Biz
- South Australian Public Transit Association
- Parish Priest of the Millicent Catholic Parish and President of the St Anthony's Catholic Primary School
- Catholic Education

Appendix 2: Previous school bus reviews

The 2015 School Bus Review (2015 Review) focused on identifying areas of the School Transport Policy that were working well, and areas where resources could be reconfigured to improve services to ensure equitable and efficient school transport services to students.

The key parameters that were considered include the:

- Distance requirement — reducing the 5 kilometre requirement
- Student eligibility, including for:
 - Non-government school students, and
 - Preschool students, and
- ‘School of right’ — changing to a ‘school of choice’ approach.

An online survey was facilitated as part of the 2015 Review, which invited government schools, preschools and their school communities to share their views on the current regional school transport system. DE were able to quantify (from the survey responses) that approximately 85 per cent of regional transport services were accessible in the respondents’ area with approximately 75 per cent of those respondents making use of the service, while about 20 per cent had no access.

DE also found that approximately 70 per cent of respondents supported the option for students to be transported to their school of choice by the government buses, regardless of attendance at government or non-government schools.

Another major option considered was the prospect of expanding eligibility for transport services to preschool children. The survey identified that 65 per cent of respondents supported this option.

The survey also sought respondents’ views on the option of paying for transport services, to which 35 per cent supported a concessional rate to be charged, while 60 per cent did not.

While limited cost estimates were presented as part of the 2015 Review, DE identified the likely implications that changes to the School Transport Policy would have on government costs and resources. In considering the above parameters, DE made the following recommendations:

- Reducing the distance requirement would result in a significant increase in the number of students eligible to access transport services and therefore, the need to introduce a charge for bus use to cover the costs. DE undertook a mapping exercise to test this option, assuming a distance requirement of 4.5 kilometres and the need for an additional eight buses to be purchased [REDACTED] plus costs for recruitment, remuneration for drivers, and increased maintenance and running costs [REDACTED]
- Amending the School Transport Policy to a ‘school of choice’ approach would require DE to ensure all students are provided with transport assistance to their school of choice, including non-government school students. This would result in a significant increase in the number of transport services operated across the State, increased enrolment pressures (at some schools) and negative enrolment impacts at others. DE advised that such a policy change would also require a highly complex bus management system which DE do not have the resourcing capacity for and would therefore require additional funding to operate such a system. A charge for transport use was also highlighted as a likely requirement to cover the additional costs.
- Expanding eligibility for non-government school students. This parameter considered the option of transporting non-government school students to their school rather than their nearest government school. In addition to the common issues already raised in relation to the parameters discussed above, DE also emphasised that expanding eligibility in this way would potentially lead to further calls from the government school sector to extend the same allowances for those students (i.e. students would be eligible to be driven directly to their government school, other than their nearest government school).

- The prospect of expanding eligibility to preschool children would again have cost implications and would be highly complex to administer. This is particularly due to the fact that preschool children don't attend school five days a week and assuming seats were allocated to preschool children, these seats would be empty on the days that the preschoolers don't attend school. DE also highlighted that if this option were implemented, it could lead to additional travel allowances being given to families who have both school age and preschool age children in lieu of access to a bus service, on the basis that the preschool child is eligible for transport assistance.

Appendix 3: Jurisdictional comparison of regional school transport services policies

This summary provides a jurisdictional comparison of the key requirements of Australia's regional school transport systems.

Administrative responsibilities	
South Australia	The Department of Education is responsible for administering the policy and management of the regional school bus services.
Victoria	The school bus network is administered by Public Transport Victoria (PTV), while the Department of Education and Training administers the policy and provides general transport advice to regional offices and schools.
Western Australia	The Student Transport Assistance Program is administered by the Public Transport Authority of Western Australia (PTA).
Queensland	The Department of Transport and Main Roads administers the School Transport Assistance Scheme and determines the service on which an eligible student can receive bus travel.
New South Wales	The Department of Education and Training administers the policy and provides general transport advice to regional offices and schools.
Eligibility criteria	
South Australia	<p>Rule under South Australia's policy: 'Choice of School'. This stipulates that parents may exercise a choice of school when enrolling their children. However, enrolment acceptance does not give automatic right of travel on a school bus servicing the school of choice.</p> <p>Under the policy:</p> <ul style="list-style-type: none"> All students (of both government and non-government school) are eligible to access a departmentally operated school bus service, provided that the student resides 5 kilometres or more by the shortest most practicable route from their nearest appropriate government school. Students residing within the 5 kilometre distance requirement are not eligible for bus access but may be granted permission by the appropriate government school to access the bus, provided room is available. This permission may be revoked at any time, in the event that the seats are required by eligible students. Non-government school students may be permitted to use a bus to travel to their school, provided the bus is not required to travel additional distances to reach the school and there is no additional cost to the department. Non-government school students may also travel past or away from a government school, provided room on the bus is available and there is no additional cost to the department. Students may be granted a travel allowance in one of the following forms: <ul style="list-style-type: none"> car allowance — payable to the parents/guardians Public Passenger Transport Grant, or private bus services — this is a reimbursement of fares incurred on licensed private bus services.

