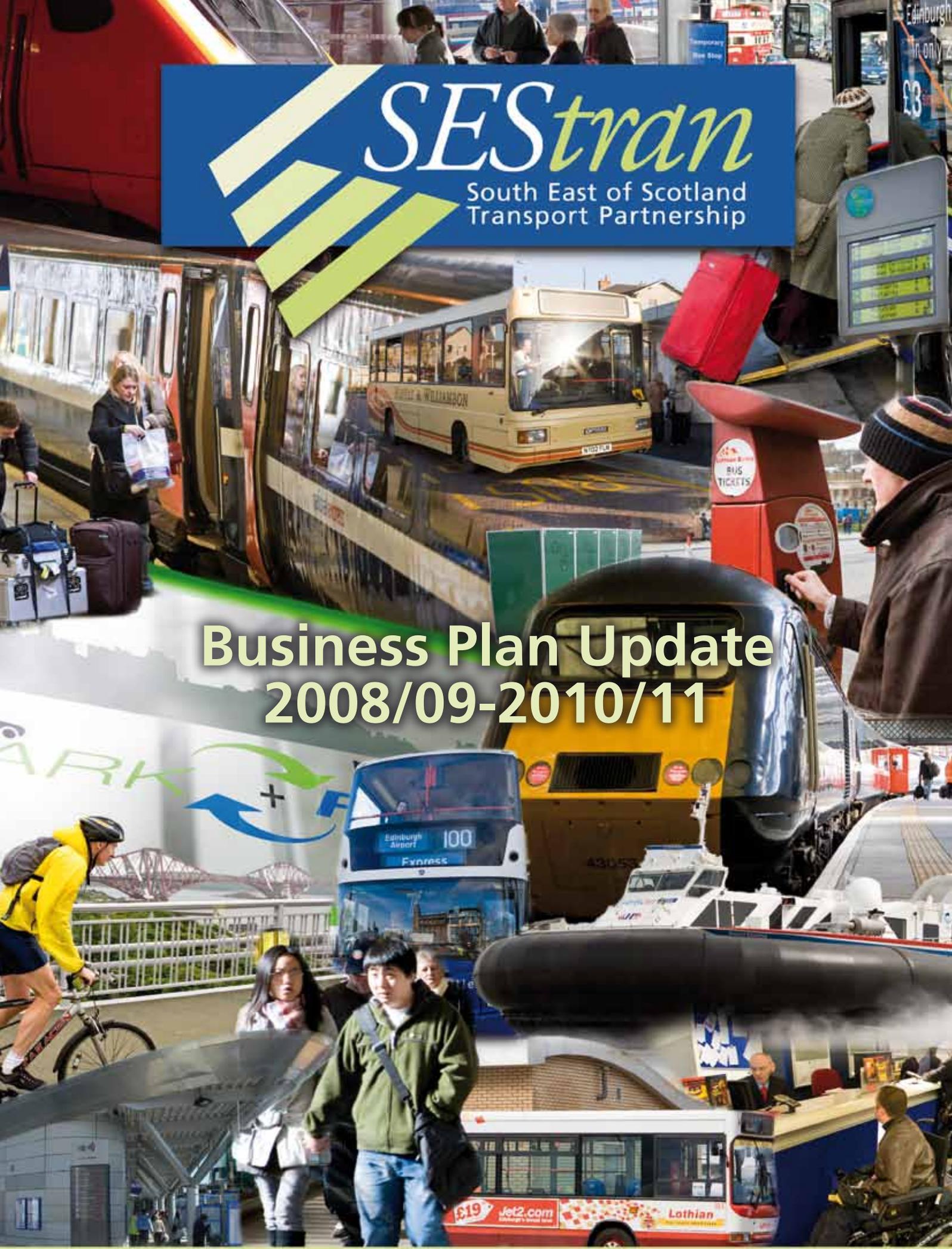




SEStran

South East of Scotland
Transport Partnership

Business Plan Update 2008/09-2010/11



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1. Foreword by Chairman and Partnership Director

