

SESTRAN PARTNERSHIP BOARD MEETING

Remote Meeting via MS Office Teams
10:00am Friday 19th June 2020

1. **ORDER OF BUSINESS**
2. **APOLOGIES**
3. **DECLARATIONS OF INTEREST**

AGENDA A – POINTS FOR DECISION

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10:00am on Friday 25 th September 2020.	

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Gavin King
Secretary to SESTRAN
Democracy, Governance and Resilience Senior Manager
Strategy & Communication Division
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12th June 2020

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Agendas and papers for all SEStran meetings can be accessed on www.sestran.gov.uk

SEStran Partnership Board Minutes

10am, Friday 6 December 2019

European Room, City Chambers, Edinburgh, EH1 1YJ

Present

Name

Organisation Title

Cllr Gordon Edgar (Chair)	Scottish Borders Council
Laura Alexander	Non-Councillor Member
Cllr Karen Doran	City of Edinburgh Council
Cllr Jim Fullarton	Scottish Borders Council
Vivienne Gray	Non-Councillor Member
Cllr Norman Hampshire	East Lothian Council
Callum Hay	Non-Councillor Member
Simon Hindshaw	Non-Councillor Member
Cllr Russel Imrie	Midlothian Council
Richard Llewellyn	Non-Councillor Member
Cllr Lesley Macinnes	City of Edinburgh Council
Cllr Laura Murtagh	Falkirk Council
Cllr Cameron Rose	City of Edinburgh Council
Cllr Peter Smaill	Midlothian Council
Catherine Thomson	Non-Councillor Member
Barry Turner	Non-Councillor Member

In Attendance

Angela Chambers	SEStran
Kevin Collins	Falkirk Council
Keith Fisker	SEStran
Rhianne Forrest	SEStran
Ken Gourlay	Fife Council
Jim Grieve	SEStran
Anna Herriman	SEStran
Gavin King	City of Edinburgh Council (Secretary)

Paul Lawrence	City of Edinburgh Council
Martin Scott	City of Edinburgh Council (Clerk)
Iain Shaw	City of Edinburgh Council (Treasury)
Jim Stewart	SEStran

Apologies for Absence

Cllr David Key	City of Edinburgh Council
Cllr Donald Balsillie	Clackmannanshire Council
Cllr Craig Hoy	East Lothian Council
Cllr Colin Davidson (Deputy Chair)	Fife Council
Cllr Dave Dempsey	Fife Council
Cllr Ian Ferguson	Fife Council
Cllr Cathy Muldoon	West Lothian Council
Dr Doreen Steel	Non-Councillor Member
Paul White	Non-Councillor Member

Resolution to Consider in Private

The Committee, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of item C1 and of the minute for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 1 and 6 of Part 1 of Schedule 7(A) of the Act.

C1. Regional Governance and the Regional Transport Strategy

The Board were advised of the potential conflicts arising from the Regional Growth Framework Proposals.

Decision

Detailed in the Confidential Schedule, signed by the Chair, with reference to this minute.

(Reference – report by the Partnership Director, submitted)

All Board - Thistle Assistance Presentation

The Board received a presentation from Keith Fiskin and Rhianne Forrest of SEStran on the Thistle Assistance relaunch. Thistle Assistance was about helping to relieve travel anxiety and encourage people to feel confident when using different forms of public transport across Scotland. There was an increased awareness about individuals who had mobility issues and support was out there but there were still barriers faced by individuals.

A newly designed Thistle Assistance card, app and website was being launched to help make travelling by public transport in Scotland more accessible for everyone. The new Thistle Assistance website was complemented by dedicated social media pages to engage with and learn from people who use the card and app. Research for the card and app highlighted individual's experiences of travel and the barriers they faced. The initial stage of the Thistle Assistance Journey Planner app was completed in 2019 and the app would be more fully developed from the beginning of 2020.

Following a wide-ranging discussion and a number of questions, the following key points emerged:

- The app could be tailored to suit the needs of individuals. For example, the solution for individuals with visual impairments would be more audio based and a solution for individuals with hearing impairments would be visual.
- SEStran and their partners would be working on a training toolkit that would be delivered with transport operators, for their staff in the first quarter of 2020. Edinburgh Trams had already put material in their induction pack.
- The card and app may be useful during pregnancy, or if you have temporary mobility issues, when some extra care and assistance may be required

Decision

To thank Keith Fiskin and Rhianne Forrest for their presentation.

A1. Minutes

Decision

- 1) To agree the minute of the SEStran Partnership Board of 27 September 2019 as a correct record subject to removing Cllr Murtagh from the list of members present.
- 2) To agree the minute of the Succession Planning Committee of 8 November 2019 as a correct record.
- 3) To agree the minute of the Performance and Audit Committee of 22 November 2019 as a correct record.

A2(a) Financial Planning 2020/23

An update was provided on the financial planning being progressed for the Partnership for the 2020/21 revenue budget, together with indicative financial plans for 2021/22 and 2022/23.

Decision

To note the update on the financial planning assumptions being progressed for the Partnership for the 2020/21 revenue budget and indicative financial plans for 2021/22 and 2022/23.

Declaration of Interest

Councillor Cameron Rose declared a non-financial interest as a member of the Lothian Pension Fund Committee.

(Reference – report by the Treasurer, submitted)

A2(b) Finance Officer's Report

The Board considered a report which presented the second update on financial performance of the Core and Projects budgets of the Partnership for 2019/20, in accordance with the Financial Regulations of the Partnership. The report provided an analysis of financial performance to the end of October 2019.

Decision

- 1) To note the forecast underspend of £67,000 on the core employee budget and overspend of £15,000 on the Projects budget – a net forecast underspend of £52,000.
- 2) To note that a further update would be presented to the March 2020 meeting of the Partnership.

(Reference – report by the Treasurer, submitted)

A2(c) Treasury Management – Mid-Term Review

Details were provided of the investment activity undertaken on behalf of the Partnership during the first half of the 2019/20 Financial Year.

Decision

To note the investment activity undertaken on its behalf.

(Reference – report by the Treasurer, submitted)

A3. Projects Performance and EU Exit Update

An update was provided on the current status and progress of the various projects SEStran was involved in and covered the latest position on the EU exit process.

Decision

- 1) To note the report.
- 2) To approve the Grant awards detailed in section 1.3 of the projects update. The total value of awards was £170,000 which comes from the total award from Transport Scotland for this fund.
- 3) To approve the Grant awards outlined in section 2.1 of the report by the Programmes Manager, of £29,260 to Peter Hogg of Jedburgh and £13,300 to Telford Coaches, for the purchase of new electronic ticket machines to facilitate integrated ticketing, contactless payments, and Real Time Passenger Information. The total value of awards was £42,560 which could be met from funds available within the annual award from Transport Scotland to SEStran.
- 4) To agree to explore the possibility of Board involvement in the quarterly bus operator meetings and explore mechanisms of reporting the outputs of the meetings to the Board.

(Reference – report by the Programmes Manager, submitted)

A4. Appointments to Performance & Audit Committee

The Board's approval of the City of Edinburgh Council representative to the Performance and Audit Committee was sought.

Decision

- 1) To approve the appointment of the Cllr. Rose to the Performance and Audit Committee.
- 2) To note East Lothian Council representation would be reported to a future Board.
- 3) To note the membership of the Performance and Audit Committee

(Reference – report by the Secretary, submitted)

A5. Dates of Future Meetings 2020

The proposed calendar of SEStran Partnership Board meetings in 2020 along with the full schedule of SEStran meetings was submitted.

Decision

To approve the proposed programme of meetings for 2020.

(Reference – report by the Business Manager, submitted)

A6. Date of Next Meeting

Decision

To note that the next meeting would be held on Friday 20 March 2020 at 10am in the Dean of Guild Room, City Chambers, Edinburgh.

B1. Climate Change Report

The Board received a report which outlined SEStran's responsibilities, as a public body, in relation to the Climate Change Act (Scotland) 2009.

Decision

To note the report.

(Reference – report by the Active Travel Officer, submitted)

B2. Risk Management Report

The biannual risk register update was provided.

Decision

To note the report and the risk register

(Reference – report by the Business Manager, submitted)

B3. Board Diversity Succession Plan

The Board Diversity Succession Plan was presented for noting.

Decision

- 1) To note the Board Diversity Succession Plan.
- 2) To note that officers would liaise with Scottish Government colleagues to receive information on Members diversity, in relation to their protected characteristics.
- 3) To note that officers would undertake an exercise to conduct a skills audit of the current Board members.

(Reference – report by the Business Manager, submitted)

B4. Consultation Responses

Details were provided of the Partnership's response to National Transport Strategy 2 (NTS2).

Decision

To note the response.

B5. Minutes

Decision

- 1) To note the minute of the Equalities and Access to Healthcare Forum of 2 October 2019.
- 2) To note the minute of the Integrated Mobility Forum of 10 October 2019.
- 3) To note the minute of the Logistics & Freight Forum – 31 October 2019.
- 4) To note the minute of the Chief Officers Liaison Group Meeting of 6 November 2019.

PERFORMANCE & AUDIT COMMITTEE

**HELD IN THE MANDELA ROOM, CITY CHAMBERS, EDINBURGH, EH1 1YJ
ON FRIDAY 6 MARCH 2020
10AM**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Councillor Imrie (Chair)	Midlothian Council
	Councillor Balsillie	Clackmannanshire Council
	Councillor Dempsey	Fife Council
	Councillor Fullarton	Scottish Borders Council
	Councillor Murtagh (by telephone)	Falkirk Council
	Councillor Rose	City of Edinburgh Council
	Barry Turner	Non-Councillor Member
	Dr Doreen Steel (by telephone)	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Angela Chambers	SEStran
	Jim Grieve	SEStran
	Anna Herriman	SEStran
	Nicola Mackenzie	Scott Moncrieff
	Martin Scott	City of Edinburgh Council
	Iain Shaw	City of Edinburgh Council
	Dheeraj Shekhar	City of Edinburgh Council

Action by

A1. ORDER OF BUSINESS

It was confirmed that there was no change to the order of business.

A2. APOLOGIES

Apologies were received from Callum Hay, Simon Hindshaw and Gavin King.

A3. DECLARATION OF INTERESTS

None.

A4. MINUTES

Decision

The minute of the Performance and Audit Committee of 22 November 2019 was approved as a correct record.

A5. Audit Plans

(a) External Audit Plan 2019/20

A summary of the work plan for the 2019/20 external audit of the South East of Scotland Transport Partnership (“the Partnership”) was provided.

Decision

To note the report.

Declaration of Interest

Councillor Cameron Rose declared a non-financial interest as a member of the Lothian Pension Fund Committee.

(Reference – report by the External Auditor, submitted)

(b) Internal Audit 2019/20

An update on the outcomes of the 2019/20 SEStran Internal Audit review was provided. Members were invited to provide insights on areas for potential inclusion in the scope of the planned 2020/21 audit.

Decision

1) To note the outcomes of the 2019/20 Internal Audit review.

(Reference – report by the Chief Internal Auditor, submitted)

A6. Finance Reports

(a) Revenue Budget 2020/21

Details were provided of the revenue budget for 2020/21 for review by the Committee.

Decision

1) To note the financial planning assumptions for the Partnership’s revenue budget for 2020/21.

- 2) To note that financial planning for 2021/22 to 2022/23 would be developed throughout 2020 for consideration by the Partnership in autumn 2020.
- 3) To note that the proposed budget was subject to a number of risks and that all income and expenditure of the Partnership would continue to be monitored closely with updates reported to each Partnership meeting.

(Reference – report by the Treasurer, submitted)

(b) Annual Treasury Management Strategy

Details were provided on the proposed Investment Strategy for 2020/21.

Decision

To refer the Strategy to the Partnership Board to approve the continuation of the current arrangement, as outlined in Appendix 1.

(Reference – report by the Treasurer, submitted)

(c) Reserves Policy

The Scottish Government had advised that the Transport (Scotland) Act 2019 was to be enacted on 19 March 2020. The Partnership was recommended to approve a Reserves Policy, given the amendments to Regional Transport Partnerships powers included in the Act.

Decision

To note the report.

(Reference – report by the Treasurer, submitted)

A7. NEW REGIONAL TRANSPORT STRATEGY (RTS) UPDATE

An update was provided on the work to develop the new Regional Transport Strategy (RTS), as agreed by the Board on 21 June including progress on the first, preliminary stage of the RTS, and clarification on the next steps for the RTS.

The update included details on the national context for the RTS rewrite, including legislative changes with relevance to the operation of Regional Transport Partnership.

Decision

To note the report.

(Reference – report by the Senior Partnership Manager, submitted)

A8. DRAFT BUSINESS PLAN

The first draft of SEStran's Business Plan for 2020/21 was submitted.

Following a wide-ranging discussion and exchange of views, the following key points emerged:

- How would the hydrogen versus electric vehicle debate be included in future business plans?
- An electric vehicle strategy and hydrogen strategy were being worked on but were not included in the business plan
- A hydrogen filling station had opened in Wallyford which was fully funded by the private sector. Larger vehicles were moving towards hydrogen and to be aware of this in SEStran's strategic planning
- Any questions prior to the Board meeting would be welcome.

Decision

To note the Draft Business Plan 2020/21.

(Reference – report by the Senior Partnership Manager, submitted)

A9. PROJECTS PERFORMANCE & EU EXIT UPDATE

An update was provided on the progress of the various projects SEStran was involved in and covered the position on the EU exit process.

Decision

To note the update.

(Reference – report by the Senior Partnership Manager, submitted)

A10. CYBER RESILIENCE UPDATE

An update was provided on the ongoing Cyber Resilience programme of work being undertaken by SEStran.

Decision

To note the report.

(Reference – report by the Business Manager, submitted)

A10. DATE OF NEXT MEETING

Friday 5 June 2020 at 10.00am in the Mandela Room, City Chambers,
Edinburgh, EH1 1YJ.

PERFORMANCE & AUDIT COMMITTEE

**REMOTE MEETING VIA MS OFFICE TEAMS
ON FRIDAY 5 JUNE 2020
10AM**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Councillor Dempsey (In the Chair)	Fife Council
	Councillor Balsillie	Clackmannanshire Council
	Councillor Fullarton	Scottish Borders Council
	Councillor Horne	West Lothian Council
	Councillor Hoy	East Lothian Council
	Councillor Murtagh	Falkirk Council
	Councillor Rose	City of Edinburgh Council
	Callum Hay	Non-Councillor Member
	Barry Turner	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Jim Grieve	SEStran
	Anne Herriman	SEStran
	Hannah Markley	SEStran
	Gavin King	City of Edinburgh Council
	Martin Scott	City of Edinburgh Council
	Iain Shaw	City of Edinburgh Council
	Karen Jones	Scott Moncrieff

Action by

A1. ORDER OF BUSINESS

In the absence of the Chair, Councillor Dempsey was appointed to chair the meeting.

It was confirmed that there was no change to the order of business.

A2. APOLOGIES

Apologies were received from Councillor Imrie, Simon Hindshaw and Doreen Steele.

A3. DECLARATION OF INTERESTS

Councillor Cameron Rose declared a non-financial interest in item 5(a), Unaudited Annual Accounts 2019/20, as a quasi-Trustee

member of Lothian Pension Fund. .

A4. MINUTES

Decision

To approve the minute of the Performance and Audit Committee of 6 March 2020 as a correct record.

A5. UNAUDITED ANNUAL ACCOUNTS 2019/20

The Unaudited Annual Accounts for 2019/2020 were submitted in accordance with the Local Authority Accounts (Scotland) Regulations 2014.

The accounts were subject to audit and the audited Annual Accounts, incorporating the Auditor's report, would be presented to the Performance and Audit Committee and Partnership Board in due course.

The net revenue budget of the Partnership in 2019/20 was £0.972m funded by Government Grant and Council contributions. Overall the Partnership had an underspend of £163,000. The underspend arose due to a combination of underspends on the core revenue budget, projects budget and the RTPPI project budget.

Decision

- 1) To note the unaudited Annual Accounts for 2019/20 and refer the Unaudited Accounts to the Partnership Board for review.
- 2) To note that the audited Annual Accounts, incorporating the Auditor's report, would be presented to the Performance and Audit Committee and Partnership Board in due course.

Declaration of Interest

Councillor Cameron Rose declared a non-financial interest as a quasi-Trustee member of Lothian Pension Fund.

(Reference – report by the Treasurer, submitted)

A6. ANNUAL TREASURY REPORT 2019/20

The Annual Treasury Report for 2019/20 was submitted in line with the requirements of the CIPFA Code of Practice on Treasury Management in the Public Sector.

Decision

To note the Annual Treasury Report for 2019/20 and refer it to the Partnership Board for noting.

(Reference – report by the Treasurer, submitted)

A7. RISK FRAMEWORK

The six-monthly update on the risk register was presented. Changes to the register since the last update were highlighted as set out in the appendix to the report.

Committee were asked to note that all changes made to the register were highlighted in red. A specific risk had been added in the light of the Covid-19 pandemic.

Decision

- 1) To note the report.
- 2) To note that a final version of the Risk Register would be presented to the Partnership Board for noting.

(Reference – report by the Business Manager, submitted)

A8. PROJECTS PERFORMANCE

Information was provided on the current status and progress of the various projects SEStran delivered. Details were provided of the position on Covid-19 in relation to project delivery and consultancy services required this financial year.

Decision

- 1) To note the report.
- 2) To agree that the Partnership Director would select projects to present to the Performance & Audit Committee to assess and review whether value for money was achieved.

(Reference – report by the Partnership Director, submitted)

A9. DATE OF NEXT MEETING

Friday 11 September 2020 at 10.00am.

Item A2. Use of Delegated Powers in light of Board Cancellation

Use of Delegated Powers in light of Board Cancellation

1. Introduction

1.1 As Members will be aware, the Board meeting scheduled for 20th March 2020 had to be cancelled due to the pandemic crisis and subsequent restrictions on gatherings. This report details the decisions made under delegated powers in the absence of a Board meeting.

2. Use of Emergency Delegated Powers

2.1 Sustran’s Standing Orders, at paragraph 40, state:

‘If a decision which would normally be made by the Partnership requires to be made urgently between meetings of the Board, the Partnership Director, in consultation with the Chairperson (whom failing, the Deputy Chairperson(s)), can take action subject to the matter being reported to the next meeting of the Partnership.’

2.2 Following this approach, the Partnership Director consulted with the Chair on all those items on the March agenda which required a decision. A list of those decisions is appended.

2.3 The original agenda and papers can be accessed [here](#).

3. Recommendations

3.1 It is accordingly recommended that Members note the decisions progressed under paragraph 40 of Standing Orders.

Jim Grieve
Partnership Director
12th June 2020

Appendix 1: List of decisions taken under delegated power

Policy Implications	None. Decisions taken in line with existing policies
Financial Implications	As set out in original reports
Equalities Implications	As set out in original reports
Climate Change Implications	As set out in original reports

Partnership Board of 20th March – Decisions taken under delegated powers (Standing Orders, Paragraph 40)

AGENDA A – POINTS FOR DECISION

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A2. AUDIT PLANS

Internal Audit 2019/20 – Report by Lesley Newdall

44

Agreed that IA assurance in 2020/21 should focus on the adequacy and effectiveness of the framework supporting ongoing development of the Regional Transport Strategy (including carbon neutrality and climate change)

A3. FINANCE REPORTS – Reports by Hugh Dunn
(a) Revenue Budget 2020/21

59

Approved a core revenue and projects budget for 2020/21 as detailed in Appendices 1 and 2, based on a standstill constituent council requisition of £190,000;

Based on the core revenue and projects budget approved, instructed the Treasurer to requisition the individual constituent councils for the relevant amounts as follows:

Council	Requisition
Clackmannanshire	£6,116
East Lothian	£12,589
Edinburgh	£61,700
Falkirk	£19,080
Fife	£44,255
Midlothian	£10,869
Scottish Borders	£13,717
West Lothian	£21,674
Total	£190,000

(c) Reserves Policy

73

Approved the Reserves Policy, as detailed at Appendix 2 of the report;

Approved that the Partnership works towards establishing an unallocated General Fund reserve of £29,000, based on 5% of the proposed core revenue budget for 2020/21, following review of the 2019/20 year-end position.

(d) Annual Treasury Management Strategy **81**

Approved the Annual Treasury Management Strategy, as detailed in Appendix 1 of the report.

A4. APPOINTMENT TO PERFORMANCE & AUDIT COMMITTEE – 83
Report by Gavin King

Approved the appointment of Councillor Craig Hoy, East Lothian Council, to the Performance and Audit Committee.

A5. DRAFT BUSINESS PLAN 2020/21 – Report by Anna Herriman 85

Agreed that the Partnership Director would agree the final content of the Business Plan in consultation with the Chair and Deputy Chairs of the Partnership.

A8. CONSULTATION RESPONSES TO NPF4 CALL FOR IDEAS – 150
Report by Jim Grieve

Approved SEStran's draft NPF4 Call for Ideas response for submission;

Agreed not to ratify the entire ESESCRD Joint Committee's response to NPF4;

Endorsed the ESESCRD Joint Committee's answers to the five "Call for Ideas" questions, subject to the amendments noted in the report, and agreed the Partnership Director liaise with the ESES Team to conclude the submission;

Endorsed the proposed key elements of the East Lothian Response.

Unaudited Annual Accounts 2019/20

1. Introduction

- 1.1 This report presents the unaudited Annual Accounts for the year ended 31st March 2020. The unaudited accounts are appended.

2. Main Report

- 2.1 The unaudited Annual Accounts are submitted to the Partnership in accordance with the Local Authority Accounts (Scotland) Regulations 2014. The accounts are subject to audit and the audited Annual Accounts, incorporating the Auditor's report, will be presented to the Performance and Audit Committee and Partnership Board in due course.

- 2.2 The Treasurer's opinion on the effectiveness of the Partnership's system of internal financial control is provided within the Annual Governance Statement on pages 6 to 8. The Treasurer's opinion is informed by the work of Internal Audit and managers in the Partnership.

