

**SESTRAN PARTNERSHIP BOARD MEETING**

**Remote Meeting via MS Office Teams  
10:00am Friday 24<sup>th</sup> September 2021**

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<u><b>AGENDA</b></u>		<b>Page Nos.</b>
<b>10:00</b>	<b>PARTNERSHIP BOARD MEETING</b>	
<b>12:00</b>	<b>STATUTORY POWERS TRAINING SESSION – Anderson Strathern LLP</b>	
<b>1.</b>	<b>ORDER OF BUSINESS</b>	
<b>2.</b>	<b>APOLOGIES</b>	
<b>3.</b>	<b>DECLARATIONS OF INTEREST</b>	
<u><b>AGENDA A – POINTS FOR DECISION</b></u>		
<b>A1.</b>	<b>MINUTES</b>	
	(a) Partnership Board – Friday 18 <sup>th</sup> June 2021	<b>3</b>
	(b) Performance & Audit Committee – Friday 10 <sup>th</sup> Sept 2021	<b>9</b>
<b>A2.</b>	<b>ANNUAL EXTERNAL AUDIT REPORT 2020/21 – Report by Karen Jones/Nicola Mackenzie, External Auditor, Azets</b>	<b>13</b>
<b>A3.</b>	<b>FINANCE REPORTS – Reports by Hugh Dunn/Iain Shaw</b>	
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<b>A6.</b>	<b>PROJECTS PERFORMANCE UPDATE – Report by Anna Herriman</b>	<b>138</b>
<b>A7.</b>	<b>IMPLEMENTATION OF PART 3 (BUS SERVICES) OF THE TRANSPORT (SCOTLAND) ACT 2019 CONSULTATION – Report by Andrew Ferguson/Jim Stewart</b>	<b>159</b>
<b>A8.</b>	<b>DATES OF NEXT MEETINGS:</b>	
	(a) 2:00pm on Friday 29 <sup>th</sup> October 2021. <i>This is a special single item meeting for the RTS</i>	
	(b) 10:00am on Friday 3 <sup>rd</sup> December 2021.	

**PLEASE NOTE THAT MEETINGS WILL CONTINUE TO BE HELD REMOTELY UNTIL FURTHER NOTICE**

**AGENDA B – POINTS FOR NOTING**

- |            |   |            |
|------------|---|------------|
| <b>B1.</b> | <b>PUBLIC SERVICES REFORM ACT 2010 (PSRA) - Report by</b>                 | <b>167</b> |
|            | Beth Harley-Jepson  |            |
| <b>B2.</b> | <b>SESTRAN CONSULTATION RESPONSES</b>                                     |            |
|            | B2.1 Traffic Regulation Orders  | <b>177</b> |
|            | B2.2 Ethical Standards Commissioner Strategic Plan 2021                   | <b>186</b> |
|            | B2.3 Public Sector Equality Duty Review                                   | <b>188</b> |
| <b>B3.</b> | <b>MINUTES</b>  |            |
|            | B3.1 Chief Officers' Liaison Group Meeting – 25 <sup>th</sup> August 2021 | <b>202</b> |

Gavin King  
Secretary to SESTRAN  
Democracy, Governance and Resilience Senior Manager  
Strategy & Communication Division  
The City of Edinburgh Council  
Waverley Court 2.1  
Edinburgh  
EH8 8BG

17<sup>th</sup> September 2021

Telephone: 0131 529 4239 or E-mail: [gavin.king@edinburgh.gov.uk](mailto:gavin.king@edinburgh.gov.uk)

Agendas and papers for all SEStran meetings can be accessed on [www.sestran.gov.uk](http://www.sestran.gov.uk)

## SEStran Partnership Board Minutes

10am, Friday 18 June 2021

Microsoft Teams

### Present

<u>Name</u>	<u>Organisation Title</u>
Cllr Gordon Edgar (Chair)	Scottish Borders Council
Laura Alexander	Non-Councillor Member
Cllr Donald Balsillie	Clackmannanshire Council
Cllr Colin Davidson	Fife Council
Cllr Karen Doran	City of Edinburgh Council
Cllr Jim Fullarton	Scottish Borders Council
Vivienne Gray	Non-Councillor Member
Cllr Norman Hampshire	East Lothian Council
Cllr Chris Horne	West Lothian Council
Cllr Russell 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 Smail	Midlothian Council
Catherine Thomson	Non-Councillor Member
Barry Turner	Non-Councillor Member
Paul White	Non-Councillor Member

### In Attendance

Kevin Collins	Falkirk Council
Angela Chambers	SEStran
Andrew Ferguson	SEStran
Keith Fisker	SEStran
Nicola Gill	West Lothian Council
Jim Grieve	SEStran

Anna Herriman	SEStran
Beth Harley-Jepson	SEStran
Peter Jackson	SEStran
Karen Jones	Azets
Graeme Johnstone	Scottish Borders Council
Alec Knox	Stantec
Scott Leitham	Stantec
Jamie Robertson	City of Edinburgh Council
Martin Scott	City of Edinburgh Council
Iain Shaw	City of Edinburgh Council
Dheeraj Shekhar	City of Edinburgh Council
Jim Stewart	SEStran
Julie Vinders	SEStran

### **Apologies for Absence**

Cllr Craig Hoy	East Lothian Council
Cllr David Key	City of Edinburgh Council
Cllr Dave Dempsey	Fife Council
Dr Doreen Steele	Non-Councillor Member
Callum Hay	Non-Councillor Member
Simon Hindshaw	Non-Councillor Member

## **A1. Minutes**

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### **Decision**

- 1) To agree the minute of the SEStran Partnership Board of 19 March 2021 as a correct record.
- 2) To agree the minute of the Performance and Audit Committee of 4 June 2021 as a correct record.

## **A2. Internal Audit 2020/21**

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The City of Edinburgh Council Internal Audit (IA) team performs one annual review to provide assurance over the controls established to mitigate certain key SEStran partnership risks. An update on the outcomes of the 2020/21 SEStran Internal Audit review was provided.

### **Decision**

- 1) To note the outcomes of the 2020/21 IA review, and the associated costs.

- 2) To endorse the agreement of the Performance and Audit and Committee that the Chief Internal Auditor would engage with the Partnership Director at the start of audit to assess what the imminent risk was for the organisation to plan and scope the audit.

(References – SEStran Performance and Audit Committee, 4 June 2021 (item A5); report by the Chief Internal Auditor, submitted)

### **A3(a). Unaudited Annual Accounts 2020/21**

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The unaudited Annual Accounts for the year ended 31<sup>st</sup> March 2021 were presented in accordance with the Local Authority Accounts (Scotland) Regulations 2014.

#### **Decision**

- 1) To note the unaudited accounts.
- 2) To note that the audited Annual Accounts, incorporating the External Auditor's report, would be presented to the Performance and Audit Committee and Partnership Board in due course.

(References – SEStran Performance and Audit Committee, 4 June 2021 (item A6); report by the Treasurer, submitted)

#### **Declaration of Interest**

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

### **A3(b). Annual Treasury Report 2020/21**

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The Partnership had 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. The Annual Treasury Report for 2020/21 was presented.

#### **Decision**

To note the Annual Treasury report for 2020/21.

(References – SEStran Performance and Audit Committee, 4 June 2021 (item A6); report by the Treasurer, submitted)

### **A4. Draft Business Plan 2021-2024.**

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At its meeting on 5th March 2021, the Performance and Audit Committee approved a draft Business Plan for forward transmission to the March Board. Approval was sought on the proposed three-year Business Plan.

During discussion, the Partnership Director provided assurances that every effort would be made to ensure the necessary linkages to the City Deal and their plans for the region would be incorporated in the Plan.

#### **Decision**

- 1) To note the terms of the report.

- 2) To agree the terms of the Business Plan 2021-22 – 2023- 24, delegating to the Partnership Director in consultation with the Chair any amendments to take account of any comments by Members at this meeting, or otherwise of a technical or non-substantive nature.
- 3) To agree to updates to the Plan being brought back for further scrutiny in due course.

(References – SEStran Performance and Audit Committee, 4 June 2021 (item A9); report by the SEStran Consultant, submitted)

## **A5. Projects Performance Report**

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Information was provided on the current status and progress of the various projects SEStran was involved in. The update set out where effects of Covid-19 restrictions had an impact on delivery timescales.

The Senior Partnership Manager advised that since publication of the report, confirmation had been received of three further EU project extensions. These projects were the Bling Project and the Surflogh Project which had a fully funded 18-month extension. The Connect project had a time only extension.

### **Decision**

- 1) To note the progress outlined in the Performance Report (Appendix 1) including impacts and delays recorded in relation to Covid-19.
- 2) To note the amendments to the performance report template to include information on end dates where appropriate.
- 3) To note the agreed extension to the Share-North project.
- 4) To note the decision by the Partnership Director, to award a contract to Tetra Tech, as outlined in paragraphs 4.2 and 4.3 of the report.
- 5) To agree a detailed report be brought to a future Board as soon as is practicable, outlining reviewed options available for providing trip-sharing services.
- 6) To agree no continuation award will be made to Liftshare after September 2021, leading to a break in service provision in the SEStran area.

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

## **A6. Presentation - Do the Ride Thing**

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Keith Fisker and Peter Jackson provided a presentation updating the Board on the 'Do the Ride Thing' campaign. The campaign was originally developed to support the Go e-Bike bike sharing programme in 2019. The aim was to increase awareness of e-bikes, promote the health benefits specifically of their use and advocate responsible cycling behaviours on cycle paths and tracks around the region.

The project team worked alongside active travel partners to signpost individuals to their other programmes and to their sources of useful information. The previous year had seen a significant change to the website and development for media campaign. Some

of the graphics had been changed to reflect where the campaign had progressed to and specifically the messaging in response to the Covid-19 pandemic.

The media campaign was intended to reach a wide audience across the region. Consultants had captured the aims of the project and through their research and other recent work, were able to identify where the campaign would be most effective through different media outlets. The campaign was split across the year to maximise the impact of messaging across the various outlets. From market research, social media had seen the largest increase in coverage in the previous year. This influenced the bias in terms of the media that had been chosen as that was spaced out over the year.

Initial results showed half a million impressions were made with a conversion rate that sat at twice the industry benchmark for social media.

Alongside the social media campaign was online advertising through news partners. This also had a positive conversion sitting at twice the industry benchmark for online advertising. The final element was radio trailers, the results of which were not yet known.

It was noted the project was a good example of a project adapting, developing and working in partnership. SEStran worked closely with SUStrans, Cycling Scotland, Transport Scotland and Local Authority partners across the region.

During discussion Members noted that it would be beneficial for the campaign to engage with cycle clubs and the disabled community

#### **Decision**

To note the presentation.

### **A7. Regional Transport Strategy 2035: Case for Change - Update Report**

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An update was provided on progress with the ongoing work to develop the new Regional Transport Strategy (RTS)

#### **Decision**

- 1) To note the continuing progress to deliver a new SEStran Regional Transport Strategy 2035.
- 2) To note the role of the Case for Change, in the development of the RTS.
- 3) To note that the final Case for Change will be updated to reflect the SEA and Equalities Impact Assessment assessment reports recommendations.
- 4) To note that the next stage of the process would refine and develop the specific policies, strategies and options for inclusion in RTS 2035.
- 5) To note the proposed Strategic Objectives identified in the draft Case for Change.

(Reference - report by the Partnership Strategy and Projects Officer, submitted)

### **A8. Date of Next Meeting**

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To note that the next meeting would be held on Friday 24 September 2021 at 10am.

## **B1. Risk Management Report**

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The biannual update on the risk register was presented as part of the Partnership's overall risk management framework.

### **Decision**

To note the report.

(References – Performance and Audit Committee 4 June 2021 (item A7); report by the Business Manager, submitted)

## **B2. Consultation Responses**

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### **B2.1 New Cycling Framework for Scotland**

Details were provided of SEStran's response submitted to Transport Scotland for the development of a new strategic Cycling Framework for Active Travel in Scotland

#### **Decision**

To note the terms of the consultation response.

### **B2.2 Coronavirus COVID-19 Guidance on Temporary Traffic Regulation Orders and Notices**

#### **Decision**

To note that SEStran would be responding to this consultation.

## **B3. Minutes**

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### **Decision**

- 1) To note the minute of the Equalities and Access to Healthcare Forum of 31 March 2021.
- 2) To note the minute of the Integrated Mobility Forum of 27 April 2021.
- 3) To note the minute of the Logistics & Freight Forum – 19 May 2021
- 4) To note the minute of the Chief Officers Liaison Group meeting of 26 May 2021.



**PERFORMANCE & AUDIT COMMITTEE**

**REMOTE MEETING VIA MS OFFICE TEAMS  
ON FRIDAY 10 SEPTEMBER 2021  
1pm**

<b>PRESENT:</b>	<u>Name</u>	<u>Organisation Title</u>
	Councillor Imrie (Chair)	Midlothian Council
	Councillor Dempsey	Fife Council
	Councillor Horne	West Lothian Council
	Councillor Rose (A1-A7)	City of Edinburgh Council
	Callum Hay	Non-Councillor Member
	Simon Hindshaw	Non-Councillor Member
	Doreen Steele	Non-Councillor Member

<b>IN ATTENDANCE:</b>	<u>Name</u>	<u>Organisation Title</u>
	John Connarty	City of Edinburgh Council
	Cheryl Fergie	SEStran
	Keith Fisker	SEStran
	Jim Grieve	SEStran
	Peter Jackson	SEStran
	Karen Jones	AZETS
	Nicola Mackenzie	AZETS
	Liam Nedd	AZETS
	Sarah Stirling	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**

None.

**A3. DECLARATION OF INTERESTS**

Councillor Cameron Rose declared a non-financial interest in item A5, External Audit Annual Report 2020/21, as a quasi-Trustee member of the Lothian Pension Fund.

**A4. MINUTES**

To approve the minute of the Performance and Audit Committee of 4 June 2021 as a correct record.

#### **A5. EXTERNAL AUDIT ANNUAL REPORT 2020/21**

The findings arising from the Partnership's 2020/21 external audit were provided.

There were no qualifications to the draft audit certificate. The Auditor's draft opinion stated that the financial statements presented a true and fair view of the Partnership as at 31st March 2021 and its income and expenditure for the year then ended.

#### **Decision**

- 1) To note the draft Annual Audit Report to members of South East of Scotland Transport Partnership and the Controller of Audit.
- 2) To refer the Annual Audit Report to the meeting of the Partnership Board on 24th September 2021.

(Reference – report by the Treasurer, submitted)

#### **Declaration of Interest**

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

#### **A6. AUDITED ANNUAL ACCOUNTS 2020/21**

The audited annual accounts for the year ended 31 March 2021 were presented.

#### **Decision**

- 1) To note the audited accounts and the Auditor's opinion in the audit certificate.
- 2) To note that the audit opinion was subject to the completion of the following areas of work:
  - Review of most recently provided audit evidence.
  - Consideration of events subsequent to the balance sheet date.
  - Final checks and review, including for accuracy and consistency.
- 3) To refer the Audited Annual Accounts to the Partnership Board

for approval.

(Reference – report by the Treasurer, submitted)

#### **A7. DRAFT ANNUAL REPORT 2020/21**

The draft Annual Report for 2020/21 was provided. Comment was invited from the committee and authority sought for the Partnership director to finalise and publish the Report.

##### **Decision**

To note the draft Annual Report 2020/21.

(Reference – report by the Partnership Director, submitted)

#### **A8. HR POLICY REVIEW**

Committee were advised that a review of SEStran's Human Resources policies and procedures had commenced and that work would be ongoing with SEStran's HR adviser over the remainder of the financial year to complete the exercise.

##### **Decision**

- 1) To note the revised Home Working Policy.
- 2) To approve the Home Working Policy for implementation.
- 3) To note that further updates would be provided during the HR policy review period.
- 4) To note that a new Hybrid Working Policy was being developed.
- 5) To request that 3.4.2 of the Home Working Policy be amended from 'are advised' to 'must not'.

(Reference – report by the Business Manager, submitted)

#### **A9. PROJECTS PERFORMANCE REPORT**

Details were provided on progress over the last quarter across SEStran's timebound projects and key work streams. Impacts on progress or delivery were explained, including those deriving from Covid-19.

The following points were raised:

- Where applicable, it was felt that it would be helpful to highlight the completion of outcomes, events or pieces of work.
- The Newburgh Station project was moving towards completion. There would not be any additional cost to the budget due to the delay.
- That SEStran would have a leadership role in a time of potentially significant transport changes and that it would be helpful to capture this. This would be taken up through the rewrite of the RTS.
- There was a new minister for Active Travel and it would be useful to arrange a meeting to discuss the role of Regional Transport Partnerships in delivery of active travel. A letter was currently being drafted to set this up.

### **Decision**

- 1) To note the progress outlined in the Performance Report (at Appendix 1 of the report) including impacts and delays recorded in relation to Covid-19.
- 2) To note the agreed time extension to the PriMaaS and Connect projects and time and funding extensions to the BLING, Surflogh and Regio-Mob projects.
- 3) To request a supplementary paper/appendix which would include the Covid-19 recovery work not included in the project review.

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

### **A10. DATE OF NEXT MEETING**

Friday 19 November 2021 - time to be confirmed.

**2020/21 Annual Audit Report to members of South East of Scotland Transport Partnership and the Controller of Audit**

**1. Introduction**

1.1 The Annual Audit Report summarises the findings arising from the Partnership’s 2020/21 external audit.

**2. Main Report**

2.1 The unaudited Annual Accounts were noted by the Partnership at its meeting on 18th June 2021 and submitted to the appointed external auditor – Azets Audit Services.

2.2 There are no qualifications to the audit certificate. The Auditor’s opinion states that the financial statements present a true and fair view of the Partnership as at 31st March 2021 and its income and expenditure for the year then ended.

2.3 The key messages from the audit are presented on pages 3 to 6 of the Annual Audit report.

2.4 The Performance and Audit Committee reviewed the draft Annual Audit report at its’ meeting on 10th September 2021.

**3 Recommendations**

3.1 It is recommended that the Partnership note the Annual Audit Report to members of South East of Scotland Transport Partnership and the Controller of Audit.

**Hugh Dunn**

Treasurer

17<sup>th</sup> September 2021

**Appendix** Annual Audit Report to members of South East of Scotland Transport Partnership and the Controller of Audit

**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 following issue of an unqualified Audit certificate.
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.
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# South East of Scotland Transport Partnership

2020/21 Annual Audit Report to members of South East of Scotland Transport Partnership and the Controller of Audit

September 2021



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# Key messages

This report concludes our audit of the South East of Scotland Transport Partnership (“the Partnership”) for 2020/21.

This section summarises the key findings and conclusions from our audit.

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## Financial statements audit

<p><b>Audit opinion</b></p>	<p>The Partnership’s annual accounts for the year ended 31 March 2021 were considered by the Performance and Audit Committee on 10 September 2021 and are due to be approved by the Partnership on 24 September 2021.</p> <p>We report unqualified opinions within our independent auditor’s report.</p>
<p><b>Key findings on audit risks and other matters</b></p>	<p>COVID-19 continues to present unprecedented challenges to the operation, financial management and governance of organisations, including public sector bodies. In response to the pandemic, we identified potential areas of increased risk of material misstatement to the financial statements and/or our audit opinion. We are pleased to report those risks identified did not materialise.</p> <p>The Partnership had appropriate administrative processes in place to prepare the annual accounts and the required supporting working papers</p>
<p><b>Audit adjustments</b></p>	<p>We are pleased to report that there were no material adjustments or unadjusted differences to the unaudited annual accounts. We identified some disclosure and presentational adjustments during our audit, which have been reflect in the final set of accounts.</p>
<p><b>Accounting systems and internal controls</b></p>	<p>We have applied a risk-based methodology to the audit. This approach requires us to document, evaluate and assess the Partnership’s processes and internal controls relating to the financial reporting process.</p> <p>Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we have included these in this report. No material weaknesses or significant deficiencies were noted.</p>

## Wider scope audit

Our annual audit work in respect of our wider scope audit responsibilities was restricted to:

- Audit work to allow conclusions to be made on the appropriateness of the disclosures in the Annual Governance Statement; and
- Consideration of the financial sustainability of the organisation and the services that it delivers over the medium and longer term.