This is the first annual update of the Business Plan prepared by the South East of Scotland Transport Partnership covering the three financial years of 2008/9, 2009/10 and 2010/11. It focuses purely on changes that have occurred during the period since the approval of the three year Business Plan and as such, is not a complete rewrite. Those areas that have not changed since the approval of the original business plan remain relevant and this should be treated as an addendum to the original document. The Annual Report which will be published later this year looks back on performance over the last year and focuses on monitoring the delivery of the Regional Transport Strategy (RTS). It is therefore a companion document to the Business Plan and when the suite of documents are read together they will provide a comprehensive picture of SEStran's programmes moving forward and our performance against the targets in the RTS.

The revised SEStran Regional Transport Strategy was approved by the SEStran Board on 18th April 2008 and by the Scottish Government on 24th June 2008. This provides the statutory basis for SEStran activities moving forward and partner authorities are required to take account of the content of the RTS when developing their own Local Transport Strategies and Regional and Local Land Use Development Plans. SEStran is now co-located with SESplan, the body responsible for the Edinburgh City Region Strategic Development Plan (SDP). SESplan will facilitate close working arrangements and SEStran will provide the strategic transport planning input to the SDP over the next three years. It is a requirement of the RTS that SEStran publish an annual Business Plan identifying how it proposes to implement the RTS and an annual monitoring report identifying progress against the RTS objectives. These are the documents referred to above.

Within the context of the Government's Comprehensive Spending Review published on 14th November 2007 which represented the tightest settlement for transport in recent years, both SEStran and its partner Local Authorities have found it difficult to meet the ambitious aspirations for investment in transport contained in the SEStran RTS. In addition, with the budget for regional transport initiatives being rolled up in the Local Authority settlement and ring fencing removed, the significant challenge to integrated delivery of regional initiatives has required closer working between SEStran and the eight partner Local Authorities to ensure progress on the RTS priorities. The mechanism for that close working has been SEStran's input to the Single Outcome Agreements (SOAs); that partner authorities entered into with the Scottish Government and SEStran will continue to provide active input through the new versions of SOAs as partners in Community Planning Partnerships.

The majority of the Capital Programme will be delivered by the partner Local Authorities with SEStran's primary role being monitoring progress as required by the RTS. The Business Plan does identify Real Time Passenger Information (RTPI) provision throughout the SEStran area as a project best delivered directly by SEStran. To this end, discussions have taken place with the partner Local Authorities to allocate a proportion of their capital budgets to RTPI. In addition, two applications for European Regional Development Fund grant are currently pending and if successful will provide 40% funding for RTPI in East Lothian and Scottish Borders. This combined with contributions from the Local Authorities concerned and from SEStran will ensure that a significant start will be made to the regional programme. Discussions will

continue with the other authorities with a view to the submission of further applications to the European structural funds to continue the programme throughout the SEStran area.

The Core Revenue budget for 2009/10 has been subject to a number of pressures. These have included salary increases and the consolidation of costs associated with an integrated bus passenger information database for the whole SEStran area into the core budget. To accommodate these pressures savings have been identified in the Marketing and Communications budget and the Revenue Projects budget with the effect that SEStran proposes a requisition from partner Local Authorities that is the same in cash terms as 2008/09, representing a real saving when inflation is taken into account.

The Revenue Projects budget has been subject to a number of pressures. These have included a cut of £105,000 in Government grant towards travel planning and a pressure for growth in provision of input to the SDP. These have been accommodated through the allocation of SESplan accommodation income to the SDP, the reallocation of project funds towards Sustainable Transport, the development of joint funded project work with partner authorities and the attraction of European funding from the INTERREG programme. The revenue projects budget in this business plan demonstrates the value of partnership working with Local Authorities and SESPLAN and the importance of seeking new funding sources through Europe. SEStran will continue this approach throughout 2009/10 and beyond in order to continue to provide added value to transport throughout the SEStran area.

