

Budget 2026/27 - Update

1. Introduction

- 1.1 This report presents an update on the Partnership budget for 2026/27.
- 1.2 The Board approved the Partnership budget for 2026/27 on 13th March. This report sets out proposed revisions to that approved budget following confirmation of Scottish Government funding for 2026/27.
- 1.3 The proposed revised budget for 2026/27 will be presented to the Partnership Board for approval at its meeting on 19th June.

2. Main Report

Introduction

- 2.1 The Partnership approved the 2026/27 budget on 13th March. It was noted that Scottish Government funding under the People and Place Programme (PPP) had not been confirmed and that the approved budget assumed funding of £6.356m in line with the 2025/26 allocation.
- 2.2 PPP funding for 2026/27 has now been confirmed at £5.115m in 2026/27. This represents a £1.241m (20%) reduction on funding in 2025/26.
- 2.3 This report sets out proposed revisions to the budget to reflect confirmed PPP funding. It also includes proposed amendments to the core projects budget to reflect carry forward of project underspends from 2025/26; an updated delivery budget for the Transport to Employment Programme following further consideration by Partnership Officers; and additional funding of £0.200m for Workforce Mobility.

Core Budget Projects Expenditure

- 2.4 The Partnership Board previously approved project expenditure totalling £165,000 within the Core SEStran 2026/27 budget. This assumed a carry forward of £50,000 from the 2025/26 forecast project budget underspend.
- 2.5 As reported elsewhere on the agenda, the provisional 2025/26 project budget underspend is £97,000, representing an increase of £47,000 on the carry forward assumed in the approved 2026/27 budget. It is proposed to allocate this additional carry forward as follows: RTPI +£20,000; Sustainable Travel +£37,000; Projects Consultancy -£10,000. The provisional project budget underspend is subject to review by external audit, and no additional legal commitments will be entered into until the audit outcome is confirmed.

- 2.6** The unaudited accounts also include a project budget carry forward of £61,000 to meet future lease commitments for an electric bicycle scheme. The approved core budget has been increased to reflect lease commitments of £23,000 which will be incurred in 2026/27.
- 2.7** An analysis of the proposed updated Core budget for 2026/27 and indicative budgets for 2027/28 to 2028/29 is shown in Appendix 1.

People and Place Programme

- 2.8** The approved budget for 2026/27 assumed funding of £6.356m from Transport Scotland to progress the People and Place Programme (PPP). It was noted that final confirmation had yet to be received and that Transport Scotland had advised to plan for 2026/27 based on funding being at the same level as 2025/26.
- 2.9** Funding for 2026/27 has now been confirmed at £5.115m, which represents a £1.241m (20%) reduction on funding in 2025/26.
- 2.10** The proposed revised programme allocations for 2026/27 are shown in Appendix 2. Programme Delivery Plan updates will be reported to the Board by the Partnership Programme Manager.

Transport to Employment Programme

- 2.11** For 2026/27, as previously advised, Transport Scotland are providing additional funding to RTPs to support a Transport to Employment programme which aims to reduce child poverty. Total grant funding of £2.588m has now been confirmed and this is in line with budget planning.
- 2.12** When the Board approved the budget in March it was noted that the proposed delivery budget was in development and would be subject to change. Work has been ongoing to refine programme planning and Appendix 2 shows the updated delivery budget. Final allocations are currently being discussed with Local Authority partners, and any budget revisions will be reported through regular in-year reporting.

Workforce Mobility Project

- 2.13** Since the 2026/27 budget was approved, Transport Scotland has allocated an additional £0.200m to SEStran to partner Edinburgh & South East Scotland City Region Deal in the delivery of the Workforce Mobility Project and deliver a pilot rollout of the established Transport Planning services across the whole of Scotland. Full detail of this new project will be reported to the Board by the Senior Partnership Manager. This project is also included at Appendix 2.

3 Next Steps

- 3.1** Following review by the Performance and Audit Committee, the proposed revised budget for 2026/27, will be presented to the next Partnership Board meeting on 19th June, for approval.

4 Recommendations

4.1 It is recommended that the Partnership:

4.1.1 notes the proposed revised core budget of £1,053,000 for 2026/27, as detailed at Appendix 1;

4.1.2 notes the proposed People and Place; Transport to Employment; and Workforce Mobility Project budgets for 2026/27, as detailed in Appendix 2;

4.1.3 notes that the proposed revised budget for 2026/27 will be referred to the Partnership Board meeting on 19th June for final decision.