Our conclusions and key observations are set out below:



### Annual governance statement

We are satisfied that the Annual Governance Statement for the year to 31 March 2021 is consistent with the financial statements and has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

The Partnership has appropriate systems in place to record, process, summarise and report financial and other relevant data. We have not identified any significant weaknesses or governance issues in the Partnership's accounting internal control systems throughout the year or as a result of remote working during the COVID-19 pandemic.

### Financial sustainability

#### Auditor judgement



Three year financial plans (commencing 2021/22) have been developed and approved by the Partnership. There continues to be level of uncertainty around the impact of the COVID-19 pandemic on the transport and mobility sector and as a result, the Partnership will continue to closely monitor the position.

As at 31 March 2021 the Partnership holds an unallocated general fund reserve of £29,000, which meets the minimum level required by its Reserves Policy. This has only been achieved through unplanned underspends and we encourage the Partnership to continue to reflect on its strategy to maintain, utilise or further build up the unallocated general fund reserve as part of the annual budgeting process.

With Scottish Government grant funding and council requisitions remaining the same level, representing a reduction in real terms, the Partnership relies

on external funding to ensure a balanced position. The Partnership has identified a key objective within its Business Plan 2021/22 to 2023/24 to increase funding levels as a result. The main change in external funding is the reduction in EU grants. With existing projects ending over the next two years, funding will reduce from £106,000 in 2021/22 to nil by 2023/24. The Partnership do not see this as a significant risk to its financial sustainability but are looking into arrangements to succeed those currently in place.

### Definition

Our wider scope audit involves consideration of the Partnership's arrangements as they relate to financial sustainability. We have used the following grading to provide an overall assessment of the arrangements in place.



# Introduction



We carried out our audit in accordance with Audit Scotland's Code of Audit Practice and maintained auditor independence



## Scope

1. This report summarises the findings from our 2020/21 audit of the South East of Scotland Transport Partnership (“the Partnership”).
2. We outlined the scope of our audit in our External Audit Plan, which we presented to the Partnership at the outset of our audit. The core elements of our work include:
  - an audit of the 2020/21 annual accounts and related matters;
  - consideration of the wider dimensions of public audit work, as set out in Exhibit 1; and
  - any other work requested by Audit Scotland.

### Exhibit 1: Audit dimensions within the Code of Audit Practice



## Responsibilities

3. The Partnership is responsible for preparing annual accounts which show a true and fair view and for implementing appropriate internal control systems. The weaknesses or risks identified in this report are only those that have come to our attention during our normal audit work and may not be all that exist. Communication in this report of matters arising from the audit or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.
4. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.
5. We would like to thank all management and staff at both the Partnership and City of Edinburgh Council for their co-operation and assistance during our audit.

## Auditor independence

6. International Standards on Auditing in the UK (ISAs (UK)) require us to communicate on a timely basis all facts and matters that may have a bearing on our independence.
7. We confirm that we complied with the Financial Reporting Council's (FRC) Ethical Standard. In our professional judgement, we remain independent and our objectivity has not been compromised in any way.
8. We set out in Appendix 1 our assessment and confirmation of independence.

## Openness and transparency

11. This report will be published on Audit Scotland's website [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).

## Adding value through the audit

9. All of our clients demand of us a positive contribution to meeting their ever-changing business needs. Our aim is to add value to the Partnership through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way, we aim to help the Partnership promote improved standards of governance, better management and decision making and more effective use of resources.

## Feedback

10. Any comments you may have on the service we provide, the quality of our work and our reports would be greatly appreciated at any time. Comments can be reported directly to any member of your audit team.

# Financial statements audit

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The Partnership's annual accounts are the principal means of accounting for the stewardship of its resources and its performance in the use of those resources.

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## Overall conclusion

12. The annual accounts are due to be considered by the Partnership on 24 September 2021. Our independent auditor’s report is unqualified.
13. We received the unaudited annual accounts and supporting papers of an adequate standard, in line with our agreed audit timetable. Our thanks go to staff at the Partnership and City of Edinburgh Council for their assistance with our work.

## Our audit opinion

Opinion	Basis for opinion	Conclusions
Financial statements	<p>We conduct our audit in accordance with applicable law and International Standards on Auditing.</p> <p>Our findings / conclusion to inform our opinion are set out in this section of our annual report.</p>	We have issued unqualified audit opinions.
Going concern basis of accounting	<p>In the public sector when assessing whether the going concern basis of accounting is appropriate, the anticipated provision of the services is more relevant to the assessment than the continued existence of a particular public body.</p> <p>We assess whether there are plans to discontinue or privatise the Partnership’s functions.</p> <p>Our wider scope audit work considers the financial sustainability of the Partnership.</p>	<p>As at 31 March 2021, the Partnership reported a net liability position of £0.567million. This includes the net pension liability of £0.990million.</p> <p>We reviewed the financial forecasts for 2021/22 and are satisfied that the Partnership has adequate budget to meet the ongoing employer contributions required by Lothian Pension Fund.</p> <p>Our understanding of the legislative framework and activities undertaken provides us with sufficient assurance that the Partnership will continue to operate for at least 12 months from the signing date. Our audit opinion is unqualified in this respect.</p>

Opinion	Basis for opinion	Conclusions
<p>Opinions prescribed by the Accounts Commission on:</p> <ul style="list-style-type: none"> <li>• Management Commentary</li> <li>• Annual Governance Statement</li> <li>• Remuneration Report</li> </ul>	<p>We read all the statutory information in the annual accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit.</p> <p>We plan and perform audit procedures to gain assurance that the statutory other information has been prepared in accordance with;</p> <ul style="list-style-type: none"> <li>• Statutory guidance issued under the Local Government in Scotland Act 2003 (Management Commentary);</li> <li>• The Delivering Good Governance in Local Government: Framework (Annual Governance Statement); and</li> <li>• The Local Authority Accounts (Scotland) Regulations 2014 (Remuneration Report).</li> </ul>	<p>The statutory other information contains no material misstatements or inconsistencies with the financial statements.</p> <p>We have concluded that:</p> <ul style="list-style-type: none"> <li>• The management commentary is consistent with the financial statements and has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003.</li> <li>• The information given in the annual governance statement is consistent with the financial statements and has been prepared in accordance with the Delivering Good Governance framework.</li> <li>• the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.</li> </ul>

Opinion	Basis for opinion	Conclusions
Matters reported by exception	<p>We are required to report on whether:</p> <ul style="list-style-type: none"> <li>adequate accounting records have not been kept; or</li> <li>the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or</li> <li>we have not received all the information and explanations we require for our audit.</li> </ul>	We have no matters to report.

## An overview of the scope of our audit

- The scope of our audit was detailed in our External Audit Plan, which was presented to the Partnership in March 2021. The plan explained that we follow a risk-based approach to audit planning that reflects our overall assessment of the relevant risks that apply to the Partnership. This ensures that our audit focuses on the areas of highest risk. Planning is a continuous process and our audit plan is subject to review during the course of the audit to take account of developments that arise.
- At the planning stage we identified the significant risks that had the greatest effect on our audit. Audit procedures were then designed to mitigate these risks.
- In our audit, we test and examine information using sampling and other

audit techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain evidence through performing a review of the significant accounting systems, substantive procedures and detailed analytical procedures.

## Significant risk areas

- Significant risks are defined by professional standards as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, we consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.
- The significant risk areas described in the table below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the audit

team. Our audit procedures relating to these matters were designed in the context of our audit of the annual accounts as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the annual accounts is not modified

with respect to any of the risks described below.

## Significant risk areas

### 1. Management override

#### Significant risk description

In any organisation, there exists a risk that management have the ability to process transactions or make adjustments to the financial records outside the normal financial control processes. Such issues could lead to a material misstatement in the financial statements. This is treated as a presumed risk area in accordance with ISA (UK) 240 - *The auditor's responsibilities relating to fraud in an audit of financial statements*.

**Risk assessment: High**

#### How the scope of our audit responded to the significant risk

##### Key judgement

There is the potential for management to use their judgement to influence the financial statements as well as the potential to override controls for specific transactions.

##### Audit procedures

- Review of the Partnership's accounting records and audit testing on transactions.
- Adoption of data analytics techniques in carrying out testing.
- Review of judgements and assumptions made in determining accounting estimates as set out in the financial statements to determine whether they are indicative of potential bias. This included a retrospective review of the prior year estimates against the current year estimates.

#### Key observations

We have not identified any indication of management override in the year. We did not identify any areas of bias in key judgements made by management and judgements were consistent with prior years.

## 2. Revenue recognition

### Significant risk description

Under ISA (UK) 240 - *The auditor's responsibilities relating to fraud in an audit of financial statements* there is a presumed risk of fraud in relation to revenue recognition. The presumption is that the Partnership could adopt accounting policies or recognise income and expenditure transactions in such a way as to lead to a material misstatement in the reported financial position.

**Risk assessment: High**

### How the scope of our audit responded to the significant risk

#### Key judgements

Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of income around the year end. However, we do not deem this risk to be present in requisitions received from the constituent local authorities or Scottish Government grant funding due to a lack of incentive and opportunity to manipulate transactions.

#### Audit procedures

- Evaluate the significant revenue streams and review the controls in place over accounting for revenue.
- Consideration of the Partnership's key areas of revenue and obtain evidence that revenue is recorded in line with appropriate accounting policies and the policies have been applied consistently across the year.

### Key observations

At the planning stage of our audit we concluded that the revenue recognition risk was present in all revenue streams except for requisitions from constituent local authorities and Scottish Government grant funding. Our conclusion remained the same throughout the audit.

Based on the work performed, we have gained reasonable assurance on the completeness and occurrence of income and we are satisfied that it is fairly stated in the financial statements.

### 3. Expenditure recognition

**Significant risk description** As most public sector bodies are net expenditure bodies, the risk of fraud is more likely to occur in expenditure. There is a risk that expenditure may be misstated resulting in a material misstatement in the financial statements.

**Risk assessment: High**

**How the scope of our audit responded to the significant risk**

#### Key judgements

Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of accruals around the year end.

#### Audit procedures

- Evaluate the significant non-pay expenditure streams and review the controls in place over accounting for expenditure. (Payroll is subject to separate tailored testing).
- Consideration of the Partnership's key areas of expenditure and obtain evidence that expenditure is recorded in line with appropriate accounting policies and the policies have been applied consistently across the year.
- Review of accruals around the year end to consider if there is any indication of understatement of balances held through consideration of accounting estimates.

**Key observations**

We gained reasonable assurance over the completeness and occurrence of expenditure and are satisfied that expenditure is fairly stated in the financial statements.

#### 4. Pension assumptions (significant accounting estimate)

##### Significant risk description

An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under IAS 19 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience. The estimates are based on the most up to date membership data held by the pension fund and have regard to local factors such as mortality rates and expected pay rises with other assumptions around inflation when calculating the liabilities. There is a risk that the assumptions used are not appropriate.

**Risk assessment: High**

##### How the scope of our audit responded to the significant risk

##### Key judgements

A significant level of estimation is required in order to determine the valuation of pension assets/liabilities. Small changes in the key assumptions (including discount rates, inflation and mortality rates) can have a material impact on the pension asset/liability.

##### Audit procedures

- Review of the controls in place to ensure that the data provided from the pension fund to the actuary is complete and accurate.
- Review the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data.
- Agree the disclosures in the financial statements to information provided by the actuary.
- Consider the competence, capability and objectiveness of the management expert in line with ISA (UK) 500 Audit Evidence.

##### Key observations

As at 31 March 2020, the Partnership showed a net pension liability of £661,000. By 31 March 2021, this had increased to a net pension liability of £990,000.

Formal actuarial valuations are carried out every three years, where each employer's assets and liabilities (obligations) are calculated on a detailed basis, using individual member data, for cash contribution setting purposes. The 31 March 2020 formal valuations for Scottish LGPS Funds were concluded by 31 March 2021.

The accounting balance sheet position as at 31 March 2021 is based on the roll forward from the 2020 formal valuation. This differs to the balance sheet position as at 31 March 2020 which was based on a roll forward from the 2017 formal valuation. This 'step change' can lead to sizeable asset and obligation 'remeasurement experience' items in the reconciliation of the balance sheet from 31 March 2020

to 31 March 2021. In addition, reductions in the discount rate increase the pension liability.

We reviewed the reasonableness of those assumptions used in the calculation against other local government pension fund actuaries and other observable data, with no issues identified. In addition, we reviewed the information in the actuarial report for completeness and accuracy against the published pension fund data.

We have considered the competence, capability and objectivity of the actuary in line with the requirements of ISA (UK) 500 'Audit Evidence'. From this review we did not identify any items which gave us cause for concern over the suitability of the actuary.

## Other risk factors

### Impact of COVID-19 on the annual accounts

19. COVID-19 continues to present unprecedented challenges to the operation, financial management and governance of organisations, including public sector bodies. In response to the pandemic we identified potential

areas of increased risk of material misstatement to the financial statements and/or our audit opinion. Our conclusions are set out in the table below.

Area considered	Description	Conclusion
Access to audit evidence	Our audit this year has been carried out remotely. As a consequence, we identified a risk that access to and provision of sufficient, appropriate audit evidence in support of our audit opinion may be impacted by the inherent nature of carrying out our audit remotely.	<p>We have employed a greater use of technology to examine evidence, but only where we have assessed both the sufficiency and appropriateness of the audit evidence produced.</p> <p>We will stay in close contact with Partnership and City of Edinburgh Council colleagues right up until the point of accounts signing, to ensure all relevant issues are satisfactorily addressed.</p>



Area considered	Description	Conclusion
Timescales	<p>The pre COVID-19 deadline was 30 September and the provision deadline for 2020/21 was 31 October. The Scottish Government amended the accounts regulations to require the 2020/21 annual accounts to be signed off by 31 October (amended from 30 September) and published by 15 November (amended from 31 October).</p> <p>However, the provision of the Coronavirus (Scotland) Act 2020 (which permitted bodies to delay publication of the 2019/20 accounts until reasonably practicable) have been extended. 'Reasonably practicable' was considered to be 30 November and this date is considered appropriate for 2020/21. The extension of the Act also allows flexibility over the date (usually 30 June) for the unaudited accounts.</p>	<p>The Partnership committed to continue with its original timetable; for both the publication of the unaudited accounts and approval of the audited accounts. The annual accounts were considered by the Performance &amp; Audit Committee on 10 September 2021 and are due to be approved by the Partnership on 24 September 2021.</p>

## Estimates and judgements

20. We are satisfied with the appropriateness of the accounting estimates and judgements used in the preparation of the financial statements.
21. As part of the planning and fieldwork stages of the audit we identified all accounting estimates made by management and determined which of those are key to the overall financial statements. Consideration was given to asset valuations, pension assumptions, depreciation, and

accruals. Other than pension assumptions, we have not determined the accounting estimates to be significant. We revisited our assessment during the completion stages of our audit and concluded that our assessment remained appropriate.

22. Our audit work consisted of reviewing these key areas for any indication of bias and assessing whether the judgements used by management are reasonable. We have summarised our assessment of this below, categorised between Prudent, Balanced and Optimistic.

## Estimates and judgements

### Pension assumptions

Balanced

An actuarial estimate of the pension fund asset/liability is calculated on an annual basis and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience.

We have considered the competence, capability and objectivity of the actuary in line with the requirements of ISA (UK) 500 'Audit Evidence'. From this review we did not identify any items which gave us cause for concern over the suitability of the actuary.

We reviewed the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data, with no issues identified. In addition we reviewed the information in the actuarial report for completeness and accuracy against the published pension fund data.

The Partnership has disclosed in its annual accounts a sensitivity analysis to help users of the annual accounts understand the judgements management have made about the sources of estimation uncertainty.

## Materiality

23. Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. A matter is material if its omission or misstatement would reasonably influence the decisions of an addressee of the auditor's report. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the organisation and the needs of users. We review our assessment of materiality throughout the audit.
24. Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to the Partnership and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.
25. Our initial assessment of materiality for the Partnership's financial statements was £31,500. On receipt of the unaudited annual accounts, we reassessed materiality and updated it to £23,000. We consider that our updated assessment has remained appropriate throughout our audit.

## Materiality

### Overall materiality

£23,000



100%

Accounts materially misstated where total errors exceed this value

### Performance materiality

£17,250



75%

Work performed to capture individual errors at this level

### Trivial threshold

£1,150



5%

All errors greater than this level are reported

### Materiality

Our assessment is made with reference to the Partnership's gross expenditure. We consider this to be the principal consideration for the users of the annual accounts when assessing financial performance.

Our assessment of materiality equates to approximately 1.5% of the Partnership's gross expenditure as disclosed in the 2020/21 unaudited annual accounts.

In performing our audit we apply a lower level of materiality to the audit of the Remuneration Report. Our materiality is set at £5,000.

### Performance materiality

Performance materiality is the working level of materiality used throughout the audit. We use performance materiality to determine the nature, timing and extent of audit procedures carried out. We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater level of testing on the areas deemed to be at significant risk of material misstatement.

Performance materiality is set at a value less than overall materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of the uncorrected and undetected misstatements exceed overall materiality.

### Trivial misstatements

Clearly trivial are matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

## Audit differences

26. We are pleased to report that there were no material adjustments to the unaudited annual accounts or unadjusted audit differences. We identified some disclosure or presentational adjustments during our audit, which have been reflected in the final set of accounts.

controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Partnership. These matters are limited to those which we have concluded are of sufficient importance to merit being reported.

## Internal controls

27. As part of our work we considered internal controls relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. Our audit is not designed to test all internal

## Follow up of prior year recommendations

28. We followed up on progress in implementing the one outstanding audit recommendation from the prior year. Detail on this recommendation is included in the action plan at Appendix 3. We have reported this action as closed.

Area	Assessment	Comment
Control and process environment	<b>Satisfactory</b>	We consider the control environment within the entity to be satisfactory.
Quality of supporting schedules	<b>Satisfactory</b>	The supporting schedules received during the course of the fieldwork were of a high standard and sufficient for our audit purposes.
Responses to audit queries	<b>Satisfactory</b>	Management and City of Edinburgh Council responses to our audit queries were appropriate and received on a timely basis.

## Other communications

### Accounting policies, presentation and disclosures

29. Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies adopted by the Partnership.

30. The accounting policies, which are disclosed in the annual accounts, are considered appropriate.
31. There are no significant financial statements disclosures that we consider should be brought to your attention. All the disclosures required by relevant legislation and applicable accounting standards have been made appropriately.

32. Overall we found the disclosed accounting policies, and the overall disclosures and presentation to be appropriate.

### Fraud and suspected fraud

33. We have previously discussed the risk of fraud with management. We have not been made aware of any incidents in the period nor have any incidents come to our attention as a result of our audit testing.
34. Our work as auditor is not intended to identify any instances of fraud of a non-material nature and should not be relied upon for this purpose.

### Non-compliance with laws and regulations

35. As part of our standard audit testing, we have reviewed the laws and regulations impacting the Partnership. There are no indications from this work of any significant incidences of non-compliance or material breaches of laws and regulations that would necessitate a provision or contingent liability.

### The Local Authority Accounts (Scotland) Regulations 2014

36. As part of our audit we reviewed the Partnership's compliance with the Local Authority Accounts (Scotland) Regulations 2014, in particular with respect to regulations 8 to 11 as they relate to the annual accounts.
37. The Scottish Government included in its Finance Circular 10/2020 guidance on the publication and inspection of

the unaudited annual accounts as a result of the COVID-19 pandemic.

38. Overall we concluded that appropriate arrangements are in place to comply with these Regulations and the guidance as set out in the Finance Circular 10/2020.

### Written representations

39. We will present the final letter of representation to the Treasurer to sign at the same time as the financial statements are approved, on behalf of the Partnership.

### Related parties

40. We are not aware of any related party transactions which have not been disclosed.

### Confirmations from third parties

41. All requested third party confirmations in respect of bank and legal confirmations have been received.

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<sup>1</sup> Regulations 8 to 10 relate to the preparation and publication of unaudited accounts, notice of public

right to inspect and object to the accounts and consideration and signing of the audited accounts.