- 2.3 The Management Commentary is on pages 2 to 4 of the Annual Accounts. This shows key aspect of financial performance during the year. The unaudited underspend is £163,000, which comprises an underspend of £13,000 on the Core revenue budget and slippage of £150,000 on the Projects budget. Under the Partnership's Reserves Policy, it is planned to carry forward these balances to 2020/21.

3 Recommendations

It is recommended that the Partnership Board:

- 3.1 note the unaudited accounts;
- 3.2 notes that the audited Annual Accounts, incorporating the External Auditor's report, will be presented to the Performance and Audit Committee and Partnership Board in due course.

Hugh Dunn

Treasurer
19th June 2020

Appendix Unaudited Annual Accounts 2019/20
Contact iain.shaw@edinburgh.gov.uk

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

**The South East of Scotland
Transport Partnership
(SESTRAN)**

**Unaudited
Annual Accounts**

2019/2020

The South East of Scotland Transport Partnership (SESTRAN)

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The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary

1. Basis of Accounts

The Partnership prepares its Annual Accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom. The Code of Practice is based on International Financial Reporting Standards (IFRS).

2. Statutory Background

The South East of Scotland Transport Partnership (SESTRAN) was established under the Regional Transport Partnerships (Establishment, Constitution and Membership) (Scotland) Order 2005. The Partnership came into force on 1st December 2005. Under Section 3 of the Transport (Scotland) Act 2005, the net expenses of SESTRAN, after allowing for government grant and any other income, are met by its constituent councils.

In accordance with Section 122 of the Transport (Scotland) Act 2019, which allows Regional Transport Partnerships to carry forward reserves, the Partnership has now established a General Fund reserve. This provision in the Transport (Scotland) Act 2019 came into effect on 19 March 2020, and is available to Regional Transport Partnerships for financial years 2019/20 and onwards.

3. Corporate Strategy

The following is an introductory extract from the Transport (Scotland) Act 2005, which established the Partnership; one of seven Scottish Regional Transport Partnerships (RTPs):

“An Act of the Scottish Parliament to provide for the setting up and functions of the new transport bodies and to enable the Scottish Ministers to discharge certain transport functions; to provide further for the control and co-ordination of road works and for the enforcement of the duties placed on those who carry them out; to set up national concessionary fares schemes; and to make other, miscellaneous modifications of the law relating to transport.”

The Partnership aims to develop a sustainable transportation system for South East Scotland that will enable business to function effectively, and provide everyone living in the region with improved access to healthcare, education, public services and employment opportunities. These aims are embodied in the Regional Transport Strategy (RTS).

The constituent councils of the Partnership are the City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.

SEStran’s Vision Statement is as follows:

“A regional transport system that provides all citizens of South East Scotland with a genuine choice of transport which fulfils their needs and provides travel opportunities for work and leisure on a sustainable basis.”

4. Risks and Uncertainties

The principal risks and uncertainties faced by the Partnership fall into two categories.

Firstly, there is the funding uncertainty faced by all local authorities and RTPs. The Partnership has a range of statutory duties to enact. While every attempt is made to do this within the budget provided, budget reductions may make this less achievable

The second category relates to changes in legislation leading to changes in the services to be delivered. This can create pressures from both a financial and organisational perspective.

5. Results for the Year

The Partnership is required to present its financial performance as a Comprehensive Income and Expenditure Statement. This can be seen on page 12.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (continued)

5. Results for the Year (continued)

To show the net position of the Partnership and to allow comparison with the approved revenue budget, it is necessary to adjust the expenditure shown in the Comprehensive Income and Expenditure Statement to take account of a number of items where the statutory accounting requirements differ from the management accounting practice of the Partnership. These adjustments are detailed in Note 2.

The net revenue budget of the Partnership in 2019/20 was £0.972m, funded by Government Grant and Council Contributions. A comparison of the outturn position with the revenue budget is presented in the table below. Key aspects of financial performance in 2019/20 are:

- Overall the Partnership had an underspend of £163,000 which is shown in the table below. The underspend arose due to a combination of underspends on the core revenue budget, projects budget and the RTPI project budget;
- The Partnership incurred core service expenditure of £0.517m which was £67,000 below the revised Core Service revenue budget. This underspend mainly reflected decreased expenditure on staff costs, marketing costs and computer costs;
- The Partnership incurred expenditure of £1.528m on revenue projects and received external grants and contributions of £1.256m, resulting in net expenditure of £0.272m. Net expenditure was £36,000 under budget. The main favourable variance on the Projects revenue budget arose on the Sustainable and Active Travel grants programme;
- Expenditure of £31,000 on the Real-Time Passenger Information (RTPI) project was partly funded by contributions of £10,000 from other parties, resulting in net expenditure of £21,000. Net expenditure was £59,000 under budget.

	Revised		
	Budget	Outturn	Variance
	£'000	£'000	£'000
Core Service	584	517	(67)
Revenue Projects - Net Expenditure	308	272	(36)
RTPI Project - Net Expenditure	80	21	(59)
Net Interest	0	(1)	(1)
Total Expenditure 2019/20	972	809	(163)
Government Grant	(782)	(782)	0
Constituent Council Requisitions	(190)	(190)	0
Total Government Grant and Council Contributions 2019/20	(972)	(972)	0

In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy and established an unallocated reserve of £13,000 and an earmarked balance of £150,000 to meet slippage on project delivery from 2019/20 to 2020/21.

Non Financial Results

During 2019/20, the Partnership published a Main Issues Report that sets out issues for the next Regional Transport Strategy.

The Partnership remained successful in attracting funding and delivering region-specific strategies, studies and services of benefit to transport users and partners across the region.

- The Partnership delivered the SEStran Strategic Network study, providing a framework for active travel routes across the region, including further design for a route from Cameron Toll to the BioQuarter, with funding from Transport Scotland;

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Results for the Year (*continued*)

Non Financial Results (*continued*)

- Sustrans Scotland funding was used to allow the Partnership to complete feasibility studies for Winchburgh to Kirkliston, Sheriffhall to the BioQuarter, and Kirkcaldy to Buckhaven routes;
- A GO e-bike share system for four hubs across East Lothian and Midlothian, utilising match funding from Low Carbon Travel and Transport Fund. An additional grant from Transport Scotland was used towards e-bike hubs and facilities in Edinburgh and Scottish Borders;
- Transport Scotland's direct Active Travel funding allowed the Partnership to conclude five feasibility studies for key routes in the region, including A701 Straiton to The Bush, A9 Larbert to Stirling, Dalkeith, Shawfair and Little France. Additionally, the technical design for the Kirkcaldy to Buckhaven route and a placemaking design for Alloa town centre were delivered;
- The Thistle Assistance scheme was rebranded, with a new app, website and awareness campaign and 10,000 new cards issued. This was made possible through Scottish Enterprise and Transport Scotland funding. The concept for an inclusive Journey Planning App was also developed, for users with a wide range of technology adaptation and accessibility needs;
- With support and funding from Inclusion Scotland, the Partnership was able to offer a short-term Marketing Internship that commenced in November 2019;
- SHARE-North funding was utilised to promote shared mobility, through Tripshare SEStran and GO e-Bike in particular. The Partnership also exchanged knowledge with SHARE-North partners for the implementation of Mobility Hubs;
- PriMaaS funding allowed the Partnership to begin exchanging knowledge and best practice in the development of regional policies to support Mobility-as-a-Service;
- Surflogh funding was used to continue the first mile / last mile sustainable delivery trial with ZEDIFY, moving an average of one pallet of goods per day in the central Edinburgh area;
- BLING funding enabled further development of the Blockchain pilot being run through the University of Edinburgh, testing the potential to use this technology to support the sustainable movement and consignment of small goods in a real-world setting;
- Funding from Transport Scotland's LEZ support fund enabled the Partnership to complete a Park and Ride Strategy, a Mobility Hubs Strategy and Demand Responsive Transport study. The funding also enabled investment in assets for the RTP system;
- Local Rail Development Fund support from Transport Scotland was used to deliver a multi-modal transport appraisal for Newburgh, in partnership with the Newburgh Train Station Group and Fife Council.

6. Future Developments

The impacts from Covid-19 on the Partnership were first noted towards the end of the 2019/20 year, with the advent of fully home-based working. Ensuring the health, safety and well-being of staff remains the utmost priority and the organisation will respond to all physical distancing requirements set out by Government, once a return to office-based working is safe and possible.

Through some modifications to project methodologies and by making the most of available technologies to support consultation, engagement and project meetings, it has so far been possible to progress all areas of the Partnership's work.

However, the impacts from Covid-19 on the entire transport sector, and the context in which all the Partnership's work is progressed, are very significant. It is too early to confirm how regional transport strategic planning, delivery and operations will need to respond, but some impacts and changes may last for years to come. Covid-19 is therefore rightly recognised within the Main Issues Report and will be considered within the development of the new Regional Transport Strategy.

The Partnership, alongside other RTPs in Scotland, will continue to work closely with Transport Scotland and partner Councils to continually re-evaluate and respond to the new context for transport as it evolves.

It is considered appropriate to adopt a going concern basis for the preparation of the Annual Accounts.

The South East of Scotland Transport Partnership (SESTRAN)

STATEMENT OF RESPONSIBILITIES FOR THE ANNUAL ACCOUNTS

The Partnership's Responsibilities

The Partnership is required:

- to make arrangements for the proper administration of its financial affairs and to secure that the proper officer has the responsibility for the administration of those affairs. In this Partnership, that officer is the Treasurer;
- to manage its affairs to secure economic, efficient and effective use of its resources and safeguard its assets;
- to ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014) and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003);
- to approve the Annual Accounts.

The Treasurer's Responsibilities

The Treasurer is responsible for the preparation of the Partnership's Annual Accounts in accordance with proper practices as required by legislation and as set out in the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing the Annual Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation;
- complied with the Local Authority Accounting Code (in so far as it is compatible with legislation).

The Treasurer has also:

- kept adequate accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Annual Accounts give a true and fair view of the financial position of the Partnership at the reporting date and the transactions of the Partnership for the year ended 31st March 2020.

Treasurer: HUGH DUNN, CPFA _____ Date signed: 19th June 2020

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2019/20

1. Scope of Responsibility

The South East of Scotland Transport Partnership's aim is to develop a transportation system for South East Scotland as outlined in the Partnership's Regional Transport Strategy 2015-2025.

The Partnership is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, that public money is safeguarded and properly accounted for and used economically, efficiently, effectively and ethically. The Partnership also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

In discharging these overall responsibilities Elected Members and Senior Officers are responsible for implementing proper arrangements for the governance of the Partnership's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

The Partnership has approved and adopted a Local Code of Corporate Governance which is consistent with appropriate corporate governance principles and reflects the requirements of the "Delivering Good Governance in Local Government: Framework (2016)".

This Statement explains how the Partnership delivers good governance and reviews the effectiveness of these arrangements. It also includes a statement on internal financial control in accordance with proper practice.

The Partnership's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

2. The Partnership's Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Partnership is directed and controlled, and its activities through which it accounts to, engages with and influences the community. It enables the Partnership to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The framework reflects the arrangements in place to meet the six supporting principles of effective corporate governance:

- Focusing on the purpose of the Partnership and on outcomes for the community, and creating and implementing a vision for the local area;
- Members and officers working together to achieve a common purpose with clearly defined functions and roles;
- Promoting values for the Partnership and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- Developing the capacity and capability of members and officers to be effective;
- Engaging with local people and other stakeholders to ensure robust public accountability.

A significant part of the governance framework is the system of internal control which is based on an ongoing process designed to identify and manage the risks to the achievement of the Partnership's policies, aims and objectives. These are defined in the Partnership's Business Plan, which is updated annually. This enables the Partnership to manage its key risks efficiently, effectively, economically and ethically.

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2019/20 *(continued)*

2. The Partnership's Governance Framework *(continued)*

Within the overall control arrangements the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented or would be detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision.

While the system of internal control is designed to manage risk at a reasonable level it cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, and not absolute, assurance of effectiveness.

3. Determining the Partnership's purpose, its vision for the local area and intended outcomes for the Community

The Partnership aims to develop a transportation system for South East Scotland which will enable businesses to function effectively and provide everyone living in the Region with improved access to health care, education, public services and employment opportunities. The vision for achieving this is outlined in the Regional Transport Strategy.

The Business Plan defines how to implement the aims of this strategy and the Annual Report provides a report of performance against objectives, targets and performance indicators as outlined in the Regional Transport Strategy.

4. Review of Effectiveness

The Partnership has put in place arrangements, detailed in the Local Code, for monitoring each element of the framework and providing evidence of compliance. A Principal Officer within the Partnership has been nominated to review the effectiveness of the Local Code .

The review of the effectiveness of its governance framework, including the system of internal financial control is informed by:

- the work of Internal Audit on the adequacy and effectiveness of the Partnership's control environment, governance and risk management frameworks;
- the Partnership Director's Certificate of Assurance on internal control;
- the operation and monitoring of controls by Partnership managers;
- the External Auditors in their Annual Audit Letter and other reports; and
- other inspection agencies comments and reports.

Through the year Elected Members and Officers have responsibility for the development and maintenance of the governance environment. These review mechanisms include:

- **The Partnership Board**, which provides strategic leadership, determines policy aims and objectives and takes executive decisions not delegated to officers. It provides political accountability for the Partnership's performance;
- **The Performance and Audit Committee**, which demonstrates the Partnership's commitment to the principles of good governance. It scrutinises the running of the Partnership and suggests improvements;
- **Internal Audit** provides an independent and objective assurance service to the Partnership, by completing one review in each financial year that is focused on the adequacy and effectiveness of controls established to manage a key risk of the Partnership;

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2019/20 *(continued)*

4. Review of Effectiveness *(continued)*

- **The External Auditor's Annual Audit Report** is considered by the Partnership Board and the Performance and Audit Committee, along with the output from other external audits and inspections;
- **The risk management system** requires that risks are regularly reviewed by the Performance and Audit Committee and Board. This ensures that actions are taken to effectively manage the Partnership's highest risks;
- **The Partnership Secretary** is responsible to the Partnership for ensuring that agreed procedures are followed. The Partnership has a contractual arrangement with an external Legal Services provider to ensure all applicable statutes and regulations are complied with.

5. Internal Audit Opinion

During the year, Internal Audit completed one review that assessed the design adequacy of governance arrangements and stakeholder engagement plans supporting the new Regional Transport Strategy (RTS) development and considered whether the project is being delivered in line with applicable guidance and legislative requirements. The design adequacy and operating effectiveness of key third-party supplier management controls in relation to third parties engaged to support the new RTS was also considered. The audit highlighted that whilst some moderate control weaknesses were identified in the design of the governance and risk management frameworks established to support delivery of the first stage of the RTS rewrite project, the established governance and risk management frameworks provided reasonable assurance that project risks are being managed and that the Partnership's objectives to deliver a new strategy based on Main Issues Report outcomes should be achieved.

6. Coronavirus Pandemic

The coronavirus pandemic has required changes to governance arrangements. This Governance Statement provides assurance over the governance arrangements that have been in place for the majority of 2019/20. The meeting of the Partnership, which was due to take place on 20th March 2020 was cancelled due to the pandemic. Decisions due to be taken at that meeting were dealt with as Items of Urgency under the provisions of the Partnership's Standing Orders; this after consultation with the Partnership Board. During the period of pandemic lockdown, the Partnership is planning to facilitate future meetings of the Partnership Board and Performance and Audit Committee using electronic technology.

7. Certification

In compliance with accounting practice, the Treasurer has provided the Partnership Director with a statement on the adequacy and effectiveness of the Partnership's internal financial control system for the year ended 31st March 2020. It is the Treasurer's opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control system.

8. From this year's review, there is reasonable assurance that the Local Code of Corporate Governance is operating adequately, with overall compliance by the Partnership with its corporate governance arrangements.

The South East of Scotland Transport Partnership (SESTRAN)

REMUNERATION REPORT

1. Remuneration Policy for Senior Employees

The Partnership Board determines remuneration for senior employees with reference to the level of responsibility of the post. The Partnership does not operate a Remuneration Committee. Annual inflationary increases are based on those agreed by the Scottish Joint Negotiating Committee (SJNC) for Local Authority services.

2. Remuneration for Senior Councillors

The Partnership does not provide any remuneration to senior councillors.
Expenses paid to Board members are detailed in note 19 to the annual accounts.

3. Management of Remuneration Arrangements

The remuneration of the Partnership's employees is administered by the City of Edinburgh Council, as part of a service level agreement with the Partnership.

4. Officers Remuneration

The numbers of employees whose remuneration during the year exceeded £50,000 were as follows:

Remuneration Bands	2019/20	2018/19
£70,000 - £74,999	0	1
£75,000 - £79,999	1	0
£95,000 - £99,999	0	1

5. Senior Employees Remuneration

The remuneration paid to the Partnership's senior employees is as follows:

Name and Post Title	Salary, Fees and Allowances		Total Remuneration	Total Remuneration
	£	£	2019/20	2018/19
Jim Grieve - Partnership Director	78,994	0	78,994	74,975
George Eckton - Partnership Director to 29/11/18 *	0	0	0	99,896
	78,994	0	78,994	174,871

* full time equivalent 2018/19 salary - George Eckton (£79,661)

The senior employees detailed above have/ had responsibility for management of the Partnership to the extent that they have power to direct or control the major activities of the Partnership (including activities involving the expenditure of money), during the year to which the Remuneration Report relates, whether solely or collectively with other persons.

In 2018/19, the previous Partnership Director resigned on 29th November 2018. The Partnership's Head of Programmes undertook the duties of the Director's post until his appointment as Partnership Director on 3rd May 2019.

6. Senior Employees Pension Entitlement

The pension entitlement of the Partnership's senior employee(s) is as follows:

Name and Post Title	In-year pension contributions		Accrued pension benefits	
	2019/20	2018/19	As at 31 March 2020	Difference from 31 March 2019
George Eckton - Partnership Director (to 29/11/18)	£ 0	£ 11,885	£'000 0	£'000 18
			Pension	
			Lump Sum	
	0	11,885	0	16

The senior employee shown in the table above is a member of the Local Government Pension Scheme (LGPS). The Partnership makes no pension contributions for Jim Grieve, nor is he in receipt of pension entitlement.

The South East of Scotland Transport Partnership (SESTRAN)

REMUNERATION REPORT *(continued)*

7. Pension Entitlement

Pension benefits for the Partnership's employees are provided through the Local Government Pension Scheme (LGPS). For the Partnership's employees, the Local Government Pension Scheme (LGPS) became a career average pay scheme on 1 April 2015. Benefits built up to 31 March 2015 are protected and based on final salary. Accrued benefits from 1 April 2015 will be based on career average salary.

The scheme's normal retirement age for employees is linked to the state pension age (but with a minimum of age 65).

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009 contributions rates were set at 6% for all non-manual employees.

The tiers and members contributions rates for 2019-20 were as follows:

	Contribution rate
Whole Time Pay	
On earnings up to and including £21,800 (2018/2019 £21,300)	5.50%
On earnings above £21,800 and up to £26,700 (2018/2019 £21,300 to £26,100)	7.25%
On earnings above £26,700 and up to £36,600 (2018/2019 £26,100 to £35,700)	8.50%
On earnings above £36,600 and up to £48,800 (2018/2019 £35,700 to £47,600)	9.50%
On earnings above £48,800 (2018/2019 £47,600)	12.00%

From April 2015, when allocating contribution rates to members, pensionable pay means the actual pensionable pay, regardless of hours worked.

There is no automatic entitlement to a lump sum for members who joined the scheme post April 2009. Members may opt to give up (commute) pension for lump sum or bigger lump sum up to the limit set by the Finance Act 2004.

The value of the accrued benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation - assuming that the person left the related employment or service as at 31st March in the year to which the value relates.

8. Exit Packages

Exit packages include compulsory and voluntary redundancy costs, pension contributions in respect of added years, ex-gratia payments and other departure costs.

Exit Package Cost Band	Number of		Number of		Total Number of		Total Cost of	
	Compulsory Redundancies		Other Agreed Departures		Exit Packages by Cost Band		Exit Packages in Each Band	
							£'000	£'000
All Cost Bands	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0

All information disclosed in the tables at paragraphs 4, 5, 6 and 8 in this Remuneration Report will be audited.

The other sections of the Remuneration Report will be reviewed by the appointed auditor to ensure that they are consistent with the annual accounts.

The South East of Scotland Transport Partnership (SESTRAN)

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on different reserves held by the Partnership, analysed into "Usable Reserves" (that is, those that can be applied to fund expenditure) and "Unusable Reserves". The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the Partnership's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Partnership.

2018/19 - Previous Year Year Comparative

	Usable Reserves		Unusable Reserves	Total Partnership Reserves
	General Fund Balance	Total Usable Reserves		
	£'000	£'000	£'000	£'000
Opening Balances at 1 April 2018	0	0	(247)	(247)
Movement in reserves during 2018/19				
Surplus or (Deficit) on Provision of Services	(147)	(147)	0	(147)
Other Comprehensive Expenditure and Income	0	0	(127)	(127)
Total Comprehensive Expenditure and Income	(147)	(147)	(127)	(274)
Adjustments between accounting basis & funding basis under regulations (Note 7)	147	147	(147)	0
Increase/Decrease in 2018/19	0	0	(274)	(274)
Balance at 31 March 2019 carried forward	0	0	(521)	(521)

2019/20 - Current Financial Year

	Usable Reserves		Unusable Reserves	Total Partnership Reserves
	General Fund Balance	Total Usable Reserves		
	£'000	£'000	£'000	£'000
Opening Balances at 1 April 2019	0	0	(521)	(521)
Movement in reserves during 2019/20				
Surplus or (Deficit) on Provision of Services	66	66	0	66
Other Comprehensive Expenditure and Income	0	0	241	241
Total Comprehensive Expenditure and Income	66	66	241	307
Adjustments between accounting basis & funding basis under regulations (Note 7)	97	97	(97)	0
Increase/Decrease in 2019/20	163	163	144	307
Balance at 31 March 2020 carried forward	163	163	(377)	(214)

The South East of Scotland Transport Partnership (SESTRAN)

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2019/20

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded by government grant, council requisitions and other income.

