

Budget 2026/27 - Update

1. INTRODUCTION

- 1.1 This report presents a proposed revised 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 An update on the proposed revised budget was considered by the Performance and Audit Committee on 5th June 2026.

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 a folding bicycle rental 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 is 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 approval of a revised budget for 2026/27, the Partnership decision will be implemented with progress reported to the Performance and Audit Committee and Board through regular in-year reporting.

4 RECOMMENDATIONS

4.1 It is recommended that the Partnership:

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

4.1.2 Approves 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 all income and expenditure of the Partnership will continue to be monitored closely with updates reported to each Partnership meeting.

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

8th June 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 | |