## Wider scope

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Following consideration of the size, nature and risks of the Partnership, the application of the full wider scope audit is judged by us not to be appropriate. Our annual audit work on the wider scope has therefore been restricted to:

- Audit work to allow conclusions to be made on the appropriateness of the disclosures in the governance statement; and
  - Consideration of the financial sustainability of the organisation and the services that it delivers over the medium and longer term.
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## Wider scope conclusions



### Annual governance statement

We are satisfied that the Annual Governance Statement for the year to 31 March 2021 is consistent with the financial statements and has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

The Partnership has appropriate systems in place to record, process, summarise and report financial and other relevant data. We have not identified any significant weaknesses or governance issues in the Partnership's accounting internal control systems throughout the year or as a result of remote working during the COVID-19 pandemic.

### Financial sustainability

#### Auditor judgement



Three year financial plans have been developed and approved by the Partnership. There continues to be level of uncertainty around the impact of the COVID-19 pandemic on the transport and mobility sector and as a result, the Partnership will continue to closely monitor the position.

As at 31 March 2021 the Partnership holds an unallocated general fund reserve of £29,000, which meets the minimum level required by its Reserves Policy. This has only been achieved through unplanned underspends and we encourage the Partnership to continue to reflect on its strategy to maintain, utilise or further build up the unallocated general fund reserve as part of the annual budgeting process.

With Scottish Government grant funding and council requisitions remaining the same level, representing a reduction in real terms, the Partnership relies on external funding to ensure a balanced position. The Partnership has identified a key objective within its Business Plan 2021/22 to 2023/24 to increase funding levels as a result. The main change in external funding is the reduction in EU grants. With existing projects ending over the next two years, funding will reduce from £106,000 in 2021/22 to nil by 2023/24. The Partnership do not see this as a significant risk to its financial sustainability but are looking into arrangements to succeed those currently in place.



## Our approach to the wider scope audit

42. Our approach to the wider scope audit (as set out in our 2020/21 External Audit Plan) builds on our understanding of the Partnership which we developed from previous years, along with discussions with management and review of minutes and key strategy documents.
- Changes in governance arrangements in response to the pandemic; and
  - Counter-fraud arrangements, including the risk of fraud and corruption in relation to the procurement function.
43. During our audit we also considered the following risk areas as they relate to the Partnership:
- Impact of COVID-19 on financial sustainability;
44. Overall we concluded that the Partnership has appropriate arrangements in place in respect of these areas as noted below

<b>Impact of COVID-19 on financial sustainability</b>	<p>In response to the UK and Scottish Government escalating the national response to the COVID-19 pandemic in March 2020, the operation of the Partnership was adapted to implement remote working. The impact of the pandemic on project delivery and the transport sector has been closely monitored.</p> <p>Additional costs incurred as a result of the pandemic have been minimal. Work has been ongoing to revise operational plans to reflect the impact of COVID-19 on service delivery.</p>
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<b>Changes in governance arrangements in response to the pandemic</b>	<p>Governance arrangements were adapted in response to the pandemic. Partnership Board meetings have been able to continue remotely without significant disruption. We are satisfied that the Partnership received sufficient and timely information throughout the period to support effective scrutiny, challenge and decision making.</p>
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<b>Counter-fraud arrangements, included the risk of fraud and corruption in the procurement function</b>	<p>Since the start of the pandemic, there has been potential for the risk of fraud and error to increase as the control environment and internal controls have changed.</p> <p>We found the Partnership’s arrangements for the prevention and detection of fraud and other irregularities to be adequate. We reviewed Audit Scotland’s report on COVID-19 Emerging Fraud Risks and satisfied ourselves that where there have been changes in the control environment, appropriate mitigating controls have been implemented.</p>
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We reflected on the risk of fraud and corruption in respect of the procurement function as part of our 2020/21 Annual Audit Report and deemed the level of risk to be low. We have revisited this assessment during our audit fieldwork and have not identified any changes to this.



## Annual Governance statement

**Our audit opinion considers whether the Annual Governance Statement has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016) and is consistent with the financial statements.**

45. We are satisfied that the Annual Governance Statement for the year to 31 March 2021 is consistent with the financial statements and has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).
46. From our audit work we have concluded that the Partnership has appropriate systems in place to record, process, summarise and report financial and other relevant data. We have not identified any significant weaknesses or governance issues in the Partnership's accounting and internal control systems.
47. The Treasurer has confirmed that in his opinion, reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control system.
48. The Partnership's internal audit function is provided by City of Edinburgh Council's internal audit service. We have taken cognisance of the work of internal audit in forming our opinion on the appropriateness of

the disclosures in the Annual Governance Statement.

### Governance arrangements during COVID-19

49. With national lockdown announced on 23 March 2020, all Partnership activity moved to being delivered remotely and they have continued to operate as such to date.
50. Meetings of the Partnership and the Performance and Audit Committee have been held virtually throughout the period. The September 2020 Partnership meeting was postponed to November 2020 to better align with the revised timetable for finalising the annual accounts. Governance arrangements have otherwise continued as normal throughout the period.
51. The accounting and internal control system has continued to operate effectively during remote working, with no significant changes in controls.
52. The Partnership continued to receive and consider all standing items in 2020/21 including regular budget monitoring reports, performance information and an update on ongoing activity. We are satisfied that the Partnership received sufficient and timely information throughout the period to support effective scrutiny, challenge and decision making.



## Financial sustainability

**Financial sustainability looks forward to the medium and longer term to consider whether the Partnership is planning effectively to continue to deliver its services or the way in which they should be delivered.**

### Significant audit risk

53. Our audit plan identified a significant risk in relation to financial sustainability under our wider scope responsibilities

### Financial sustainability

The Partnership developed a three year financial plan in 2019/20, covering the period 2020/21 to 2022/23. In November 2020, the Partnership approved an updated financial plan detailing the draft 2021/22 budget and an indicative financial plan for 2022/23. Management are currently reviewing and revising these plans to reflect the Local Government Finance Settlement for 2021/22 and to consider indicative plans beyond 2022/23.

The COVID-19 pandemic has presented unprecedented challenges to the operation and financial management of SEStran, primarily through slippage of ongoing projects. SEStran is forecasting an underspend for 2020/21, much of which is earmarked for delivery of projects in 2021/22, and budgets for subsequent years have been reprofiled to reflect the expected level of slippage. This includes a number of European Union funded projects which have been extended to 2023/

The Partnership approved a Reserves Policy in 2019/20 and agreed to work towards establishing an unallocated general fund reserve of £29,000, to mitigate core revenue budget risks and provide contingency to cushion the impact of unexpected financial events. The Partnership however sets a balanced budget at the start of each year and therefore will only achieve the target unallocated general fund reserve position through reported underspends in the year. We recommended in our 2019/20 Annual Audit Report that the Partnership should develop a strategy as part of its annual budgeting process, setting out how the unallocated general fund reserve is built up and maintained.

Whilst the financial plan presented a balanced budget for 2021/22 and 2022/23, the achievement of financial targets will depend on continuing tight control and monitoring of income and expenditure. The impacts of COVID-19 on the transport sector are expected to be significant, with uncertainty over how regional transport strategic planning, delivery and operations will need to respond.

*Noted in the 2020/21 External Audit Plan*

54. Our detailed findings on the Partnership's financial framework for achieving medium term financial sustainability are set out below.

## Financial performance in 2020/21

55. The Comprehensive Income and Expenditure Statement for 2020/21 shows that the Partnership spent £1.606million on the delivery of services, resulting in an accounting deficit of £71,000 (2019/20: accounting surplus of £107,000).
56. The accounting deficit includes certain elements of income and expenditure that need to be accounted for to comply with the Code of Practice on Local Authority Accounting in the United Kingdom (the 2020/21 Code), and which are subsequently adjusted to show their impact on reserves.
57. Taking account of these adjustments, the Partnership reported a deficit of £55,000 (2019/20: surplus of £189,000), which has been recognised against the general fund.

### Reserves position

58. Since 2019/20, the enactment of provisions within the Transport (Scotland) Act 2019 allows Regional Transport Partnerships (RTP's) to manage year-end finances by enabling them to hold a balance of funds.
59. As at 31 March 2021, the Partnership held a general fund balance of £134,000 (31 March 2020: £189,000), of which £105,000 is earmarked to meet slippage on project delivery from 2020/21 to 2021/22. The remaining balance of £29,000 is unallocated (31 March 2020: £12,000).

60. The Partnership's Reserves Policy outlines a minimum unallocated general reserve fund of 5% of the approved annual core revenue budget to mitigate core revenue budget risks. This equates to £29,000.
61. Whilst we are satisfied that the Partnership's reserves position as at 31 March 2021 (an unallocated general fund reserve of £29,000) is in compliance with the policy, this has only been achieved through unplanned underspends in 2020/21. As highlighted in our 2019/20 Annual Audit Report, the Partnership had set a balanced budget for 2020/21 and there was no strategy in place to build up this level of reserves.
62. The Partnership should continue to reflect on its strategy to maintain, utilise or further build up their unallocated general fund reserve as part of their annual budgeting process to ensure this remains sufficient.

### Medium term financial planning

63. In March 2021 the Partnership approved a revenue budget of £1.472million for 2021/22 (2020/21: £1.661million) and indicative financial plans for 2022/23 and 2023/24.
64. The budget assumed a balanced position each year with no plans to utilise or increase the unallocated general fund reserve. All three years are based on the Partnership receiving £782,000 grant from the Scottish Government, £190,000 from constituent council requisitions and the balance met from external funding.

	2021/22	2022/23	2023/24
	£'000	£'000	£'000
<b>Total budget</b>	<b>1,472</b>	<b>1,354</b>	<b>1,296</b>
External funding	500	382	324
Scottish Government	782	782	782
Council requisition	190	190	190
<b>Total funding</b>	<b>1,472</b>	<b>1,354</b>	<b>1,296</b>

**Source:** Revenue Budget 2021/22 and Indicative Financial Plan 2022/23 to 2023/24 – presented to the Partnership March 2021

65. The COVID-19 pandemic has continued to present unprecedented challenges to the operation and financial management of the Partnership, and to all aspects of transport and mobility. The budget has been developed in a context of uncertainty as it is unclear how long these challenges will remain.
66. Key assumptions made in developing the 2021/22 budget and indicative financial plans include;
- Estimated staff recharges to projects forecasted to decrease by £32,000 in 2021/22 compared to prior year and a further £64,000 in 2022/23;
  - Pay award uplift of 2% applied in 2021/22 and 2022/23, with additional provisions made for employee increment uplifts;
  - Employer pension fund contribution rate of 33.1%, with the fixed contribution sum removed following the outcome of the 2020 actuarial valuation; and
  - Other assumptions required to reflect the timing and scale of current activity.

### External funding

67. With Scottish Government grant funding and council requisitions remaining at the same level, representing a reduction in real terms, the Partnership relies on external funding to ensure a balanced position. External income is anticipated to fund 34% of indicative expenditure in 2021/22.
68. As set out in the table above, external funding is also anticipated to decrease over the next three years, a 35% reduction by 2023/24. In developing its Business Plan, the Partnership recognised that there is a requirement to increase funding levels over the period 2021/22 to 2023/24 to enable it to maintain the current level of activities. This has been identified as a key objective within the Business Plan.
69. The main change in external funding is the reduction of European Union grants. With existing EU projects ending over the next two years, funding will reduce from £106,000 in 2021/22 to nil by 2023/24.
70. The Partnership do not see this as a significant risk to its financial

sustainability, with EU grants only accounting for 8% of total funding for 2020/21. However, the Partnership is continuing to closely monitor the position.

71. The Partnership is looking into future arrangements to succeed those currently in place that enable continued partnership working with the EU. At the time of writing it remains unclear whether replacement funding for projects of this nature will be obtained.

75. The timeline for the development of the RTS allows the Partnership to take cognisance of the finalisation of Scotland's Second Strategic Transport Projects Review, the National Planning Framework and its component Regional Spatial Strategies. We will continue to monitor the development of the RTS and the Partnership's response to the new context from transport as it evolves.

## Strategic Planning

72. The Partnership approved the SEStran Business Plan 2021-22 to 2023-24 in June 2021, having previously considered a draft version in March 2021.
73. The Business Plan outlines the Partnership's strategic objectives and planned activities which have been structured under five core strategic themes;
- Accessibility;
  - Environment;
  - Economy;
  - Safety and health; and
  - Governance and partnership working
74. A key area of focus in 2021/22 is the development of the new Regional Transport Strategy (RTS) which will involve the input of the Partnership and stakeholders. A draft RTS is due to be finalised over the coming months with and subject to a 12 week statutory consultation process in autumn 2021.

# Appendices

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## Appendix 1: Respective responsibilities of the Partnership and the Auditor

The Code of Audit Practice (2016) sets out the responsibilities of the Partnership and the auditor and are detailed below.

### Partnership responsibilities

The Partnership is required to make arrangements for the proper administration of financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. The Treasurer has been designated as that officer.

The Treasurer is responsible for the preparation of the Partnership’s annual accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Area	Partnership responsibilities
<p><b>Corporate governance</b></p>	<p>The Partnership is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Those charged with governance should be involved in monitoring these arrangements.</p>
<p><b>Financial statements.</b></p>	<p>The Partnership has responsibility for:</p> <ul style="list-style-type: none"> <li>• preparing financial statements which give a true and fair view of its financial position and their expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation;</li> <li>• maintaining accounting records and working papers that have been prepared to an acceptable professional standard and that support its financial statements and related reports disclosures;</li> <li>• maintaining proper accounting records; and</li> <li>• preparing and publishing, along with the financial statements, an annual governance statement, management commentary (or equivalent) and a remuneration report that is consistent with the disclosures made in the financial statements. Management commentary should be fair, balanced and understandable and also address the longer term financial sustainability of the Partnership.</li> </ul> <p>Management is responsible, with the oversight of those charged with governance, for communicating relevant information to users about the entity and its financial performance, including providing adequate</p>



Area	Partnership responsibilities
	<p>disclosures in accordance with the applicable financial reporting framework. The relevant information should be communicated clearly and concisely.</p> <p>The Partnership is responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of its objectives and safeguard and secure value for money from the public funds at its disposal. They are also responsible for establishing effective and appropriate internal audit and risk-management functions.</p>
<p><b>Standards of conduct for prevention and detection of fraud and error</b></p>	<p>The Partnership is responsible for establishing arrangements to prevent and detect fraud, error and irregularities, bribery and corruption and also to ensure that its affairs are managed in accordance with proper standards of conduct.</p>
<p><b>Financial position</b></p>	<p>The Partnership is responsible for putting in place proper arrangements to ensure the financial position is soundly based having regard to:</p> <ul style="list-style-type: none"> <li>• Such financial monitoring and reporting arrangements as may be specified;</li> <li>• Compliance with statutory financial requirements and achievement of financial targets;</li> <li>• Balances and reserves, including strategies about levels and their future use;</li> <li>• Plans to deal with uncertainty in the medium and long term; and</li> <li>• The impact of planned future policies and foreseeable developments on the financial position.</li> </ul>
<p><b>Best value</b></p>	<p>The Partnership has a specific responsibility to ensure that arrangements have been made to secure best value. They are responsible for ensuring that these matters are given due priority and resources, and that proper procedures are established and operate satisfactorily.</p>



## Auditor responsibilities

Auditor responsibilities are derived from statute, the Code of Audit Practice, International Standards on Auditing (UK), professional requirements and best practice. These are to:

- undertake statutory duties, and comply with professional engagement and ethical standards;
- provide an opinion on the financial statements;
- review and report on, as appropriate, other information such as annual governance statements, management commentaries and remuneration reports;
- notify the Controller of Audit when circumstances indicate that a statutory report may be required; and
- demonstrate compliance with the wider scope of public audit.

### Wider scope of audit

The special accountabilities that attach to the conduct of public business, and the use of public money, mean that public sector audits must be planned and undertaken from a wider perspective than in the private sector. This means providing assurance, not only on the financial statements, but providing audit judgements and conclusions on the appropriateness, effectiveness and impact of corporate governance and performance management arrangements and financial sustainability.

The Code of Audit Practice frames a significant part of our wider scope responsibilities in terms of four audit dimensions: financial sustainability; financial management; governance and transparency; and value for money.

## Best Value

Appointed auditors have a duty to be satisfied that local government bodies have made proper arrangements to secure best value.

Our work in respect of the Partnership's best value arrangements has been integrated into our audit approach, including our work on the wider scope dimensions.

## Independence

In accordance with our profession's ethical guidance and further to our External Audit Annual Plan issued confirming audit arrangements there are no further matters to bring to your attention in relation to our integrity, objectivity and independence.

We confirm that Azets Audit Services and the engagement team complied with the FRC's Ethical Standard. We confirm that all threats to our independence have been properly addressed through appropriate safeguards and that we are independent and able to express an objective opinion on the financial statements.

### Audit and non-audit services

The total fees charged to the Partnership for the provision of services in 2020/21 (with prior year comparators) is as follows:

	Current year £	Prior year £
Audit of South East of Scotland Transport Partnership (Auditor remuneration)	8,900	8,640
<b>Total audit</b>	<b>8,900</b>	<b>8,640</b>
Non-audit services	-	-
<b>Total fees</b>	<b>8,900</b>	<b>8,640</b>

FRC's Ethical Standard stipulates that where an auditor undertakes non audit work, appropriate safeguards must be applied to reduce or eliminate any threats to independence. No non-audit services were provided to the Partnership.

### Audit quality

The Auditor General and the Accounts Commission require assurance on the quality of public audit in Scotland through comprehensive audit quality arrangements that apply to all audit work and providers. The audit quality arrangements recognise the importance of audit quality to the Auditor General and the Accounts Commission and provide regular reporting on audit quality and performance.

Audit Scotland maintains and delivers an [Audit Quality Framework](#).

The most recent audit quality report which covers our work at the Partnership since appointment can be found at <https://www.audit-scotland.gov.uk/report/quality-of-public-audit-in-scotland-annual-report-202021>

## Appendix 2: Adjusted and unadjusted errors identified during the audit

### Corrected and uncorrected misstatements

We did not identify any corrected or uncorrected misstatements during our audit of the annual accounts.

### Disclosure amendments

No	Detail
1	Governance Report – further disclosure of information required by the Delivering Good Governance in Local Government: Framework, including confirmation of compliance with the Code of Practice on Managing the Risk of Fraud and Corruption.

## Appendix 3: Follow up of prior year recommendations

We have followed up on progress in implementing the outstanding action raised in the prior years.

Recommendations are categorised into three risk ratings:

**Key:**

**Significant deficiency**

**Other deficiency**

**Other observation**

### Reserves Policy

**Recommendation** The Partnership should, as part of its annual budgeting process, develop a strategy which sets out how the unallocated general fund reserve is built up and maintained.

**Rating**

**Other deficiency**

**Implementation date:** 31 March 2021

**Closed**

The Partnership holds an unallocated general fund reserve of £29,000 as at 31 March 2021. This meets the minimum level set by the Reserves Policy. However, as outlined at paragraph 60, this has only been achieved through unplanned in year underspends.

We continue to encourage the Partnership to reflect on their strategy to maintain, utilise or further build up their unallocated general fund reserve as part of the annual budgeting process.

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## **Audited Annual Accounts 2020/21**

### **1. Introduction**

- 1.1** This report presents the audited accounts for the year ended 31st March 2021. The audited accounts are appended.

### **2. Main Report**

- 2.1** The unaudited Annual Accounts were noted by the Partnership at its meeting on 18th June 2021.

- 2.2** The Partnership's appointed External Auditor – Azets Audit Services – has completed the annual audit. The Annual Audit report is presented separately on this agenda.

- 2.3** The Auditor's report provides an opinion on whether:

- the Annual Accounts give a true and fair view, in accordance with applicable law and the 2020/21 Code of Practice on Local Authority Accounting, of the state of affairs of the Partnership as at 31 March 2021 and of its income and expenditure for the year then ended;
- the Annual Accounts have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the 2020/21 Code and;
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

- 2.4** There are no qualifications to the audit certificate, which appears on pages 46 to 48 of the accounts. The Auditor's opinion states that the financial statements present a true and fair view of the Partnership as at 31st March 2021 and its income and expenditure for the year then ended.