The business plan sets out the resources that will be deployed to deliver the capital and revenue programmes and updates the sections covering good governance, powers and functions as necessary. The plan demonstrates clearly that SEStran will continue to assist local authorities in the delivery of regional priorities and to deliver improvements to transport throughout the region directly where that is most appropriate.



Russell Imrie, SEStran Chair



Alex Macaulay, SEStran Director

4. The SEStran Board

Membership

The current Chair, Russell Imrie, was re-appointed on 15th August 2008 until the first meeting following the next Councillor elections.

Currently, the Partnership has a full quota of 20 councillor members and has 8 non-councillor members.

5. Governance

A review of the Standing Orders, Financial Regulations, Scheme of Delegation, Committee Structure and HR Policies was undertaken during 2008, in accordance with the review period set out in the Business Plan. The dates for the next review are set out below.

Review Period for Key Governance Documentation

Governance Document	Timetable for Review	Last Review Date	Next Review Due
Standing Orders	Every Second Year	May, 2008	May, 2010
Financial Regulations	Every Second Year	May, 2008	May, 2010
Scheme of Delegation	Yearly	April, 2008	April, 2009
Committee Structure	Eighteen Monthly	August, 2008	January, 2010
HR Policies/Procedures	Yearly	August, 2008	June, 2009
Liaison Group Structures	Eighteen Monthly	August, 2008	January, 2010
Anti-Fraud and Corruption Policy	Every Second Year	December, 2007	December, 2009

7. The Regional Transport Strategy (RTS)

Following the change of administration of the Scottish Government in May 2007, there was a need to review SEStan's RTS to reflect the new national transport aspirations and to adjust the Delivery Plan to reflect the new capital and revenue financial resources available to SEStran.

The revised SEStran Regional Transport Strategy along with a revised Delivery Plan was submitted to the Scottish Government and was approved by Ministers on 24th June 2008. In general the strategy remained the same as the initial Draft approved in March 2007 but the delivery changed significantly with a greater reliance on partnership authorities to deliver capital projects. The main aspects of the strategy are given on page 12 of the Business Plan.

Sustainable Transport – Travel Plans 2009/10

The Scottish Government has confirmed to SEStran until April 2010 a grant for Travel Planning. SEStran received £158,000 in 2008/09 and will receive £53,000 in 2009/10. The expected outcomes of the grant are for SEStran to continue to work with Local Authorities and Health Boards; to implement and expand the coverage and monitoring of Travel Plans and from this, disseminate best practice through the production of case studies.

- The targets set by the Scottish Governments are as follows:
- The implementation of a monitoring scheme by April 2009; and the implementation of the Energy Savings Trust Travel Plan monitoring tool by all Local Authorities and Health Boards by 2010.
- The development of at least two case studies for each Local Authority and Health Board within the RTP area in 2008/09 and 2009/10.
- Increase the coverage of Local Authority and Health Board Travel Plans to cover at least 60% of staff by April 2009, 80% by 2010.
- Produce a case study of a project which implements the advice contained in SPP17, or PAN76, within each Local Authority covered by the RTP by April 2010

The Scottish Government does not anticipate issuing a grant for 2010/11.

8. Capital Programme 2009/10

SEStran Draft Capital Budget 2009/10 to 2011/12

Project Ref.	Delivery	Project Name	2009/10 £'000	2010/11 £'000	2011/12 £'000	Post 2011/12 £'000	Total £'000
EU C1	SEStran	RTPI East Lothian	150	350	350	275	1,125
EU C2	SEStran	RTPI Borders	150	287	75	0	512
						Total Expenditure	1,637
Project Ref.	Source	Funding Project name	2009/10 £'000	2010/11 £'000	2011/12 £'000	Post 2011/12 £'000	Total £'000
EU C1	EU	RTPI East Lothian	60	140	140	70	410
EU C1	SEStran	RTPI East Lothian	45	100	85	108	338
EU C1	East Lothian Council	RTPI East Lothian	45	110	125	97	377
						EUC1 Total	1,125
EU C2	EU		59	112	29	0	200
EU C2	SEStran		10	20	7	0	37
EU C2	Borders Council		81	155	39	0	275
						EUC2 Total	512
						Total EUC1 and EU C2	1,637