	<p>Students may be eligible for this assistance where:</p> <ul style="list-style-type: none"> • they attend their nearest government school and satisfy the distance requirement, or • they satisfy the distance requirement but attend a different government school. The travel allowance is calculated based on the distance to the student's nearest government school.
Victoria	<p>Victoria's School Bus Program provides two streams of eligibility:</p> <p><u>Free travel</u></p> <p>Students may qualify for free travel if they:</p> <ul style="list-style-type: none"> • attend their nearest government school or nearest appropriate non-government school • reside 4.8 kilometres or more by the shortest practicable from the school, and • reside in Victoria. <p>While non-government school students who meet the above criteria may be deemed eligible to access a bus, priority access is given to eligible government school students.</p> <p><u>Fare-based eligibility</u></p> <p>Government and non-government school students who do not attend their nearest appropriate school are required to pay a fare to access the school bus services (the fare is set by PTV). This access may be revoked at any time, in the event an eligible non-fare paying student (includes both government and non-government students) wishes to access the service.</p>
Western Australia	<p>Under Western Australia's Transport Assistance Program, rural students may be eligible to access a school bus where they are enrolled at their nearest appropriate school (government or non-government) and reside 4.5 kilometres or more from their school.</p> <p>Eligible students may receive one of two forms of transport assistance:</p> <ul style="list-style-type: none"> • free access on an 'Orange' school bus • access on an 'Orange' school bus for a concessional fare, where the bus picks up the student inside a designated Public Transport Area (set by the PTA)¹, or • a conveyance allowance that contributes to the travel costs incurred by parents/carers who drive their children to school.
Queensland	<p>All school bus services have a designated 'catchment area' for their service². Students must live within a bus's designated catchment area to receive school transport assistance.</p> <p>Students may be eligible to receive one of two types of assistance:</p> <p><u>Kilometre-based travel assistance</u></p> <p>To be eligible under the kilometre-based assistance:</p>

¹ As defined in Western Australia's Student Transport Assistance Policy, 'Public Transport Areas' define the boundaries surrounding major metropolitan centres in Western Australia in which the Western Australian Government has established, operates, controls and subsidises a developed public transport system.

² As defined in the Queensland School Transport Assistance Scheme policy.

- state school students must reside within the specified distance requirement from their nearest state primary school, and
- non-state school students must reside within the specified distance requirement from their nearest state and non-state primary school.
- The distance requirements are:
 - for primary school students — more than 3.2 kilometres by the shortest trafficable route from the nearest school, and
 - for secondary school students — more than 4.8 kilometres by the shortest trafficable route from the nearest state or non-state school.

Fare-based (safety-net) assistance

Fare-based or 'safety-net' assistance may be available to financially disadvantaged students who reside outside the distance requirement (i.e. 3.2 kilometres or less for primary schools and 4.8 kilometres or less for secondary schools) and who are listed as a dependent on the applicant's Health Care Card, Pensioner Concession Card or Department of Veterans' Affairs Pensioner Concession Card.

Assistance may also be provided to students in the form of a conveyance allowance made to parents for travel costs incurred for making private travel arrangements. Eligibility is subject to students meeting the distance criteria for their individual circumstances, in line with the kilometre-based eligibility outlined above.

New South Wales

Transport New South Wales administers the eligibility criteria and must satisfy four conditions for students to be eligible for a free school travel pass.

- They are a resident of NSW
- Meet the straight line distance from home to school
- Meet the walking distance from home to school
- Are a TAFE Student

If they do not qualify via the distance requirements, students are eligible for concession travel passes on public transport. Pre-school children are not eligible for subsidised travel for home and school under SSTs.