- 2.5** Additional disclosures have been included in the Governance Statement, in line with the Delivering Good Governance in Local Government Framework, including confirmation of compliance with the Code of Practice on Managing the Risk of Fraud and Corruption.

- 2.6** The Performance and Audit Committee reviewed the Annual Accounts at its' meeting on 10th September 2021.

### **3 Recommendations**

It is recommended that the Partnership Board:

- 3.1 note the audited accounts and the Auditor's opinion in the audit certificate;
- 3.2 authorise the Audited Annual Accounts for signature.

**Hugh Dunn**

Treasurer

17<sup>th</sup> September 2021

**Appendix**            Audited Annual Accounts 2020/21  
**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 following issue of an unqualified Audit certificate.
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)**

**Audited  
Annual Accounts**

**2020/2021**



# 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 three 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 resulting in a reduction in the quality of service provided.

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.

Thirdly, the impact from the Covid-19 pandemic on all aspects of transport and mobility are likely to be very significant. The longer term implications for partner Councils, operators and transport user groups at national, regional and local levels are yet to be determined.

### 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 13.

# 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 2020/21 was £0.972m, funded by Government Grant and Council Contributions. A comparison of the outturn position with the revenue budget and earmarked reserves brought forward (£177,000) is presented in the table below. Key aspects of financial performance in 2020/21 are:

- Overall the Partnership had an underspend of £122,000 which is shown in the table below. The underspend arose due to a combination of underspends on the core revenue budget and projects budget, offset by an overspend on the RTPI project budget;
- The Partnership incurred core service expenditure of £0.563m which was £18,000 below the Core Service revenue budget. This underspend mainly reflects decreased expenditure on staff travel and conference costs;
- The Partnership incurred expenditure of £0.824m on revenue projects and received external grants and contributions of £0.441m, resulting in net expenditure of £0.383m. Net expenditure was £124,000 under budget and earmarked reserves brought forward. The main favourable variances on the Projects revenue budget arose on the Regional Transport Strategy budget (£94,000) and GO e-Bike budget (£18,000);
- Expenditure of £131,000 on the Real-Time Passenger Information (RTPI) project was partly funded by contributions of £50,000 from other parties, resulting in net expenditure of £81,000. Net expenditure was £20,000 over budget and earmarked reserves brought forward.

	Revised Budget £'000	Earmarked Reserves from 19/20 £'000	Outturn £'000	Variance £'000
Core Service	581	0	563	(18)
Revenue Projects - Net Expenditure	389	118	383	(124)
RTPI Project - Net Expenditure	2	59	81	20
Net Interest	0	0	0	0
<b>Total Expenditure 2020/21</b>	<b>972</b>	<b>177</b>	<b>1,027</b>	<b>(122)</b>
Government Grant	(782)	0	(782)	0
Constituent Council Requisitions	(190)	0	(190)	0
<b>Total Government Grant and Council Contributions 2020/21</b>	<b>(972)</b>	<b>0</b>	<b>(972)</b>	<b>0</b>

In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy and established an unallocated reserve of £29,000. An earmarked balance of £105,000 is available to meet slippage on project delivery from 2020/21 to 2021/22.

### Non Financial Results

During 2020/21, the Partnership commenced the development of the new Regional Transport Strategy (RTS) to set the strategic framework for transport plans and decisions within the SEStran region up to 2035. The RTS is being developed through consultancy support that was procured in late 2020. A number of work strands were underway by the end of the year, including the Strategic Environmental and Equalities and Human Rights Impact Assessments, desktop research for evidencing problems and wide ranging engagement activities.

# The South East of Scotland Transport Partnership (SESTRAN)

## Management Commentary (*continued*)

### 5. Results for the Year (*continued*)

#### Non Financial Results (*continued*)

The Partnership remained successful in attracting funding for delivery of region-specific strategies, studies and services of benefit to transport users and partners across the region, and engaged actively in co-ordinated responses to the Covid-19 pandemic.

- With Active Travel funding from Transport Scotland, the Partnership's Strategic Travel Network plan was further developed. Grant support was provided to West Lothian Council for specific route development and a longitudinal study surveying travel attitudes through Covid-19 was commenced;
- The Partnership progressed its Regional Cycle Network grant scheme, using funding from Sustrans Scotland for routes to the BioQuarter and Kirkliston to Cramond Brig;
- The GO e-Bike stations in East Lothian and Midlothian were fully installed with funding contribution from Transport Scotland's Low Carbon Travel and Transport (LCTT) Challenge Fund;
- The Thistle Assistance Scheme was adapted in response to Covid-19 to include mask exemption 'card' stickers and online information, utilising funds from Transport Scotland and other RTP contributions. Approximately 50,000 further new cards were distributed throughout Scotland;
- In partnership with Forth Ports, the Partnership completed the Forth Freight Study Case for Change document, identifying a number of issues and potential options for more sustainable freight in the region. This was funded by Transport Scotland's Local Rail Development Fund;
- A detailed transport appraisal for Newburgh was also completed with LRDF support from Transport Scotland, working alongside the Newburgh Train Station Group and Fife Council;
- A Marketing Internship, facilitated in partnership with Inclusion Scotland in 2019, was extended until October 2020, enabling wide promotion of Thistle Assistance Scheme during the pandemic;
- The upgrade of the Real Time Passenger Information (RTPI) system reached the final stages of testing. Working with Transport Scotland and operators, significant progress was also made towards including bus capacity information. Investment has secured new screens for deployment at regional transport hubs;
- Through the SHARE-North project, opportunities for shared mobility and the development of Mobility Hubs were explored with partner councils and Partnership forums. Knowledge was exchanged with project partners on the impacts from Covid-19 on car and trip sharing, alongside the promotion of GO e-Bike;
- Through the PriMaaS project, the Partnership shared knowledge and best practice in regional policies to support Mobility-as-a-Service (MaaS). In addition, considerable progress was made towards a region-wide MaaS platform culminating in a joint proposal to Transport Scotland's MaaS Investment Fund;
- Through the BLING project, the Partnership and its partner, the University of Edinburgh, successfully tested using blockchain to create location based Smart Contracts interface. This could be used in sustainable logistics to detect consignment proximity and trigger either secure financial transfers, or opening physical locks;
- Through the Surflogh project, an expansion of the successful first / last mile delivery trial in the Haymarket area by ZEDIFY was agreed with the project's lead partner. Preparatory work was finalised, and will enable a new hub to be operational in the Leith area in 2021;
- The Partnership played a key role supporting the Regional Transport Transition Group established in June 2020, designing a transition plan and assisting in temporary arrangements to aide regional recovery from Covid-19 impacts on travel and transport. This led to a central role supporting the three initial bids from within the region to Transport Scotland's Bus Partnership Fund;
- Five new equalities outcomes that will guide the Partnership up to 2025 were developed and agreed, following stakeholder input, throughout 2020/21.

### 6. Future Developments

The Partnership will maintain successful home working arrangements for all its staff, facilitating alternative opportunities for individual and team dialogue and working. These arrangements will continue into 2021/22 until such time as the Scottish Government indicates a return to office based working is safe. Ensuring the health, safety and well-being of staff remains the top priority for the Partnership.

# The South East of Scotland Transport Partnership (SESTRAN)

## Management Commentary (*continued*)

### 6. Future Developments (*continued*)

The Partnership will continue to make good use of online engagement for meetings, business and events as long as required. The high levels of engagement from across the region using such methods has benefitted the Partnership.

The Partnership will actively pursue a range of opportunities for the region that emerged during 2020/21, including seeking appropriate funding across freight, Demand Responsive Transport, Thistle Assistance Journey Planning, Mobility as a Service, Bus Service Improvement Partnerships and bids to the Bus Partnership Fund, development of cargo bike delivery and training.

The development of the new Regional Transport Strategy (RTS) is a core aspect of the Partnership's statutory role and function. It involves the input of SEStran partners and stakeholders. The Partnership will finalise a draft RTS that will be subject to a wide statutory consultation process in autumn 2021. The timescale for the completion of the RTS over this year takes into account key stages in the finalisation of Scotland's Second Strategic Transport Projects Review, the National Planning Framework and its component Regional Spatial Strategies.

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.

Chair of Partnership Board:        GORDON EDGAR        \_\_\_\_\_        Date signed:

Partnership Director:        JIM GRIEVE        \_\_\_\_\_        Date signed:

Treasurer:        HUGH DUNN, CPFA        \_\_\_\_\_        Date signed:

# 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.

I confirm that these annual accounts were approved for signature by the South East of Scotland Transport Partnership at its Board meeting on 24th September 2021.

Chair of Partnership

Board:

GORDON EDGAR

\_\_\_\_\_ Date signed:

### 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 2021.

Treasurer:

HUGH DUNN, CPFA

\_\_\_\_\_ Date signed:

# The South East of Scotland Transport Partnership (SESTRAN)

## ANNUAL GOVERNANCE STATEMENT 2020/21

### 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 2020/21 (*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, undertaking the core functions of an audit committee as identified in Audit Committees: Practice Guidance for Local Authorities and Policy (CIPFA);
- **The Internal Audit Service** of the City of Edinburgh Council 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 Partnership seeks to ensure that Internal Audit arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit.



# The South East of Scotland Transport Partnership (SESTRAN)

## ANNUAL GOVERNANCE STATEMENT 2020/21 (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.

The Partnership operates Anti-Bribery, Anti-Fraud and Corruption policies in accordance with the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption.

The Partnership has undertaken an evaluation of compliance with the CIPFA's Financial Management Code (FM Code). The Partnership's financial management arrangements are assessed as being compliant with the FM Code.

### 5. Internal Audit Opinion

During the year, Internal Audit undertook one review that assessed the design adequacy and effectiveness of the Partnership's Covid-19 resilience arrangements and considered how the impacts of Covid-19 have been considered and reflected in both the content of and delivery timeframes for finalisation of the new Regional Transport Strategy. Follow-up was also performed to confirm that the agreed management actions supporting the medium rated finding on Regional Transport Strategy project governance and management raised in the 2019/20 Audit had been effectively implemented and sustained. The findings identified two amber ratings, predominantly around risk and the requirement for establishing supporting documentation to set out risk appetite.

### 6. Coronavirus Pandemic

The extended lockdown associated with the Covid 19 pandemic has dictated that all meetings of the Partnership have had to be held remotely online. It is anticipated that this will continue for some months to come.

The Partnership moved immediately and seamlessly into this way of working on 18 March 2020 and has been fully functional since. As a result, with the exception of the cancellation of the March 2020 Partnership Board meeting referred to in last year's Annual Governance Statement, governance of the Partnership has been unaffected. Attendance at electronically-hosted online Board meetings has significantly increased throughout 2020/21.

### 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 2021. 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.

Chair of Partnership

Board: GORDON EDGAR \_\_\_\_\_ Date signed:

Partnership Director:

JIM GRIEVE \_\_\_\_\_ Date signed:

# 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	2020/21	2019/20
£60,000 - £64,999	1	0
£75,000 - £79,999	0	1
£80,000 - £85,999	1	0

### 5. Senior Employees Remuneration

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

Name and Post Title	Salary, Fees and Allowances £	Compensation £	Total Remuneration 2020/21 £	Total Remuneration 2019/20 £
Jim Grieve - Partnership Director	82,529	0	82,529	78,994
	82,529	0	82,529	78,994

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.

### 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	
	2020/21 £	2019/20 £		As at 31 March 2021 £'000	Difference from 31 March 2020 £'000
Jim Grieve - Partnership Director	21,240	0	Pension	1	1
			Lump Sum	0	0
	21,240	0			

The senior employee shown in the table above became a member of the Local Government Pension Scheme (LGPS) during 2020/21.

# 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 2020-21 were as follows:

Whole Time Pay	Contribution rate
On earnings up to and including £22,200 (2019/2020 £21,800)	5.50%
On earnings above £22,200 and up to £27,100 (2019/2020 £21,800 to £26,700)	7.25%
On earnings above £27,100 and up to £37,200 (2019/2020 £26,700 to £36,600)	8.50%
On earnings above £37,200 and up to £49,600 (2019/2020 £36,600 to £48,800)	9.50%
On earnings above £49,600 (2019/2020 £48,800)	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 Compulsory Redundancies		Number of Other Agreed Departures		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band	
	£'000	£'000	£'000	£'000	£'000	£'000	£'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 has been audited. The other sections of the Remuneration Report have been reviewed by the appointed auditor to ensure that they are consistent with the annual accounts.

Chair of Partnership

Board: GORDON EDGAR

Date signed :

Partnership Director:

JIM GRIEVE

Date signed :

# 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.

### 2019/20 - Previous Year Year Comparative

	Usable Reserves		Unusable Reserves	Total Partnership Reserves
	General Fund Balance	Total Usable Reserves		
	£'000	£'000	£'000	£'000
<b>Opening Balances at 1 April 2019</b>	<b>0</b>	<b>0</b>	<b>(521)</b>	<b>(521)</b>
<b>Movement in reserves during 2019/20</b>				
Surplus or (Deficit) on Provision of Services	107	107	0	107
Other Comprehensive Expenditure and Income	0	0	241	241
<b>Total Comprehensive Expenditure and Income</b>	<b>107</b>	<b>107</b>	<b>241</b>	<b>348</b>
<b>Adjustments between accounting basis &amp; funding basis under regulations (Note 7)</b>	<b>82</b>	<b>82</b>	<b>(82)</b>	<b>0</b>
<b>Increase/Decrease in 2019/20</b>	<b>189</b>	<b>189</b>	<b>159</b>	<b>348</b>
<b>Balance at 31 March 2020 carried forward</b>	<b>189</b>	<b>189</b>	<b>(362)</b>	<b>(173)</b>

### 2020/21 - Current Financial Year

	Usable Reserves		Unusable Reserves	Total Partnership Reserves
	General Fund Balance	Total Usable Reserves		
	£'000	£'000	£'000	£'000
<b>Opening Balances at 1 April 2020</b>	<b>189</b>	<b>189</b>	<b>(362)</b>	<b>(173)</b>
<b>Movement in reserves during 2020/21</b>				
Surplus or (Deficit) on Provision of Services	(71)	(71)	0	(71)
Other Comprehensive Expenditure and Income	0	0	(323)	(323)
<b>Total Comprehensive Expenditure and Income</b>	<b>(71)</b>	<b>(71)</b>	<b>(323)</b>	<b>(394)</b>
<b>Adjustments between accounting basis &amp; funding basis under regulations (Note 7)</b>	<b>16</b>	<b>16</b>	<b>(16)</b>	<b>0</b>
<b>Increase/Decrease in 2020/21</b>	<b>(55)</b>	<b>(55)</b>	<b>(339)</b>	<b>(394)</b>
<b>Balance at 31 March 2021 carried forward</b>	<b>134</b>	<b>134</b>	<b>(701)</b>	<b>(567)</b>

# The South East of Scotland Transport Partnership (SESTRAN)

## COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2020/21

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.

2019/20			2020/21			
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Services	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
678	(4)	674	Core	683	(6)	677
1,436	(1,266)	170	Projects	858	(507)	351
<b>2,114</b>	<b>(1,270)</b>	<b>844</b>	<b>Cost Of Services</b>	<b>1,541</b>	<b>(513)</b>	<b>1,028</b>
75	(54)	21	Financing & Investment Income (Note 9)	65	(50)	15
0	(972)	(972)	Taxation and Non-Specific Grant Income (Note 10)	0	(972)	(972)
<b>2,189</b>	<b>(2,296)</b>	<b>(107)</b>	<b>(Surplus) or Deficit on Provision of Services</b>	<b>1,606</b>	<b>(1,535)</b>	<b>71</b>
			<b>Other Comprehensive Income and Expenditure</b>			
0	0	0	Change in Demographic Assumptions	0	(99)	(99)
0	(369)	(369)	Change in Financial Assumptions	775	0	775
0	(18)	(18)	Other Experience	0	(45)	(45)
146	0	146	Return on Assets excluding amounts included in net interest	0	(308)	(308)
<b>146</b>	<b>(387)</b>	<b>(241)</b>	<b>Total Other Comprehensive Income and Expenditure</b>	<b>775</b>	<b>(452)</b>	<b>323</b>
<b>2,335</b>	<b>(2,683)</b>	<b>(348)</b>	<b>Total Comprehensive Income and Expenditure</b>	<b>2,381</b>	<b>(1,987)</b>	<b>394</b>

# 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 2020 £'000		Note	31 March 2021 £'000
309	Property, plant and equipment	11	303
<b>309</b>	<b>Long term assets</b>		<b>303</b>
773	Short-term debtors	13	654
0	Provision for Bad Debts	14	0
151	Cash and cash equivalents	15	320
<b>924</b>	<b>Current assets</b>		<b>974</b>
0	Contributions and Grants Received in Advance		(150)
(745)	Short-term creditors	16	(704)
<b>(745)</b>	<b>Current liabilities</b>		<b>(854)</b>
(661)	Other long-term liabilities (Pensions)	24	(990)
<b>(661)</b>	<b>Long-term liabilities</b>		<b>(990)</b>
<b>(173)</b>	<b>Net assets/ (liabilities)</b>		<b>(567)</b>
	<b>Financed by:</b>		
189	Usable reserves	17	134
(362)	Unusable reserves	18	(701)
<b>(173)</b>	<b>Total reserves</b>		<b>(567)</b>

The unaudited Annual Accounts were issued on the 11th June 2021.

The audited financial statements were authorised for issue on 24th September 2021

Treasurer: HUGH DUNN, CPFA

Date signed: \_\_\_\_\_

# 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 2020 £'000	31 March 2020 £'000		31 March 2021 £'000	31 March 2021 £'000
		<b>OPERATING ACTIVITIES</b>		
(782)		Government Grants	(782)	
(190)		Constituent Council Requisitions	(190)	
(1)		Interest paid/ (received)	(1)	
(842)		Other receipts from operating activities	(924)	
	<b>(1,815)</b>	<b>Cash inflows generated from operating activities</b>		<b>(1,897)</b>
488		Cash paid to and on behalf of employees	561	
1,393		Cash paid to suppliers of goods and services	1,068	
	<b>1,881</b>	<b>Cash outflows generated from operating activities</b>		<b>1,629</b>
	<b>66</b>	<b>Net cash flows from operating activities</b>		<b>(268)</b>
		<b>INVESTING ACTIVITIES</b>		
62		Purchase of property, plant and equipment	99	
	<b>62</b>	<b>Net cash flows from investing activities</b>		<b>99</b>
		<b>FINANCING ACTIVITIES</b>		
0		Other receipts from financing activities	0	
	<b>0</b>	<b>Net cash flows from financing activities</b>		<b>0</b>
	<b>128</b>	<b>Net( increase)/ decrease in cash and cash equivalents</b>		<b>(169)</b>
	<b>279</b>	<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>151</b>
	<b>151</b>	<b>Cash and cash equivalents at the end of the reporting period (Note 15)</b>		<b>320</b>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 1. STATEMENT OF ACCOUNTING POLICIES

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#### 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 1. STATEMENT OF ACCOUNTING POLICIES *(continued)*

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#### 1.8 Employee Benefits

##### Pensions

The Partnership is an admitted body to the Local Government Pension Scheme (LGPS) which is administered by 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 1. STATEMENT OF ACCOUNTING POLICIES *(continued)*

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#### 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 1. STATEMENT OF ACCOUNTING POLICIES *(continued)*

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#### 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 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 13).