5 Background Reading/External References

5.1 [Revenue Budget 2026-27 and Financial Plan 2027/28 to 2028/29](#) – report to the South East of Scotland Transport Partnership 13th March 2026

Richard Lloyd-Bithell

28th May 2026

Appendices

Appendix 1 – Proposed Core Budget 2026/27 and Indicative Budgets 2027/28 to 2028/29

Appendix 2 – People and Place, Transport to Employment and Workforce Mobility - Proposed Budgets 2026/27

Contact

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Policy Implications	There are no direct policy implications arising as a result of this report.
Financial Implications	There are no direct financial implications arising.
Equalities Implications	There are no direct equality implications arising.
Climate Change Implications	There are no direct climate change implications arising.

Revised Core Budget 2026/27 and Indicative Financial Plan 2027/28 and 2028/29

	Approved Budget 2025/26	Proposed Budget 2026/27	Indicative Budget 2027/28	Indicative Budget 2028/29
	£0	£0	£0	£0
Employee Costs				
Salaries	564	640	668	691
National Insurance	76	86	91	94
Pension Fund	151	171	178	184
Recharges	(104)	(255)	(270)	(282)
Training, Conferences & Recruitment	10	10	10	10
	697	652	677	697
Premises Costs	21	25	25	25
Transport	5	5	5	5
Supplies and Services				
Communications & Computing	48	48	48	48
Printing & Office Supplies	7	7	7	7
Insurance	7	9	9	9
Equipment, Materials & Miscellaneous	4	4	4	4
	66	68	68	68
Governance & Support Services				
Finance, Legal Services & HR	38	38	38	38
Clerks Fees	12	12	12	12
External Audit Fees	12	12	12	12
Members Allowances and Expenses	1	1	1	1
Contingency Provision		30	40	50
	63	93	103	113
Interest	0	(25)	(25)	(25)
Core Projects				
Regional Bus Action Plan Delivery		100	75	75
Real Time Passenger Information (RTPI)		20		
Sustainable Travel		47	10	10
Projects Consultancy		20	20	20
Communications and Marketing		25	10	10
Electric Bike Scheme		23	23	16
2025/26 Projects	81			
	81	235	138	131
Total Gross Expenditure	933	1,053	991	1,014
Funding				
Scottish Government Grant	(743)	(743)	(743)	(743)
Council Requisitions	(190)	(190)	(200)	(210)
Efficiency Programme			(25)	(45)
Projects Reserve - Electric Bike Lease		(23)	(23)	(16)
Project Budget Underspend 25/26		(97)		
Total Funding	(933)	(1,053)	(991)	(1,014)

Appendix 2

People and Place Programme - Revised Budget 2026/27

	Proposed Budget 2026/27	
Core staff recharge	£154,986	
Project Support Officer	£24,682	
Project Officer	£48,332	
RTPI – System Maintenance	£23,500	
Thistle Assistance	£40,000	
Regional Project Delivery	£86,714	
Local Authority Delivery Support	£484,922	*
Regional Priority Investment Fund	£2,054,576	*
Access to Cycles and Cycle Storage	£1,871,947	*
Community Grant Fund	£364,579	
RTPI - System Maintenance contributions	(£12,000)	
Thistle Assistance - RTP contributions	(£27,500)	
Scottish Government Grant	(£5,114,738)	
	£0	

* Two local authority awards are provisional at this stage.

Transport to Employment Programme - Revised Budget 2026/27

	Proposed Budget 2026/27	
Core staff recharge	£100,014	
Project Officer x2	£96,664	
Capacity and Capability	£300,209	
Working with School Communities	£188,676	
Transport to Large Workplaces	£755,700	
Rural Transport to Work and Further Education	£572,000	
Local Employability Partnership (LEP) Delivery Support	£206,000	
Transport to Healthcare Pilot Projects	£320,000	
Contingency	£48,477	
Scottish Government Grant	(£2,587,740)	
	£0	

Workforce Mobility Project - Revised Budget 2026/27

	Proposed Budget 2026/27	
Workforce Mobility Project	£200,000	
Scottish Government Grant	(£200,000)	
Future Development and Programme Management	£0	