2018/19			2019/20			
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Services	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
719	(1)	718	Core	693	(4)	689
678	(335)	343	Projects	1,462	(1,266)	196
1,397	(336)	1,061	Cost Of Services	2,155	(1,270)	885
73	(55)	18	Financing & Investment Income (Note 9)	75	(54)	21
0	(932)	(932)	Taxation and Non-Specific Grant Income (Note 10)	0	(972)	(972)
1,470	(1,323)	147	(Surplus) or Deficit on Provision of Services	2,230	(2,296)	(66)
			Other Comprehensive Income and Expenditure			
0	0	0	Change in Demographic Assumptions	0	0	0
264	0	264	Change in Financial Assumptions	0	(369)	(369)
0	0	0	Other Experience	0	(18)	(18)
0	(137)	(137)	Return on Assets excluding amounts included in net interest	146	0	146
264	(137)	127	Total Other Comprehensive Income and Expenditure	146	(387)	(241)
1,734	(1,460)	274	Total Comprehensive Income and Expenditure	2,376	(2,683)	(307)

The South East of Scotland Transport Partnership (SESTRAN)

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Partnership. The net assets of the Partnership (assets less liabilities) are matched by the reserves held by the Partnership. Reserves are reported in two categories. The first category of reserves are usable reserves, that is, those reserves that the Partnership may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves are those that the Partnership is not able to use to provide services. This category of reserves include reserves that hold unrealised gains and losses (for example, the Capital Adjustment Account Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line "Adjustments between accounting basis and funding basis under regulations".

31 March 2019 £'000		Note	31 March 2020 £'000
352	Property, plant and equipment	11	309
352	Long term assets		309
514	Short-term debtors	13	773
0	Provision for Bad Debts	14	0
279	Cash and cash equivalents	15	151
793	Current assets		924
(190)	Contributions and Grants Received in Advance		0
(609)	Short-term creditors	16	(771)
(799)	Current liabilities		(771)
(867)	Other long-term liabilities (Pensions)	24	(676)
(867)	Long-term liabilities		(676)
(521)	Net assets/ (liabilities)		(214)
	Financed by:		
0	Usable reserves	17	163
(521)	Unusable reserves	18	(377)
(521)	Total reserves		(214)

The unaudited Annual Accounts were issued on the 19th June 2020.

Treasurer: HUGH DUNN, CPFA

Date signed: 19th June 2020

The South East of Scotland Transport Partnership (SESTRAN)

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Partnership during the reporting period. The statement shows how the Partnership generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flow arising from operating activities is a key indicator of the extent to which the operations of the Partnership are funded by way of government grant income, council requisitions and recipients of services provided by the Partnership. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Partnership's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (that is, borrowing) to the Partnership.

31 March 2019 £'000	31 March 2019 £'000		31 March 2020 £'000	31 March 2020 £'000
		OPERATING ACTIVITIES		
(782)		Government Grants	(782)	
(190)		Constituent Council Requisitions	(190)	
(1)		Interest paid/ (received)	(1)	
(396)		Other receipts from operating activities	(842)	
	(1,369)	Cash inflows generated from operating activities		(1,815)
481		Cash paid to and on behalf of employees	488	
1,309		Cash paid to suppliers of goods and services	1,393	
	1,790	Cash outflows generated from operating activities		1,881
	421	Net cash flows from operating activities		66
		INVESTING ACTIVITIES		
0		Purchase of property, plant and equipment	62	
	0	Net cash flows from investing activities		62
		FINANCING ACTIVITIES		
0		Other receipts from financing activities	0	
	0	Net cash flows from financing activities		0
	421	Net(increase)/ decrease in cash and cash equivalents		128
	700	Cash and cash equivalents at the beginning of the reporting period		279
	279	Cash and cash equivalents at the end of the reporting period (Note 15)		151

The South East of Scotland Transport Partnership (SESTRAN)

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Accounting Policies

The Annual Accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) based Code of Practice in the United Kingdom (the Code). This is to ensure that the Annual Accounts "present a true and fair view" of the financial position and transactions of the Partnership.

The Annual Accounts have been prepared on an historic cost basis, modified by the valuation of pension assets and liabilities and property, plant and equipment, where appropriate.

1.2 Revenue Expenditure

Revenue expenditure is that which does not yield benefit beyond the year of account. In broad terms the revenue expenditure of the Partnership can be divided into two categories:

- employees;
- day-to-day operating expenses, includes costs incurred in respect of office accommodation transport, ICT, and project expenditure.

1.3 Revenue Income

Revenue income is that which does not yield benefit beyond the year of account. In broad terms the revenue income of the Partnership can be divided into the following categories:

- Council requisitions, which fund day to day expenditure;
- European Union, Scottish Government and other grant income awarded to fund specific projects;
- other income recoveries to fund specific projects.

1.4 Accruals of Expenditure and Income

The revenue account has been prepared on an accruals basis in accordance with the Code of Practice. Amounts estimated to be due to or from the Partnership, which are still outstanding at the year end, are included in the accounts. Government Grants have been accounted for on an accruals basis.

1.5 Operating Leases

a) Leased-in assets

Rental payments under operating leases are charged to the Comprehensive Income and Expenditure Statement on a straight line basis over the life of the lease.

b) Leased-out assets

The Partnership has not identified any leased-out assets that fall under the definition of operating leases.

1.6 Overheads

The cost of service in the Comprehensive Income and Expenditure Statement includes the Partnership's overheads.

1.7 Charges to the Comprehensive Income and Expenditure Statement for use of non-current assets

Charges are made to the Comprehensive Income and Expenditure Statement for the use of non-current assets, through depreciation charges. The aggregate charge to individual services is determined on the basis of the assets used in each service.

The South East of Scotland Transport Partnership (SESTRAN)

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.8 Employee Benefits

Pensions

The Partnership is an admitted body to the Local Government Pension Scheme (LGPS) which is administered by the Lothian Pension Fund. The LGPS is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998, as amended.

The Annual Accounts have been prepared including pension costs, as determined under International Accounting Standard 19 – Employee Benefits (IAS 19). The cost of service in the Comprehensive Income and Expenditure Statement includes expenditure equivalent to the amount of retirement benefits the Partnership has committed to during the year. Pensions interest cost and the expected return on pension assets have been included in the “Surplus or Deficit on the Provision of Services” within the Comprehensive Income and Expenditure Statement.

The pension costs charged to the Comprehensive Income and Expenditure Statement in respect of employees are not equal to contributions paid to the funded scheme for employees. The amount by which pension costs under IAS19 are different from the contributions due under the pension scheme regulations are disclosed in the Movement in Reserves Statement for the General Fund.

Pension assets have been valued at bid value (purchase price), as required under IAS19.

Under pension regulations, contribution rates are set to meet 100% of the overall liabilities of the Fund.

Accruals of Holiday Leave

Cost of service includes a charge for annual leave to which employees are entitled, but have not taken as at the Balance Sheet date. The Partnership is not required to raise requisitions on constituent councils to cover the cost of accrued annual leave. These costs are therefore replaced by revenue provision in the Movement in Reserves Statement for the General Fund balance by way of an adjusting transaction with the Accumulated Absence Account.

1.9 Non Current Assets

Property, Plant and Equipment

Property, Plant and Equipment is categorised into the following classes:

- Vehicles, plant and equipment;
- Assets under construction;

Recognition:

- Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment has been capitalised on an accruals basis;

Depreciation:

- Depreciation is provided on all Property, Plant and Equipment;
- The Partnership provides depreciation on its Property, Plant and Equipment from the month when it comes into use. Thereafter depreciation is provided on a straight line basis over the expected life of the asset. No depreciation is provided on Assets Under Construction.

Measurement:

Property, Plant and Equipment are included in the Balance Sheet at the lower of net current replacement cost or net realisable value in existing use, net of depreciation.

1.10 Government Grants and Other Contributions

● Revenue

Revenue grants and other contributions have been included in the financial statements on an accruals basis. Where such funds remain unapplied at the Balance Sheet date, but approval has been given to carry these funds forward to the next financial year, the funds have been accrued.

The South East of Scotland Transport Partnership (SESTRAN)

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.10 Government Grants and Other Contributions (*continued*)

• Capital

Capital grants and contributions are recognised in the Comprehensive Income and Expenditure Statement, except to the extent there are conditions attached to them that have not been met.

Where there are no conditions attached to capital grants and contributions, these funds are a reconciling item in the Movement in Reserves Statement by way of an adjusting transaction with the capital adjustment account where expenditure has been incurred and the unapplied capital grants account, where expenditure has not been incurred.

Where there are outstanding conditions attached to capital grants and contributions that have not been met by the Balance Sheet date, the grant or the contribution will be recognised as part of capital grants in advance. Once the condition has been met, the grant or contribution will be transferred from capital grants received in advance and recognised as income in the Comprehensive Income and Expenditure Statement.

1.11 Provisions

Provisions are made for liabilities of uncertain timing or amount that have been incurred.

The value of provisions is based upon the Partnership's obligations arising from past events, the probability that a transfer of economic benefit will take place, and a reasonable estimate of the obligation.

1.12 Reserves

Reserves held on the Balance Sheet are classified as either usable or unusable. Unusable reserves cannot be applied to fund expenditure. The Transport Scotland (2019) Act permits the Partnership to operate a usable reserve. In March 2020 a Reserves Policy was approved, permitting the Partnership to hold a general reserve with a minimum value of 5% of annual Core budget. Balances held in excess of 5% require to be reviewed annually in-line with risk/identified commitments. The Partnership also operates a General Fund reserve to manage slippage on approved Project budget delivery.

The Partnership operates the following unusable reserves:

a) *Pension Reserve*

The Partnership operates a Pensions Reserve Fund under the terms of the Local Government Pension Reserve Fund (Scotland) Regulations 2003. The Pension Reserve represents the net monies which the Partnership requires to meet its net pension liability as calculated under IAS 19, Employee Benefits;

b) *Capital Adjustment Account*

The Capital Adjustment Account represents movement in the funding of assets arising either from capital resources such as capital receipts, or capital funded directly from revenue contributions;

c) *Accumulated Absences Account*

This represents the net monies which the Partnership requires to meet its short-term compensated absences for employees under IAS19.

1.13 Financial Instruments

Financial Assets

Loans and receivables are initially measured at fair value and carried at their amortised cost. Annual credits to the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

Surplus funds held on behalf of the Partnership are managed by the City of Edinburgh Council under a formal management agreement in a pooled investment arrangement.

The South East of Scotland Transport Partnership (SESTRAN)

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.14 Cash and Cash Equivalents

Cash and cash equivalents include:

- Credit and debit funds held in banks

1.15 Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Partnership a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Partnership.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

1.16 Value Added Tax

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs.

1.17 Events After the Reporting Period

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue.

Two types of events can be identified:

- i) those that provide evidence of conditions that existed at the end of the reporting period - the Annual Accounts are adjusted to reflect such events;
- ii) those that are indicative of conditions that arose after the reporting period - the Annual Accounts are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Annual Accounts.

1.18 Short Term Debtors and Short Term Creditors

The revenue transactions of the Partnership are recorded on an accruals basis which means that amounts due to or from the Partnership, but still outstanding at the year end, are included in the accounts. Where there was insufficient information available to provide actual figures, estimates have been included.

1.19 Changes in Accounting Policies and Estimates and Errors

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Partnership's financial position or performance.

Changes in accounting estimates are accounted for prospectively; i.e. in the current and future years affected by the change.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

1.20 Going Concern

It is considered appropriate to adopt a going concern basis for the preparation of the Annual Accounts, given ongoing Regional Transport Partnership grant funding provided by Scottish Ministers under Section 70 of the Transport (Scotland) Act 2001 and constituent councils obligation to meet the net expenses of the Partnership under Section 3 of the Transport (Scotland) Act 2005.

The South East of Scotland Transport Partnership (SESTRAN)

2. EXPENDITURE AND FUNDING ANALYSIS

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources by the Partnership in comparison with those resources consumed or earned by the Partnership in accordance with general accounting practice. It also shows how this expenditure is allocated for decision making purposes between service areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement (CIES) (see page 12).

Expenditure and Funding Analysis

	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
2019/20	£'000	£'000	£'000
Core	517	172	689
Projects	293	(97)	196
Net Cost of Services	810	75	885
Other Income and Expenditure			
Government grant	(782)	0	(782)
Constituent council requisitions	(190)	0	(190)
Interest Received	(1)	0	(1)
Net pension interest cost	0	22	22
(Surplus) or deficit on the provision of services	(163)	97	(66)
	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
2018/19	£'000	£'000	£'000
Core	544	174	718
Projects	389	(46)	343
Net Cost of Services	933	128	1,061
Other Income and Expenditure			
Government grant	(782)	0	(782)
Constituent council requisitions	(150)	0	(150)
Interest Received	(1)	0	(1)
Net pension interest cost	0	19	19
(Surplus) or deficit on the provision of services	0	147	147

The South East of Scotland Transport Partnership (SESTRAN)

2. EXPENDITURE AND FUNDING ANALYSIS *(continued)*

Expenditure and Funding Analysis *(continued)*

2.1 Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts:

	Adjusts. For Capital Purposes £'000	Net Change for Pensions Adjusts. £'000	Other Total Differences £'000	Statutory Adjusts. £'000
2019/20				
Core	140	28	4	172
Projects	(97)	0	0	(97)
Net Cost of Services	43	28	4	75
Other Income and Expenditure				
Net pension interest cost	0	22	0	22
(Surplus) or deficit on the provision of services	43	50	4	97
	Adjusts. For Capital Purposes £'000	Net Change for Pensions Adjusts. £'000	Other Total Differences £'000	Statutory Adjusts. £'000
2018/19				
Core	116	59	(1)	174
Projects	(46)	0	0	(46)
Net Cost of Services	70	59	(1)	128
Other Income and Expenditure				
Net pension interest cost	0	19	0	19
(Surplus) or deficit on the provision of services	70	78	(1)	147

- Adjustments for capital purposes include the removal of depreciation and impairment costs, and the inclusion of capital funded from current revenue.
- Net changes for pensions adjustment relates to the adjustment made for the removal of IAS19 Employee Benefits pension related expenditure and income with the pension contributions.
- Other differences relate to the reversal of the value of entitlement to accrued leave.

The South East of Scotland Transport Partnership (SESTRAN)

2. EXPENDITURE AND FUNDING ANALYSIS *(continued)*

2.2 Segmental Analysis of Income included in Expenditure and Funding Analysis

	Core	Projects	Total
2019/20	£'000	£'000	£'000
Expenditure			
Employee expenses	334	0	334
Other service expenses	187	1,559	1,746
Total Expenditure	521	1,559	2,080
Income			
Government grants and other contribs.	(4)	(1,266)	(1,270)
Total Income	(4)	(1,266)	(1,270)
Net Cost of Services	517	293	810
	Core	Projects	Total
2018/19	£'000	£'000	£'000
Expenditure			
Employee expenses	345	0	345
Other service expenses	200	724	924
Total Expenditure	545	724	1,269
Income			
Government grants and other contribs.	(1)	(335)	(336)
Total Income	(1)	(335)	(336)
Net Cost of Services	544	389	933

2.3 Expenditure and Income Analysed by Nature

The Partnership's expenditure and income, as set out within the Comprehensive Income and Expenditure Statement is analysed as follows:

	31st March	31st March
	2020	2019
	£'000	£'000
Expenditure		
Employee expenses	365	403
Other service expenses	1,649	875
Depreciation, amortisation and impairment	141	119
Interest payments	75	73
Total Expenditure	2,230	1,470
Income		
Fees, charges and other service income	(4)	0
Interest and investment income	(54)	(55)
Income from constituent councils	(190)	(150)
Government grants and other contributions	(2,048)	(1,118)
Total Income	(2,296)	(1,323)
(Surplus) or Deficit on the Provision of Services	(66)	147

The South East of Scotland Transport Partnership (SESTRAN)

3. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT NOT YET ADOPTED

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This applies to the adoption of the following new or amended standards within the 2020/21 Code. For 2020/21 the following accounting policy changes that need to be reported relate to:

- Amendments to IAS 28 Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures,
- Annual Improvements to IFRS Standards 2015–2017 Cycle and
- Amendments to IAS 19 Employee Benefits: Plan Amendment, Curtailment or Settlement.

The Code does not anticipate that the above amendments will have a material impact on the information provided in the Partnership's Annual Accounts.

4. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in Note 1, the Partnership has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The critical judgements made in the Annual Accounts are:

- There is high degree of uncertainty about future levels of funding for local government. The Partnership has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Partnership might be impaired as a result of a need to reduce levels of service provision.
- Local Government Pension Scheme - Guaranteed minimum pension (GMP). The interim solution to avoid inequalities between men and women's benefits following the introduction of the Single State Pension in 2016 has resulted in a recalculation of pension liabilities relating to the estimated impact of GMP indexation changes. The increased liability of £4,000 at 31 March 2019 has been reflected in the roll-forward pension liability at 31st March 2020. The increased liability has been reflected as a past service cost (refer to Note 24 Defined Benefit Pension Schemes). This is an estimate which will be revised at the upcoming valuation.
- Local Government Pension Scheme (LGPS) - McCloud judgement. Legislation requires the LGPS to undertake periodic valuations to monitor the cost of the LGPS to ensure it remains sustainable and affordable. The cost management process has been paused following the Court of Appeal ruling that the transitional arrangements in both the Judges' Pension Scheme (McCloud) and Firefighters' Pension Scheme (Sargeant) were age discriminatory. These cases could have knock on implications for the LGPS (potentially increasing the liabilities). The Partnership's actuary has included an estimate within the pension liability as a past service cost (refer to Note 24 Defined Benefit Pension Schemes) which will be subject to future revision as the outcome of the judgement becomes clearer. No further adjustment for McCloud is included in the 2019/20 calculations. For those employers who already made an estimated McCloud allowance in 2018/19, the actuary do not believe there is any significant new information about the possible McCloud remedy to justify further changes to the figures (and further costs to employers).

The South East of Scotland Transport Partnership (SESTRAN)

5. ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Annual Accounts contains estimated figures that are based on assumptions made by the Partnership about the future or events that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Partnership's Balance Sheet at 31 March 2020 for which there is a significant risk of material adjustment in the forthcoming financial year are:

5.1 Pension Liabilities

Uncertainties

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Partnership with expert advice about the assumptions to be applied.

Effect if Actual Result Differs from Assumptions

Formal actuarial valuations are carried out every three years, where each employer's assets and liabilities are calculated on a detailed basis, using individual member data, for cash contribution setting purposes. For 31 March 2020, it is difficult to comment on how a 'typical' LGPS employer's balance sheet may compare to March 2019. For all LGPS Funds, investment returns have been significantly lower than expected (particularly in the last 2 months of the accounting period) which has served to worsen the balance sheet position. The effect of this will have been at least partly offset by a higher net discount rate which serves to reduce the value placed on the obligations (corporate bond yields are at a similar level to 2019 but inflation expectations are significantly lower).

Under accounting guidance, employers are expected to disclose the sensitivity of the valuation to key assumptions. The following table shows the sensitivity of the results to the changes in the assumptions used to measure the scheme liabilities. Approximate percentage changes and monetary values are shown:

	Approximate % increase to Defined Benefit Obligation %	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	12%	350
0.5% increase in the Salary Increase Rate	3%	90
0.5% increase in the Pension Increase Rate	9%	252

6. EVENTS AFTER THE BALANCE SHEET DATE

The Unaudited Annual Accounts were authorised for issue on 19th June 2020. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provide information about conditions existing at 31 March 2020, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There were no events which took place after 31st March 2020 which would materially affect the 2019/20 Annual Accounts. The impact of the COVID-19 pandemic, which began in March 2020, when Partnership employees moved to remote working, was before the end of the reporting period. It is likely that the impact on the Partnership's Annual Accounts for 2019/20 will be non-adjusting. The short, medium and long-term consequences may give rise to changes in service provision which, if arising, will be considered and reported to the Partnership during 2020/21. Further narrative to the pandemic and impact to the Partnership is referenced within the Management Commentary.

The South East of Scotland Transport Partnership (SESTRAN)

7. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total Comprehensive Income and Expenditure Statement recognised by the Partnership in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Partnership to meet future capital and revenue expenditure.

2019/20	Usable Reserves	Unusable Reserves			
	General Fund Balance	Capital Adjustment Account	Accumulated Absence Account	Pension Reserve	Movement in Unusable Reserve
	£'000	£'000	£'000	£'000	£'000
Adjustments primarily involving the Capital Adjustment Account					
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Charges for depreciation and impairment of non-current assets	141	(141)			(141)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Contributions credited to the CIES that have been applied to capital financing	(98)	98			98
Adjustments primarily involving the Pensions Reserve					
Reversal of items relating to retirement benefits debited or credited to the CIES	131			(131)	(131)
Employer's pension contributions and direct payments to pensioners payable in the year	(81)			81	81
Adjustments primarily involving the Accumulated Absence Account					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	4		(4)		(4)
Total Adjustments	97	(43)	(4)	(50)	(97)

The South East of Scotland Transport Partnership (SESTRAN)

7. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

(continued)

This note details the adjustments that are made to the total Comprehensive Income and Expenditure Statement recognised by the Partnership in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Partnership to meet future capital and revenue expenditure.

2018/19	Usable Reserves		Unusable Reserves		
	General Fund Balance	Capital Adjustment Account	Accumulated Absence Account	Pension Reserve	Movement in Unusable Reserve
	£'000	£'000	£'000	£'000	£'000
Adjustments primarily involving the <u>Capital Adjustment Account</u>					
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Charges for depreciation and impairment of non-current assets	119	(119)			(119)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Contributions credited to the CIES that have been applied to capital financing	(49)	49			49
Adjustments primarily involving the <u>Pensions Reserve</u>					
Reversal of items relating to retirement benefits debited or credited to the CIES	134			(134)	(134)
Employer's pension contributions and direct payments to pensioners payable in the year	(56)			56	56
Adjustments primarily involving the <u>Accumulated Absence Account</u>					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(1)		1		1
Total Adjustments	147	(70)	1	(78)	(147)

The South East of Scotland Transport Partnership (SESTRAN)

8. TRANSFERS TO/FROM EARMARKED RESERVES

In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy. An earmarked balance of £150,000 has been established to meet slippage on project delivery from 2019/20 to 2020/21.