#### Expenditure and Funding Analysis

	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
2020/21	£'000	£'000	£'000
Core	563	115	678
Projects	463	(113)	350
<b>Net Cost of Services</b>	<b>1,026</b>	<b>2</b>	<b>1,028</b>
<b>Other Income and Expenditure</b>			
Government grant	(782)	0	(782)
Constituent council requisitions	(190)	0	(190)
Interest Received	0	0	0
Net pension interest cost	0	15	15
<b>(Surplus) or deficit on the provision of services</b>	<b>54</b>	<b>17</b>	<b>71</b>
	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
2019/20	£'000	£'000	£'000
Core	517	157	674
Projects	267	(97)	170
<b>Net Cost of Services</b>	<b>784</b>	<b>60</b>	<b>844</b>
<b>Other Income and Expenditure</b>			
Government grant	(782)	0	(782)
Constituent council requisitions	(190)	0	(190)
Interest Received	(1)	0	(1)
Net pension interest cost	0	22	22
<b>(Surplus) or deficit on the provision of services</b>	<b>(189)</b>	<b>82</b>	<b>(107)</b>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 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 Differences £'000	Total Statutory Adjusts. £'000
<b>2020/21</b>				
Core	119	(9)	5	115
Projects	(113)	0	0	(113)
<b>Net Cost of Services</b>	<b>6</b>	<b>(9)</b>	<b>5</b>	<b>2</b>
<b>Other Income and Expenditure</b>				
Net pension interest cost	0	15	0	15
<b>(Surplus) or deficit on the provision of services</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>17</b>
	Adjusts. For Capital Purposes £'000	Net Change for Pensions Adjusts. £'000	Other Differences £'000	Total Statutory Adjusts. £'000
<b>2019/20</b>				
Core	140	13	4	157
Projects	(97)	0	0	(97)
<b>Net Cost of Services</b>	<b>43</b>	<b>13</b>	<b>4</b>	<b>60</b>
<b>Other Income and Expenditure</b>				
Net pension interest cost	0	22	0	22
<b>(Surplus) or deficit on the provision of services</b>	<b>43</b>	<b>35</b>	<b>4</b>	<b>82</b>

- 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 2. EXPENDITURE AND FUNDING ANALYSIS *(continued)*

#### 2.2 Segmental Analysis of Income included in Expenditure and Funding Analysis

	Core £'000	Projects £'000	Total £'000
<b>2020/21</b>			
<b>Expenditure</b>			
Employee expenses	389	0	389
Other service expenses	180	970	1,150
<b>Total Expenditure</b>	<b>569</b>	<b>970</b>	<b>1,539</b>
<b>Income</b>			
Government grants and other contributions	(6)	(507)	(513)
<b>Total Income</b>	<b>(6)</b>	<b>(507)</b>	<b>(513)</b>
<b>Net Cost of Services</b>	<b>563</b>	<b>463</b>	<b>1,026</b>
	<b>Core</b>	<b>Projects</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>2019/20</b>			
<b>Expenditure</b>			
Employee expenses	334	0	334
Other service expenses	187	1,533	1,720
<b>Total Expenditure</b>	<b>521</b>	<b>1,533</b>	<b>2,054</b>
<b>Income</b>			
Government grants and other contributions	(4)	(1,266)	(1,270)
<b>Total Income</b>	<b>(4)</b>	<b>(1,266)</b>	<b>(1,270)</b>
<b>Net Cost of Services</b>	<b>517</b>	<b>267</b>	<b>784</b>

#### 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 2021 £'000	31st March 2020 £'000
<b>Expenditure</b>		
Employee expenses	384	350
Other service expenses	1,037	1,623
Depreciation, amortisation and impairment	119	141
Interest payments	65	75
<b>Total Expenditure</b>	<b>1,605</b>	<b>2,189</b>
<b>Income</b>		
Fees, charges and other service income	(5)	(4)
Interest and investment income	(50)	(54)
Income from constituent councils	(190)	(190)
Government grants and other contributions	(1,289)	(2,048)
<b>Total Income</b>	<b>(1,534)</b>	<b>(2,296)</b>
<b>(Surplus) or Deficit on the Provision of Services</b>	<b>71</b>	<b>(107)</b>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

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

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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 2021/22 Code. For 2021/22 the following accounting policy changes that need to be reported relate to:

- Definition of a Business: Amendments to IFRS 3 Business Combinations,
- Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7 and
- Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

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**

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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 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 resulted in a recalculation of pension liabilities for the estimated impact of GMP indexation changes. The Partnership's actuary's understanding is that the further Lloyd's ruling is unlikely to have a significant impact on the pension obligations of a typical employer. As the historic individual member data required to assess an impact is not readily available, the Partnership's actuary has not made any allowance for this within the pension liability calculation.
- Local Government Pension Scheme (LGPS) - McCloud judgement. An allowance for the estimated impact of the McCloud judgement was included within the 31 March 2020 valuation position. The impact was calculated based on the eligibility criteria of being included within the proposed solution for the McCloud judgement (i.e. any active member who was a participant in the Fund as at 1 April 2012 will be given the greater of the final salary pension or CARE pension upon retirement). The McCloud allowance is therefore included in the 31 March 2021 pension liability.
- The Goodwin case judgement, in respect of deemed discrimination in spousal transfer on death of a member, may also result in the potential increasing of the pension liabilities. Whilst there is still uncertainty surrounding the potential remedy to the Goodwin judgement, the Partnership's actuary has undertaken analysis to understand the potential impact of implementing a solution to correct the past underpayment of spouses' benefits. The approximate impact of this is very small for a typical Fund (c0.1-0.2% of obligations). The Partnership's actuary does not believe there are sufficient grounds to apply an additional adjustment to account for this.

The Walker and O'Brien court cases may impact on future LGPS benefits. The Partnership's actuary understands these are unlikely to be significant judgements in terms of impact on the pension obligations of a typical employer. As a result, and until further guidance is released from the relevant governing bodies in the LGPS, no allowance has been made for the potential remedies for these judgements.

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

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

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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 2021 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 all LGPS Funds, investment returns have been significantly greater than expected compared to last year's accounting date assumption. However, the discount rate net of inflation has fallen compared to last year's accounting date assumption which has served to significantly increase the value placed on the obligations and worsen the balance sheet position. This is due to the combination of a lower discount rate assumption and a significantly higher CPI assumption. For a typical employer, this could be of the order of 25% of obligations and are shown under 'Changes in financial assumptions'.

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, including approximate percentage changes and monetary values:

	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	12%	400
0.5% increase in the Salary Increase Rate	0%	12
0.5% increase in the Pension Increase Rate	11%	382

### 6. EVENTS AFTER THE BALANCE SHEET DATE

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The Unaudited Annual Accounts were authorised for issue on 11 June 2021. 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 2021, 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 2021 which would materially affect the 2020/21 Annual Accounts. Partnership employees worked remotely throughout 2020/21, in keeping with Government advice during the Covid-19 pandemic. Projects that depend on third party suppliers experienced some delays to the timescale for completion of committed work. It is likely however that the impact on the Partnership's Annual Accounts for 2020/21 will be non-adjusting. Short term impacts of the pandemic in 2020/21 included new, additional areas of work relating to temporary transport measures and planned recovery. Medium and longer-term consequences of Covid-19 may give rise to further changes in service provision which will be considered and reported to the Partnership during 2021/22. Further narrative to the pandemic and impact on the Partnership is referenced within the Management Commentary.



# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 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.

2020/21	Usable Reserves	Unusable Reserves			
	General Fund Balance	Capital Adjustment Account	Accumulated Absence Account	Pension Reserve	Movement in Unusable Reserve
	£'000	£'000	£'000	£'000	£'000
<b>Adjustments primarily involving the <u>Capital Adjustment Account</u></b>					
<b>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)</b>					
Charges for depreciation and impairment of non-current assets	119	(119)			(119)
<b>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement (CIES)</b>					
Contributions credited to the CIES that have been applied to capital financing	(113)	113			113
<b>Adjustments primarily involving the <u>Pensions Reserve</u></b>					
Reversal of items relating to retirement benefits debited or credited to the CIES	136			(136)	(136)
Employer's pension contributions and direct payments to pensioners payable in the year	(130)			130	130
<b>Adjustments primarily involving the <u>Accumulated Absence Account</u></b>					
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)
<b>Total Adjustments</b>	<b>16</b>	<b>(6)</b>	<b>(4)</b>	<b>(6)</b>	<b>(16)</b>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 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.

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
<b>Adjustments primarily involving the Capital Adjustment Account</b>					
<b>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)</b>					
Charges for depreciation and impairment of non-current assets	141	(141)			(141)
<b>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement (CIES)</b>					
Contributions credited to the CIES that have been applied to capital financing	(98)	98			98
<b>Adjustments primarily involving the Pensions Reserve</b>					
Reversal of items relating to retirement benefits debited or credited to the CIES	116			(116)	(116)
Employer's pension contributions and direct payments to pensioners payable in the year	(81)			81	81
<b>Adjustments primarily involving the Accumulated Absence Account</b>					
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)
<b>Total Adjustments</b>	<b>82</b>	<b>(43)</b>	<b>(4)</b>	<b>(35)</b>	<b>(82)</b>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 8. TRANSFERS TO/FROM EARMARKED RESERVES

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In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy. An earmarked balance of £105,000 has been established to meet slippage on project delivery from 2020/21 to 2021/22.

### 9. FINANCING AND INVESTMENT INCOME

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	2020/21 £'000	2019/20 £'000
Interest income on plan assets	(50)	(53)
Interest Received	0	(1)
Pensions interest cost	65	75
	<hr/>	<hr/>
	15	21
	<hr/>	<hr/>

### 10. TAXATION AND NON SPECIFIC GRANT INCOME

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	2020/21 £'000	2019/20 £'000
Government Grant	(782)	(782)
Constituent Council Requisitions	(190)	(190)
	<hr/>	<hr/>
	(972)	(972)
	<hr/>	<hr/>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 11. PROPERTY, PLANT AND EQUIPMENT

#### 11.1 Movements on balances:

<b>Movements in 2020/21</b>	<b>Vehicles Plant and Equipment £'000</b>	<b>Assets Under Construction £'000</b>	<b>Total Property Plant and Equipment £'000</b>
At 1st April 2020	791	70	861
Additions	0	113	113
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(4)	0	(4)
At 31st March 2021	787	183	970
<b>Accumulated Depreciation</b>			
At 1st April 2020	(552)	0	(552)
Depreciation charge	(119)	0	(119)
Depreciation written out to the Surplus/Deficit on the Provision of Services	4	0	4
At 31st March 2021	(667)	0	(667)
<b>Net Book Value</b>			
At 31st March 2021	120	183	303

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

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

#### 11.2 Movements on balances:

##### Comparative Movements in 2019/20

Cost or Valuation	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
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
<b>Accumulated Depreciation</b>			
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)
<b>Net Book Value</b>			
At 31st March 2020	239	70	309

#### 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

As at 31st March 2021, the Partnership has committed to purchase 12 laptops at a cost of £11,642.

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 12. FINANCIAL INSTRUMENTS

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#### 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 2021 £'000	31st March 2020 £'000
Trade creditors	633	539

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

	Current	
	31st March 2021 £'000	31st March 2020 £'000
Loans and receivables	618	758
Trade debtors	193	9

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811                      767

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 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 2021		31 March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£'000	£'000	£'000	£'000
Trade creditors	633	633	539	539

Financial Assets	31 March 2021		31 March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£'000	£'000	£'000	£'000
Loans and receivables	618	618	758	758
Trade debtors	193	193	9	9
	811	811	767	767

#### 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 2021	31st March 2020
	£'000	£'000
Total expense and income in Surplus or Deficit on the Provision of Services:		
Interest Income	0	1

### 13. DEBTORS

	31st March 2021	31st March 2020
	£'000	£'000
Debtors:		
Central government bodies	367	504
Other local authorities	61	7
HM Customs and Excise - VAT	43	29
Other entities and individuals	183	233
	654	773

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 14. PROVISION FOR BAD DEBTS

	31st March 2021 £'000	31st March 2020 £'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 2021 £'000	31st March 2020 £'000
Bank account	320	151
	320	151

### 16. CREDITORS

	31st March 2021 £'000	31st March 2020 £'000
Central government bodies	0	(25)
Other local authorities	(56)	(89)
Other entities and individuals	(634)	(608)
Employee costs	(14)	(23)
	(704)	(745)

### 17. USABLE RESERVES

	31st March 2021 £'000	31st March 2020 £'000
17.1 Unallocated General Fund Reserve	29	12
17.2 Earmarked Balance - Project Budget slippage	105	177
	134	189



# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 18. UNUSABLE RESERVES

	31st March 2021 £'000	31st March 2020 £'000
18.1 Capital Adjustment Account	303	309
18.2 Pension Reserve	(990)	(661)
18.3 Accumulated Absence Account	(14)	(10)
	<u>(701)</u>	<u>(362)</u>

#### 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.

	2020/21 £'000	2019/20 £'000
Balance at 1st April	309	352
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	(119)	(141)
• Charges for revaluation of non-current assets	0	0
Net written out amount of the cost of non-current assets consumed in year	<u>190</u>	<u>211</u>
Capital financing applied in the year:		
• Contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	<u>113</u>	<u>98</u>
Balance at 31st March	<u>303</u>	<u>309</u>

#### 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 18. UNUSABLE RESERVES *(continued)*

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#### 18.2 Pension Reserve *(continued)*

	2020/21 £'000	2019/20 £'000
Balance at 1st April	(661)	(867)
Remeasurements of the net defined benefit liability	(323)	241
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.	(136)	(116)
Employer's pension contributions and direct payments to pensioners payable in the year.	130	81
Balance at 31st March	<u>(990)</u>	<u>(661)</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.

	2020/21 £'000	2019/20 £'000
Balance at 1st April	(10)	(6)
Settlement or cancellation of accrual made at the end of the preceding year	10	6
Amounts accrued at the end of the current year	(14)	(10)
Balance at 31st March	<u>(14)</u>	<u>(10)</u>

### 19. MEMBERS EXPENSES

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

	2020/21 £'000	2019/20 £'000
Expenses	0	0
	<u>0</u>	<u>0</u>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 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:

	2020/21 £'000	2019/20 £'000
Fees payable in respect of:		
<ul style="list-style-type: none"> <li>external audit services carried out by the appointed auditor for the year</li> </ul>	10	11
	<u>10</u>	<u>11</u>

### 21. GRANT INCOME

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

	2020/21 £'000	2019/20 £'000
<b>Credited to Taxation and Non Specific Grant Income</b>		
Scottish Government - Revenue Grant	(782)	(782)
Constituent Council Requisitions (Note 22.3)	(190)	(190)
	<u>(972)</u>	<u>(972)</u>
<b>Credited to Services</b>		
EU Grant - Bling	(22)	(16)
EU Grant - Connect	(10)	0
EU Grant - Primaas	(28)	(11)
EU Grant - Regio Mob	(6)	(3)
EU Grant - Sharenorth	(13)	(12)
EU Grant - Surflogh	(10)	(30)
Contribution - City of Edinburgh Council	(2)	(2)
Contribution - Clackmannanshire Council	(6)	0
Contribution - East Lothian Council	(2)	(2)
Contribution - Fife Council	(2)	(2)
Contribution - Inclusion Scotland	(5)	0
Contribution - Scotrail	(4)	0
Contribution - Scottish Borders Council	(2)	(8)
Contribution - Scottish Enterprise	0	(125)
Contribution - Transport Scotland	(317)	(843)
Contribution - West Lothian Council	(40)	0
Contribution - HITRANS	(4)	(4)
Contribution - NESTRANS	(6)	(3)
Contribution - SPT	(9)	0
Contribution - SUSTRANS	(15)	(163)
Contribution - SWESTRANS	(3)	0
Contribution - TACTRAN	(6)	(3)
Contribution - ZETRANS	(1)	0
	<u>(513)</u>	<u>(1,227)</u>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 22. RELATED PARTIES

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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 2020-21 is shown in Note 19.

#### 22.3 Other Parties

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

	2020/21 £'000	2019/20 £'000
• Revenue Expenditure - Support Services		
City of Edinburgh Council - Financial Services/ Clerking	43	44
Falkirk Council - HR Services	0	0
	<hr/> 43	<hr/> 44
• Revenue Expenditure - Other		
City of Edinburgh Council	0	1
East Lothian Council	0	108
Edinburgh & Lothians Greenspace Trust	15	0
Midlothian Council	6	18
Newcastle City Council	0	14
NHS Lothian	0	22
Scottish Government	79	21
West Lothian Council	0	0
	<hr/> 100	<hr/> 184

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 22. RELATED PARTIES *(continued)*

#### 22.3 Other Parties *(continued)*

	2020/21 £'000	2019/20 £'000
• Revenue Income - Requisitions		
Clackmannanshire Council	(6)	(6)
East Lothian Council	(13)	(13)
City of Edinburgh Council	(61)	(61)
Falkirk Council	(19)	(19)
Fife Council	(44)	(44)
Midlothian Council	(11)	(11)
Scottish Borders Council	(14)	(14)
West Lothian Council	(22)	(22)
	<u>(190)</u>	<u>(190)</u>
• Revenue Income - Interest on Revenue Balances		
City of Edinburgh Council	0	(1)
	<u>0</u>	<u>(1)</u>
• Revenue Income - Other		
Constituent Councils	0	(40)
City of Edinburgh Council	(2)	(2)
Clackmannanshire Council	(6)	0
East Lothian Council	(2)	(2)
Fife Council	(2)	(2)
Scottish Borders Council	(2)	(8)
Scottish Enterprise	0	(125)
Transport Scotland	(317)	(843)
West Lothian Council	(40)	0
	<u>(371)</u>	<u>(1,022)</u>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 22. RELATED PARTIES *(continued)*

#### 22.3 Other Parties *(continued)*

The following represents amounts due to/(from) the Partnership at 31 March 2021, with its related parties.

<b>CREDITORS</b>	<b>2020/21</b>	<b>2019/20</b>
	<b>£'000</b>	<b>£'000</b>
• Creditors - Related Parties (Revenue Grants)		
Clackmannanshire Council	0	(80)
Edinburgh & Lothians Greenspace Trust	0	(35)
NHS Lothian	0	(58)
Scottish Enterprise	(150)	(25)
West Lothian Council	(56)	(8)
	<u>(206)</u>	<u>(206)</u>
• Creditors - Related Parties (Other)		
City of Edinburgh Council	0	(1)
Edinburgh & Lothians Greenspace Trust	(15)	0
Falkirk Council	0	0
	<u>(15)</u>	<u>(1)</u>
• Creditors - Other Parties	<u>(633)</u>	<u>(538)</u>
Total Creditors	<u>(854)</u>	<u>(745)</u>
<b>DEBTORS</b>		
• Debtors - Related Parties (Revenue Grants/ Other)		
Clackmannanshire Council	6	0
East Lothian Council	2	0
Fife Council	2	0
Scottish Borders Council	2	7
Scottish Enterprise	150	0
Transport Scotland	216	504
West Lothian Council	50	0
	<u>428</u>	<u>511</u>
• Debtors - Other Parties	<u>226</u>	<u>262</u>
Total Debtors	<u>654</u>	<u>773</u>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 23. LEASES

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#### 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.

The Partnership currently has a contract with Propel Finance 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.

The Partnership currently has 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. This contract expires in August 2022.

The Partnership's expenditure on lease payments during 2020/21 was £19,000 (2019/20 £18,000)

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

	2020/21 £'000	2019/20 £'000
• Not later than 1 year	18	18
• Over 1 year	0	1
	<hr/>	<hr/>
	18	19
	<hr/>	<hr/>

The Partnership has no other material operational leases.