Notes

1 Subject to EU approval by the end of March 2009.

Delivery Mechanisms

SEStran have established three Term Framework contracts for Transport Planning, Travel Planning and Transport Advisor. By establishing these Framework contracts SEStran will have the ability to call on the appropriate technical support without the need for lengthy tendering procedures which will reduce the timescales for project delivery. If capital monies are to be made available to SEStran from whatever source, the Term Framework contracts will be invaluable. In the interim period a range of Transport Studies will be undertaken by the framework consultants financed through the Revenue budget.

Risk

The Magique system is used to manage the strategic risks faced by the Partnership and also provide a risk management process for project delivery. All project managers engaged directly by SEStran in the delivery of the SEStran Capital and Revenue Programmes are mandated to participate in the reporting process established by the use of the Magique system. All SEStran staff are required to manage the risks identified within their area of activity.

9. Revenue

Revenue Programme 2009/10

Project Code	Projects	Proposed Budget 2009/10 £'000	Notes
EU1	Dryport (exchange rate £1:€1)	214	
R12	Edinburgh Orbital Bus Project	150	
R15	Park and Choose on South Side of Tay Bridge	10	
R17	Sustainable Travel	130	
R39	Travel Planning	53	Note 1
R40	Cross Forth Ferry	43	Note 2
R41	Specialist Rail/Bus Advice	25	
R34	Project Management	25	
R35	Park and Ride Strategy	50	
R42	Regional Development Plan Input	55	Note 3
R37	RTS Monitoring	10	
R43	BRT/LRT Feasibility South of Forth	70	Note 4
R44	Extension of Stirling/Alloa rail to Dunfermline/Rosyth	70	Note 5
	Total Expenditure	905	
	Funding		
	SESPLAN	(55)	Note 3
	Dryport	(102)	
	Scottish Government - Travel Planning Grant	(53)	Note 1
	Scottish Government - Revenue Grant	(555)	
	Edinburgh and West Lothian contributions to R43	(70)	Note 4
	Fife and Clackmannanshire contributions to R44	(70)	Note 5
	Total Funding	(905)	

Notes

- 1 Scottish Government funding reduction of £105,000 from 2008/09 budget.
- 2 Progress Forth Ferry Joint Venture – part year estimate of cost of prudential investment.
- 3 SESplan income recycled to provide support to SESplan on RDP.
- 4 Verbal agreement with West Lothian Council, City of Edinburgh Council under consideration. Final figure subject to tender under the framework contract.
- 5 Verbal agreement with Fife and Clackmannanshire Councils. Final figure subject to tender under the framework contract.

Revenue Core Budget

	Annual Budget 2008/9 £'000	Proposed Budget 2009/10 £'000	Notes
Employee Costs			
Salaries	264	274	Note 1
National Insurance	22	24	
Pension Fund	50	57	
Training & Conferences	19	18	
Interviews & Advertising	3	3	
	358	376	
Premises Costs			
Rent	34	34	
Rates	17	17	
Energy, Repairs, Ins., etc.	8	8	
Cleaning	6	6	
	65	65	
Transport			
Staff Travel	7	8	
Supplies and Services			
Marketing	60	48	Note 2
Comms & Computing	72	80	Note 3
Printing, Stationery & General Office Supplies	18	18	
Insurance	6	6	
Equipment, Furniture & Materials	4	4	
Miscellaneous Expenses	11	17	Note 4
	171	173	
Support Services			
Finance	32	25	
Legal Services / HR	7	8	
	39	33	Note 5
Corporate & Democratic			
Clerks Fees	15	15	
External Audit Fees	12	10	
Members Allowances and Expenses	3	3	
	30	28	