9. FINANCING AND INVESTMENT INCOME

	2019/20 £'000	2018/19 £'000
Interest income on plan assets	(53)	(54)
Interest Received	(1)	(1)
Pensions interest cost	75	73
	<hr/>	<hr/>
	21	18
	<hr/>	<hr/>

10. TAXATION AND NON SPECIFIC GRANT INCOME

	2019/20 £'000	2018/19 £'000
Government Grant	(782)	(782)
Constituent Council Requisitions	(190)	(150)
	<hr/>	<hr/>
	(972)	(932)
	<hr/>	<hr/>

The South East of Scotland Transport Partnership (SESTRAN)

11. PROPERTY, PLANT AND EQUIPMENT

11.1 Movements on balances:

Movements in 2019/20	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
Cost or Valuation			
At 1st April 2019	827	0	827
Additions	28	70	98
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(64)	0	(64)
At 31st March 2020	791	70	861
Accumulated Depreciation			
At 1st April 2019	(475)	0	(475)
Depreciation charge	(128)	0	(128)
Depreciation written out to the Surplus/Deficit on the Provision of Services	51	0	51
At 31st March 2020	(552)	0	(552)
Net Book Value			
At 31st March 2020	239	70	309

The South East of Scotland Transport Partnership (SESTRAN)

11. PROPERTY, PLANT AND EQUIPMENT (*continued*)

11.2 Movements on balances:

Comparative Movements in 2018/19

Cost or Valuation	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
At 1st April 2018	778	0	778
Additions	49	0	49
At 31st March 2019	<u>827</u>	<u>0</u>	<u>827</u>
Accumulated Depreciation			
At 1st April 2018	(356)	0	(356)
Depreciation charge	(119)	0	(119)
At 31st March 2019	<u>(475)</u>	<u>0</u>	<u>(475)</u>
Net Book Value			
At 31st March 2019	<u><u>352</u></u>	<u><u>0</u></u>	<u><u>352</u></u>

11.3 Depreciation

The following useful lives have been used in the calculation of depreciation:

- Vehicles, plant and equipment: 4 - 5 years

The Partnership provides depreciation on its Property, Plant and Equipment from the month when it comes into use.

11.4 Capital Commitments

The Partnership has no capital commitments for 2020/21.

The South East of Scotland Transport Partnership (SESTRAN)

12. FINANCIAL INSTRUMENTS

12.1 Financial Instruments - Classifications

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to government grants, do not give rise to financial instruments.

Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Partnership and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Partnership.

The Partnership's financial liabilities held during the year comprised:

- Trade payables for goods and services received.

Financial Assets

A financial asset is a right to future economic benefits controlled by the Partnership that is represented by cash, equity instruments or a contractual right to receive cash or other financial assets or a right to exchange financial assets and liabilities with another entity that is potentially favourable to the Partnership.

The Partnership's financial assets held during the year comprised:

- Cash in hand,
- Cash and cash equivalents (Loans and receivables). The Partnership maintains its funds as part of the City of Edinburgh Council's group of bank accounts. Any cash balance is effectively lent to the Council, but is offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Partnership. Interest is given on month end net indebtedness balances between the Council.
- Trade receivables for goods and services provided.

12.2 Financial Instruments - Balances

The financial liabilities disclosed in the Balance Sheet are analysed across the following categories

	Current	
	31st March 2020 £'000	31st March 2019 £'000
Trade creditors	565	557

The financial assets disclosed in the Balance Sheet are analysed across the following categories:

	Current	
	31st March 2020 £'000	31st March 2019 £'000
Loans and receivables	758	462
Trade debtors	9	156

767 618

The South East of Scotland Transport Partnership (SESTRAN)

12. FINANCIAL INSTRUMENTS *(continued)*

12.3 Financial Instruments - Fair Values

The financial assets represented by loans and receivables are carried in the Balance Sheet at amortised cost. Since all of the Partnership's loans and receivables mature within the next 12 months, the carrying amount has been assumed to approximate to fair value. The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values calculated are as follows:

Financial Liabilities	31 March 2020		31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£'000	£'000	£'000	£'000
Trade creditors	565	565	557	557

Financial Assets	31 March 2020		31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£'000	£'000	£'000	£'000
Loans and receivables	758	758	462	462
Trade debtors	9	9	156	158
	<u>767</u>	<u>767</u>	<u>618</u>	<u>620</u>

12.4 Income, Expenses, Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

	31st March 2020	31st March 2019
	£'000	£'000
Total expense and income in Surplus or Deficit on the Provision of Services:		
Interest Income	1	1

13. DEBTORS

	31st March 2020	31st March 2019
	£'000	£'000
Debtors:		
Central government bodies	504	27
Other local authorities	7	4
HM Customs and Excise - VAT	29	24
Other entities and individuals	233	459
	<u>773</u>	<u>514</u>

The South East of Scotland Transport Partnership (SESTRAN)

14. PROVISION FOR BAD DEBTS

	31st March 2020 £'000	31st March 2019 £'000
Cost or Valuation		
Opening Balance	0	0
Provision made during year	0	0
Unused amounts reversed during the year	0	0
Closing Balance	0	0

15. CASH AND CASH EQUIVALENTS

The balance of cash and cash equivalents is made up of the following elements:

	31st March 2020 £'000	31st March 2019 £'000
Bank account	151	279
	151	279

16. CREDITORS

	31st March 2020 £'000	31st March 2019 £'000
Central government bodies	(25)	0
Other local authorities	(89)	(5)
Other entities and individuals	(634)	(543)
Employee costs	(23)	(61)
	(771)	(609)

17. USABLE RESERVES

	31st March 2020 £'000	31st March 2019 £'000
17.1 Unallocated General Fund Reserve	13	0
17.2 Earmarked Balance - Project Budget slippage	150	0
	163	0

The South East of Scotland Transport Partnership (SESTRAN)

18. UNUSABLE RESERVES

	31st March 2020 £'000	31st March 2019 £'000
18.1 Capital Adjustment Account	309	352
18.2 Pension Reserve	(676)	(867)
18.3 Accumulated Absence Account	(10)	(6)
	(377)	(521)

18.1 Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Partnership as finance for the costs of acquisition, construction and enhancement.

	2019/20 £'000	2018/19 £'000
Balance at 1st April	352	422
Reversal of items related to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
• Charges for depreciation and impairment of non-current assets	(141)	(119)
• Charges for revaluation of non-current assets	0	0
	211	303
Net written out amount of the cost of non-current assets consumed in year		
Capital financing applied in the year:		
• Contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	98	49
	309	352
Balance at 31st March		

18.2 Pension Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Partnership accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Partnership makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a shortfall in the benefits earned by past and current employees and the resources the Partnership has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

The South East of Scotland Transport Partnership (SESTRAN)

18. UNUSABLE RESERVES *(continued)*

18.2 Pension Reserve *(continued)*

	2019/20 £'000	2018/19 £'000
Balance at 1st April	(867)	(662)
Remeasurements of the net defined benefit liability	241	(127)
Reversals of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.	(131)	(134)
Employer's pension contributions and direct payments to pensioners payable in the year.	81	56
Balance at 31st March	<u>(676)</u>	<u>(867)</u>

18.3 Accumulated Absence Account

The Accumulated Absence Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, for example, annual leave entitlement carried forward at 31st March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the Account.

	2019/20 £'000	2018/19 £'000
Balance at 1st April	(6)	(7)
Settlement or cancellation of accrual made at the end of the preceding year	6	7
Amounts accrued at the end of the current year	(10)	(6)
Balance at 31st March	<u>(10)</u>	<u>(6)</u>

19. MEMBERS EXPENSES

The Partnership paid the following amounts to members during the year:

	2019/20 £'000	2018/19 £'000
Expenses	<u>0</u>	<u>1</u>
	<u>0</u>	<u>1</u>

The South East of Scotland Transport Partnership (SESTRAN)

20. EXTERNAL AUDIT COSTS

The Partnership has incurred the following costs in relation to the audit of the Annual Accounts, certification of grant claims, statutory inspections and to non-audit services provided by the Partnership's external auditors:

	2019/20 £'000	2018/19 £'000
Fees payable in respect of:		
<ul style="list-style-type: none"> external audit services carried out by the appointed auditor for the year 	11	10
	11	10

21. GRANT INCOME

The Partnership credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2019/20:

	2019/20 £'000	2018/19 £'000
Credited to Taxation and Non Specific Grant Income		
Scottish Government - Revenue Grant	(782)	(782)
Constituent Council Requisitions (Note 22.3)	(190)	(150)
	(972)	(932)
Credited to Services		
EU Grant - Social Car	0	(5)
EU Grant - Regio Mob	(3)	(24)
EU Grant - Sharenorth	(12)	(27)
EU Grant - RTP1		0
EU Grant - Surflogh	(30)	(29)
EU Grant - e-Bikes		(24)
EU Grant - Bling	(16)	(2)
EU Grant - Primaas	(11)	0
Contribution - Transport Scotland		(46)
Contribution - City of Edinburgh Council	(2)	(2)
Contribution - East Lothian Council	(2)	(2)
Contribution - Fife Council	(2)	(2)
Contribution - Scottish Borders Council	(8)	(1)
Contribution - Scottish Enterprise	(125)	0
Contribution - West Lothian Council		0
Contribution - HITRANS	(4)	(2)
Contribution - NESTRANS	(3)	(3)
Contribution - SUSTRANS	(163)	(110)
Contribution - SWESTRANS		0
Contribution - TACTRAN	(3)	(4)
Contribution - Transport Scotland	(843)	0
Contribution - ZETRANS		0
	(1,227)	(283)

The South East of Scotland Transport Partnership (SESTRAN)

22. RELATED PARTIES

The Partnership is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Partnership or to be controlled or influenced by the Partnership. Disclosure of these transactions allows readers to assess the extent to which the Partnership might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Partnership.

22.1 Scottish Government

The Partnership receives grant-in-aid revenue funding through the Scottish Government. Grants received from the Scottish Government are set out in the subjective analysis in Note 21.

22.2 Members

Members of the Partnership have direct control over the Partnership's financial and operating policies. The total of members' expenses paid by the Partnership in 2019-20 is shown in Note 19.

22.3 Other Parties

During the year, the Partnership entered into the following transactions with related parties:

	2019/20 £'000	2018/19 £'000
• Revenue Expenditure - Support Services		
City of Edinburgh Council - Financial Services/ Clerking	44	42
Falkirk Council - HR Services	0	2
	<hr/> 44	<hr/> 44
• Revenue Expenditure - Other		
City of Edinburgh Council	1	1
East Lothian Council	108	0
Midlothian Council	18	0
Newcastle City Council	14	13
NHS Lothian	22	46
Scottish Government	21	17
	<hr/> 184	<hr/> 77

The South East of Scotland Transport Partnership (SESTRAN)

22. RELATED PARTIES *(continued)*

22.3 Other Parties *(continued)*

	2019/20	2018/19
	£'000	£'000
• Revenue Income - Requisitions		
Clackmannanshire Council	(6)	(5)
East Lothian Council	(13)	(10)
City of Edinburgh Council	(61)	(48)
Falkirk Council	(19)	(15)
Fife Council	(44)	(35)
Midlothian Council	(11)	(9)
Scottish Borders Council	(14)	(11)
West Lothian Council	(22)	(17)
	<u>(190)</u>	<u>(150)</u>
• Revenue Income - Interest on Revenue Balances		
City of Edinburgh Council	(1)	(1)
	<u>(1)</u>	<u>(1)</u>
• Revenue Income - Other		
Constituent Councils	(40)	(16)
City of Edinburgh Council	(2)	(2)
East Lothian Council	(2)	(2)
Fife Council	(2)	(2)
Scottish Borders Council	(8)	(1)
Scottish Enterprise	(125)	0
Transport Scotland	(843)	(46)
	<u>(1,022)</u>	<u>(69)</u>

The South East of Scotland Transport Partnership (SESTRAN)

22. RELATED PARTIES *(continued)*

22.3 Other Parties *(continued)*

The following represents amounts due to/(from) the Partnership at 31 March 2020, with its related parties.

CREDITORS	2019/20	2018/19
	£'000	£'000
• Creditors - Related Parties (Revenue Grants)		
Clackmannanshire Council	(80)	0
Edinburgh & Lothians Greenspace Trust	(35)	0
NHS Lothian	(58)	(46)
Scottish Enterprise	(25)	(150)
West Lothian Council	(8)	0
	<u>(206)</u>	<u>(196)</u>
• Creditors - Related Parties (Other)		
City of Edinburgh Council	(1)	(5)
Falkirk Council	0	(2)
Constituent Councils	0	(32)
	<u>(1)</u>	<u>(39)</u>
• Creditors - Other Parties	<u>(564)</u>	<u>(564)</u>
Total Creditors	<u>(771)</u>	<u>(799)</u>
DEBTORS		
• Debtors - Related Parties (Revenue Grants/ Other)		
Network Rail	0	4
Scottish Borders Council	7	0
Scottish Enterprise	0	150
Stirling Council	0	4
Transport Scotland	504	26
	<u>511</u>	<u>184</u>
• Debtors - Other Parties	<u>262</u>	<u>330</u>
Total Debtors	<u>773</u>	<u>514</u>

The South East of Scotland Transport Partnership (SESTRAN)

23. LEASES

Operating Leases

From 8th February 2016 the Partnership took occupancy of Area 3D (Bridge) in Victoria Quay, Edinburgh under the terms of a Memorandum of Terms of Occupation (MOTO) with the Scottish Government, which forms part of the Civil Estates Occupancy Agreement (CEOA).

The Partnership signed a new MOTO and is permitted to occupy the space from 8th February 2019 to 7th February 2022 (the Prescribed Term) and so on until ended by either party giving notice under the terms of the CEOA. Both parties will, upon provision of not less than 1 year's prior written notice, have the ability to break this agreement.

During 2019/20, the Partnership entered into a contract with Henry Howard Finance Group to lease eight Apple iPhones for staff use. The Partnership has the option to terminate the lease under no penalty if at least three months written notice is given.

During 2019/20, the Partnership entered into a contract with Ricoh UK Ltd to lease an office printer. The minimum term for this contract is 36 months before the Partnership has the option to terminate the lease under no penalty.

The Partnership's expenditure on lease payments during 2019/20 was £18,000 (2018/19 £27,000)

The minimum lease payments due under non-cancellable leases in future years are:

	2019/20 £'000	2018/19 £'000
• Not later than 1 year	18	18
• Over 1 year	1	0
	<hr/>	<hr/>
	19	18
	<hr/>	<hr/>

The Partnership has no other material operational leases.

24. DEFINED BENEFIT PENSION SCHEMES

24.1 Participation in Pension Schemes

As part of the terms and conditions of employment of its staff, the Partnership makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until the employees retire, the Partnership has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement. As explained in Accounting Policy 1.8, the Partnership is an admitted body to the Local Government Pension Scheme (LGPS) which is administered by the Lothian Pension Fund.

The Partnership participates in:

- A funded defined benefit final salary scheme. This means that the Partnership and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- An arrangement for the award of discretionary post retirement benefits upon early retirement - this is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The South East of Scotland Transport Partnership (SESTRAN)

24. DEFINED BENEFIT PENSION SCHEMES *(continued)*

24.2 Transactions Relating to Post-employment Benefits

The Partnership recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge that is required to be made is based on the cash payable in the year, so the real cost of post employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

	2019/20 £000	2019/20 £000	2018/19 £000	2018/19 £000
Comprehensive Income and Expenditure Statement				
<i>Cost of services:</i>				
Service cost, comprising:				
Current service costs	109		85	
Past service costs	<u>0</u>		<u>30</u>	
		109		115
<i>Financing and investment income:</i>				
Net interest expense		<u>22</u>		<u>19</u>
Total post employee benefit charged to the surplus on the provision of services		131		134
<i>Other post-employment benefits charges to the Comprehensive Income / Expenditure Statement</i>				
Remeasurement of the net defined liability, comprising:				
Return on plan assets, excluding the amount included in the net interest expense above	146		(137)	
Actuarial gains and (losses) arising on changes in financial assumptions	(369)		264	
Actuarial gains and (losses) arising on changes in demographic assumptions	0		0	
Other experience	<u>(18)</u>		<u>0</u>	
		<u>(241)</u>		<u>127</u>
Total post-employment benefits charged to the Comprehensive Income / Expenditure Statement		<u>(110)</u>		<u>261</u>
Movement in Reserves Statement				
Reversal of net charges made to the surplus on the provision of services for post-employment benefits in accordance with the Code.		<u>50</u>		<u>78</u>
Actual amount charged against the General Fund Balance for pensions in the year:				
Employer's contributions payable to the scheme		81		56
		<u>81</u>		<u>56</u>

The South East of Scotland Transport Partnership (SESTRAN)

24. DEFINED BENEFIT PENSION SCHEMES *(continued)*

24.3 Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligations in respect of its defined benefit plan is as follows:

	2019/20 £'000	2018/19 £'000
Fair value of employer assets	2,149	2,212
Present value of funded liabilities	(2,825)	(3,079)
Present value of unfunded liabilities	0	0
	<hr/>	<hr/>
Net liability arising from defined benefit obligation	(676)	(867)
	<hr/>	<hr/>

24.4 Reconciliation of the Movements in the Fair Value of Scheme Assets

	2019/20 £'000	2018/19 £'000
Opening fair value of scheme assets	2,212	2,016
Interest income	53	54
Remeasurement gain / (loss):		
Return on plan assets, excluding the amount included in the net interest expense	(146)	137
Contributions from employer	81	56
Contributions from employees into the scheme	18	17
Benefits paid	(69)	(68)
Unfunded benefits paid	0	0
	<hr/>	<hr/>
Closing fair value of scheme assets	2,149	2,212
	<hr/>	<hr/>

Reconciliation of Present Value of the Scheme Liabilities

	2019/20 £'000	2018/19 £'000
Present value of funded liabilities	(3,079)	(2,678)
Present value of unfunded liabilities	0	0
	<hr/>	<hr/>
Opening balance at 1st April	(3,079)	(2,678)
Current service cost	(109)	(85)
Interest cost	(75)	(73)
Contributions from employees into the scheme	(18)	(17)
Remeasurement gain / (loss):		
Change in demographic assumptions	0	0
Change in financial assumptions	369	(264)
Other experience	18	0
Past service cost	0	(30)
Benefits paid	69	68
Unfunded benefits paid	0	0
	<hr/>	<hr/>
Closing balance at 31st March	(2,825)	(3,079)
	<hr/>	<hr/>

The South East of Scotland Transport Partnership (SESTRAN)

24. DEFINED BENEFIT PENSION SCHEMES *(continued)*

24.5 Fair Value of Employer Assets

The following asset values are at bid value as required under IAS19.

	2019/20		2018/19	
	£'000	%	£'000	%
Equity Securities:				
Consumer *	205	10	235	11
Manufacturing *	310	14	272	12
Energy and Utilities *	137	6	167	8
Financial Institutions *	140	7	186	8
Health and Care *	149	7	120	5
Information technology *	93	4	72	3
Other *	157	7	216	10
Sub-total Equity Securities	1,191		1,268	
Debt Securities:				
Corporate Bonds (investment grade) *	36	2	0	0
Corporate Bonds (investment grade)	79	4	0	0
UK Government *	132	6	225	10
Sub-total Debt Securities	247		225	
Private Equity:				
All	19		30	
Sub-total Private Equity	19	1	30	1
Real Estate:				
UK Property *	25	1	0	0
UK Property	116	5	150	7
Overseas Property	2	0	0	0
Sub-total Real Estate	143		150	
Investment Funds and Unit Trusts:				
Equities *	26	1	22	1
Bonds *	9	0	0	0
Bonds	0	0	56	3
Infrastructure	302	14	275	12
Sub-total Investment Funds and Unit Trusts	337		353	
Derivatives:				
Foreign Exchange *	4	0	0	0
Sub-total Derivatives	4		0	
Cash and Cash Equivalents				
All *	208	10	186	8
Sub-total Cash and Cash Equivalents	208		186	
Total Fair Value of Employer Assets	2,149		2,212	

Scheme assets marked with an asterisk () have quoted prices in active markets.*

The South East of Scotland Transport Partnership (SESTRAN)

24. DEFINED BENEFIT PENSION SCHEMES *(continued)*

24.6 Basis for Estimating Assets and Liabilities

Hymans Robertson, the independent actuaries to Lothian Pension Fund, have advised that the financial assumptions used to calculate the components of the pension expense for the year ended 31 March 2020 were those from the beginning of the year (i.e. 31 March 2019) and have not been changed during the year.

The principal assumptions used by the actuary in the calculations are:

Investment returns

- Total returns for the period from 1 April 2019 to 31 March 2020 (4.2%)

	2019/20	2018/19
Mortality assumptions - longevity at 65 for current pensioners:		
• Males	21.7 years	21.7 years
• Females	24.3 years	24.3 years
Mortality assumptions - longevity at 65 for future pensioners:		
• Males	24.7 years	24.7 years
• Females	27.5 years	27.5 years
Pension increase rate	1.9%	2.5%
Salary increase rate (see below)	3.5%	4.2%
Discount rate	2.3%	2.4%

Estimation of defined benefit obligations is sensitive to the actuarial assumptions set out above. In order to quantify the impact of a change in the financial assumptions used, the Actuary has calculated and compared the value of the scheme liabilities as at 31 March 2020 on varying bases. The approach taken by the Actuary is consistent with that adopted to derive the IAS19 figures.