### 24. DEFINED BENEFIT PENSION SCHEMES

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#### 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 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:

	2020/21 £000	2020/21 £000	2019/20 £000	2019/20 £000
<b>Comprehensive Income and Expenditure Statement</b>				
<i>Cost of services:</i>				
Service cost, comprising:				
Current service costs	121		109	
Past service costs	<u>0</u>		<u>(15)</u>	
		121		94
<i>Financing and investment income:</i>				
Net interest expense		<u>15</u>		<u>22</u>
<b>Total post employee benefit charged to the surplus on the provision of services</b>		136		116
<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	(308)		146	
Actuarial gains and (losses) arising on changes in financial assumptions	775		(369)	
Actuarial gains and (losses) arising on changes in demographic assumptions	(99)		0	
Other experience	<u>(45)</u>		<u>(18)</u>	
		<u>323</u>		<u>(241)</u>
<b>Total post-employment benefits charged to the Comprehensive Income / Expenditure Statement</b>		<u>459</u>		<u>(125)</u>
<b>Movement in Reserves Statement</b>				
Reversal of net charges made to the surplus on the provision of services for post-employment benefits in accordance with the Code.		<u>6</u>		<u>35</u>
<b>Actual amount charged against the General Fund Balance for pensions in the year:</b>				
Employer's contributions payable to the scheme		130		81
		<u>130</u>		<u>81</u>



# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 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:

	2020/21 £'000	2019/20 £'000
Fair value of employer assets	2,463	2,149
Present value of funded liabilities	(3,453)	(2,810)
Present value of unfunded liabilities	0	0
	<hr/>	<hr/>
Net liability arising from defined benefit obligation	(990)	(661)
	<hr/>	<hr/>

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

	2020/21 £'000	2019/20 £'000
Opening fair value of scheme assets	2,149	2,212
Interest income	50	53
Remeasurement gain / (loss):		
Other Experience	(129)	0
Return on plan assets, excluding the amount included in the net interest expense	308	(146)
Contributions from employer	130	81
Contributions from employees into the scheme	26	18
Benefits paid	(71)	(69)
Unfunded benefits paid	0	0
	<hr/>	<hr/>
Closing fair value of scheme assets	2,463	2,149
	<hr/>	<hr/>

#### Reconciliation of Present Value of the Scheme Liabilities

	2020/21 £'000	2019/20 £'000
Present value of funded liabilities	(2,810)	(3,079)
Present value of unfunded liabilities	0	0
	<hr/>	<hr/>
Opening balance at 1st April	(2,810)	(3,079)
Current service cost	(121)	(109)
Interest cost	(65)	(75)
Contributions from employees into the scheme	(26)	(18)
Remeasurement gain / (loss):		
Change in demographic assumptions	99	0
Change in financial assumptions	(775)	369
Other experience	174	18
Past service cost	0	15
Benefits paid	71	69
Unfunded benefits paid	0	0
	<hr/>	<hr/>
Closing balance at 31st March	(3,453)	(2,810)
	<hr/>	<hr/>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 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.

	2020/21		2019/20	
	£'000	%	£'000	%
Equity Securities:				
Consumer *	320	13	205	10
Manufacturing *	355	14	310	14
Energy and Utilities *	125	5	137	6
Financial Institutions *	151	6	140	7
Health and Care *	154	6	149	7
Information technology *	117	5	93	4
Other *	196	8	157	7
Sub-total Equity Securities	1,418		1,190	
Debt Securities:				
Corporate Bonds (investment grade) *	0	0	36	2
Corporate Bonds (investment grade)	84	3	79	4
UK Government *	198	8	132	6
Sub-total Debt Securities	282		247	
Private Equity:				
All	15		19	
Sub-total Private Equity	15	1	19	1
Real Estate:				
UK Property *	0	0	25	1
UK Property	128	5	116	5
Overseas Property	0	0	2	0
Sub-total Real Estate	128		143	
Investment Funds and Unit Trusts:				
Equities *	35	1	26	1
Bonds *	51	2	9	0
Bonds	0	0	0	0
Infrastructure	282	11	302	14
Sub-total Investment Funds and Unit Trusts	368		338	
Derivatives:				
Foreign Exchange *	0	0	4	0
Sub-total Derivatives	0		4	
Cash and Cash Equivalents				
All *	252	10	208	10
Sub-total Cash and Cash Equivalents	252		208	
Total Fair Value of Employer Assets	2,463		2,149	

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

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 24. DEFINED BENEFIT PENSION SCHEMES *(continued)*

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#### 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 2021 were those from the beginning of the year (i.e. 31 March 2020) 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 2020 to 31 March 2021 16.4%

	2020/21	2019/20
Mortality assumptions - longevity at 65 for current pensioners:		
• Males	20.5 years	21.7 years
• Females	23.3 years	24.3 years
Mortality assumptions - longevity at 65 for future pensioners:		
• Males	21.9 years	24.7 years
• Females	25.2 years	27.5 years
Pension increase rate	2.85%	1.90%
Salary increase rate (see below)	3.35%	3.50%
Discount rate	2.00%	2.30%

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 2021 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)

## NOTES TO THE ANNUAL ACCOUNTS

### 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 2022

	Assets £000	Obligations £000	Net (liability) / asset £000      % of pay	
Projected current service cost	0	(189)	(189)	(53.2%)
Past service cost including curtailments	0	0	0	0.0%
Effect of settlements	0	0	0	0.0%
Total Service Cost	<u>0</u>	<u>(189)</u>	<u>(189)</u>	<u>(53.2%)</u>
Interest income on plan assets	50	0	50	14.0%
Interest cost on defined benefit obligation	0	(70)	(70)	(19.7%)
Total Net Interest Cost	<u>50</u>	<u>(70)</u>	<u>(20)</u>	<u>(5.6%)</u>
Total included in Profit or Loss	<u>50</u>	<u>(259)</u>	<u>(209)</u>	<u>(58.9%)</u>

The Partnership's estimated contribution to Lothian Pension Fund for 2021/22 is £118,000.

### 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)

## NOTES TO THE ANNUAL ACCOUNTS

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

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#### **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 2021, the Partnership had financial assets of £81,000 subject to foreign exchange risk.

The foreign exchange loss or gain on these financial assets cannot be determined until 2021/22, 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.

# The South East of Scotland Transport Partnership (SESTRAN)

## INDEPENDENT AUDITOR'S REPORT

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### Independent auditor's report to the members of The South East of Scotland Transport Partnership and the Accounts Commission

#### Report on the audit of the financial statements

##### Opinion on financial statements

We certify that we have audited the financial statements in the annual accounts of The South East of Scotland Transport Partnership for the year ended 31 March 2021 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, Balance Sheet, Cash-Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the 2020/21 Code).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2020/21 Code of the state of affairs of the body as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2020/21 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

##### Basis of opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 31 May 2016. The period of total uninterrupted appointment is 5 years. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

##### Risks of material misstatement

We report in a separate Annual Audit Report, available from the Audit Scotland website, the most significant assessed risks of material misstatement that we identified and our judgements thereon.

##### Responsibilities of the Treasurer and Partnership for the financial statements

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

The Partnership is responsible for overseeing the financial reporting process.

# The South East of Scotland Transport Partnership (SESTRAN)

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Reporting on other requirements

#### Opinion prescribed by the Accounts Commission on the audited part of the Remuneration Report

We have audited the part of the Remuneration Report described as audited. In our opinion, the audited part of the Remuneration Report has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

#### Statutory other information

The Treasurer is responsible for the statutory other information in the annual accounts. The statutory other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited part of the Remuneration Report.

Our responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this statutory other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the statutory other information and we do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

# The South East of Scotland Transport Partnership (SESTRAN)

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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### Opinions prescribed by the Accounts Commission on Management Commentary and Annual Governance Statement

In our opinion, based on the work undertaken in the course of the audit

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

### Matters on which we are required to report by exception

We are required by the Accounts Commission to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

### Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in our Annual Audit Report.

### Use of our report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

### Karen Jones, for and on behalf of Azets Audit Services

Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL

**Date:** \_\_\_\_\_



## **Finance Officer's Report**

### **1. Introduction**

- 1.1 This report presents the first update on financial performance of the Core and Projects budgets of the Partnership for 2021/22, in accordance with the Financial Regulations of the Partnership. This report presents an analysis of financial performance to the end of August 2021.
- 1.2 The Partnership's Core and Projects budgets for 2021/22 were approved by the Partnership on 19th March 2021.

### **2. Core Budget**

- 2.1 The Core budget provides for the day-to-day running costs of the Partnership and includes employee costs, premises costs and supplies and services. The approved Core budget is £663,000. Details of the Core budget is provided in Appendix 1.
- 2.2 Cumulative expenditure for the five months to 31<sup>st</sup> August 2021 was £250,000. This is within the Core budget resources available for the period.
- 2.3 Estimates have been updated to reflect current expenditure commitments. At the end of August 2021, it is projected that expenditure for the year will be £45,000 less than budget, mainly due to increased staff recharges to the EU projects (£20,000) and underspends on staff salaries, staff travel, conference and training budgets.

### **Projects Budget**

- 2.4 The approved Projects budget is detailed in Appendix 2.
- 2.5 The Partnership carried forward an earmarked balance of £0.105m, reflecting expenditure slippage on projects in 2020/21.
- 2.6 Net expenditure to 31<sup>st</sup> August 2021 was £92,000.
- 2.7 Net expenditure on projects in 2021/22 is forecast to be £17,000 less than budget. This forecast is based on a full spend in 2021/22 of project slippage balances brought forward from 2020/21.
- 2.8 Expenditure on projects will be subject to ongoing review during 2021/22, with further updates reported to future meetings of the Partnership.

### **Cash Flow**

- 2.9 As previously noted at Partnership meetings, the Partnership maintains its bank account as part of the City of Edinburgh Council's group of bank

accounts. Cash balances are effectively lent to the Council and are 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.

An update of month-end balances is shown in the following table:

<b>Date</b>	<b>Balance due to SEStran(+ve) /due by SEStran (-ve)</b>
	<b>£</b>
30 April 2021	+198,470.25
31 May 2021	+270,664.43
30 June 2021	+365,517.43
31 July 2021	+381,345.29
31 August 2021	+399,171.63

- 2.10** Interest is charged/paid on the month end net indebtedness balances between the Council and the Partnership. Interest will be calculated in March 2022.
- 2.11** The positive cash flow is attributable to funding received from Scottish Government grant and Council requisitions.

### **Reserves**

- 2.12** The Board's Reserves Policy recommends establishment of an unallocated General Fund Reserve of £29,000, based on 5% of the Partnership's core revenue budget.
- 2.13** The unallocated General Fund Reserve of £29,000 was established as at 31<sup>st</sup> March 2021, following confirmation of the 2020/21 outturn.
- 2.14** The Reserves Policy recommends that where slippage occurs on approved revenue projects, the balance of slippage is retained as an earmarked balance. £105,000 of project slippage has been carried forward from 2020/21, to reflect the Policy.

### **3 Recommendations**

It is recommended that the Partnership notes:

- 3.1** the forecast underspend on the Core revenue budget of £45,000;
- 3.2** the forecast underspend on the Projects revenue budget of £17,000;
- 3.3** A further update on 2021/22 financial performance will be presented to the next meeting of the Partnership.

**Hugh Dunn**  
Treasurer  
17<sup>th</sup> September 2021

**Appendix**      Appendix 1 – Core Budget Statement at 31st August 2021  
Appendix 2 – Projects Budget as at 31<sup>st</sup> August 2021

**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.

Core Budget 2021/22 – as at 31st August 2021

Appendix 1

	Annual Budget £'000	Period Budget £'000	Period Actual £'000	Annual Forecast £'000	Forecast Variance £'000
<b>Employee Costs</b>					
Salaries	401	167	160	397	(4)
National Insurance	45	19	17	44	(1)
Pension Fund	129	54	52	130	1
Recharges – Projects	(119)	(41)	(58)	(139)	(20)
Training & Conferences	10	4	0	1	(9)
Interviews & Advertising	2	1	0	0	(2)
	<b>468</b>	<b>204</b>	<b>171</b>	<b>433</b>	<b>(35)</b>
<b>Premises Costs</b>					
Office Accommodation	17	9	9	17	0
<b>Transport</b>					
Staff Travel	8	3	0	1	(7)
<b>Supplies and Services</b>					
Communications & Computing	48	20	24	48	0
Hosted Service - Novus FX	44	44	46	46	2
Printing, Stationery & General Office Supplies	7	3	0	5	(2)
Insurance	6	0	0	6	0
Equipment, Furniture & Materials	1	0	0	1	0
Miscellaneous Expenses	3	1	0	1	(2)
	<b>109</b>	<b>68</b>	<b>70</b>	<b>107</b>	<b>(2)</b>
<b>Support Services</b>					
Finance	30	0	0	30	0
Legal Services / HR	7	0	0	7	0
	<b>37</b>	<b>0</b>	<b>0</b>	<b>37</b>	<b>0</b>
<b>Corporate &amp; Democratic</b>					
Clerks Fees	12	0	0	12	0
External Audit Fees	11	0	0	11	0
Members Allowances and Expenses	1	0	0	0	(1)
	<b>24</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>(1)</b>
<b>Total Expenditure</b>	<b>663</b>	<b>284</b>	<b>250</b>	<b>618</b>	<b>(45)</b>
<b>Funding:</b>					
Scottish Government Grant	(473)	(249)	(249)	(473)	0
Council Requisitions	(190)	(190)	(177)	(190)	0
<b>Total Funding</b>	<b>(663)</b>	<b>(439)</b>	<b>(426)</b>	<b>(663)</b>	<b>0</b>
<b>Net Expenditure/ (Income)</b>	<b>0</b>	<b>(155)</b>	<b>(176)</b>	<b>(45)</b>	<b>(45)</b>

Projects Budget 2021/22 - as at 31<sup>st</sup> August 2021

Appendix 2

	Approved Budget	Balance from 20/21	EU /Other Grant	Net Expenditure Budget	Period Actual	Annual Forecast	Forecast Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>EU Projects</b>							
Share-north	0	20	0	20	22	10	(10)
Surflogh	50	(14)	(25)	11	75	40	29
Bling	26	(1)	(13)	12	15	12	0
Primaas	60	2	(51)	11	32	4	(7)
Connect	34	4	(17)	21	20	17	(4)
<b>Total EU Projects</b>	<b>170</b>	<b>11</b>	<b>(106)</b>	<b>75</b>	<b>164</b>	<b>83</b>	<b>8</b>
RTPI	23		(15)	8	11	8	0
Active Travel Fund	200		(200)	0	(44)	2	2
Leith Docks and Newburgh (LRDF)	55		(55)	0	2	0	0
Regional Transport Strategy	80	76	0	156	35	123	(33)
Sustainable Travel	69		0	69	1	24	(45)
GO e-Bike	20	18	0	38	51	20	(18)
Urban Cycle Networks	134		(100)	34	(20)	92	58
Projects Consultancy Support	25		0	25	15	38	13
Equalities Action Forum	3		0	3	0	3	0
Thistle Assistance	30		(24)	6	(123)	4	(2)
<b>Total</b>	<b>809</b>	<b>105</b>	<b>(500)</b>	<b>414</b>	<b>92</b>	<b>397</b>	<b>(17)</b>

## DRAFT ANNUAL REPORT 2020/21

### 1. INTRODUCTION

1.1 The purpose of this report is to present to the Partnership Board the draft Annual Report for 2020/21, to invite comment from the Board and to seek authority for the Partnership Director to finalise and publish the Report.

### 2. ANNUAL REPORT

2.1 The Annual Report provides an overview of SEStran’s project portfolio. It highlights the contributions that SEStran has made to the region over the last year, in line with the agreed objectives of the Regional Transport Strategy (RTS) and SEStran’s annual Business Plan.

2.2 The draft attached at **Appendix 1** was approved by the Performance & Audit Committee at its meeting on 10th September 2021.

2.3 The Annual Report will be published online. It can be made available in alternative formats on request.

### 3. RECOMMENDATION

3.1 The Board is asked to comment on the contents of the draft document and, subject to any agreed amendments, authorise the Partnership Director to finalise and publish the Annual Report 2020/21.

Keith Fiskien  
**Programmes Manager**  
24<sup>th</sup> September 2021

#### Appendix 1 – Draft Annual Report 2020/21

Policy Implications	None.
Financial Implications	Design costs can be met from within existing budget.
Equalities Implications	Details of SEStran’s Equality Mainstreaming work are contained within the Annual Report.
Climate Change Implications	The Annual Report highlights our Climate Change reporting publications and work on reducing the environmental impact of transport in the South East of Scotland.



# 2020-21 Annual Report.

DRAFT

# Contents

1. Foreword (Chair)
2. Who we are
3. What we do
4. Appendix: Annual Accounts and Reports
5. Contact Information

*(Note page numbers to be confirmed pending final publication formatting)*



# Foreword (DRAFT)

Cllr Gordon Edgar, Partnership Chair

September 2021 DRAFT

As Chair of SEStran, it gives me great pleasure to present SEStran's annual report for 2020/21.

I could not reflect on the past year without mentioning the impact of Covid-19. Changes to the wider landscape for transport have been extensive, as government at all levels responded to the unfolding impacts of Covid 19. SEStran has played a key role in the region during this period, increasing our work alongside local, regional, and national partners to support the development of appropriate responses to the changes facing the transport sector.

SEStran's staff team had already moved seamlessly to remote working before the year commenced and remained working from home throughout the year. The progress outlined in this year's annual report is therefore a testimony to the adaptability of the team, and I would like to thank each individual for their considerable efforts.

I would also like to express my thanks to the Partnership's Board members for their ongoing commitment to SEStran. Whilst there is no doubt that holding all our Partnership meetings online has meant that our members can attend formal meetings more often, their additional input and engagement has been significant in a year like no others before it.

In November 2020, work on the new statutory Regional Transport Strategy (RTS) commenced. As the framework for local and regional plans relating to transport, the RTS must be clear in its ambition to support people (and goods) to move sustainably. In the first months of 2021, consultation and engagement activities helped create a strong foundation for the Strategy. Alongside a clear ambition, the RTS policies need to reflect a region with very diverse transport needs.

During the year, the partnership progressed all core areas of work. In the area of active travel, the development of the Do the Ride Thing campaign, in depth behavioural surveying, cargo bike training and development of the strategic network for active travel routes supported our partners in efforts to increase availability of active travel choices.

Our work to promote transport equality and accessibility focussed on expanding uptake of the Thistle Assistance scheme card and app during the pandemic, was supported through our internship, offered in partnership with Inclusion Scotland. New workstreams exploring the possibilities for bringing Mobility as a Service and Demand Responsive Transport to the region got under way, as well as new areas of work with partners to develop proposals for permanent bus priority measures.

Work on SEStran projects that help contribute to the 2045 national Net Zero target continued during the year, with planning for the expansion of Surflogh and the extension of work on the

SEStran Strategic Network. At the same time, through international projects and a strategic study we explored future sustainable freight options for this region.

I hope you will enjoy reading about the organisation's work in more detail in the coming pages. The report illustrates SEStran's distinct contribution within Scotland's transport 'ecosystem', coordinating action at a regional level through its Regional Transport Strategy and partnership work.

Councillor Gordon Edgar

Chair, SEStran

*(Insert photo signature and twitter)*

## Who we are

SEStran is the South East of Scotland Transport Partnership. We are one of seven statutory Regional Transport Partnerships in Scotland established under the Transport (Scotland) Act 2005. SEStran encompasses eight local authorities.

### SEStran's Vision

"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."

*(Insert Transport Image)*

### Our Objectives

SEStran participates in a diverse range of transport projects and events on a local, national and international scale. All our work is focused on delivering against our core strategic objective areas:

1. Economy – to ensure transport facilitates economic growth, regional prosperity and vitality in a sustainable manner
2. Accessibility – to improve accessibility for those with limited transport choice (including those with mobility difficulties) or no access to a car, particularly those living in rural areas
3. Environment – to ensure that development is achieved in an environmentally sustainable manner
4. Safety and Health – to promote a healthier and more active SEStran area population
5. Corporate – to continually improve performance to achieve greater efficiency and effectiveness in SEStran service delivery.

We have highlighted the relationship between our work and our strategic objectives with an icon, a number in a circle relating to each of our objectives and the key priorities represented by each of the following icons:

### SEStran Team

SEStran has a staff of 10, and 1 Cycling Scotland embedded officer, as of April 2020:

- Partnership Director, Jim Grieve
- Senior Partnership Manager, Anna Herriman
- Programmes Manager, Keith Fiskin
- Strategy and Projects Officer, Jim Stewart
- Project Officer, Julie Vinders
- Active Travel Officer, Peter Jackson
- Business Manager, Angela Chambers
- Business Support Assistant, Cheryl Fergie
- Business Support Officer, Hannah Markley
- Cycling Scotland Officer, Beth Harley-Jepson
- Marketing Intern, Rhianne Forrest

## Local Authority Partners

City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.

