

## **TRANSPORT TO EMPLOYMENT FUNDING DECISIONS**

### **1 INTRODUCTION**

- 1.1 This report updates the Board on progress made on Transport to Employment since the last meeting.

### **2 BACKGROUND**

- 2.1 Towards the end of January, Transport Scotland approached the RTPs to support delivery of part of a new funding package to support the reduction of child poverty. Of this funding, just over £19million has been set aside for transport related actions, of which £9.5million will be delivered through Local Employability Partnerships (LEPs, part of each local authority's Community Planning Partnership), and £9.8million will be allocated to the seven RTPs. Whereas the funding being given to the LEPs is intended to be more focused on person-centred interventions for parents to access employability training and/or progressing to employment, funding for RTPs is expected to be used to effect change at a 'systemic' level.
- 2.2 The primary focus of the funding is improving transport to employment (both increasing transport options and reducing transport costs) as a means to reduce child poverty by supporting more parents into fair, well paid jobs. The wider scope however extends beyond this and recognises that access to further education and training is a vital aspect of reducing (future) child poverty, as is access to healthcare (as a service and as an employer).
- 2.3 At present, it is believed that this funding pot will be for a single year only, and planning assumes that there will be no funding to follow in 2027/28. Proposals have been carefully selected to minimise the risk of projects ending on 31<sup>st</sup> March 2027, disadvantaging those who have come to rely on them.

### **3 BOARD APPROVALS**

- 3.1 A paper was presented to the Board on 13<sup>th</sup> March which set out current thinking on funding allocations and the shape of the delivery programme. The final recommendation of that paper was for the Board to:
- Note the contents of this report and the proposed delivery programme for 2026/27, including the intention to further engage on this with LEPs and wider local authority teams
  - Approve the draft Transport to Employment Grant Eligibility and Assessment Criteria attached at Appendix 2, and delegate authority to update these to the Partnership Director in discussion with the Chair, in line with the urgency provisions of the Grant Standing Orders
  - Note that a further detailed update will be provided to the Project and Strategy Delivery Oversight Subgroup at its next meeting

- 3.2 Since then the proposed delivery programme has changed due to:
- Feedback received from Transport Scotland
  - Engagement with the 8 LEPs and LA transport teams which due to time constraints had not begun before the Board meeting. LAs also now had the opportunity to share their local priorities and engage with stakeholders such as bus operators
  - Revenue funding for People and Place being reduced by 60%

#### **4 CHANGES TO DELIVERY AREAS AND BUDGETS**

4.1 The below details the changes that have been made to the high level programme delivery areas since the Board meeting.

4.2 Working with School Communities (formerly School to Skills Pathways)

Previously this delivery area was aimed at supporting school leavers who experience child poverty into work or further education, with the aim of delivering longer term impacts on outcomes. Transport Scotland have since indicated that parents need to be the core audience for this programme, with impact expected to be demonstrated in 2026/27, rather than looking to reduce child poverty in future years. As such, this programme has been reshaped to work with school communities to target parents, with some ancillary work taking place with young people as a way to engage parents. Projects now include bespoke travel advice and training for parents, paid work experience placement in the transport sector, and engaging with young people and parents around transport as a career option. Projects here also support wider sector capacity by retaining (repurposed) roles in school-based projects as a result of the People and Place funding reduction. The budget for this area has decreased from £480,000 to £215,676, 8% of the programme budget.

4.3 Transport to large workplaces

This is a new delivery area that has been added in following engagement with the LEPs. This will include larger scale projects to provide public transport connections to large employment sites across the region where public transport routes are either non-existent or where work connections are limited by timetables. Examples include new Sunday services to major retail employment sites and connections to the Edinburgh BioQuarter. The budget for this area is £665,700, 26% of the programme budget

4.4 Rural Transport to Work and Further Education

The scope of this area remains as per the previous Board paper to focus on providing access to employment and training for those living in more rural parts of the region. The budget for this area has decreased from £850,000 to £572,000, 22% of the programme budget. It should be noted however that a number of projects included in the new transport to large workplaces area will also support rural access.

4.5 LEP Delivery Support (formerly Targeted action to reduce ticket prices)

Following discussion with LEPs which currently provide ticketing support, there is felt to be limited need for this at a regional level. This area has therefore been reshaped to provide additional funding to support LEPs on a limited basis when requested, such as to provide paid transport related work placements. The budget for this area has decreased from £400,000 to £106,000, 4% of the programme budget.

#### 4.6 Transport to Healthcare Pilot Projects

The scope of this area remains as per the previous Board paper to support a small number of high priority pilot projects that can be used to demonstrate the value of specific interventions to access healthcare settings for employment, with benefits also felt for those accessing appointments. The budget for this area has decreased from £500,000 to £320,000, 12% of the programme budget. It should be noted however that a number of projects included in the new transport to large workplaces area support travel to major hospital sites.