	Annual Budget 2008/9	Proposed Budget 2009/10	Notes
Income			
Interest	(27)	(3)	
SESplan	0	0	Note 6
Routewise Contributions	(28)	0	Note 3
	(55)	(3)	
Net Expenditure	615	680	
Funding:			
Scottish Government Grant	(300)	(365)	Note 7
Council Requisitions	(315)	(315)	Note 8
Total Funding	(615)	(680)	

Notes

1. 2.5% pay award April 2009 assumed.
2. Marketing budget reduced by £12,000 - greater focus on free press content
3. Routewise – new agreement will result in a saving of approximately £31,000 to constituent councils.
4. Contingency balance of £10,000 included.
5. Adjusted to reflect current level of activity.
6. Agreement with SESplan for income of £55,000 for office services is to invest additional income in Strategic Development Plan – transfer income of £55,000 to Projects budget.
7. Transfer of £65,000 from projects budget
8. Proposed requisitions for 2009/10 are shown below:

	Est. Pop June 2007	Proposed Requisitions 2009/10
Clackmannanshire	49,900	£10,604
East Lothian	94,440	£20,069
Edinburgh	468,070	£99,466
Falkirk	150,720	£32,028
Fife	360,500	£76,607
Midlothian	79,510	£16,896
Scottish Borders	111,430	£23,679
West Lothian	167,770	£35,651
	1,482,340	£315,000

Marketing & Communications Strategy 2009-10

Future marketing work should be tied to specific projects wherever possible and a suitable amount of funding should be set aside within each project to meet marketing needs. This amount should be decided upon an individual basis, depending upon the nature of individual projects and the requirement for a marketing strategy. In some projects this may be significant, in others no marketing spend may be needed, as routine media work may be all that is required.

Significant progress has been made in raising SEStran's public profile, but it is necessary to retain a Marketing and Communications spend if SEStran is to achieve its goals of becoming an authoritative voice on transport issues within the region, and achieve change in public attitudes towards transportation. The following breakdown indicates where savings may be made and where a budget commitment is considered essential.

Branding – It is unlikely that SEStran will require any further materials development in this area, but a small budget should be set aside to replenish and store existing stocks of materials, including stationery and information leaflets.

Activity	Commitment 2008/09	Commitment 2009/10	Commitment 2010/11
Annual recurring budget for purchase & Storage of materials	£5,800	£4,000	£4,000

As the principal outlet for SEStran's information and communications, the website plays a key role in providing easily accessible information to the public, the media and other interested parties. It has also enabled us to make good upon our commitment to standardise on electronic publication wherever possible. This represents a significant financial saving on published materials to SEStran.

The existing budget principally covers site hosting and ongoing maintenance, with a small amount set aside for site development. Funding for the website should therefore remain at 2008/09 levels for the present.

Activity	Commitment 2008/09	Commitment 2009/10	Commitment 2010/11
Annual Recurring budget for websitedevelopment	£3,640	£3,640	£3,640

Media Work

Photography – SEStran has acquired professional quality camera equipment and images will henceforth be produced in-house. While it may be advisable to employ a photographer in specific instances, this may be addressed on an individual basis as part of the marketing and communications needs of specific projects.

Activity	Commitment 2008/09	Commitment 2009/10	Commitment 2010/11
Annual Recurring budget for professional photography 2008-11	£1,500	Nil	Nil

Media Training – The Strategy Manager and Programme Manager have both received media training to enable them to stand in as media spokespersons as required. There is no current requirement for further training and additional support and advice can be provided by the Communications Officer.