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, the Fund's Actuary has estimated that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

The South East of Scotland Transport Partnership (SESTRAN)

24. DEFINED BENEFIT PENSION SCHEMES *(continued)*

24.7 Analysis of projected amount to be charged to profit or loss for the period to 31 March 2021

	Assets £000	Obligations £000	Net (liability) / asset £000 % of pay	
Projected current service cost	0	(87)	(87)	(42.7%)
Past service cost including curtailments	0	0	0	0.0%
Effect of settlements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total Service Cost	<u>0</u>	<u>(87)</u>	<u>(87)</u>	<u>(42.7%)</u>
Interest income on plan assets	50	0	50	22.2%
Interest cost on defined benefit obligation	<u>0</u>	<u>(65)</u>	<u>(65)</u>	<u>(31.0%)</u>
Total Net Interest Cost	<u>50</u>	<u>(65)</u>	<u>(15)</u>	<u>(8.8%)</u>
Total included in Profit or Loss	<u><u>50</u></u>	<u><u>(152)</u></u>	<u><u>(102)</u></u>	<u><u>(51.5%)</u></u>

The Partnership's estimated contribution to Lothian Pension Fund for 2020/21 is £60,000.

25. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Partnership's activities expose it to a variety of financial risks:

- Credit risk - the possibility that other parties might fail to pay amounts due to the Partnership;
- Liquidity risk - the possibility that the Partnership might not have funds available to meet its commitments to make payments;
- Re-financing risk - the possibility that the Partnership might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms;
- Market risk - the possibility that financial loss might arise for the Partnership as a result of changes in such measures as interest rate movements;
- Price risk - the possibility that fluctuations in equity prices has a significant impact on the value of financial instruments held by the Partnership;
- Foreign exchange risk - the possibility that fluctuations in exchange rates could result in loss to the Partnership.

Treasury Management is carried out on the Partnership's behalf by the City of Edinburgh Council. The Council's overall risk management procedures focus on the unpredictability of financial markets and implementing restrictions to minimise these risks. The Council complies with the CIPFA Prudential Code and has adopted the CIPFA Treasury Management in the Public Services Code of Practice.

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Partnership's customers.

The Partnership's surplus funds not immediately required to meet expenditure commitments are held with the City of Edinburgh Council, and the Partnership receives interest on revenue balances on these monies. As the Partnership's surplus funds are held with the City of Edinburgh Council, the counterparty default exposure is effectively nil.

All Partnership invoices become due for payment on issue, and all trade debtors are overdue less than a month. Collateral - During the reporting period the Partnership held no collateral as security.

The South East of Scotland Transport Partnership (SESTRAN)

25. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

The Partnership is required by statute to provide a balanced budget, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. The arrangement with the City of Edinburgh Council ensures sufficient liquidity is available for the Partnership's day to day cash flow needs.

The Council manages the Partnership's liquidity position through the risk management procedures above as well as through cash flow management procedures required by the Code of Practice.

Refinancing risk

The Partnership has only a small level of surplus funds and no long term debt. The refinancing risk to the Partnership relates to managing the exposure to replacing financial instruments as they mature.

As such, the Partnership has no refinancing risk on its liabilities.

The Partnership has no investments with a maturity greater than one year.

Market risk

Interest rate risk

The Partnership is exposed to interest rate movements on its investments. Movements in interest rates have a complex impact on an organisation, depending on how variable and fixed interest rates move across differing financial instrument periods.

For instance, a rise in variable and fixed interest rates would have the following effects:

- borrowings at variable rates - the interest expense charged to the Surplus or Deficit on the Provision of Services will rise;
- borrowings at fixed rates - the fair value of the liabilities borrowings will fall;
- investments at variable rates - the interest income credited to the Surplus or Deficit on the Provision of Services will rise; and
- investments at fixed rates - the fair value of the assets will fall.

The Partnership currently has no borrowings. Changes in interest receivable on variable rate investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance.

However, all investments currently have a maturity of less than one year and the fair value has therefore been approximated by the outstanding principal.

The Partnership's surplus funds are held with the City of Edinburgh Council.

The Council's Treasury Management Team continue to monitor market and forecast interest rates during the year and adjust investment policies accordingly.

Price risk

The Partnership does not invest in equity shares.

Foreign Exchange risk

As at 31 March 2020, the Partnership had financial assets of £102,000 subject to foreign exchange risk.

The foreign exchange loss or gain on these financial assets cannot be determined until 2020/21, when the Partnership is in receipt of the related grant income from the European Regional Development Fund.

The Partnership has no financial liabilities denominated in foreign currencies.

Annual Treasury Report 2019/20

1. Introduction

1.1 The purpose of this report is to provide an Annual Treasury Report for 2019/20.

2. Main Report

2.1 The Partnership has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector, and under the code, an Annual Report on Treasury Management must be submitted to the Partnership after the end of each financial year.

2.2 The Partnership's Investment Strategy has been to maintain its bank account as part of the City of Edinburgh Council's group of bank accounts. Any cash balance is effectively lent to the Council, but is offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Partnership. Interest is given on month end net indebtedness balances between the Council and the Partnership and for financial year 2019/20 is calculated in accordance with the withdrawn Local Authority (Scotland) Accounts Advisory Committee's (LASAAC) Guidance Note 2 on Interest on Revenue Balances (IoRB). In line with recent short-term interest rates, the investment return continues to be small, but the Partnership gains security from its counterparty exposure being to the City of Edinburgh Council. Net end of month balances for the financial year were:

	Balance due to SEStran(+ve) /due by SEStran (-ve)
Opening Balance	-£76,919.16
30 April 2019	£89,594.07
31 May 2019	£147,662.65
30 June 2019	-£417,601.48
31 July 2019	£91,663.71
31 August 2019	£101,800.78
30 September 2019	£190,772.30
31 October 2019	£45,162.34
30 November 2019	£102,436.65
31 December 2019	£194,183.04
31 January 2020	£72,646.05
29 February 2020	£61,629.17
31 March 2020	-£11,926.69

2.3 Interest is calculated on the average monthly balance. The interest rate applied was 0.532%, giving an interest amount of £890.80 payable to the Partnership.

3 Recommendations

3.1 It is recommended that the Partnership note the Annual Treasury report for 2019/20.

Hugh Dunn
Treasurer
19th June 2020

Appendix Nil
Contact iain.shaw@edinburgh.gov.uk

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

New Regional Transport Strategy (RTS): Update Report

1 Introduction

- 1.1 This report provides an update on progress to develop the new RTS, as agreed by the Board on 21 June 2019. For completeness, it covers the period of MIR development just prior to the cancelled 20 March 2020 Board meeting. The preliminary 'Main Issues' stage of the RTS is complete, and preparation for the next stages of the RTS's development are substantially prepared. A review of the RTS delivery programme is recommended to take account of any required changes in relation to Covid-19.

2 Completion of the Main Issues Report

- 2.1 The Board was due to consider a presentation by consultants (Jacobs) on the draft MIR at its meeting of 20 March 2020, however this meeting was cancelled in light of the emerging Covid-19 pandemic situation. An alternative opportunity for the Board to comment was arranged, with a short summary paper on the MIR circulated on 1 April. Feedback from members of the Board was then incorporated into a draft final version of the MIR.
- 2.2 Due to the evident pressures on local authority partners dealing with Covid-19 related issues from mid-March on, it was felt appropriate to re-circulate the final draft version of the MIR in mid-April, thus allowing a further opportunity for authority partners and Board members to comment on the content of the report and identified issues. This proved a worthwhile exercise, with useful partner feedback received and incorporated. Covid-19 was also incorporated into the MIR, as a significantly important issue contributing to uncertainty for future transport strategy and delivery.
- 2.3 The RTS Steering Group has met at key points throughout the the MIR development, providing a sounding board for the project and the RTS Project Management Team.

3 Main Issues identified for the region

- 3.1 The MIR explores issues across three key areas affecting regional transport: the rationale and context for a new RTS, the characteristics of the SEStran region (its people, society, environment, economy) and finally the SEStran region's specific transport issues and challenges. A total of 36 issues were identified across these three areas, from which 10 main issues were highlighted for consideration as the RTS is developed moving forward.
- 3.2 The 10 Main Issues for the new SEStran RTS are included at Appendix 1 of this report.

3.3 The MIR data analysis and investigations were all undertaken prior to the full emergence of the pandemic. The MIR states this clearly and identifies at a very high level that any emerging RTS will need to carefully consider the emerging impacts which result from the lockdown and the effects on travel and transport caused by this serious health issue.

4 New RTS – Covid-19 and next steps

4.1 Covid-19 has created an extremely uncertain future for transport provision across the SEStran region. At a fundamental level, the long term aims and objectives at the heart of the existing and new RTS and the National Transport Strategy (NTS2) are likely to remain unchanged by Covid-19, although achieving the following challenges may in fact become more urgent due to the wide-ranging impacts of Covid-19:-

- reducing inequalities,
- taking climate action by reducing the need to travel,
- encouraging sustainable mode choices and active travel, and
- supporting inclusive growth.

4.2 The long-term effects of lockdown and transition out of lockdown create new challenges for maintaining a viable public transport network and this is now an important factor to consider in the development of the RTS, and could affect the region for some years. How flexible policies and interventions can be developed and implemented is vital to helping with the long-term recovery for transport provision. New and different ways of working must be factored into the methodologies for developing the new RTS.

4.3 Covid-19 has impacted on the pace of development of the Second Strategic Transport Projects Review (STPR2) and National Planning Framework (NPF4). It is vital that the RTS aligns with the outcome of both these processes. With completion dates pushed back to allow for a necessary focus on dealing with the effects of the pandemic, the exact timings of the RTS development may now require some modification. It is important to progress the RTS development process to maintain valuable stakeholder buy-in and momentum, but equally it is important that the RTS doesn't fall out of step with a wider policy context that is now progressing more slowly.

4.4 The current RTS project delivery programme allows for sufficient time in the appraisal stage consider any interventions against the evolving policy landscape described above, it is apparent that the programme may require some modification to better align with other processes and this is a new challenge for the RTS.

4.5 These new risks and issues have been identified and reported here to the board as part of the ongoing management and governance of the project by the RTS Project Management Team and they have been added to the project specific RTS project RAID log / Risk Register to enable ongoing monitoring.

4.6 It is anticipated that a procurement process for consultancy support services for the development of the RTS will commence in summer 2020.

4.7 A preliminary meeting has been held to instigate the Equalities Impact Assessment, and discussions have commenced with Scottish Environment Protection Agency (SEPA) to set out the terms of a Strategic Environment Assessment for the RTS.

5 Recommendations

It is recommended that the Board:

- 5.1 notes the content of this report;
- 5.2 notes the requirement to review the delivery programme to take account of the resource effects and consequences to transport delivery of COVID -19; and
- 5.2 notes that to minimise potential delays to the ongoing progress of the project, approval of a revised programme for delivery of the RTS is delegated to the Partnership Director in consultation with the Chair following the detailed review.

Jim Stewart
Strategy and Projects Officer
 Date 19th June 2020

Policy Implications	A new RTS will impact on future strategy development and local transport authorities' plans and strategies.
Financial Implications	Funds are earmarked from the 2020/2021 budget, for consultancy services to develop and deliver the new Regional Transport Strategy.
Equalities Implications	The new RTS is subject to an Equalities Impact Assessment (EQIA)
Climate Change Implications	The new RTS will be subject to a Strategic Environmental Assessment (SEA)
Appendices	Appendix 1 RTS Main Issues

SEStran Regional Transport Strategy - Main Issues

- Much of the relevant policy and legislative context for transport investment decisions has changed since SEStran's extant RTS was published: the new RTS should respond to the need to deliver these different outcomes, and also to the new tools, emerging technologies and opportunities that are now available;
- Coordination of planning and delivery resources between transport agencies is not consistent, and could be improved to increase the efficiency and efficacy of regional transport outcomes. Some stakeholders are debating the most effective transport governance arrangements and the most effective model for coordination and delivery of wider regional transport priorities;
- Land use planning decisions are not effectively supporting sustainable travel objectives for the region, and sustainable transport provision is not always delivered early enough in the development process to support modal shift;
- The region's transport network must respond to population growth across all age demographics with by far the largest growth predicted in the elderly population;
- Current action is not delivering a reduction in carbon emissions from transport in the region. There is a need to act quickly if targets for reduction are to be met, and to minimise risks of transport unreliability from more extreme climate events;
- Many of the region's people (especially those that are older, have mobility and accessibility challenges, are women, on low incomes, or live in rural areas) lack appropriate, affordable transport to enable them to meet their needs;
- The relative cost of car use has fallen in recent years compared to that of public transport and general cost inflation; this is enabling many people in the region to sustain high levels of car use;
- There are good examples of initiatives promoting healthier and more sustainable modes in the region, but they are yet to make a significant difference to net demand for car use. The proportion of journeys in the region undertaken by car/taxi increased in the decade to 2018;
- Some parts of the region's transport network lack capacity to enable sustainable peak time growth, especially on the rail network and, on the road network, where buses are delayed by congestion;
- The future is increasingly uncertain, due to both potential changes in technology (e.g. for autonomous vehicles) and in societal attitudes (e.g. changes in employment patterns, changes in attitudes towards single-occupancy car use); the new RTS must be able to respond to these issues and opportunities as they emerge.

Item A5. Establishment of South East Scotland Transport Transition Board

Establishment of South East Scotland Transport Transition Board

1 Introduction

- 1.1 On 26 May 2020, Transport Scotland published its Transport Transition Plan, giving further guidance on how the transport implications of the Scottish Government's Route Map to recovery from the Covid-19 pandemic crisis would be managed, for the transport sector to increase service levels whilst maintaining physical distancing measures. One of the actions arising from the Transport Transition Plan was the establishment of regional Transport Transition groupings for the Edinburgh and Glasgow areas, as well as the creation of a national level advisory grouping. Regional Transport Partnerships are represented on the National grouping by Hitrans whilst SEStran provides regional input into the Edinburgh grouping and SPT into the Glasgow grouping.
- 1.2 On 3 June 2020, the grouping for Edinburgh and region met for the first time, and agreed to establish the South East of Scotland Transport Transition Board; this comprises representatives from Transport Scotland, SEStran and the eight constituent SEStran councils, and with support from the Edinburgh and South East of Scotland City Deal's Project Management Office (PMO).
- 1.3 As a key partner with a regional statutory role and perspective, SEStran has been tasked with leading the co-ordination of a Project Plan for the South East of Scotland Transport Transition Board (SESTTB), to support the rapid development of a set of regional measures to address the anticipated problems associated with the easing of lockdown, particularly those relating to public transport where capacity will be substantially reduced as a result of required "physical distancing". SEStran had previously coordinated meetings of Chief Officers and proposed establishing a coordinated approach to the implementation of regional measures. SEStran is currently working in collaboration with the City Deal programme management office resource to accomplish this, with the Project Plan on target to be finalised by 17 June 2020.

2 Regional Collaboration

- 2.1 One of the key challenges facing the region, as we move out of Covid-19 restrictions, is that whilst physical distancing requirements remain on public transport - as outlined in the Transport Transition Plan and Guidance for Operators - the region will face significantly reduced capacity on the public transport network (between 75-90% reduction in capacity). This could have a range of negative consequences including mode shift away from public

transport to car, road congestion or delays, loss of mobility or access to employment for households without access to a car.

2.2 A range of temporary measures will be examined through the Regional Transition Plan, aimed at reducing negative impacts and getting people moving safely. To facilitate the rapid development of a set of regional measures, the SESTTB needs to work collaboratively and effectively. A draft Terms of Reference for the SESTTB (which closely matches that being used for the Glasgow region) is being circulated to key meetings of all member Councils prior to summer recess.

2.3 Key elements of the Transition Project Plan include:

- A regionally agreed, clear set of project principles and objectives, to facilitate the quick development and assessment of potential interventions;
- Milestones towards on the ground delivery of any agreed interventions;
- A focus on the key transport corridors in and around the region and into the city;
- A delivery plan setting out a range of interventions including active travel choices, support for public transport through the Transition phase with temporary park and ride hubs, and greater levels of information for commuters.

2.4 In addition to a lead role in the development of the Project Plan, SEStran will remain involved in the SESTTB Board, and will continue to provide coordination for the development of a number of region-wide interventions. The focus for SEStran's input will be on measures that support safe, affordable, sustainable commuter choices and support or add value to public transport operations.

3 Recommendations

3.1 It is accordingly recommended that Members:

- (a) note the progress made in a short timescale towards pulling together a Regional Transition Plan; and
- (b) agree to SEStran's involvement as detailed in 2.4.

Jim Grieve
Partnership Director
12 June 2020

Policy Implications	In line with RTS and emerging national policy, particularly Transport Scotland's Transport Transition Plan .
Financial Implications	SEStran's coordination role within the SESTTB will be met from within existing resources, with consultancy support as required, as outlined in Item A6 – Projects Performance Update.
Equalities Implications	None.
Climate Change Implications	None.

Projects Performance Report





1. INTRODUCTION

1.1 The report provides the Committee with an update on the progress of the various projects SEStran delivers. The report covers the position on Covid-19 in relation to project delivery and consultancy services required this financial year.

2. Projects performance

2.1 A high level 'RAG status' (Red-Amber-Green) is used throughout the projects update to highlight the current state of progress for each active project.

2.2 The table below explains the meaning of the different colours used throughout the report to highlight how a project is progressing. Projects reported as complete will be removed from future reports:

Status	Meaning:
	Complete
	Progressing according to plan
	Some issues encountered
	Severe issues or delayed

2.3 The strategic objectives as set out in the SEStran Regional Transport Strategy are used throughout the projects update to highlight how the projects link back to the RTS:

 *Economy*

 *Accessibility*

 *Environment*

 *Safety & health*

 *Corporate*

3. Consultancy support services

3.1 In response to Covid-19, additional resource is required to progress some emergent areas of work. These include support for the Partnership Director and the Senior Partnership Manager, particularly around the work involved with the Regional Transport Transition Plan; addressing any structural issues around decision making with SEStran's partners; and providing further support to RTP Chairs Secretariat and their response to the national Transport Transition Plan. To cover this additional

resource, the Board is asked to approve the realignment of surplus RTPi maintenance money within the 2020/21 Projects budget into an additional heading entitled “Covid 19 & Projects Support”.

4. RECOMMENDATIONS

- 4.1 It is recommended that the Board notes the content of this report and progress on current projects.
- 4.2 The Board is asked to approve the realignment of funds from Real Time Passenger Information as outlined in paragraph 3.1 of this report.
- 4.3 The Board is asked to approve the Grant award outlined in Section 2.3 of the SEStran Projects Update Report (Appendix 1), of £64,000 to West Lothian Council.

Anna Herriman
Senior Partnership Manager
 8 June 2020

Appendix 1: Projects update

Policy Implications	Outlined project work contributes to the objectives identified within SEStran Regional Transport Strategy
Financial Implications	All project work is delivered from within confirmed budgets.
Equalities Implications	There are no adverse equalities implications arising from SEStran projects. A number of projects actively work to reduce inequalities.
Climate Change Implications	There are no negative climate change implications arising from SEStran projects. A number of projects actively work to tackle climate change through creation of more sustainable transport options.

SEStran Projects Update

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1. Strategy

1.1 Regional Transport Strategy



SEStran's original Regional Transport Strategy (RTS) was approved in March 2007 and covered the period from 2008 until 2015. The strategy was subject to a refresh in August 2015 and covers the period until 2025.

Latest developments:

- **Main Issues Report**

Complete

The final draft of the main issues report was circulated to board members and local authority partners for comments and the final version of the main issues report is now complete. This identifies a total of 35 issues across the SEStran area and focused on 10 key issues which were considered to be the key focus for the rewrite of the Regional Transport Strategy.

- **RTS Development**

In progress

The next stage of the RTS is the development of the strategy and policies. This will require consultation with key stakeholders and the preparation of the statutory assessments to support the RTS including the Strategic Environmental Assessment and the Equalities Impact Assessment. A brief to procure consultancy support for this stage of the work is under development.

2. Active Travel Projects

2.1 GO e-Bike



In April 2018, SEStran successfully launched GO e-Bike, a regional bike-sharing scheme funded by SEStran, with a contribution from the SHARE-North project. The first four GO e-Bike hubs were launched in St Andrews, Buckhaven, West Lothian and Falkirk. In August 2018 SEStran secured funding from the Low Carbon Travel and Transport (LCTT) Fund and Transport Scotland (TS) to expand the GO e-Bike scheme through 6 further hubs.

Latest developments:

- **GO e-Bike expansion with LCTT & TS funding**

In progress

- Activities at the Tweeddale Hub were analysed to make a possible response to COVID-19 locally but a decision was taken that the feasibility of keeping the hub open and protecting staff could not be met.
- Residents at Socialbite Village continue to make use of the e-bikes on site for exercise during lockdown, though there has been challenges in maintaining the bikes in this period.
- Sites in Midlothian have now been serviced by SPEN and plans are being progressed for installation once restrictions on the construction sector are lifted.
- Sites in East Lothian are awaiting finalised dates from SPEN as their works have now been derestricted.
- Once dates have been confirmed for installation, the project timeline will be mapped out with stakeholders to prepare for launching the system.

2.2 Regional Cycle Network Grant Scheme



The Regional Cycle Network Grant Scheme continues the partnership between Sustrans Scotland and SEStran's commitment to delivering improvements to the cross-boundary utility routes.

Latest developments:

- **Edinburgh BioQuarter** In progress
 - Work has been progressing along with City of Edinburgh to assess signalling on the route and particularly at Cameron Toll and Craigmillar Park.
 - Due to COVID-19 the project has a new timeline for completing this design phase at the end of June 2020.
- **SEStran Strategic Cycle Network Review** Complete
 - The final report for the Strategic Network has been published on the SEStran website and shared with all partners.
 - Officers are now working along with partners to take the proposals forward.

2.3 Regional Active Travel Development Fund – Transport Scotland



The Regional Active Travel Development Fund was established between Transport Scotland and the Regional Transport Partnerships in 2019. SEStran made a proposal for projects in 2020/21 to Transport Scotland in March 2020 and has received £314,000 for this third year of funding.

