

## **SEStran Business Plan 2021-22 to 2022-23**

### **1. INTRODUCTION**

- 1.1 The purpose of this report is to seek the Committee's views on a proposed three year Business Plan, prior to submitting it to the Board for approval.

### **2.0 BACKGROUND AND CONTEXT**

- 2.1 The global pandemic has left the transport sector, in common with most other sectors, in a state of flux. Whilst much good work has been done by the Regional Transport Transition Group of which SEStran is a member, as the country emerges out of lockdown, many issues remain about the future of transport in the region and the so-called 'new normal.'

- 2.2 It is unlikely that these issues will all have worked their way through by April next year. Indeed, even if the pandemic is brought under control by this summer, considerations such as the future of air travel, and how public transport can return to pre-pandemic levels and beyond, will take a long time to resolve.

- 2.3 Another issue which is likely to impact most on the movement of freight is the impact of Brexit. Again, the full implications of the European Withdrawal Agreement remain unknown, and will only become clearer in the next few years. What is clear from the point of view of SEStran's own projects is that EU collaborations will not take the same shape as previously – although, as has been set out in the Projects Report, existing projects will still take place, and in some cases may be extended.

- 2.4 Even prior to the Covid-19 outbreak, the governance landscape posed challenges which would require a considered response from SEStran's point of view. The future of regional transport partnerships (RTPs) is the subject of a review, stalled by the pandemic, but now ongoing again. The Transport (Scotland) Act 2019 gave new powers, principally to local authorities, but with some potential for involvement from RTPs, particularly around Bus Service Improvement Partnerships (BSIPs).

- 2.5 In related sectors, regional land use planning is still awaiting the full implementation of the legislation that brought in Regional Spatial Strategies (RSS), and there is clearly an opportunity to better align land use and transport planning. The creation of the City Deal governance structure should help to strengthen collaboration amongst those SEStran authorities involved, and there is evidence of good joint working between SEStran and the City Deal authority as part of the Regional Transport Transition Group.

- 2.6 In many ways therefore the emerging policy framework is well timed to address all of these challenges. The latest iteration of the National Transport

Strategy (NTS2) is now in place. The Government's Strategic Transport Projects Review (STPR) has reached the first sift stage, and will help to direct Transport Scotland's investment decisions on transport infrastructure. As Members will be aware, SEStran's Regional Transport Strategy (RTS) is entering the consultation stage, and will inform SEStran's activities for the coming years.

- 2.7** The availability or otherwise of funding for SEStran's activities remains a matter for consideration beyond a one year horizon. There will be a need to attract more funding to allow the organisation to achieve its goals going forward, particularly as EU sources reduce. However, replacement funding for similar projects is anticipated. Further, in the post-pandemic landscape, it is likely that opportunities for investment in the active travel, and bus, networks may start to emerge.

### **3.0 TOWARDS A THREE YEAR BUSINESS PLAN**

- 3.1** In that context, it makes sense to put forward a Business Plan that has a longer event horizon than a single financial year. It is proposed to present the draft three year Plan to the Board for approval on 19<sup>th</sup> March.
- 3.2** Of necessity, some of the parts of the Plan will be in incomplete form. Although the annual budget will be presented to the Board in March, the final outturn for year 2020/21 will not be known until the Board meeting in June. Other 'known unknowns,' such as the outcome of funding bids and the future of EU projects and their successors, may be clearer by then.
- 3.3** Accordingly, it is proposed that, after the Board has considered the draft Plan in March, a finalised version will be brought back to this Committee at its June meeting, for onward transmission to the Board that month.

### **4.0 RECOMMENDATIONS**

- 4.1** It is accordingly recommended that the Committee:
- (a) Note the terms of the report;
  - (b) Offer comment, as appropriate;
  - (c) Recommend to the Board that it consider the initial draft Business Plan at the March Board, with a final version taking into account the budget outturn and other developments being brought back to this Committee for further scrutiny and onward transmission to the Board in June.

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26<sup>th</sup> February 2021

Policy Implications	The Business Plan will align with SEStran's established and emerging policies
Financial Implications	The Business Plan will be subject to formal Board approval of proposed budgets in year 2021 – 22 and subsequent years.
Equalities Implications	No separate EqIA will be carried out as the Business Plan does not propose a change to SEStran's policies and procedures.
Climate Change Implications	The implications for Climate Change issues will be assessed at project level.