Activity	Commitment 2008/09	Commitment 2009/10	Commitment 2010/11
Annual Recurring budget for media training 2008-11	£1,400	Nil	Nil

Events

Professional Events – Senior staff members will continue to attend professional events at their discretion, either as attendees or preferably as contributors. The decision upon whether or not to exhibit at events will be based upon the extent to which this will advance the aims of the RTS.

Public Access Events – As encouraging behavioural change among the travelling public is a key aim, exhibiting will mainly be carried out at public events, with the aim of promoting awareness of SEStran's role to the travelling public, encouraging enquiries or otherwise positioning SEStran as a key player in the provision of sustainable transportation.

Activity	Commitment 2008/09	Commitment 2009/10	Commitment 2010/11
Annual Recurring Budget for events 2008-11	£16,000	£16,000	£16,000

Advertising – As SEStran's current advertising deals only with essential publications, such as telephone directories and other reference materials, expenditure should remain at the 2008/09 level.

Activity	Commitment 2008/09	Commitment 2009/10	Commitment 2010/11
Annual Recurring Budget for advertising 2008-11	£3,000	£3,000	£3,000

Publications – SEStran has standardised on web based publications in line with the environmental objectives and for reasons of cost effectiveness. However, a small quantity of printed publications are still required.

There are only two publications that require to be produced in printed format on an annual basis.

Proposed publications 2008-11 (to be republished annually)

The key publications that require to be produced in printed format on an annual basis are as follows:

Publication	Date	Distribution	Cost	Quantity
Business Plan	March 2009	Members, Stakeholders, public (on request)	£1,500	100
Annual Report	August 2009	Members, Stakeholders, public (on request)	£1,500	100

The revised publications budget is as follows:

Activity	Commitment 2008/09	Commitment 2009/10	Commitment 2010/11
Annual Recurring Budget: publications 2008-11	£5,400	£3,000	£3,000

Finding Savings

The core budget of £40,000 has been reduced by tying marketing & communications work to specific projects wherever possible. The setup costs of some aspects of marketing and communications work; such as design and production of materials, no longer exists and it will be possible to economise on core tasks through competitive tender and careful targeting of resources.

The core marketing and communications budget be revised and allocated as follows:

Budgets

Although additional funds for marketing and communications work are available from other sources, for example the Tripshare budget, and Sustainable Travel Awareness budget, these are ring fenced for specific purposes. This strategy is designed to be carried out within the core corporate budget for SEStran's marketing and communications work.

Budget	2008/09	2009/10	2010/11
Corporate Marketing & Communications Budget	£40,000	£33,000	£33,000

Proposed Budget Commitments Summary

The overall commitments for marketing and communications for 2008-11 will be as follows:

Purpose	2008/09 Commitment008	2009/10 Commitment	2010/11 Commitment
Materials	£5,800	£4,000	£4,000
Website	£3,640	£3,640	£3,640
Photography	£1,500	Nil	Nil
Media Training	£1,400	Nil	Nil
Events	£16,000	£16,000	£16,000
Advertising	£3,000	£3,000	£3,000
Publications	£5,400	£3,000	£3,000
Total expenditure committed	£36,740	£29,640	£29,640
Contingency Funds	£3,260	£3,360	£3,360
Tripshare Marketing	£20,000	£15,000	£15,000
Total budget	£60,000	£48,000	£48,000

10. Resources

Establishment

With effect of 31st January 2009, the SEStran offices are currently home to 8 paid employees.

Alex Macaulay	Partnership Director
Alastair Short	Strategy Manager
Ian Mathie	Programme Manager
Rachael Chambers	Office Manager
Lisa Black	Travel Plan Officer
Andrew Dougal	Communications Officer
Amy Cox	Administrator
Georgina Williamson	Receptionist

Appendix 2, the Organisational Chart shows the current staffing complement and their designations.

All SEStran publications are available in a variety of formats, including large print, braille and range of minority languages. For further information, please contact us on 0131 524 5150.