Latest developments:

- **Project 1: Attitudinal Survey & Data Collection** In progress
 - This project will combine both quantitative and qualitative data to support planning for active travel interventions to support and inform demand, and also capture the drivers of behaviour change over a period of time.
 - Officers are preparing briefs and surveys to establish a baseline for the project start
 - **Total award £100,000**
- **Project 2: Do The Ride Thing Awareness Campaign** In progress
 - SEStran have created an awareness campaign for the use of e-bikes across the region to complement the launch of a number of e-bike hubs.
 - Do The Ride Thing seeks to create an environment where individuals look out for others and create good habits while riding a bike.
 - This project would increase awareness of the benefits and options that an e-bike can bring for active travel and physical activity, through media campaigns and shareable artwork that would be used by different organisations operating e-bikes and rental schemes.
 - **Total award £100,000**
- **Project 3: West Lothian Active Travel Projects** In progress
 - Completion of projects from 2019/20:
 - To provide active travel provision between Ecclesmachan and Threemiletown, providing a safe link to local bus services.

- To provide a link from Bathgate Hills quiet roads through Bangour and connect to the Livingston green network.
- Investigate a number of potential active travel links:
 - A89 Parallel Route – Easton Road Bathgate to Armadale
 - A904 Newton – South Queensferry
 - Linlithgow – Bo’ness (Links to Blackness & Falkirk)
 - West Calder – Harburn
 - Bathgate Hills Quiet Roads Initiative
- **Total award £64,000**
- SEStran successfully bid for resource funding to support the breadth of active travel projects that happen across the partnership.
- **Total Award £50,000**

2.4 Cycle Training & Development – Cycling Scotland



Support and develop the delivery of Bikeability Scotland National Standard cycle training by local authority Bikeability coordinators. Promote, encourage and develop cycle training opportunities across SEStran projects.

Latest developments:

- **Bikeability Scotland** In progress
 - Scheduled training has been postponed across all Local Authorities. Work is ongoing to support education hubs to provide cycling activities, with East Lothian, Edinburgh, and Scottish Borders already doing so. Any unspent Support Plus Funding can be redirected to support these activities. A document was circulated to all Local Authority Bikeability Coordinators with information on cycling activities taking place as of mid-May.
- **GO e-Bike cycle training** In progress
 - Training is being offered to all hubs as they are completed and as part of ongoing development plans.
 - Tweeddale Youth Action Bike Punks project completed a four-day Cycle Trainer course to enable them to support the delivery of Bikeability Scotland cycle training in schools. This course also provides them the opportunity to go on to offer adult cycle training with a short supplementary training course.
 - A Cycle Trainer Assistant course was set-up for West Lothian Bike Library to enable them to support the delivery of Bikeability Scotland in West Lothian and surrounding LAs. They were supported to become an approved supplier on the Bikeability Scotland Training Provider DPS. They have since been appointed to provide training support to schools in Midlothian. They are now being offered places on a Cycle Trainer course.
- **Adult Cycle Training** In progress
 - Currently considering options for how to develop a workable model for adult cycle training.
 - Pilot delivery of family cycle training is being explored.

3. Public Transport Projects

3.1 Real Time Passenger Information (RTPI)



SEStran's RTPI system began in 2010 with the aim to tackle a declining bus patronage and make bus travel more predictable and reliable. SEStran is working with the City of Edinburgh Council to move towards a new Content Management System that will improve the public facing regional screen network.

Latest developments:

- **New Content Management System and hardware upgrades** In progress
 - SEStran is working with 21st Century (now named Journeo <https://www.journeo.com>), who were appointed by the City of Edinburgh Council to provide the new Content Management System.
 - Work is well advanced on the design on the new CMS including the SEStran regional system.
 - Design for new screen layouts are being developed currently due to be complete end June 2020.
 - Testing of RTPI SIRI feeds has been delayed due to COVID-19 with the reduction of operator trips. Once passenger journeys reach a high-volume testing of the real time feeds versus scheduled information will take place.
- **RTPI Electronic Ticketing Machines** Complete
 - SEStran used the LEZ Public Transport Provision fund to provide grant aid for the purchase and reassignment costs of electronic ticket machines (ETMs) for Telford Coaches and Peter Hogg.
 - These were delivered to operators and are in use.

3.2 Thistle Assistance Programme



SEStran has developed the Thistle Assistance Card and App to make using public transport easier for older people and those with disabilities, illness or mobility issues. SEStran is currently undertaking work to improve and evolve the programme.

Latest developments:

- **Journey Planner App - Phase One Proof of concept development** Complete
 - SEStran is working with Scottish Enterprise and other funding bodies to explore potential funding for Phase 2.
- **Thistle Assistance Programme Update** In progress
 - SEStran participated in an online panel on the 11th May with Disability Equality Scotland presenting the Thistle Assistance new branding.
 - Developed a Thistle Assistance survey to track awareness and engagement with Thistle Assistance.
 - Continued to promote Thistle Assistance online, by social media and in print.
- **SEStran Website – Accessibility Regulations 2018** In progress
 - In order to comply with legislation ([Public Sector Bodies \(Websites and Mobile Applications\)\(No. 2\) Accessibility Regulations 2018](#)) SEStran will be developing the Partnership website to improve accessibility across the site for all users and at the same time improve the functionality of the site.

- Any new sites from September 2018 should be accessible after September 2019. Existing sites should be made accessible from September 2020. Mobile applications after June 2021;
- Accessible means Complies with all Level A and AA Success Criteria of the Web Content Accessibility Guidelines (WCAG) version 2.1;
- Design of the new SEStran site has been completed. Content is being updated and with final testing to be done in June 2020.
- **Marketing Communications Internship** In progress
 - SEStran has been working in partnership with Inclusion Scotland to provide an Internship to work on the Thistle Assistance program.
 - The internship was extended with support from Inclusion Scotland and will now run up to July 2020.

3.3 Local Rail Development Fund (LRDF)



The £2 million Scottish Government [Local Rail Development Fund](#), was announced in February 2018, with the aim of providing funding to develop community led options to improve local rail connections.

Latest developments:

- **Newburgh Train Station**

In Progress

- SEStran & Fife Council supported a successful bid from the Newburgh Train Station Group for the first phase of funding.
- £82,000 (exc. VAT) was secured to undertake a multi-model transport appraisal in the Newburgh area with SYSTRA appointed to undertake the work in December 2018.
- The transport interventions identified in the Case for Change that will be investigated further are:
 1. Improved bus services to/from Newburgh
 2. An 'Express bus route' through Newburgh
 3. A New/Reopened train station in Newburgh
 4. Provision to increase car sharing
 5. New/Improved active travel routes
 6. New/Improved active travel routes to outlying communities
 7. River services - the provision of passenger service on the Tay Estuary
- Phase 2 - The next stage of the study, the 'Initial Appraisal', of the 7 interventions is currently under way.
- Phase 2 will see the potential interventions being explored in more detail by qualitatively assessing them against the five STAG criteria of Environments, Economy, Safety, Integration and Accessibility/Social Inclusion.
- The appraisal will also consider the options in the context of Feasibility, Affordability and Public Acceptability.
- Stakeholders were invited to complete a short on-line survey, (www.newburghsustainabletransport.co.uk). The website provides further information on the potential interventions and the overall study. 234 responses had been received by the closing date of 31st May.
- £17,000 has been claimed from the budget for the work to date.

- **Forth Freight Strategy**

In Progress

- SEStran in partnership with Forth Ports made a successful application in June 2019 to the second round of LRDF funding and will receive up to £150,000 to conduct the study.
- The proposal is for a multi-modal freight study in the Port of Leith and other ports on the Forth to explore key issues and opportunities whilst maximising the potential for existing infrastructure (rail heads etc.).
- After a successful tender evaluation process in April 2020 AECOM were appointed to undertake the work.
- The project inception meeting took place on the 27th April and the project is now underway.
- Cllr Colin Davidson will Chair the project steering group.

3.4 LEZ Public Transport Provision Fund



Following the instatement of a Regional LEZ Stakeholder Group to cover the latest Edinburgh LEZ developments, SEStran secured £205,000 funding from the LEZ Public Transport Provision Fund from Transport Scotland in November 2019 for four projects which were delivered by 31 March 2020.

Despite the LEZ developments currently being delayed due to COVID-19, the study reports are relevant in a wider context and can help inform the development of regional interventions to mitigate the impacts of COVID-19 and associated social distancing requirements across the region. All reports can be viewed on the SEStran website: <https://sestran.gov.uk/news/sestran-strategic-studies/>

Latest developments:

- **Regional Park & Ride Strategic Study** Complete
The P&R Strategic Study is an evidence-based review of current P&R provision in the South East of Scotland. It helps inform future investment priorities for the enhancement of P&R facilities and will feed into the emerging rewrite of the SEStran Regional Transport Strategy.
- **Smart Ticketing Machines** Complete
 - SEStran purchased ETMs for two of the region’s local bus operators, which will help facilitate real time passenger information on the services operated.
 - SEStran also utilised the LEZ funding for a hardware and software upgrade for the RTPI provided on digital screens across the region.
- **Mobility Hub Strategic Study** Complete
 - Based on the learnings from the SHARE-North project, SEStran developed the Mobility Hub Strategic Study which scopes out the potential role for Mobility Hubs within the specific regional context for the SEStran area. The study provides a framework for their implementation across the South East of Scotland. For the purpose of the study, a Mobility Hub has been identified as “a recognisable and easily accessible place which integrates different transport modes and supplements them with enhanced facilities, services and information aimed at encouraging more sustainable travel, creating a sense of place and improving journeys and travel choices.”
- **Demand Responsive Transport (DRT) Strategic Study** Complete
 - The DRT study is a strategic review of DRT services in the SEStran area. Various challenges and opportunities for the DRT sector have been identified and the study also developed options to increase the resilience of DRT services and encourage innovation and service development. The study will help inform the emerging RTS.

4. European-funded Projects

4.1 SHARE-North

Interreg North Sea Region – Jan 2016 to Dec 2021



SHARE-North focuses on shared mobility modes and their potential to address sustainable transport challenges in the North Sea region. This includes developing, implementing, promoting and assessing car sharing, bike sharing, ride sharing and other forms of shared mobility in urban and rural areas and employment clusters.

Latest developments:

- **Mobility Hubs** In progress
 - SEStran has been exploring various avenues to introduce Mobility Hubs to the SEStran region. In doing so, SEStran builds on the expertise and support from the European partners.
 - A Mobility Hub seeks to raise the profile of shared mobility (car club, bike-sharing, carsharing), by integrating these modes of transport with existing public transport provision.
 - The Mobility Hub Strategic Study developed through the LEZ Public Transport Provision Fund has identified 8 suitable locations across the SEStran region for further consideration for the development of Mobility Hubs.
- **Tripshare SEStran** In progress
 - SEStran is reviewing Tripshare SEStran and is in the process of rebranding the website.
- **Online Partner Meeting May 2020** In progress
 - SEStran participated in a successful online meeting with the SHARE-North partners on 12th May 2020 to discuss project activities and progress and any impacts and expected delays as a result of COVID-19. The consortium is exploring whether an extension is feasible.
 - SEStran also successfully presented the Mobility Hub Strategic Study at a SHARE-North webinar hosted by CoMoUK on 14th May 2020, which was attended by 85 people.

4.2 SURFLOGH

Interreg North Sea Region – Jun 2017 to Oct 2020



SURFLOGH aims to improve the role of logistics hubs in the network of urban logistics in the North Sea Region. By introducing city labs, a transnational platform is created to promote innovation in city logistics. These platforms will bring together different actors to exchange knowledge, work on innovative pilot projects and implement results within policy strategies and the urban logistics system.

Latest developments:

- **Development of business case with Edinburgh Napier University** In progress
 - SEStran is leading on a work package along with Edinburgh Napier University Transport Research Institute (TRI), developing business models for urban freight hubs.
 - The 2020 STAR Conference was cancelled due to COVID-19, but the research paper is being adapted for other conference submission in the future.
- **Edinburgh Pilot – ZEDIFY** In progress

- The pilot is up and running and currently delivering up to one pallet worth of small packets in central Edinburgh from a site west of Haymarket station.
- SEStran and Zedify in partnership with stakeholders are exploring setting up a new hub in south Edinburgh.
- ZEDIFY have entered into a UK partnership with Click It Local (<https://www.clickitlocal.co.uk/>) to do deliveries, this will be trailed in the South Edinburgh hub.
- **Online Partner Meeting May 2020** In progress
 - SEStran participated in a successful online meeting with other partners on the 19th of May.
 - Due to COVID-19 impacts on the project it was decided to cancel the upcoming project end conference in September in Mechelen (Belgium).
 - It was also decided that a 6-month extension to the project should be proposed to the Interreg North Sea Joint Secretariat to allow more research on the pilots and mitigate COVID-19 impacts.
 - The extension would allow the end conference to be held in May 2021 in Mechelen.

4.3 BLING

Interreg North Sea Region – Jan 2019 to Dec 2021



Blockchain is a key enabling technology that will underpin efforts to deliver innovative services under the Digital Agenda for Europe. The BLockchain IN Government (BLING) project focuses on providing one of the first dedicated platforms to bring these tools and approaches into local and regional services. SEStran will be developing a pilot with the University of Edinburgh, which will showcase innovative use of the technology in a transport environment.

Latest developments:

- **Development of Edinburgh Pilot** In progress
 - The Design Informatics team at the University of Edinburgh team supported by SEStran is prototyping ways to create Location Based Smart Contracts – agreements about the location and relations of smart objects in space that allow conditions such as proximity or co-location to trigger actions like financial transfers or opening physical locks. These systems are backed with blockchains, to explore new techniques to make location data secure without being invasive.
 - The next stage of the research will be to develop a Smart Contracts interface that can be easily use and adapted in the ‘real world’.
 - After a successful presentation to the partners in May the next stage of the work is underway.
- **Online Partner Meeting May 2020** In progress
 - SEStran participated in a successful online meeting with other partners over two days on the 12th & 13th of May.

4.4 PriMaaS

Interreg Europe – Aug 2019 to Jan 2023



Mobility-as-a-Service (MaaS) is a concept that changes the way people travel and pay for mobility services. The main vision of PriMaaS is to promote MaaS and incorporate wider societal goals through interregional collaboration, sharing best practices, and policy development.

Latest developments:

- **PriMaaS Regional Stakeholder Group** In progress
 - Following the first Regional Stakeholder Group, which was held on 15 January 2020, SEStran has been working with the PriMaaS consortium to establish the current levels of MaaS integration in the SEStran area.
- **Preparation of Baseline Assessment Report** In progress
 - Due to the COVID-19 situation, project activities have moved online, and SEStran is working with partners to feed into the Baseline Assessment Report, which is being developed by the consortium as a whole.
- **Online Partner Meeting April 2020** In progress
 - SEStran participated in a successful online partner meeting, hosted by the lead partner on 24th April 2020. SEStran provided an update on project activities and the consortium discussed the impacts of the current COVID-19 crisis.
 - The conference which was planned to take place in Liguria in April 2020 got cancelled, and the consortium is exploring options to move project activities and Exchange of Experience events online, such as through webinars. The first webinar is likely to take place this summer.
 - The consortium is also exploring whether an extension can be sought to deliver all planned activities.

4.5 CONNECT

Interreg North Sea Region – Oct 2019 to Mar 2022



CONNECTing North Sea Region's TEN-T nodes – Support intermodality growth in the North Sea Region through smart efficiency enhancements. The overall objective is to support smart intermodality growth in the NSR through efficiency enhancements. The project focuses on implementation of new smart processes and working tools (smart intermodality) and development of strategies for smart efficiency enhancements (smart involvement). <https://northsearegion.eu/north-sea-connect>

Latest developments:

- **Project Application** In Progress
 - A final application for continuation of the project has been made by the new partnership group to the Interreg North Sea Joint Secretariat and is awaiting approval – it is expected to be approved with the project starting in June 2020.
 - SEStran will be leading on a work package based around marketing and communications.

5. SEStran forums & upcoming events



5.1 SEStran Forum Meetings

SEStran hosts three different forum groups which are held twice a year. The aim of these forums is to provide a platform for interested parties to come together and to formulate a regional voice in various transport-related matters.

Upcoming meetings:

- **Equalities and Access to Healthcare Forum**
The next meeting will be held on the 3rd of June 2020 and will be online.
- **Integrated Mobility Forum**
Due to COVID-19 the April meeting was cancelled. The meeting will be rescheduled for later in the year.
- **Logistics and Freight Forum**
Due to COVID-19 the May meeting was cancelled. The meeting will be rescheduled for later in the year.

Risk Framework

1. INTRODUCTION

1.1 The purpose of this report is to provide the Board with its six-monthly update on the risk register, which is an integral part of SEStran's Risk Management Framework.

2. BACKGROUND

2.1 SEStran has been using a Risk Register to record, report and evaluate risks within the organisation since May 2008. All risks are reviewed regularly and monitored by the relevant staff. The latest version SEStran Risk Register, at Appendix 1 of this report, highlights the current key risks.

2.2 All recent changes made to the Register are highlighted in red. There was useful feedback from Members of the Performance and Audit Committee at their meeting on Friday 5th June, and this has been incorporated.

2.3 The Board will note a new specific 'pandemic/endemic' risk has been added in the light of the current Covid-19 pandemic.

3. RECOMMENDATIONS

3.1 The Board are asked to comment on the contents of the report.

Anna Herriman
Senior Partnership Manager
 11 June 2020

Appendix 1: SEStran Risk Register

Policy Implications	None
Financial Implications	As highlighted in the register.
Equalities Implications	None
Climate Change Implications	None

Risk Number	Risk Detail	Risk Category	Gross Risk Assessment				Planned Response/Mitigation	Net Risk Assessment				Risk After Mitigation/Appetite for Risk	Date and Owner		
			Probability	Impact	Risk Score			Probability	Impact	Risk Score					
R001	Policy Appraisal: Poor Quality Lack of consultation	Strategic	1	Remote	3	Moderate	3	Low	1	Remote	2	Minor	2	Low	Nov-2019 June 2020 Partnership Director
R002	Project Appraisal and Delivery: Incomplete or of poor quality Late Delivery	Reputational	2	Unlikely	4	Major	8	Medium	2	Unlikely	3	Moderate	6	Low	Nov-2019 June 2020 Programmes Manager
R003	Digital/IT: Server failure Comms failure: phones Website	System and Technology	3	Possible	4	Major	12	Medium	3	Possible	2	Minor	6	Low	Nov-2019 September 2020 Business Manager
R004	Reputation: Regard by the public and stakeholders. Negative or inaccurate media coverage leading to misrepresentation of SEStran position	Reputational	3	Possible	3	Moderate	9	Medium	3	Possible	2	Minor	6	Low	Nov-2019 June 2020 Partnership Director

R005	Statutory Duties: Failure to adhere to duties described in legislation and related documentation	Legal and Regulatory	1	Remote	4	Major	4	Low	Audit approved systems of governance in place. External and internal audits carried out.	1	Remote	2	Minor	2	Low	Low. Regular monitoring and programming of statutory duties is undertaken by the Partnership Director, Senior Partnership Manager and Business Manager. Audited by third parties. Tolerate	June- November 2020 Partnership Director
R006 6.0	Financial: Significant deviation from budgeted spend	Financial	2	Unlikely	3	Moderate	6	Low	The Partnership's Financial Rules do not permit the Partnership's spending (whether revenue or capital) to exceed its available budget. Budget and spend is monitored on a monthly basis by SEStran officers, using financial information provided by City of Edinburgh Council (CEC) through the Partnership's Financial Services Service Level Agreement with CEC and supported by qualified accounting staff of CEC. Action is taken by Partnership officers to develop alternative savings measures, including options for development of contingency arrangements, if required and subject to approval by the Partnership. The Partnership's Financial Rules require reporting of financial performances to the Partnership Board on a quarterly basis.	1	Remote	2	Minor	2	Low	Low. In October 2017, the Scottish Government commenced consultation to give consideration to RTPs being given powers to of carry forward of expenditure across financial years. Transport (Scotland) Act 2019 Bill currently going through parliament included section on RTPs carrying reserves. Tolerate	March- November 2020 Partnership Director
6.1	The approved budget for 2019/20 assumes provision for a pay award of 3%, based on alignment with the Scottish Government's public sector pay offer. A 1% increase in pay award uplift equates to an increase in cost of approximately £4,911.	Financial	4	Probable	1	Insignificant	4	Low	Alignment with Scottish Local Government pay policy	4	Probable	1	Insignificant	4	Low	Low Tolerate	March- November 2020 Partnership Director

6.2	Staff recharges - EU projects: The proposed budget assumes that £119,000 of staff time can be recharged to five EU Projects - Share-north, Surflogh, Bling, Primaas and Connect. There is a risk this may not be achievable	Financial	5	Highly Probable	3	Moderate	15	High	Any shortfall in employee recharges will be managed through corresponding reductions in Projects Budget expenditure. In 2020/21, EU projects represent 14% of the proposed budget.	4	Probable	2	Minor	8	Medium	Medium: Other funding sources will continue to be pursued. Tolerate	March November 2020 Partnership Director
6.3	Inflation: There is a risk that the approved budget does not adequately cover price inflation and increasing demand for services.	Financial	3	Possible	4	Major	12	Medium	When setting the revenue budget, allowance made for specific price inflation and budgets adjusted in line with current cost forecasts.	3	Possible	4	Major	12	Medium	Medium Tolerate	March November 2020 Partnership Director
6.4	Delays in payment of external grants results in additional short-term borrowing costs.	Financial	3	Possible	2	Minor	6	Low	SEStran grant claims for projects are submitted in compliance with grant funding requirements to ensure minimal delay in payment. Ongoing monitoring of cash flow is undertaken to manage exposure to additional short-term borrowing costs.	3	Possible	1	Insignificant	3	Low	Low: Grant submission procedures in place, along with financial planning. Tolerate	March November 2020 Partnership Director
6.5	Sources of additional income to the Partnership may become constrained in the current economic climate and/or due to changes in operating arrangements.	Financial	4	Probable	3	Moderate	12	Medium	Active Travel funding a high priority for Government with funds consistently available to bid for. Revenue budget for 2020/21 developed to take account of most likely level of external income in 2020/21.	4	Probable	3	Moderate	12	Medium	Medium Tolerate: Adapt expenditure accordingly	March November 2020 Partnership Director
6.6	Funding reductions: Future reductions in core funding from Scottish Government and/or council requisitions. This could result in difficulty in delivering statutory obligations/duties.	Financial	3	Possible	4	Major	12	Medium	The Partnership will continue to source and develop external funding. Working with the Scottish Government on a regional response to the pandemic should increase likelihood of funding remaining constant if not increasing.	3	Possible	4	Major	12	Medium	Medium Tolerate: Manage organisation in accordance with available funding but ability of organisation to deliver RTS objectives will inevitably be dictated by available funding. Scottish Government now promoting 3 year budget process, providing more certainty for future planning.	March November-2020 Partnership Director
6.7	The deficit on the staff pension fund could lead to increases in the employers pension contribution	Financial	4	Probable	3	Moderate	12	Medium	Following the Lothian Pension Fund Triennial Actuarial Review of 2017, Partnership contribution rates have been advised until 2020/21. The risk is therefore for future years.	4	Probable	3	Moderate	12	Medium	Medium Tolerate	March November 2020 Partnership Director

