

## Partnership Revenue and Capital Budget 2024/25 - Update

### 1. Introduction

1.1 At its meeting on 15<sup>th</sup> March 2024, the Partnership approved a Revenue Budget for 2024/25 and Indicative Financial Plan for 2025/26 at [Item 2a Revenue Budget and Indicative Financial Plan](#).

1.2 The report noted that:

“At the time of writing, there has been no confirmation of the Partnership’s revenue grant for 2024/25 received from Transport Scotland.

“Financial planning remains based on no change in the revenue grant for 2024/25, with no re-distribution of grant among Regional Transport Partnerships (RTP’s).”

1.3 It also noted that:

Transport Scotland was making significant changes to the Active Travel Behaviour Change and Access to Bikes programme, otherwise known as the People and Place Plan (PPP) and that, “subject to final approval by Transport Scotland’s Authorised Officer, funding of £20m will be allocated to RTPs for 2024/25, of which £5.7m will be allocated to the Partnership.

“Pending further development of the Active Travel Behaviour Change and Access to Bikes project, the Core and Project budget proposals in this report do not include proposals in respect of the project.

“An update of the Projects budget will be reported to the Partnership, following confirmation of additional Scottish Government funding.”

1.4 There have been developments in relation to both paragraphs 1.2 and 1.3, and this report presents an update.

### 2. Main Report

#### Transport Scotland Grant for 2024/25

2.1 The largest component part of the Partnership’s funding is provided via a grant from Transport Scotland. The grant has remained static at £782,000 from 2011/12 to 2023/24. It has been estimated that this has resulted in a real terms reduction in funding of c.46% over that period (ref: figures provided by Nestrans to Transport Scotland in March 2024).

- 2.2** On 21st March, Transport Scotland contacted SEStran's Partnership Director and informed him that the grant would be reduced by 5% in 2024/25. This reduction is in line with savings required across most Directorates in the Scottish Government. On 26<sup>th</sup> March, written confirmation of the reduction and confirmation of the revised grant were received from Transport Scotland
- 2.3** Given the timescale of notification, it is planned to manage the reduction in funding of £39,100 by use of the forecast Core budget carry forward from 2023/24. In the [Finance Officer's report](#) to the Partnership Board on 15<sup>th</sup> March, a Core budget underspend of £68,000 was forecast. The Partnership's Annual Accounts are currently being prepared for 2023/24. It is anticipated that the underspend will be at least £68,000. The unaudited Annual Accounts, including the 2023/24 underspend will be advised to the Partnership Board meeting on 21<sup>st</sup> June.
- 2.4** Following discussions with Transport Scotland and Scotland's other Regional Transport Partnerships (RTPs), SEStran wrote to Transport Scotland and accepted the grant offer on 11th April.
- 2.5** The Partnership Director, along with the Lead Officers from the other RTPs, met with Transport Scotland to discuss this on 22nd April. The Leads have been asked to submit evidence to challenge the reduction, and Transport Scotland have undertaken to consider this and raise it with the Cabinet Secretary in the coming weeks.
- 2.6** At this stage, Transport Scotland are unable to clarify whether this is a one-year reduction to reflect the financial pressures currently facing the Government, or if it indicates a reduction in the Partnership's baseline budget.

### **People and Place Programme**

- 2.7** On 15<sup>th</sup> March, it was reported to the Partnership Board that, for the People and Place Programme (PPP), funding of £20m would be allocated to RTPs for 2024/25, of which £5.7m would be allocated to SEStran.
- 2.8** A verbal update provided to the Board at that meeting advised that funding had been reduced by 5%, and the total grant to RTPs would be £19m rather than the £20m stated in the report. The Board was also advised that SEStran's share would reduce from c.£5.7 to c.£5.3m.
- 2.9** On 16th April, SEStran received the formal Grant Offer from Transport Scotland - £5,326,154.
- 2.10** The proposed allocation of funding of £5,326,154 for the People and Places Programme is detailed at Appendix 1.
- 2.11** Expenditure on the Partnership's Core and Projects budget, including the People and Places Programme, will be reported to the Partnership throughout 2024/25, in line with the existing financial monitoring arrangements.

### 3 Recommendation

3.1 It is recommended that the Partnership notes:

3.1.1 The reduction of £39,100 in Transport Scotland Core funding;

3.1.2 That the reduction will be managed by use of the Core budget underspend for 2023/24;

3.1.3 That Transport Scotland has confirmed funding of £5,326,154 for the People and Place Programme.

3.2 It is recommended that the Partnership approves the proposed allocation of funding of £5,326,154 for the People and Places Programme, as detailed at Appendix 1.

### 4 Background Reading/External References

4.1 [Revenue Budget 2024/25 and Indicative Financial Plan 2025/26](#) – report to South East Scotland Transport Partnership 15<sup>th</sup> March 2024

4.2 [Finance Officer's report](#) - report to South East Scotland Transport Partnership 15<sup>th</sup> March 2024

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Treasurer

23 April 2024

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#### Appendix 1 People and Place Plan Budget

Policy Implications	The proposed People and Places Programme expenditure is aligned to the achievement of the Partnership's policy objectives.
Financial Implications	The proposed People and Places Programme expenditure is within the financial resources available to the Partnership in 2024/25.
Equalities Implications	The proposed People and Places Programme expenditure is aligned to the achievement of the Partnership's Equalities objectives.
Climate Change Implications	The proposed People and Places Programme expenditure is aligned to the achievement of the Partnership's Climate Change objectives.

## Appendix 1: People and Place Budget 2024/25

Programme Name	Who delivers	Revenue Budget £	Capital Budget £	Total Budget £
<b>Theme: Schools and Young People</b>				
Active Ways to School	Third party	490,450	405,849	896,299
Encouraging Active Travel: Young People	Local Authorities	248,500	231,650	480,150
Access to Bikes: Young People	Local Authorities & Third Parties	0	558,795	558,795
<b>Theme: Workplaces</b>				
Active Ways to Work: Large Employers	Third party	25,000	80,000	105,000
Active Ways to Work: Other Employers	Local Authorities	46,524	135,000	181,524
<b>Theme: Accessibility and Inclusion</b>				
Street Audits and Enabling Facilities	Local Authorities	0	500,000	500,000
Active Travel Hubs	Third party	0	150,000	150,000
Existing Active Travel Hubs Communities support	Third party	100,792	334,390	435,182
Encouraging Active Travel: Communities	Local Authorities	566,600	485,500	1,052,100
Access to Bikes	Local Authorities & Third Parties	0	481,016	481,016
Regional AT Comms Campaign	SEStran	50,000	0	50,000
<b>Theme: Capacity and Capability Building</b>				
Behaviour Change Project Officers	Third party	129,506	0	129,506
Programme Management for 2024/25	SEStran	100,000	0	100,000
Programme Preparation for 2025/26 onwards	SEStran	80,000	0	80,000
Capability and capacity building development	SEStran	15,000	0	15,000
Programme level Monitoring and evaluation	SEStran	40,000	50,000	90,000
Contingency	n/a	21,582	0	21,582
<b>Total</b>		<b>1,913,954</b>	<b>3,412,200</b>	<b>5,326,154</b>