*(Insert Map of Scotland with SEStran Region.)*

## Headquarters

SEStran's operational and administrative premises are based in Edinburgh at Victoria Quay.

## Governance

### Decision Making Structure

SEStran's main policy and budgetary decisions are taken by the Partnership Board, which consists of 20 Councillor and nine Non-Councillor members. Operational decisions are taken by the Partnership Director and other officers in accordance with the List of Officer Powers which forms part of SEStran's [Governance Scheme](#). The Scheme is reviewed regularly and was last updated in March 2021.

The Partnership Board delegates some decisions to Committees in accordance with the Governance Scheme. The Performance and Audit Committee remit covers scrutiny of performance, staffing, standards and audit. It comprises a Councillor member from each constituent authority, and two Non-Councillor members. It is currently chaired by Councillor Russell Imrie.

The Succession Planning Committee remit covers matters related to succession planning and Board appointments. Its membership consists of the Partnership Chair, two Board members, the Partnership Director, the Partnership Secretary and a Human Resources adviser.

## Partnership Board

The board consists of 20 elected members from the partnership local authorities and nine appointed non-councillor members. The Partnership Board meet quarterly.

*Partnership Board – Insert Names and Images as of August 2020*

**Non-Councillor Members – Insert names**

### Equalities Duty

SEStran is a listed public body under the Equality Act 2010 and the Equality Act 2012 (Scotland) Specific Duties Regulations, and as such have a duty to publish a biennial Equalities Mainstreaming Report and a set of Equality Outcomes to enable the organisation to better perform the equality duty.

SEStran last published a set of Equality Outcomes 2017-2021<sup>1</sup> in April 2017 and published a biennial progress report in April 2019. The next report will cover the period 2021-2025, with a mid-term report due in April 2023.

The draft outcomes went out to consultation in February 2021. Analysis of the data indicated broad support and agreement for all the outcomes. Key comments included that SEStran statutory meetings should remain being hosted remotely, to remove barriers facing disabled people travelling to physical meetings.

The final report and new Equalities Outcomes were published in April 2021.

### Cyber Security

In order to comply with the Scottish Government's Public Sector Cyber Security Action Plan, SEStran carried out a robust review of its IT provision. Under the scheme, an independent cyber security consultant was appointed in 2018 and audited the partnership's IT environment. The outcome of this audit was SEStran being awarded Cyber Essentials Plus accreditation. SEStran were re-audited in 2020 and retained the award.

## What we do

### SEStran Regional Transport Strategy

SEStran's core statutory function is to maintain a Regional Transport Strategy (RTS). In June 2019, the Partnership Board agreed an outline approach to develop a new RTS, in recognition of emerging changes to national policy, strategy and legislation affecting transport, climate and regional planning. The new RTS will provide a framework for transport solutions in the region that meet new challenges. The RTS will be closely aligned to the priorities of Scotland's Second National Transport Strategy (NTS2) which was published in February 2020. As part of NTS2, a Roles and Responsibilities Working Group, including two Regional Transport Partnership representatives, has been set up to review transport governance arrangements.

### *Developing a new Regional Transport Strategy - SEStran 2035*

The work undertaken by Jacobs to produce a Main Issues Report concluded in May 2020. And forms the basis of the ongoing work to develop the new RTS. Following preparation of a brief

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<sup>1</sup> [https://www.sestran.gov.uk/wp-content/uploads/2017/04/2017\\_04\\_27\\_Equality\\_Outcomes.pdf](https://www.sestran.gov.uk/wp-content/uploads/2017/04/2017_04_27_Equality_Outcomes.pdf)

and a competitive tendering process Stantec UK Ltd were appointed in January 2021 to start work on the development of the RTS.

The development of the new RTS follows Scottish Transport Appraisal Guidance (STAG) stages. By the end of March 2021, a consultation strategy was prepared and an engagement and consultation programme took place. Work to develop the RTS Case for Change also commenced and continued beyond March 2021. This involved engagement with local authorities and a wide range of partners through a series of meetings, interviews and briefing notes. A public consultation also took place with approximately 1000 responses received.

The Strategic Environmental Assessment scoping report is a statutory requirement to support development of the RTS and was published in March 2021 along with the Equalities Duties Assessment Framing note, part of the process of undertaking an Equalities Impact Assessment (EqIA) to fulfil the requirements of relevant 'equalities duties' prescribed through statutory provisions.

Work will be ongoing throughout the remainder of 2021 to develop the draft RTS and publish it for consultation later in 2021.

*(Insert Partnership working Image)*

### *The Regional Transport Strategy – regional monitoring*

SEStran's current Regional Transport Strategy (RTS), which was refreshed in August 2015, currently runs until 2025. The RTS vision, objectives and policy framework were established when the RTS was first written, in 2007. In recent years, SEStran has identified a need to review the monitoring framework for the RTS.

The review of monitoring data during the development of the Main Issues Report revealed that there are some issues in the current RTS which have not improved, whilst highlighting a number of new and emerging challenges which need to be addressed at a regional level:

- Traffic growth has continued year on year since 2010, (11% increase to 2018)
- Carbon emissions from transport have been rising since 2013, reaching 98% of 2005 levels by 2019.
- Bus patronage is declining across the region (apart from a few areas),
- A lack of appropriate, affordable transport and road network congestion means that the accessibility of a full range of opportunities for education, employment, healthcare and other needs impacts on some of the region's people.

Transport and travel demand patterns have been severely impacted by the COVID-19 pandemic and therefore the ability to make meaningful regional monitoring comparisons has been compromised, Rail and bus use are considerably lower than before and car travel is already close to pre pandemic levels even with substantial home working.

*(Insert Kelpies Image)*

## Formal Partnership Meetings and Forums *insert icons*

The **Partnership Board** meets quarterly and did so, with four meetings during the reporting period. At its meetings, in addition to dealing with standard business, the Board considers relevant topics, with an in-depth presentation and discussion. Topics in this period included the new Regional Transport Strategy, rail schedules and improvement updates from ScotRail and the national rollout of the Thistle Assistance programme. These topics generated considerable insight which was shared in SEStran forum groups.

SEStran's quarterly **Performance and Audit Committee** and **Chief Officers' Liaison Group** meetings are held prior to each Partnership Board meeting and help shape the business of the Board.

The **Succession Planning Committee** meets biennially. The last meeting took place in November 2019, where the Committee approved a revised version of the Board Diversity Succession Plan.

SEStran hosts three forums which are all held twice a year. The aim of these forums is to facilitate policy and technical discussions within a South East of Scotland context and provide a platform for greater stakeholder engagement across the region.

***Integrated Mobility Forum:*** aims to develop a better understanding of the opportunities to improve implementation and understanding of integrated mobility in the region. The primary focus is to facilitate discussions between stakeholders to make progress in reducing the number of single occupancy car journeys, maximise the use of public transport and maximise active travel opportunities.

***Logistics and Freight Forum:*** aims to support economic growth and resilience across the region by developing, promoting and implementing sustainable business and distribution solutions. The forum supports constructive partnership between local authorities, government agencies, business and representative groups. The forum aims to provide a unified, regional voice in working with organisations such as Transport Scotland, Network Rail and ports authorities.

***Equalities and Access to Healthcare Forum:*** aims to deliver our Equality Outcomes and legislative requirement to consult Health Boards and those who represent those with or who share a protected characteristic. The forum covers how equality issues should be considered and "built in" to future transport strategy development.

More information on SEStran's decision-making structures is provided at Governance, below.  
*(Include link /page number)*

*(source and insert image)*

## Public Transport Support

SEStran operates a wide range of programmes and projects to support and bolster the provision of public transport in the region, set out here. In addition, SEStran maintains regular contact with rail and bus operators to discuss matters relevant to the provision of public transport in the region. This includes raising any relevant mobility issues for people and communities in the region with rail and bus companies.

Key during this year has been SEStran's involvement in regional bids to the **Bus Partnership Fund**, set up by Transport Scotland to enable infrastructure-based solutions to bus delays caused by congestion and related issues. This links to the provisions of the Transport (Scotland) Act 2019 allowing for the creation of Bus Service Improvement Partnerships (BSIPs).

As of March 2021, SEStran was actively engaged in the development of bids to the Fund from three fledgling BSIPs: an Edinburgh-based regional corridors bid; Forth Valley Bus Alliance; and Fife Bus Partnership.

Since June 2020, SEStran has been involved in the **South East Scotland Transport Transition Group** that was established to jointly plan for the management of transport related measures during and following Covid-19 related restrictions. The work of the Group, made up of local, regional and national partners, is now moving out of transition phase.

Temporary bus priority measures were implemented across the SEStran local authorities, with funding from Transport Scotland's Bus Priority Rapid Deployment Fund and monitoring and evaluation of those in place is ongoing.

SEStran additionally led on a range of region-wide interventions including trialling public transport capacity information, exploring the feasibility of improved public transport through an expanded Demand Responsive Transport approach with partners and operators (building on the strategic study published by SEStran in Spring 2020), and Thistle Assistance mask exemption.

## Thistle Assistance Programme insert icons

Thistle Assistance Programme is at the forefront of providing 'good assistance' to people with disabilities, by recognising and supporting their needs and ensuring transport staff understand their needs. SEStran leads and manages Thistle Assistance on behalf of Scotland's seven RTPs and welcomes the acknowledgement of Thistle Assistance in Transport Scotland's 'Going Further: Scotland's Accessible Travel Framework'<sup>2</sup>.

In 2020/21 SEStran worked closely with transport providers, members of our communities with mobility challenges and disabilities and SEStran Equalities and Access to Healthcare Forum members, to better understand the problems and concerns faced by many when using public transport. This has helped shape the way Thistle Assistance Programme has developed and expanded further.

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<sup>2</sup> <https://www.transport.gov.scot/publication/going-further-scotland-s-accessible-travel-framework/>



SEStran continues working with ScotRail, Lothian Buses/Trams, Stagecoach, First East Buses Transport Scotland, Traveline Scotland, Confederation of Passenger Transport, Bus Users Scotland and others to explore how the new Thistle Assistance approach can be integrated into their existing processes to improve awareness of the issues faced by customers, how to spot them and how to engage and help. SEStran continues work collaboratively to support the roll-out of Thistle Assistance throughout Scotland by increasing awareness of the programme and providing training tools for transport providers.

To help respond to the COVID-19 pandemic in March 2020 the SEStran Board agreed to fund development of a facemask exemption adaption for the card and app. The aim is to help those that are exempt from wearing a face covering, communicate in an easy and safe way letting the transport staff know

SEStran has also been working in partnership with Inclusion Scotland to provide an internship to work on the Thistle Assistance program with a particular focus on marketing and social media to help promote the programme and increase awareness.

### *Thistle Assistance Journey Planning and Wayfinding*

Our research has highlighted that there is a need to improve the door to door journey for people with mobility challenges allowing them to access the public transport network more easily and with confidence – combining journey planning, wayfinding, and disability awareness into one easy to use and versatile platform. The platform would deliver in two key areas which respond to passengers needs as identified by the Campaign for Better Transport<sup>3</sup>.

SEStran was successful with a £150,000 bid to Scottish Enterprise in February 2021 which secured funding for the development and testing for a fully developed working prototype Thistle Assistance Journey Planner App, which will be tested in the public realm. For Phase 2 we propose further exploration of the journey customisation features, both at the lower level of local personal navigation and at the higher macro level of providing better navigation transit systems such as train/bus stations). Additionally, Phase 2 must explore how the demonstrated prototype can be integrated with existing services such as Traveline Scotland.

This current award and development work builds on previous Phase 1, which commenced in 2018, when SEStran made a successful application to the Scottish Enterprise 'Can Do' Innovation fund for £150,000 to run Phase One of a project to develop a fully accessible journey planning and wayfinding mobile solution for people with a wide range of mobility challenges. A competition was run, and five software developers were commissioned to research and produce proof of concepts for a Thistle Assistance Journey Planner, this work was completed in December 2019.

Further work will be done throughout 2021 with the project due to be completed in June 2022.

<https://www.thistleassistance.com/>

*(Insert image and logo)*

**Real Time Passenger Information (RTPI)** *insert icons*

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<sup>3</sup> Transport Research Laboratory (2011) – Door to Door Journeys [www.bettertransport.org.uk/files/door-to-door-journeys-full-report.pdf](http://www.bettertransport.org.uk/files/door-to-door-journeys-full-report.pdf)



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

The new CMS will provide an improved interface and back office management system provided by the successful contractor *21<sup>st</sup> Century*. The new RTPI system will include additional regional bus operator's data delivering greater regional coverage. SEStran also received funding from Transport Scotland to update the hardware for the system.

Despite the project timelines being impacted by the COVID-19 pandemic SEStran and local authority partners have continued to upgrade the regional system this year and this work will continue over the next 12 months.

*(Insert RTPI Images)*

## **Tripshare** *insert icons*

During 2020-21, in accordance with public health guidelines issued by the Scottish Government, SEStran and partners ceased to actively promote car-sharing, instead embarking upon conversations with other RTPs on what a longer-term approach to promotion of car and lift sharing might look like, subject to public health guidelines.

*(Insert Tripshare logo and car share image)*

## **SEStran Strategic Network Review – Cross Boundary Active Travel Routes, connecting people and places.**

April 2020 saw the completion of the SEStran Strategic Network Review, a framework for coordinated development of cross boundary active travel routes connecting cities, towns, neighbourhoods, settlements, and public transport hubs in the SEStran region.

In support of other national active travel initiatives SEStran utilised funding from Transport Scotland to continue a high level of engagement with partners and explore the opportunities to develop routes identified in the Strategic Network. A pipeline of next projects was developed for progression into the following financial year with support from partners.

In recognition of the significance of the SEStran Strategic Network's potential to create a large positive impact on the region it was submitted as a potential option for the Strategic Transport Projects Review 2. The project was taken to the next phase of sifting in the South East of Scotland Region.

## **Active Travel Projects 2020/21** *insert icons*

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. Additionally, Transport Scotland funding to the Regional Transport Partnerships Scotland has facilitated projects promoting sustainable cross boundary travel.

Several feasibility studies in West Lothian were impacted by COVID19 with much of the work delayed until early 2021. Engagement with communities has had a positive response with some additional work requested to advance to further stages and construction support from Sustrans.

Supporting Edinburgh Lothians Greenspace Trust, SEStran funded a feasibility study investigating the upgrade of a pathway alongside the Almond River. The route had several accessibility issues, and the study aimed to review changes to the landscape since a prior report in 2011. The project highlighted some excellent options to connect settlements at Kirkliston to a direct cycle route into the City Centre. A final report is due for publication in July 2021.

A longitudinal research project was commenced in September 2020, looking to understand drivers behind changes in travel behaviour over a period of two years. Using both quantitative and qualitative research, insights are being gathered from across the region. While COVID19 has influenced the level of travel undertaken the initial results have revealed some interesting trends. The research will continue through 2021 with a final report produced in March 2022.

SEStran presented at the Scottish Transport Awards and Research conference in December 2020 on a project from 2019. TravelVU captured data and preferred behaviours from a sample of users in Edinburgh in March and April 2019. The project illustrated the need for holistic thinking for planning around transport, education, health, and leisure though further research is required throughout the region. The paper and presentation were awarded 'Best Paper by a Young Professional' by the conference board.

*(Insert active travel image)*

## GO e-Bike *insert icons*

GO e-Bike is a regional e-bike share programme with a growing number of locations across the South East of Scotland. Launched in April 2017 with the aim of increasing usage and awareness of power-assisted cycling across the region and beyond, the programme now supports community outreach charities, sustainability organisations, tourism and hospitality outlets, healthcare practitioners, and academic institutions.

During 2020 development continued on the installation and setup of a public hire scheme with 4 stations across Midlothian and East Lothian, namely Eskbank, Jarnac Court, Musselburgh Train Station, and The Brunton Theatre. Final construction was completed in March 2021 with an anticipated system launch in April 2021.

Alongside these developments a behaviour change project was developed 'Do The Ride Thing'. The project initially was focussed on highlighting the use of e-bikes but during 2020 shifted to support messaging of sharing our outdoor spaces with all users. Creative content has been designed and will lead to a media campaign in 2021.

*(Insert GO e-Bike logo/ERDF/TS Logos)*

## Working in Partnership with Cycling Scotland

SEStran's Regional Cycle Training and Development Officer (RCTDO) continued to support Bikeability Scotland Local Authority Co-ordinators. The results from the last academic year had shown an increase

in schools delivering cycle training and more pupils than ever taking part. Unfortunately, closure of schools and continuing restrictions because of the Covid-19 pandemic meant that the ability to deliver to schools was restricted in most areas for all or part of the year. Despite these challenges, many areas have managed to achieve levels of delivery close to pre-pandemic levels.

Training opportunities for adults were supported over the year, adjustments were made to courses to meet new and changing guidelines because of the Covid-19 pandemic. This included a new offer, Essential Cycling Skills for families. Free sessions were made available to the public over school holidays, which proved extremely popular. Cargo Bike Training was also developed as a new offer and was successfully piloted in the region. Adult cycle training was also impacted by Covid-19 related restrictions, as it was not possible to run group sessions for some of this period.

*(Insert Cycling Scotland logo)*

## Regional Rail Liaison Meeting *insert icons*

SEStran along with Transport Scotland, Network Rail, ScotRail and other rail operators continued to engage via the quarterly South East of Scotland Regional Rail liaison meeting. The meetings centred on the key rail issues within the SEStran region and are an opportunity to share information with key stakeholders to better understand problems, identify challenges and opportunities, and improve the delivery of rail services across the South East of Scotland.

## East Coast Mainline Authorities (ECMA) *insert icons*

The Consortium of East Coast Main Line Authorities (ECMA) works to secure investment, improve the passenger experience, improve capacity and reliability, and shorten journey times on the East Coast Main Line.

ECMA is a cross-party group of Councils, Combined Authorities and Scottish Regional Transport Partnerships throughout the area served by the East Coast Main Line. Each has a responsibility for enabling economic growth in their own sections of the line – the backbone of the UK economy. The Consortium allows members to speak with a single voice.

The East Coast Main Line is one of the UK's most strategic rail routes. Stretching more than 500 miles, from Inverness and Aberdeen, through key stops at Edinburgh, Newcastle and York to London. A third of the UK population lives within 20 minutes of an East Coast Main Line station and together they deliver 41% of the UK's GDP.

Both SEStran's Chair and Partnership Director continue to represent the Regional Transport Partnerships (Tactran, Nestrans & Hitrans) with an interest in the east coast mainline as ECMA Vice Chair and Officer Group representative, respectively. Over the year, based on data from studies funded by the Consortium, the organisation has made a number of approaches to both governments to encourage increased investment in the line.

*(Insert ECMA logo and rail image)*

## The GO SEStran Forth Freight Strategy

As part of the Programme for Government Transport Scotland launched the Local Rail Development Fund (LRDF), with £2,000,000 made available to fund projects that will enhance Scotland's rail connectivity. The LRDF aligns with Scottish Government's Rail Enhancement and Capital Investment Strategy.

The GO SEStran Forth Freight Strategy has been funded by Transport Scotland through the Local Rail Development Fund. The SEStran region is of significant economic value to the Scottish economy and is a major generator of freight movements.

This study looks to investigate existing freight movements, the barriers faced by multimodal freight terminals when trying to target and encourage customers to make the switch and evaluate the potential environmental benefits and commercial viability of sustainable freight/goods movements. It also acknowledges the key role that road freight plays and how it supports other modes such as rail freight. Therefore, interventions to support a more efficient road freight sector will also be explored.

This study has been delivered on behalf of SEStran and Forth Ports by consultants AECOM Ltd supported by Napier University and sets out the Initial Appraisal Case for Change.

Using Scottish Transport Appraisal Guidance (STAG) principles, the aim of the study is to explore the development of sustainable multimodal freight gateways and potential for freight consolidation centres at key locations to maximise the sustainable movement of freight over regional, national and local movements.