6.8	Current staffing levels cannot be maintained due to funding constraints and the Partnership incurs staff release costs	Financial	3	Possible	4	Major	12	Medium	The Partnership continues to seek additional sources of funding for activities aligned to the Partnership's objectives to supplement resources Recruitment control measures in place. Additional resources can be managed through consultancy as required.	3	Possible	4	Major	12	Medium	Medium: Other funding sources will continue to be pursued. Tolerate	March November 2020 Partnership Director
6.9	Following the outcome of the EU Referendum, the Partnership is unable to access EU funding.	Financial	5	Highly Probable	3	Moderate	15	High	The Partnership continues to seek alternative funding sources to progress knowledge exchange/transfer and to seek to successfully bid for EU projects following the United Kingdom servicing notice under Article 50.	4	Probable	3	Moderate	12	Medium	Medium Tolerate: Adapt expenditure accordingly Currently involved in 6 EU projects, the completion of which are underwritten by the UK Treasury.	March November 2020 Partnership Director
R007	HR: Pension Liabilities Redundancy Contingency Inappropriate Behaviour Staffing/Incapacity	People	3	Possible	3	Moderate	9	Medium	SLA in place with Falkirk Council to provide specialist HR advice as required and is under regular review. Legal advice is provided, when required, through a framework contract, which is in place until 31 May 2022 .	1	Remote	2	Minor	2	Low	Low Tolerate	June-Nov-2019- 20 Partnership Director
R008	Corporate: Removal of RTPs as part of the review of the National Transport Strategy, Regional governance review.	Strategic	4	Probable	4	Major	16	High	RTPs jointly lobbying Transport Minister. SEStran is engaged in the NTS2 review, representing all RTPs on the NTS2 Review Board and has sought and received assurances around retention of functions and undertakings transfer from Scottish Ministers. NTS2 Roles and Responsibilities Working Group have made recommendations which are currently being considered by Transport Scotland. Discussions ongoing with Transport Scotland who have indicated they are receptive to enhanced role for RTPs during current phase of lockdown release. Joint RTPs paper submitted to Transport Scotland May 2020.	4	Probable	4	Major	16	High	High: Seek to resolve	Nov-2020 Partnership Director

R009	EU Exit-Other Funding Sources: Impact on learning and funding	Financial	5	Highly Probable	3	Moderate	15	High	The Partnership has sought to engage in as many relevant EU projects and funds as it can whilst UK authorities are allowed to access these funds. This should mitigate the short-term impact of any EU Exit negotiated and implemented. Timescales for effective exit remain unclear The Partnership has a proven track record in securing funding for relevant projects from the UK and other partners. It is anticipated that this will continue.	5	Highly Probable	2	Minor	10	Medium	Medium: The risk remains as there is significant uncertainty around the medium (3-5year) horizon for access to funds. Opportunity for renewed collaborative working with EU following Brexit to be explored. SEStran continuing to be accepted as partners in EU funded projects. EU projects secured for further 3 years. Other funding applications will be made when available. Tolerate	Nov 2020 Partnership Director
R010	Governance: Succession Planning Business Continuity	People	3	Possible	3	Moderate	9	Medium	Governance Scheme contains adequate provision to deal with senior officer absence. Staff structure and Business Continuity Plan in place. Senior Partnership Manager appointed.	2	Unlikely	2	Minor	4	Low	Low Tolerate	Nov 2020 Partnership Director
R011	Third party Service Level Agreements: Failure or inadequacy of service	People	2	Unlikely	2	Minor	4	Low	Service Level Agreements in place for Financial Services, HR, Legal and Insurance services. Reviewed annually by senior officers. Subject to independent audit scrutiny.	2	Unlikely	2	Minor	4	Low	Low Tolerate	Nov 2020 Partnership Director
R012	Pandemic / Epidemic: Interruption of normal service/inability or difficulty delivering functions/loss of service provided by contractor. Changes to delivery of strategy including RTS, where dependent on new and external context/national or regional policy timescales. Financial impact of crisis on sources of funding.	Strategic	2	Unlikely	5	Catastrophic	10	Medium	Regular contact with officials of both Transport Scotland and constituent councils to map a way forward and align with new timescales and new requirements. Current RTP functions can be delivered by working from home. New functions can be met through consultancy support. Procurement and contracts to safeguard against loss of service and identify options for flexibility of delivery. Utilise Covid-19 Art facilities around	2	Unlikely	4	Major	8	Medium	Medium: An ongoing risk (realised in March 2020) remains during the Transport Transition Plan and Phases for recovery. An ongoing risk remains for future spikes of Covid-19 or other outbreaks of similar levels of impact. Tolerate	June 2020 Partnership Director

Risk Number	Risk Detail	Risk Category	Gross Risk Assessment					Planned Response/Mitigation	Net Risk Assessment					Risk After Mitigation/Appetite for Risk	Date and Owner		
			Probability	Impact	Risk Score	Probability	Impact		Risk Score								
R005 5.1	Restricted ability to undertake RTS re-write: Inadequate senior staff resourcing available due to continued absence of Partnership Director	Strategic	4	Probable	3	Moderate	12	Medium	Resolve absence as soon as possible and appoint external resources as required.	2	Unlikely	2	Minor	4	Low	Partnership Director appointed May 2019. Funds identified for RTS re-write	June 2019 CLOSED
6.9	Accommodation: Occupancy Agreement with SG due for renewal February 2019. SG may not renew and alternative premises required at market rates.	Financial	3	Possible	3	Moderate	9	Medium	A notice period of 12 months must be served by each party under the current occupancy agreement. Occupancy Agreement renewed until February 2022.	3	Possible	3	Moderate	9	Medium		June 2019 CLOSED
6.10	ECOMM: Agreement to commit to ECOMM on the basis of being cost neutral. Income depends on number of delegates attending conference.	Financial	3	Possible	3	Moderate	9	Medium	SEStran withdrew offer to host ECOMM due to uncertainty over Brexit and subsequent impact on attendance at the conference.	3	Possible	2	Minor	6	Low		June 2019 CLOSED

Likelihood		Severity		Risk Score	At Risk
1	Remote	1	Insignificant	Low Risk	System and Technology
2	Unlikely	2	Minor		Reputational
3	Possible	3	Moderate		Strategic
4	Probable	4	Major		Financial
5	Highly Probable	5	Catastrophic		Governance
				6	Specific Operational
				8	External
				9	Legal and Regulatory
				10	People
				12	Physical
				15	High Risk
				16	
				20	
				25	
				25	

Impact				
Descriptor	Score	Health and Safety Impact	Impact on Service and Reputation	Financial Impact
Insignificant	1	No injury or no apparent injury.	No impact on service or reputation. Complaint unlikely, litigation risk remote.	Loss/costs up to £5000.
Minor	2	Minor injury (First Aid on Site)	Slight impact on service and/or reputation. Complaint possible. Litigation possible.	Loss/costs between £5000 and £50,000.
Moderate	3	Reportable injury	Some service disruption. Potential for adverse publicity, avoidable with careful handling. Complaint expected. Litigation probable.	Loss/costs between £50,000 and £500,000.
Major	4	Major injury (reportable) or permanent incapacity	Service disrupted. Adverse publicity not avoidable (local media). Complaint expected. Litigation expected.	Loss/costs between £500,000 and £5,000,000.
Catastrophic	5	Death	Service interrupted for significant time. Adverse publicity not avoidable (national media interest.) Major litigation expected. Resignation of senior management/directors.	Theft/loss over £5,000,000

Likelihood		
Descriptor	Score	Example
Remote	1	May only occur in exceptional circumstances.
Unlikely	2	Expected to occur in a few circumstances.
Possible	3	Expected to occur in some circumstances.
Probable	4	Expected to occur in many circumstances.
Highly Probable	5	Expected to occur frequently and in most circumstances.

Impact					
Impact	5	10	15	20	25
Catastrophic	5	10	15	20	25
Major	4	8	12	16	20
Moderate	3	6	9	12	15
Minor	2	4	6	8	10
Insignificant	1	2	3	4	5
Likelihood	Remote	Unlikely	Possible	Probable	Highly Probable

Maintain existing measures in place.
Review control measures. Even if the risk is low, there may be things that can be done to bring the risk rating down to minimal.
Improve control measures. If the Rating Action Band is greater than 3 or 4 then a review of the existing safety/control measures needs to be done, where additional
Improve control measures immediately and consider stopping work activity until risk is reduced.

Consultation Responses

1. INTRODUCTION

- 1.1** This report provides the Members of the Board with an update on the consultations SEStran has responded to.

2. City of Edinburgh Council – City Plan 2030 and City Mobility Plan

- 2.1** SEStran responded to the joint consultation on the City of Edinburgh Council's City Plan 2030 (Local Development Plan) and City Mobility Plan. Given that the two plans are inextricably linked, a single response was submitted in addition to online responses to both questionnaires. The full response is attached to this report in item B2.2.

3.1 Recommendation

The Board is asked to note the terms of the consultation response.

Julie Vinders
Project Officer
11 June 2020

Appendix:

- **Item B2.1 City Plan 2030 and City Mobility Plan – SEStran response 30th April 2020**

Item B2.1 City of Edinburgh Council – City Plan 2030 and City Mobility Plan

SEStran response

30th April 2020

City of Edinburgh Council: City Plan 2030 and City Mobility Plan Consultation

SEStran response – v.1

Introduction

SEStran welcomes the concurrent development of the City of Edinburgh Council's City Mobility Plan and City Plan 2030 (Local Development Plan).

SEStran believes that their parallel 2030 horizon brings opportunities to align development and much more efficient use of transport systems. SEStran notes that both draft plans could do more to clearly demonstrate integrated thinking, and ensure the interdependencies between them is made more explicit.

As with SEStran's view that these two plans are inextricably linked, this is a single response in addition to online responses to both questionnaires. Detailed responses to both sets of consultation questions are also provided here, but where there is an opportunity for greater alignment between them, this is clearly identified, and where possible, responses set out how this should be achieved.

Context

The strategic policy context for City Plan 2030 and the City Mobility Plan includes a number of national policy documents. But above all else, both plans play a significant role in helping Scotland achieve the interim and final targets set out in the Climate Change Act 2019. This could be made more explicit within each of the plans.

Place-based principles and values underpin both plans. Sustainable places are and will be those where communities can easily and freely move in a sustainable way and access local schools, primary healthcare facilities, shops and other amenities, without requiring longer distance or car-based travel. Shared outcomes, with clear targets in both plans will help to measure the effectiveness of the approaches at 2022, 2025 and 2030.

The absence of linkage between both plans and the content of the Regional Transport Strategy (RTS) as primary strategic context - is a key weakness which needs to be amended for SEStran's full endorsement of either plan. Section 8(1) of the Transport (Scotland) Act 2005 places a duty such that "a constituent council shall, so far as possible, perform those of its functions which relate to or which affect or are affected by transport consistently with the transport strategy of the (or, as the case may be, each) Transport Partnership of which it is a constituent council". The RTS is jointly owned by City of Edinburgh as a key partner in the Regional Transport Partnership and must inform both of these emerging policy documents.

Delivery

SEStran fully support the vision contained in the City Mobility Plan and note the ambitious target of achieving a carbon neutral city by 2030.

The subdivision of the vision into periods 2022, 2025 and 2030 is not necessary as the overall vision does not change over the next ten years. The timescales do relate to how the vision will be delivered, though and each period identifies key objectives and stages on the journey to meeting the vision. This needs to be more clearly identified in the plan. Each individual objective requires a number of outcomes to be delivered and much of the detail on these outcomes and their delivery requirements are missing from the plan.

Given the level of development and planning within these objectives the timescale for a carbon neutral transport system is extremely challenging by 2030. For example, for a comprehensive city logistics system to be in place what does this mean; how this will operate, the infrastructure needed, the location of creation of distribution hubs, the engagement and support of the local business communities all have to be identified and delivered. Just as importantly the City Plan 2030 has to safeguard and deliver a planning framework and policy that allow development of this system and that will meet this requirement.

The City Mobility plan will replace the current local transport strategy so as well as identifying longer term objectives it should set out what is being delivered in the short term and a programme for the delivery of the various plans required to support plan. For clarity the Plan should include details of schemes being delivered within the budget timeframes already approved by the Council.

City Plan 2030 Questions and Responses

Choice 1 - Making Edinburgh a sustainable, active and connected city

Change A – While supportive of the aspirations of a multi-functional, local, city-wide, and regional network, the proposals only address connections with certain urban areas with others having little access to quality outdoor greenspace, other than what is defined as green network which includes private estates.

Change B/C – This option is confused between a desire for all developments to incorporate green and blue infrastructure, and an option for appropriate measures as locally defined. The increased densification of developments should exemplify the need for green and blue infrastructure to be integrated to all developments in order to support biodiversity and ecosystems, improve air quality, and adapt to a changing climate.

Change D – it is unclear as to what is being proposed in this regard towards environmental changes. Current policies seek to protect trees, species, outdoor sports facilities and other open spaces in the city. Edinburgh is fortunate to have a large number of green areas which are increasingly important if densification continues. Crucially there is mention of Env 18 which allows development on open space provided it does not impact the quality and character of the local environment. Areas that are of limited value currently could be revisited in that light and made available for communities to determine a better leisure use, to ensure that all of Edinburgh's settlements have access to large areas of green space.

Change E/F – Acknowledge that much of this is specific to new developments but requirements should apply for existing developments and planning in place to provide spaces to serve these.

Choice 2 - Improving the quality, density and accessibility of development

Change B – There is no mention of a liveable floorspace in housing developments through any of the design policies. Reaching a balance between more dwellings on less land, cannot be achieved solely through reduction in dwelling size. The provision of substandard housing impacts on mental health and discourages longer tenure that can help create stability in communities. SEStran would recommend that the Council links Choice 2 more explicitly to the City Mobility Plan's mention of Mobility Hubs; through provision of structured shared mobility

with links to public transport connections, there is potential to reduce space required for private parking and increase extra floorspace within dwellings.
Supportive of the requirement for design and access statements to support development proposals.

Choice 3 - Delivering carbon neutral buildings
Change A – supportive

Choice 4 - Creating Place Briefs and supporting the use of Local Place Plans in our communities

Change A/B – Similar to previous comments this change specifically targets new development and allows communities to determine design and requirements based on these. The reality is that many new developments are tacked onto existing communities where the majority of infrastructure will already be in situ, and the transport infrastructure needed is not fully planned, or impacts fully measured. The fact that there remains a need for specific briefs addressing the necessary transport infrastructure to support all developments must be recognised.

It is vital that the appropriate skilled resources including transport are made available to support local communities when developing Local Place Plans and Place Briefs.

Choice 5 - Delivering Community Infrastructure

Education Infrastructure – The majority of housing developments have progressed in advance of additional community infrastructure. A combination of urban and greenfield sites development would possibly help reduce this problem. However, this must be a measured response in urban scenarios where space is restricted and further development on school estate could impact on outdoor facilities for pupils. Greenfield sites as stated provide the opportunity for all, through school-based facilities for greater community use and should be encouraged so long as future development is not approved to adversely impact school capacity. A key element of any place brief, masterplan and site brief will be to ensure that parents and pupils can safely travel by active means to schools, and that active travel is a fundamental principle of school site identification and not a retrofit requirement. It would be helpful for both plans to strongly mirror the national user hierarchy for streets and the national transport strategy investment hierarchy by explicitly advocating for safe active travel as a default option when accessing community infrastructure.

Transport Infrastructure – The corridor study carried out in support of both plans helps to set the scene for a much less car-based city area, by providing better support for sustainable movement along corridors. One issue arising from an axis-based corridor system, is the lack of sustainable orbital movement options. Much of the congestion now in evidence in the city, and particularly on the City Bypass, relates to Edinburgh 'origin and destination' traffic making 'cross sectional' movements by private car where a rapid, sustainable alternative is not available. Some aspects of the tram proposals will help to address this. However, SEStran, including input from all local authorities, especially Edinburgh, retains a proposal to introduce a wider, regional level orbital public transport and active travel route - linking park and ride sites and key employability sites across an east-west arc, similar to the bypass.

The SEStran orbital public transport and active travel orbital route is a very bold and ambitious proposal, and a strategic project that spans multiple Local Authority areas, and as such, supports productivity across the region, and not just in Edinburgh. The benefits for Edinburgh in particular, however, are that it supports the reduction in car-based travel on local roads, and thereby helps protect the quality of local places. Whilst the project requires regional coordination and significant public sector led investment, SEStran would be keen to

see this project identified in both plans, with place briefs for development (especially in the south east corridor) referencing the safeguarding of land for this purpose.

Proposed change E is generally supported but whilst it clarifies developer contribution at the plan stage, it does not make it clear when infrastructure is needed. The plan should include policies to require transport infrastructure in advance.

Choice 6 - Creating places that focus on people, not cars

Change A & B – 'create a new policy...to meet our target' or 'use Place briefs to set targets'. Is there an existing policy that is integrated? Neither of these changes make that clear and are contradictory with reduced parking levels being a determinant of high public transport use. How will targets be monitored and success measured? Policies should be put in place to ensure sufficient monitoring and measurement takes place to measure success. What will be the levers to change things if mode share targets are not met? Rather than increasing parking levels, which will lock-in car use, policies should be put in place to guide interventions required to achieve higher share of public transport and walking and cycling. These policies must strictly follow the Sustainable Transport Hierarchy and Sustainable Investment Hierarchy as set out in the National Transport Strategy 2, because particularly at new developments, there is a unique opportunity to design the layout of the development for good, reliable, and sustainable transport and active travel provision.

Choice 7 - Supporting the reduction in car use in Edinburgh

Change A – Access to car clubs must also be taken into consideration when determining parking levels in developments. Having access to a car club offers a real and viable alternative to owning a (second) car, and car club users tend to walk, cycle and use public transport more. Car clubs are complementary to the mix of sustainable transport modes and with the idea of 'use it, don't own it', access to a car club helps alleviate levels of parking required and must therefore be considered when determining these levels. Furthermore, underground parking while potentially expensive for a developer, can create better opportunities for dwellings that would be raised off street level and provide space for mixed development. Where development continues towards the fringes of the city this needs to be addressed so that public transport is readily available at a frequency that would reduce the need for car ownership and also with service provision that accesses a range of amenities that don't exist in those settlements.

Change B – Council could work with developers to offer mobility management: charge a developer for each car park that is built, or allow them to use this 'allowance' to be put into providing public transport, car clubs, cycling infrastructure, etc.

Change C – incorporate car club provision in parking policies as alternative to car ownership and to reduce parking standards and reallocate space to pedestrians, cyclists, etc. EV infrastructure should be provided in a manner that does not lock-in EV ownership and policies should prioritise providing charging facilities for electric public transport, electric taxi's, EV car clubs, and EV hubs, such as Park and Rides.

Change D – The current usage of Park and Ride is impacted by congestion that builds up in the lead up to these sites. The suggestions presented are still within the extent of congestion that would be present and would lessen the benefit of such interventions. Also, there is a need not only to safeguard sites for P&R development, but also consider the potential for frequent and reliable public transport services to that P&R. Public transport operators must be consulted with in order to determine whether servicing new P&R sites is feasible and/or preferred over expanding existing P&R sites. Furthermore, these are regional Park and Ride sites catering for mode shift of commuters and visitors from mostly out with Edinburgh. This needs to be coordinated in line with the Regional Transport Strategy, and build on the findings from the SEStran Regional Park and Ride strategic study.

Choice 8 - Delivering new walking and cycling routes

Change B – An active travel route should be something that conforms to the five characteristics in Cycling by Design, and as such should be accessible for use all year round, unless extreme events prevent this. This option lists a short number of possible interventions and does nothing to address missing links that exist within the city. Active travel routes should have multiple functions and not be exclusive in their purpose for leisure, making determined connections between places to promote the option for active travel. Some of these suggestions do not necessarily address these points and when tied to Maps 10-14, routes that are classified as pre-existing would not be able to stand up to these criteria. SEStran produced a strategic study of routes making connections between settlements and longer commuting routes in 2015 and have completed a review of this in 2020, which proposes greater integration of active travel routes with surrounding local authorities.

The policy update to identify criteria for new cycle and footpath routes is supported. However, there is still an element of uncertainty on what infrastructure is needed as transport appraisal for the City Mobility Plan 2030 has not been undertaken.

The need for regional coordination of cross boundary routes is not articulated in the proposal. Reference is made to changes A and B where proposals for regional cross boundary routes are made e.g. the A71 super cycle highway.

Choice 12 - Building our new homes and infrastructure

As mentioned in response to Choice 2, all new properties should meet a standard of living that is reasonable to allow for healthy lifestyles within communities. Due to the demand for housing this needs to be a shared responsibility between Developers and RSLs to design appropriate solutions for all settings. Approvals should not be granted to designs that fall below this standard.