#### 4.7 Capacity and Capability (formerly Future Development & Programme Management)

This area of work has been expanded beyond its initial focus, and now also takes in some additional staff roles within LAs to support delivery in the year with a focus on engaging with employers around transport to support parents into work and with existing roles. The SEStran capacity element has also been increased to represent full recovery of costs from running this programme as opposed to just the additional staff costs. The budget for this area has increased from £280,000 to £496,887, 19% of the programme budget.

#### 4.8 In summary, changes are as follows:

<b>Programme</b>	<b>Starting Budget</b>	<b>Current Budget</b>	<b>Variance</b>
Working with School Communities	£480,000	£215,055	-£264,945
Transport to large workplaces	n/a	£665,700	£665,700
Rural Transport to Work and Further Education	£850,000	£572,000	-£278,000
Targeted action to reduce ticket prices	£400,000	£106,000	-£294,000
Transport to Healthcare Pilot Projects	£500,000	£320,000	-£180,000
Capacity and Capability	£280,000	£496,887	£216,887
Unallocated	£77,740	£212,098	£134,358
<b>Total</b>	<b>£2,587,740</b>	<b>£2,587,740</b>	<b>£0</b>

4.9 In line with the Standing Orders List of Officer Powers, these budget virements have been approved by the Partnership Director.

4.10 8% of the programme budget, £212,098, remains unallocated. Discussions are ongoing with City of Edinburgh Council around priorities for spend within the city, which will hopefully be finalised soon. Depending on the outcome of this, there is currently one reserve project on a waiting list for funding which can be quickly progressed.

## 5 **PROJECTS TO BE FUNDED**

5.1 A full list of grant awards is presented in paper B5.

5.2 Project selection has been led by discussions with local authority LEPs and transport teams, utilising spare capacity with some delivery partners as a result of People and

Place funding reductions, and supporting the Workforce Mobility Project to expand existing workstreams.

- 5.3 The grant fund proposed in the paper presented to the Board in March did not go ahead due to updated feedback from Transport Scotland that the scope of these may not be eligible for funding. In line with this feedback, the scope of these grants has been reduced and their focus has been shifted to work with parents only in 2026/27 (previously they were aiming to work with young people who experience poverty to secure employment and training, thereby supporting longer term change). Instead, 4 smaller grant awards have been made to external delivery partners:
- Three awards have been made as extension of existing People and Place projects, which aim to repurpose capacity at risk of being lost due to People and Place funding reductions. This will include pilot work with parents using existing school hubs in Clackmannanshire and Grangemouth, formal cycle repair training for parents, and work with parents employed by NHS Fife.
  - One new grant award has been made to Powering Futures, who will access all the schools in the SEStran area that are signed up to their 2026/27 Challenge programme, with a particular focus on schools situated in the lower SIMD deciles. By working with businesses, students and parents they will raise awareness of the breadth of careers within the transport sector while also building the skills, knowledge and confidence required to use transport to access employment more broadly. As this award was for under £50,000, it was awarded under a closed process in line with the Grant Standing Orders.
  - These grant awards total £240,055.
- 5.4 A total of £1,690,587 of funding has been allocated to local authorities. These awards include new or enhanced bus services to major trip generators including hospitals and retail centres, expansion of demand responsive transport services, new roles to support engagement with businesses and parents around transport challenges such as flexible working and shift times, and support for travel to afterschool care to reduce this barrier to work.
- 5.5 The final section of the funding, £445,000, is being spent directly by SEStran. As well as programme management costs, this includes work to support data collection from employers as part of the Workforce Mobility Project, as well as the next steps of the transport to healthcare work.
- 5.6 To support the evaluation of the programme, and in line with our emerging approach to Public Sector Reform, four RTPs have come together to commission a joint piece of work to develop an evaluation framework and to evaluate the programme outcomes against this. SEStran is leading the procurement of this contract, with a timeline to report on the final evaluation to the June 2027 Board meeting.

## **6 RECOMMENDATIONS**

- 6.1 The Board is asked to note the contents of this report and the changes made to the programme

Michael Melton  
**Programme Manager**

<p>Policy Implications</p>	<p>Whilst tackling child poverty is not a specific action within the RTS, the programme will support the wider RTS vision. There is also clear alignment with national policy and local level strategies, especially work of Community Planning Partnerships.</p>
<p>Financial Implications</p>	<p>Project management costs for 2026/27 will be included in the overall programme budget, so there is no anticipated financial impact of this programme on the core SEStran budget.</p>
<p>Equalities Implications</p>	<p>In supporting people to access employment, training and healthcare, this programme should have a positive impact on equalities. All projects delivered with this funding will be expected to fulfil the public sector equality duty.</p>
<p>Climate Change Implications</p>	<p>As projects will generally support access to sustainable transport, this will support the transition to net zero.</p>