A suggestion to an alternative option of minimised housing growth in favour of greater transport investment that can support dispersed liveable communities and encourage employment centres to spread and reduce high concentration areas in favour of local working.

Areas 1 to 5 and maps 10 to fourteen show potential greenfield sites. Reference is made to infrastructure needs supported by the Strategic Sustainable Transport Study. However, as stated previously, without a full transport assessment to identify the transport requirements of the site there is a risk that transportation infrastructure needs are not identified for inclusion in the action plan. Again, the funding and timing of the delivery of infrastructure is not discussed in any detail. Area 5 at Calderwood has not yet had a transportation study and further development above the existing West Lothian allocations and capacity restraints caused by Kirknewton Level Crossing operation would impact on site suitability.

Choice 16 - Delivering Office, Business and Industry Floorspace

Considerable work is needed to develop a policy to deliver a city-wide freight strategy of interconnected neighbourhood goods distribution hubs that integrate with the aims of the City Mobility plan and the restriction proposed as part of the LEZ proposals. Such a policy is needed to enable the criteria for site selection and safeguarding to be fully incorporated into the City Plan 2030.

City Mobility Plan

A three-stage vision (2022, 2025 and 2030)

5. To what extent do you support or oppose the vision set out for 2022? (2022 – delivering today, planning for the future)

Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose
	X			

Please use the space below for any comments or suggestions about the vision set out for 2022:

SEStran generally supports the vision for 2022 but questions the deliverability of the proposed plans within two years. Furthermore, the deliverability of much of this depends on planning and therefore requires a joint delivery plan.

SEStran would be keen to understand what improved public transport arrangements includes, and therefore through which measures the Council will ensure these changes lead to fewer car trips. SEStran would encourage the Council to consider providing additional bus priority measures by 2022 to help implement and promote the new National Transport Strategy transport hierarchy.

SEStran's Regional Transport Strategy 2015-2025 is already in place, with a statutory role in relationship to the City Mobility Plan as noted previously, under section 8(1) of the Transport (Scotland) Act 2005. It is also true that a new Regional Transport Strategy will be finalised by 2022. The new RTS will establish an updated framework for how people and goods can move across the SEStran region, in a sustainable way, the relevance of the new RTS is that it will cover the period of the City Mobility Plan.

SEStran would welcome specific proposals for prioritisation of pedestrians and cyclists to be more clearly set out – changes in town centres and around primary school streets could, for example, be achieved by 2022 and not have to wait until after the completion of the City Centre Transformation plans.

Finally, the impacts of the outbreak of the recent coronavirus and the government restrictions to prevent the virus from spreading will now need to be considered. The positive impacts, such as increased levels of cycling and walking, should be embraced and seen as an opportunity to implement measures aimed at facilitating a permanent shift to more active modes of travel. However, the potential negative impacts of the crisis on transport (public transport in particular) should be recognised and addressed as much as possible.

6. To what extent do you support or oppose the vision set out for 2025? (2025 – bolder actions)

Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose
	X			

Please use the space below for any comments or suggestions about the vision set out for 2025:

SEStran welcomes the aspiration to achieve a broader spread of mass rapid transit within the City, however, questions the realistic deliverability of the proposals, by 2030.

These milestone dates for 2022, 2025 and 2030 should focus on outcomes and impacts the Council would like to achieve in these three stages. The focus of the City Mobility Plan

should be on setting out the outcomes that are desired to deliver the vision by these dates, and subsequently identify what policies, strategies, and interventions are needed to deliver on those outcomes by 2022, 2025 and 2030 respectively. For example, the 2030 vision mentions four interchanges: plans need to be in place by 2025 (at the latest) to deliver by 2030.

Detailed plan on reallocating road space on all arterial routes must be taken forward so implementation can start to encourage modal shift and prioritise public transport along with active travel infrastructure. Also, it is important not to simply focus on arterial routes, but consider more orbital travel routes as well, which are particularly important for commuters travelling east to west to employment centres, and alleviate pressure on the city bypass.

Having a bus strategy by 2025 should not be the objective or seen as an objective in its own right. Rather, a bus strategy should be seen as a means to deliver on a vision which is for better public transport and higher usage by 2025. To enhance the bus network and address local challenges, a regional approach must be adopted and needs to fit into a regional bus operation plan. To deliver on the objective for an improved bus network by 2025, plans should be developed now.

7. To what extent do you support or oppose the vision set out for 2030? (2030 – a city transformed)

Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose
	x			

Please use the space below for any comments or suggestions about the vision set out for 2030:

SEStran welcomes the ambition within the vision for 2030. We believe the plans for a carbon neutral and largely car free city centre by 2030 needs to be carefully delivered within a regional context, considering all modes of transport and cross-boundary travel.

If the vision for a largely car free city centre by 2030 is to be achieved, better reference could be made to the National Transport Strategy 2 and the implementation of the Sustainable Transport Hierarchy and Sustainable Investment Hierarchy, through use of the existing road network and re-allocation of road space on all streets, and not just on arterial routes or iconic streets.

City logistics system: use of hubs should be encouraged and supported: CEC should develop a strategy to encourage deliveries to shops, and hubs.

Enhancing public transport

To what extent do you support or oppose the following proposals to enhance public transport:

	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose

Coordinate bus, tram and bike hire operations to better serve the city and wider region	X				
Expand the tram network in the city and potentially into the wider region in order to carry high volumes of people in a clean and efficient way	X				
Introduce smart contactless payment options across all public transport and operators	X				
Support the introduction of shared transport options to complement timetabled public transport – this could include community run buses, car clubs and bike hire	X				

9. Please use the space below for any comments or suggestions on what we are doing or propose to do to enhance public transport

SEStran strongly supports the proposals to enhance public transport. Providing a variety of sustainable transport choices that are reliable and provide frequent services, encourages behavioural change and modal shift. In order to really enhance public transport and the users' experience of using public transport it is important that different modes are integrated on various levels, both physically (through visible and recognisable Mobility Hubs) and digitally (through smart ticketing/RTPI/MaaS).

Particularly the integration of active travel (cycling and walking) and car clubs through the implementation of Mobility Hubs, can enhance the viability of public transport as an alternative to owning and driving a car, because public transport gets used in conjunction with active travel and shared mobility, either through multi-modal journeys, or simply as part of a range of transport options for different journeys and purposes.

Greater consideration for Bus Rapid Transit over Light Rail Transit as implementation would have potential savings and could deliver express services to the wider region with greater ease.

People friendly streets

10. To what extent do you support or oppose the following proposals to create people friendly streets:

	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose
Create direct, segregated cycling routes along main arterial roads to provide for safe and quick journeys by bicycle	X				
To support the transition to cleaner vehicles, develop a comprehensive network of electric vehicle charging points		X			

Minimise the number of freight vehicle trips by developing distribution centres and click-and-collect hubs across the city		X			
Develop a city operations centre to monitor and control travel, transport and road works across the city		X			

11. Please use the space below for any comments or suggestions on what we are doing or propose to do to create people friendly streets

SEStran strongly support the introduction of cycling routes that follow arterial routes as these provide a genuine alternative for users following direct routes rather than an accommodation where possible. Direct cycle routes are key for commuters who cycle to work, and expansion of such routes is needed if more commuting by active travel modes is to be encouraged.

SEStran supports the transition to cleaner vehicles, so long as this is implemented in conjunction with measures aimed at reducing the overall number of vehicles on the road. This means that EV charging points must be strategically located so that this does not generate additional vehicle miles. Opportunities should be sought to allow existing fuelling stations to accommodate for EV charging points and reduce the risk of conflict with on street furniture. This would support existing behaviours and provide logical charging locations for visitors to the city.

SEStran supports the objective to minimise the number of freight vehicle trips, but recognises the difficulty in restricting freight movements. Alternative, more sustainable solutions, such as e-cargo bike deliveries from distribution centres and click-and-collect hubs across the city should be developed and given priority/preference.

Planning new developments

12. To what extent do you support or oppose the following proposals relating to planning new developments:

	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose
Introduce transport hubs in major new developments to accommodate public and shared transport, and to enable co-ordinated deliveries and click-and-collect hubs	X				
Control the level of parking in and around new developments and include requirements for car club, electric vehicles and bike hire provision	X				
To change travel behaviours, require travel plans for major new developments, workplaces and schools that include targets for walking, cycling and public transport use	X				

13. Please use the space below for any comments or suggestions on what we are doing or propose to do regarding planning new developments

SEStran strongly supports the integration of public and shared transport into new housing developments. SEStran also recognises the unique opportunity to encourage behaviour change by integrating good transport provision into new housing developments. Moving house involves a lot of change, and offers an opportunity to encourage sustainable travel behaviour, before car use becomes a habit. Particularly access to car club vehicles integrated at new housing developments, in conjunction with the provision of public transport and active travel facilities (such as through Mobility Hubs), can function as a real and viable alternative to the (second) private car and reduce the need for the allocation of space to cars.

There is a direct link here to the policy considerations of the City Plan 2030 which must set an appropriate policy framework and clear planning requirements to deliver hubs and access to car clubs as part of the development approval process. While these measures should be planned as part of new development, consideration should given to the way in which these can be integrated into existing developments to provide for high density developments across the city.

Managing demand

14. To what extent do you support or oppose the following proposals relating to manage travel demand:

	Strongly support	Support	Neither support nor oppose	Oppose	Strongly oppose
To create space for public transport, walking and cycling, reduce the level of on-street parking in areas well-served by public transport whilst enabling parking for residents and people with mobility difficulties		X			
Explore the introduction of road user charging within the city to reduce the number of vehicles	X				

15. Please use the space below for any comments or suggestions on what we are doing or propose to do to manage travel demand

While SEStran strongly supports the idea of creating space for public transport, walking and cycling, and reduce the level of on-street parking, the ambition to achieve this must be stronger if a carbon neutral city centre is to be achieved by 2030. The fact is that the space allocated for public transport, walking and cycling is used by a much higher number of people than parked cars or any car on the road. Particularly in a dense city centre, we must rethink how we use and allocate the limited space we have, and design our streets in line with the transport hierarchy as set out in the National Transport Strategy 2.

Alongside providing good, reliable transport alternatives to the private car, road-user charging should be explored as a financial stimulus for behaviour change and modal shift. The regional and equalities impact, as well as the availability of other transport options, of such a measure, however, must be considered.

Impact of City Mobility Plan

There are nine protected characteristics defined in the Equality Act 2010:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

16. What, if any, impact do you think the proposed strategic priorities detailed in the City Mobility Plan will have on any of these characteristics? Please consider potentially positive, negative and differential impacts, supported by evidence, and, if applicable, advise on any mitigating actions we should take.

Many objectives of the City Mobility Plan, such as improving the public transport network, seem likely to have positive impacts on many of these protected characteristics. It is essential that these groups are considered as part of the implementation of the City Mobility Plan to ensure these groups are protected not only as an objective, but also in delivery and actual outcomes that will result from the Plan.

The City Mobility Plan is about creating more space for people, rather than cars, which seems likely to have a positive impact on all groups of society. It is pertinent that any transition to a low carbon society, and a car free city centre, is just, meaning that all groups of society can benefit from these changes.



**Remote Chief Officer Liaison Group Meeting
 2:00pm Wednesday 27th May 2020
 Microsoft Teams**

Present:

Iain Shaw (IS)	City of Edinburgh Council
Steven Murrell (SM)	City of Edinburgh Council
Lesley Deans (LD)	Clackmannanshire Council
Peter Forsyth (PF)	East Lothian Council
Kevin Collins (KC)	Falkirk Council
Ken Gourlay (KG)	Fife Council
John Mitchell (JM)	Fife Council
Lindsay Haddow (LH)	Midlothian Council
Iain Aikman (IA)	Scottish Borders Council
Jim Grieve (JG) (Chair)	SEStran
Anna Herriman (AH)	SEStran
Jim Stewart (JS)	SEStran
Hannah Markley (HM)	SEStran
Keith Fiskin (KF)	SEStran
Peter Jackson (PJ)	SEStran
Julie Vinders (JV)	SEStran
Graeme Malcolm (GM)	West Lothian Council

Apologies:

Ewan Kennedy	City of Edinburgh Council
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Ref.		Actions
1.	Welcome and Apologies for Absence	
1.1	The Chair welcomed the Officers to the meeting and apologies were noted as above.	
2.	Minutes	
2.1	Chief Officers Liaison Group (26th February 2020) Agreed as a correct record.	

	<p>The delivery of Bikeability Scotland National Standard cycle training by local authority Bikeability coordinators - JS will discuss with Beth Harley-Jepson (Cycling Officer) about what schools she is engaging with, and report back to the group. JS/Beth will produce a report/update to next Chief Officer meeting with identified schools and more information.</p> <p>JS will circulate the consultancy brief for the Forth Freight Strategy.</p>	<p>JS</p> <p>JS</p>
3.	Unaudited Annual Accounts 2019/20	
3.1	<p>IS advised that the next board meeting will be presented with two financial reports;</p> <ul style="list-style-type: none"> the Unaudited Accounts 2019/20 the Annual Treasury Management Strategy <p>The partnership has powers to provide a reserve policy. The board can confirm the budget to be carried forward to the 2020/21 financial year.</p>	
4.	RTS – Main Issues Report	
4.1	<p>JS thanked everybody from each LA for their input. The final version is with SEStran with some final changes after discussions with Jacobs. The MIR should be complete week beginning 1st June.</p> <p>A report on the RTS will be taken to the Board in June for approval. JS will be engaging with each LA again to discuss the next stages going forward to formulate the policy that will be developed into the final RTS.</p> <p>GM noted that the first draft was good and covered most of the areas discussed in the stakeholder meetings.</p>	
5.	RTP Restart-Reshape-Renew Paper	
5.1	<p>JG introduced this paper on behalf of all 7 RTPs. The paper illustrates the current situation with Transport Transition phases and beyond and highlights where RTPs can add value. The paper has been shared with Transport Scotland (TS).</p> <p>The paper recognises that Transport issues need to be addressed in a coordinated way and the ‘new normal’ will require a different approach. The report sets out a way forward for RTPs – in three stages;</p> <p>Restart, Reshape and Renew.</p> <ul style="list-style-type: none"> The Restart phase involves actions that we can take now to prepare for the country emerging from lockdown. For example; gather data, reallocate space, maximise use of public transport under current circumstances, temp park & ride hubs, real time 	

data on RTPI on buses to state capacity (got some work to do on that due to costings).

- The Reshape phase focuses on practical measures to deal with the immediate effects.
- Finally, during the renew phase, it is essential to retain focus on the agreed priorities on the NTS2 and our RTSs, while remaining flexible and fluid in how we deliver them.

JG then asked officers if they had any comments or questions;

- LD highlighted public transport issues. JG mentioned that SEStran have been working with Tactran regarding public transport and will help in the Clackmannanshire area also. JG stated there is a willingness to create bus partnerships where these can add value in the region (linked to £500million fund).
- GM noted the restart phase would be an addition to the transport transition plan. JG mentioned the paper will move towards the transition plan and was written before the plan was announced. RTPs are to be represented on the two Regional Transition Plan groupings and in the National Transition group.
- GM then gave an observation about the importance of road space for active travel. There are concerns around 'Spaces for People' money availability because each LA will be submitting their own bids. Therefore, there is a question around how we control relationships at a regional level, for example; with Sustrans and TS. Active travel links and road space is going to be key when setting up temporary park & rides/mobility hubs. AH noted we are interested in how we add value to the 'spaces for people' aspirations going forward.
- PF mentioned that East Lothian have been contacted to take part in the City Deal TAB grouping and look at the transition plan. Grace Vickers will chair that forum. All interventions will be looked at and PF is happy to share thoughts. JG noted the key thing is working together. Transport Scotland also sees the need to expand forums to bus operators. GM then highlighted that makes a lot of sense, one of the good things about city region deal is it's not just about transport. It's also important to gather data about where people are going to be travelling in the future and employment and homeworking will need to be thought of.
- KG asked what role SEStran is playing in the City Deal lead. JG plans to be very active and the travel to work area will be the main focus.
- JM stated that Fife council had a town centre meeting about opening up businesses, driving aspects etc. The planning for more remote working and active travel will need to be looked at in the long term.

	<ul style="list-style-type: none"> • LD asked if any other LA are planning to produce interim (12-18 month) public transport strategies. • KG highlighted Fife Council are about to start their LTS review. However, council members will be drawn into more localised issues; such as footpaths, and shops opening. JG suggested LAs may be focused on their own boundaries. SEStran will try coordinate across each LA boundary to offer support and assistance. • PF mentioned that East Lothian don't have plans to create a new strategy, however, might need a refresh. • JS noted that whilst preparing the MIR, it was clear certain new issues will have to be addressed in the RTS development. The strategy will have to be flexible. It's unclear exactly how at this stage, due to changing circumstances. 	
6.	Temporary Park & Ride Hubs and Strategic Studies	
6.1	<p>AH noted that the strategic studies are now completed and are very relevant in the context of Covid 19 and Transition plans. SEStran has been looking at how the region might deal with impacts from reduced public transport capacity. The regional road network was at capacity pre Covid-19 on key routes. We're not really sure what the demand levels are going to be but accept that there is a likelihood of increased car use (or appeal). SEStran has tried to identify possible interventions that complement what LAs are going to pursue. The idea is to give people other travel options, for example; through temporary park and ride hub sites, access to e-Bikes and bookable buses. Close working with LAs to find out where the best locations would be will be key.</p> <p>JV discussed the three strategic studies, which were recently conducted through the Transport Scotland Low Emission Zone (LEZ) Public Transport Provision Fund. The studies are now on the SEStran website.</p> <ul style="list-style-type: none"> • The Park and Ride (P&R) Strategic Study is an evidence-based review of current P&R provision in the South East of Scotland. It helps inform future investment priorities for the enhancement of P&R facilities and will feed into the emerging rewrite of the SEStran Regional Transport Strategy. • The Mobility Hub Strategic Study looks at potential for hubs to address transport challenges from active travel. Locations and functions are addressed. • The Demand Responsive Transport (DRT) Strategic Study is a strategic review of DRT services in the SEStran area. Various challenges and opportunities for the DRT sector have been identified and the study also developed options to increase the resilience of DRT services and encourage innovation and service development. <p>AH noted that JS is looking at pressures on specific corridors by measuring the reduction in public transport seats available if physical</p>	

distancing measures are observed. For example; on corridor 14 (West Lothian South) and Corridor 15 (M8) the morning peak capacity on buses and trains is reduced by at least 1,300 and 3,100 respectively. The next step would be to understand this across all corridors and take this forward as a possible regional approach. AH asked if officers would want a discussion with each LA or discuss at a follow up RTWG (including Clackmannanshire and Falkirk). AH also suggested there is an opportunity to make a link with public transport operators.

GM thought the corridor approach is really useful. In terms of detail about which interventions could be used on which corridor, GM recommended starting with individual LA discussions. Once LA information is collated then we could discuss at an open forum.

JM mentioned it's a good idea to meet and coordinate to discuss high, medium and low measures. Would be better to sit round table to discuss these measures. KG mentioned it would be useful to have conversations with each LA then a group conversation to look at best practice and corridors. JG then suggested after individual LA discussions, to reconvene the Chief Officers Group.

It was agreed that SEStran will follow up with individual LAs and arrange a follow up Chief Officers meeting.

7.	Tripshare	
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7.1

JS mentioned that the Tripshare scheme may be difficult to promote due to people not wanting to share cars anymore. However, the Tripshare platform will provide another alternative to people to travel. There should be an adequate resource to make it work regionally and nationally and there will be an opportunity for employers to use the scheme.

JS also mentioned that Tripshare is a more sustainable car use which helps reduce demands of public transport capacity. Working with each LA will be key. If we want to push and continue across all potential outlets (whole authority), we can encourage employers at local level. Having an agreed strategy will be good going forward. Looking to agree on strategy between LAs.

It's a facility SEStran currently pay for (£25k annually). SEStran recommends it will be worth continuing and looking at securing more funding.

LH mentioned Midlothian have not managed it very well due to staff issues. JS been in touch with Stewart from smarter choices to discuss more funding and to agree it's the principle going forward. In the short term, it gives another alternative option in declining public transport use. JG noted now is not the time to drop the car sharing scheme, it's a potential to become quite valuable and it's a good time to promote these options.

	<p>LD mentioned that Clackmannanshire have used Tripshare successfully and are fairly committed just now. However, the Covid baseline levels may go down which may affect funding due to no one using the facility.</p> <p>JS will contact councils individually.</p>	JS
8.	AOCB	
8.1	<p>KF circulated a paper to officers regarding ScotRail's work. Various discussions have been made with LAs. SEStran are keen to help and coordinate where we can. KF mentioned a meeting with RTPs and Ewan Tait (ScotRail) is coming up. ScotRail have a phasing idea to move through increasing capacity as things return to 'normal'. However, there are no answers as to how ScotRail will manage capacity yet. KF highlighted, if anyone has anything they'd want to raise then to contact him individually. KF is happy to coordinate and feedback into the working group. KF also noted that there has been a big uptake on freight on network rail due to more of a capacity for freight than people.</p> <p>LD asked if there is a deadline for raising concerns. KF noted the deadline to raise any issues is Wednesday 3rd June. LD also asked when Stirling hospital can get a hold of the new RTPi systems. KF noted progress is being made. The new content management system is going well but the issue is getting the real time feeds into the new system. Once feeds are received from the operators, then we can test it. However, there isn't enough journeys happening just now to test the system. The First 100 systems are ready to go in June. KF will test the new system first before sending them out.</p> <p>JG suggested to have another meeting relatively soon. Rather than a RTWG meeting, this forum may be more useful after today's discussion. Richard Malloy (network rail) may want to give a rail update to the group. AH stated we will try get bus information back once each LA is spoken to regarding specific corridors etc.</p>	
9.	Date of the Next Meeting	
9.1	The date of the next meeting is 2.00pm on Wednesday 19th August 2020 (location tbc).	