The Transport Planning Objectives (TPOs) developed for this study focussed on reflecting the identified problems and opportunities, link significantly with the key themes and express the outcomes sought for the study. They are as follows:

- TPO1: Increase the proportion of freight transported by sustainable modes, whilst stimulating economic growth
- TPO2: Reduce the adverse impacts of freight movements on public health and the natural and built environment
- TPO3: Maintain and enhance a safe, resilient, reliable, and sustainable transport network to aid delivery of consistent conditions for freight operators on the transport network
- TPO4: Enhance the freight sector's ability to facilitate economic growth in the region

The completed Case for Change was submitted to Transport Scotland for review in December 2020.

## Newburgh Transport Appraisal

In June 2018 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.

SYSTRA Limited (SYSTRA) has been commissioned to undertake a transport appraisal of Newburgh with a particular focus on improving movements to Perth, Edinburgh and Fife by sustainable modes.

The work is being undertaken in accordance with the Scottish Transport Appraisal Guidance (STAG) and builds on the Newburgh and Area North Fife STAG Pre-appraisal Transport Study, carried out by the NTSG in 2018.

This report presents the findings of the Preliminary Options Appraisal stage of the Newburgh Transport Appraisal. It follows the Pre-Appraisal (Initial Appraisal: Case for Change) stage which was completed and approved in Spring 2020.

The Pre-Appraisal (Initial Appraisal: Case for Change) submitted in March 2020 collated relevant socio-demographic and transport information for the study area, identified the key transport related problems, opportunities, issues and constraints for Newburgh, set out three Transport Planning Objectives (TPOs) for the study, and recommended six potential options that could help address the identified problems and opportunities. The work was informed by an extensive stakeholder and public consultation. The Transport Planning Objectives (TPOs) identified were as follows:

- TPO1 – Improve transport access to key services and markets (including employment, training, education, health and leisure opportunities) for Newburgh residents;
- TPO2 – Improve public transport connectivity and journey times to and from Newburgh for residents, businesses and visitors;
- TPO3 – Increase sustainable travel to and from Newburgh.

The second stage, the Preliminary Options Appraisal, qualitatively assessed the identified six options against the TPOs, five STAG criteria, Established Policy Directives and factors concerning feasibility, affordability, and public acceptability, to ensure they are likely to fulfil the study's requirements. The work was informed by another round of stakeholder consultation, which resulted in some 233 responses received from residents, businesses, a campaign group, transport providers and operators: as well as Newburgh visitors.

The report was submitted to Transport Scotland in November 2020 and was approved in March 2021. Work will progress over the next 12 months on the Detailed Options Appraisal with a final report due in March 2022.

<https://newburghsustainabletransport.co.uk/>

## Levenmouth Rail Link

SEStran has supported the Levenmouth Reconnected project, which guides the development of the new Levenmouth rail link and associated bus and active travel transport linkages. The Levenmouth rail extension, involving a new stop and station at Cameron Bridge as well as the new station at Leven, is due to be operational in 2023. SEStran's involvement in the project has been consistent since the initial Sustainable Transport Study was undertaken by Transport Scotland on the re-opening of the Levenmouth rail link.

During 2020-21, SEStran instigated work, in partnership with Fife Council, to identify funding for a feasibility study for Mobility Hubs within the Levenmouth Reconnected project, following on from the publication of SEStran's Mobility Hubs Strategic Study published in Spring 2020.

Parts of the Levenmouth area are currently ranked amongst the most deprived in Scotland (Scottish Index of Multiple Deprivation - SIMD 2020). Easier and more sustainable travel options will make it

easier for people to reach hospitals, schools and visit other areas of the country as well as giving better access to Levenmouth and SEStran's involvement over the past year has focussed on ensuring that connections between different transport modes are maximised

<https://www.transport.gov.scot/news/levenmouth-on-track-for-rail-investment/>

## International Projects

SEStran has continued to be actively involved in innovative and progressive EU funded transport projects, working closely with European partners and in turn contributing knowledge and ideas, to help benefit our own regional transport network. SEStran will remain involved in its current EU partnership projects until their agreed conclusion dates, ending in 2023. The UK Treasury has written to UK bodies involved in EU projects to confirm that funding for ongoing projects will be underwritten, in the case of EU funding impact linked to Brexit arrangements.

### **PriMaaS – Prioritising Mobility-as-a-Service (an Interreg Europe project)** *insert icons*

The PriMaaS project focuses on 'prioritising low carbon mobility services to improve accessibility of citizens'. SEStran is representing the region in a consortium of ten European transport partners to promote Mobility-as-a-Service (MaaS) through policy development.

SEStran's role is to facilitate Regional Stakeholder Meetings to assess current levels of transport integration and identify barriers to the widespread adoption of MaaS. SEStran worked closely with MaaS Scotland to bring together stakeholders to provide regional representation. This has helped establish a baseline of MaaS levels in the region, and exchange best practices with project partners. This work will inform the development of an Action Plan to promote MaaS in the SEStran region and support the development of the new Regional Transport Strategy.

More information can be found on: <https://www.interregeurope.eu/primaas/>

### **CONNECT - Connecting North Sea Region's TEN-T nodes and supporting intermodal freight movement in the North Sea Region through smart efficiency enhancements** *insert icons*

The overall project objective is to support 'smart intermodality' growth in the North Sea Region, through efficiency enhancements in and around port areas. The project focuses on implementing new 'smart' technology processes and working tools and developing strategies for using smart efficiency enhancements in freight movement. SEStran is leading on a work package based around marketing and communications.

More information can be found on: <https://northsearegion.eu/north-sea-connect/about/>

### **SHARE North – Shared Mobility Solutions for a Liveable and Low-Carbon North Sea Region** *insert icons*

The SHARE-North project promotes shared mobility as a form of sustainable transport and a viable alternative to private car ownership. SEStran has continued to support shared mobility through Tripshare SEStran and GO e-Bike.

SEStran has also actively promoted Mobility Hubs, a concept that originated in the City of Bremen, the lead partner in SHARE-North. Mobility Hubs are centrally located points where shared modes of transport such as car clubs or (e-)bike-sharing are integrated with public transport. Mobility Hubs provide information on transport and the local area, and often provide seating and additional placemaking elements, making them supportive of everyone and everyday journeys. Mobility Hubs can easily be identified by their branding.

As part of the SHARE-North project, Mobility Hubs have expanded to Norway, Belgium and the Netherlands, and SEStran has been working with Local Authorities to promote and develop the concept in the South East of Scotland, and to identify locations where Mobility Hubs could add value to everyday travel. The SEStran Strategic Mobility Hub study applies the learning from SHARE-North to the SEStran region.

During 2020-21, work focussed on supporting East Lothian Council through the preparatory stages and branding for Scotland's first Mobility Hub, in Musselburgh. This work builds upon the Transport Scotland funded Mobility Hubs Strategic Study published by SEStran in Spring 2020.

More information can be found on: <https://mobihubs.eu/> and <https://share-north.eu/>.

*(Insert image and Share North Brand Logo and EU Interreg Logo)*

## **SURFLOGH: Sustainable Urban Logistics Hubs** *insert icons*

SURFLOGH aims to improve the role of logistics hubs in the network of urban logistics through connecting long-distance freight transport and last mile distribution in strategically located urban freight centres.

Last mile distribution is part of the wider concept of city logistics, which concerns the public and private planning and management of urban logistics. The City Logistics concept has emerged as a comprehensive approach aimed at attempting to mitigate the negative impacts of urban freight transportation without penalizing many economic, social, administrative, cultural, touristic, and other activities.

SEStran are leading on a work package<sup>4</sup> along with Edinburgh Napier University Transport Research Institute (TRI), developing business models for urban freight hubs. These business models will focus on the scalability and applicability of models for different locations and circumstances.

Pilots include the ZEDIFY<sup>5</sup> pilot case study from Edinburgh established in 2018, alongside pilots in Sweden, the Netherlands and Belgium. Using 'living lab' research methodology SEStran & Edinburgh Napier University will be working with Zedify logistics to understand the positive impacts and challenges that a commercial sustainable logistics operation face. SEStran has provided funding to help the Edinburgh pilot adapt e-cargo bikes to the challenges of the Edinburgh city geography to help improve operational efficiency.

More information can be found on: <https://northsearegion.eu/surflogh/about/>

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<sup>4</sup> <https://northsearegion.eu/surflogh/news/relevant-research-review/>

<sup>5</sup> <https://www.zedify.co.uk/>

[INSERT SURFLOGH LOGO/IMAGE/INTERREG LOGO]

## **BLING: Blockchain in Government**

SEStran and the Centre for Design Informatics at the University of Edinburgh are collaborating on a project exploring opportunities around Blockchain technology developing practical transport focused applications for the technology with the development of a pilot project in the South East of Scotland.

Blockchain is a key enabling technology that will underpin efforts to deliver innovative services under the Digital Agenda for Scotland and Europe. Blockchain promotes user trust by making it possible to build systems that share information and record transactions in a verifiable, secure and permanent way. Based on a 'distributed ledger', blocks of information are chained together with cryptography to produce a system that stores, manages and verifies information.

The University of Edinburgh supported by SEStran has developed a pilot concept called **GeoPact**. The GeoPact system is comprised of a complex assembly of technological objects, that together enables the design, deployment of location-aware smart contracts that run on the Ethereum blockchain for study.

More information can be found on: <https://northsearegion.eu/bling/>

[INSERT BLING LOGO/IMAGE/INTERREG LOGO]



# Appendix: Annual Accounts and Reports

## Annual Accounts

SEStran's Annual Accounts can be accessed online here:

[\[INSERT LINK TO ACCOUNTS\]](#)

## Climate Change Report

Part four of the Climate Change (Scotland) Act 2009 places duties on public bodies to act in the way best calculated to contribute to the delivery of emissions reduction targets, to help deliver any statutory climate change adaptation programme, and in a way that they consider is most sustainable. The act came into force on 1 January 2011. Following the introduction of an Order by Scottish Government in 2015, all 151 public bodies that appear on the 'Major Player' list must submit an annual report to the Sustainable Scotland Network (SSN), detailing their compliance with the climate change duties.

[\[INSERT LINK\]](#)

## Public Services Reform Act

The Public Services Reform (Scotland) Act 2010 (Sections 31 and 32) imposes duties on Scottish public bodies to publish financial information as soon as is reasonably practicable after the end of each financial year. This statement is produced annually by the South East of Scotland Transport Partnership (SEStran) to ensure compliance with the requirements of the Act. It can be accessed online here:

[\[INSERT LINK\]](#)

## Community Empowerment Act

SEStran is a listed public authority under the Community Empowerment Act and one of our duties under the Act is to consider requests from the community. Participation Requests can help groups from the local community (a community-controlled body) to liaise with SEStran and other listed authorities on improving issues in an area. We welcome requests from groups that can aid SEStran in delivering its strategic functions in the South East of Scotland. To gain more information on how to place a request, please follow the link:

[sestran.gov.uk/corporate/participation-requests/](http://sestran.gov.uk/corporate/participation-requests/)

## Public Records Act

SEStran is required under the terms of Section 1 of the Public Records (Scotland) Act 2011 to produce a Records Management Plan, setting out proper arrangements for the management of its records and to submit this to the Keeper of the Records for approval. SEStran submitted its RMP in January 2011 and it is available here:

[sestran.gov.uk/wp-content/uploads/2017/06/SEStranRecords-Management-Planv2.0.pdf](http://sestran.gov.uk/wp-content/uploads/2017/06/SEStranRecords-Management-Planv2.0.pdf)

[CONTACT INFORMATION (BACK PAGE WITH COVER GRAPHICS)]

[www.sestran.gov.uk](http://www.sestran.gov.uk)

3D Bridge,

Victoria Quay,

Edinburgh EH6 6QQ

0131 524 5150

[enquiries@sestran.gov.uk](mailto:enquiries@sestran.gov.uk)

@SEStran



## Regional Transport Strategy 2035: Update Report

### 1 Introduction

1.1 The purpose of this report is to update the Board on progress with the ongoing work to develop the new Regional Transport Strategy (RTS), including the following:

- Finalised Case for Change (CfC)
- Ongoing Statutory Assessments
- Preliminary Option Appraisal Report: and
- The revised delivery programme.

1.2 This report also gives an update on progress, following discussion with the steering group on the development of priorities for regional mobility that will shape the content of the RTS and outlines the next steps in the process. In addition, the relationship of the emerging RTS to the ongoing development of the Strategic Transport Projects Review 2 (STPR2) is also considered.

### 2 Background

2.1 Members will be aware of the ongoing progress for the development of the RTS and that the consultants were appointed late 2020 and began work in January, with the draft Case for Change reported to last Board following consultation, engagement and publication of the statutory assessments that support the RTS development.

### 3 Progress

3.1 Case for Change and Statutory Assessments.

The RTS Case for Change was published on the SEStran website at the end of June 2021 along with the SEStran RTS Case for Change Equalities Duties Report and the SEStran RTS Case for Change SEA Environmental Report. [Link to Reports on SEStran website](#). The Case for Change was informed by an extensive review of policy documentation and data analysis, in addition to stakeholder and public consultation. Utilising this evidence-based approach, the Case for Change set out the latest understanding of the problems and issues in the SEStran region and also reflected travel behaviour changes which have arisen since the onset of the COVID-19 pandemic.

3.2 These documents were subject to a 4-week consultation period with an accompanying survey (between the 29th of June and the 26th of July 2021). A technical note summarises the results gathered from this consultation which is available on the SEStran website.

<https://sestran.gov.uk/wp-content/uploads/2021/09/SEStran-RTS-Case-for-Change-Consultation-Summary-of-Results-Technical-Note-v1.pdf>. The comments provided during the consultation period supplement the evidence base and did not raise any fundamental new issues. The consultation comments will be fully considered in the detailed drafting of the RTS.

### 3.3 Preliminary Options Appraisal

Having identified the problems to be addressed in the new RTS along with associated options to resolve them from the Case for Change, the next step in the process is to appraise the long list of options against the Scottish Transport Appraisal Guidance (STAG) criteria and Strategy Objectives. The findings from this appraisal are set out in the draft STAG Preliminary Options Appraisal report where each of the original 71 options has been appraised.

3.4 An example of an Appraisal Summary Table (AST) from the draft Preliminary Options Appraisal Report is included as Appendix 1 to this report. The AST comments on relevant issues such as deliverability/implementability and acceptability of the option and how it performs against the five STAG criteria, the Strategy Objectives and how the impact of COVID-19 related behaviour changes impact on the performance of the option. Finally, a recommendation is made to accept or reject the option.

3.5 The next stage of the RTS development involves considering the 62 accepted options selected through the Preliminary Options Appraisal process and using them as the foundation for the creation of a draft RTS. The options which have been demonstrated to contribute to the strategy objectives and the STAG criteria have therefore been collated into several 'Regional Priorities' which are proposed to form the basis for the RTS. It is expected that each of these will have a chapter within the RTS and policies and actions identified.

3.6 There is no intended priority to the list developed in the draft Regional Priorities shown below. Therefore, it is proposed that they are referred to as Regional Mobility Themes instead. The table below shows the draft Regional Priorities beside a slightly adjusted list of Regional Mobility Themes. The changes were suggested during discussions at the latest steering group meeting. Paragraph 3.7 below outlines these discussions.

<b>Draft Preliminary Options Appraisal Report</b>	<b>Steering Group Review</b>
<b>Regional Priorities</b>	<b>Regional Mobility Themes</b>
<ul style="list-style-type: none"> <li>• Shaping development and place</li> </ul>	<ul style="list-style-type: none"> <li>• Shaping development and place</li> </ul>
<ul style="list-style-type: none"> <li>• Decarbonising the fleet</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitating safe active travel</li> </ul>
<ul style="list-style-type: none"> <li>• Facilitating safe active travel</li> </ul>	<ul style="list-style-type: none"> <li>• Reallocating road-space on the regional network</li> </ul>
<ul style="list-style-type: none"> <li>• Reducing 'avoidable' car kilometres</li> </ul>	<ul style="list-style-type: none"> <li>• Improving integration between modes</li> </ul>
<ul style="list-style-type: none"> <li>• Reallocation of road-space on the regional network</li> </ul>	<ul style="list-style-type: none"> <li>• Reducing car kilometres *</li> </ul>
<ul style="list-style-type: none"> <li>• Enhancing access to public transport</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing access to public transport</li> </ul>
<ul style="list-style-type: none"> <li>• Enhancing and extending the rail network</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing and extending the rail network</li> </ul>

<ul style="list-style-type: none"> <li>• Enhancing and extending the bus service</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing and extending the bus service</li> </ul>
<ul style="list-style-type: none"> <li>• Improving integration between modes</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitating efficient passenger travel and freight movement</li> </ul>
<ul style="list-style-type: none"> <li>• Facilitating efficient passenger travel and freight movement</li> </ul>	<ul style="list-style-type: none"> <li>• Capitalising on opportunities arising from new technology</li> </ul>
<ul style="list-style-type: none"> <li>• Facilitating safe motorised travel</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitating safe motorised travel</li> </ul>
<ul style="list-style-type: none"> <li>• Capitalising on opportunities arising from new technology</li> </ul>	<ul style="list-style-type: none"> <li>• Decarbonising the fleet</li> </ul>
<ul style="list-style-type: none"> <li>• Responding to the post-Covid world</li> </ul>	<ul style="list-style-type: none"> <li>• Responding to the post-Covid world*</li> </ul>

The Board is asked to discuss and consider the relevance of these suggested Regional Mobility Themes

- 3.7 At the steering group discussion it was considered that the list should reflect the National Transport Strategy 2 sustainable travel hierarchy which is a key principle within NTS 2.

The two areas marked by \* above were also discussed at the steering group meeting. The reduction of car mileage, in particular the differences between rural and urban areas, mean that “avoidable” may not best reflect the varying needs of these different communities. Mileage reduction and reduced car use is desirable throughout the SEStran region, and it must be acknowledged that this will be different between different areas.

There was discussion around the need for “responding to a post-COVID world”. The primary role of the RTS is to identify robust sustainable transport for the future. The purpose of the RTS is not to solve immediate or short term COVID issues but it must take account of the learning from the pandemic impacts in considering and developing policies and actions and may best be delivered through all elements of the RTS rather than as an individual issue.

- 3.8 The issue of deliverability, powers, roles and responsibilities of various partners continues to be highlighted most recently in the Appraisal, Summary Tables. The Statutory role of SEStran is to produce an RTS for the SEStran area. The RTS will direct partner authorities and stakeholders on their transport investment priorities to support sustainable growth in the region. As the new RTS is further developed, recommendations on the most appropriate governance arrangements to most effectively facilitate delivery of the RTS will be made.
- 3.9 Partnership working and supporting partners with whom the necessary statutory powers are currently vested is an essential element of SEStran’s role within the current Model 1 RTP arrangements.
- 3.10 It is helpful to set the Regional Priorities where appropriate within a broad spatial context. To this end, a set of new regional ‘corridors’ has been established based on an analysis of regional travel patterns. This approach supports more effective alignment with land use planning processes at local and regional level. This

alignment is vitally important as there must be accord between the RTS and the developing Regional Spatial Strategy and Regional Prosperity Framework across the SEStran region. Although a strategic transport strategy does not tend to set out detailed or individual interventions (as they would each be subject to a STAG-based appraisal), work is also underway to establish the need for regional interventions (types of intervention required) based on the range of problems and issues identified. This will be fully incorporated into the draft RTS.

- 3.11 The preparation of the new SEStran RTS including the development of the Preliminary Options Appraisal Report is also being informed by Strategic Environmental Assessment (SEA) and Equalities Impact Assessment (EqIA) processes, each of which has already identified (at Scoping stage) relevant baseline conditions and key environmental and equalities issues which need to be addressed in the new RTS.

#### **4 Strategic Transport Projects Review 2 (STPR 2) and RTS programme**

- 4.1 There is a large number of options identified in the draft Preliminary Options Appraisal Report and the need to fully consider and assess these has resulted in a short delay in delivering the final draft RTS and this allows some additional time to refine the policies and actions currently being developed for the RTS. This delay of one month in bringing the final draft to the Board requires that a special meeting of the Board is held on 29 October. The revised programme is included at Appendix 2.
- 4.2 Furthermore, as reported to previous Partnership Board meetings there is a need for the RTS to give due consideration to the priorities being developed through the STPR 2 work of Transport Scotland. This will develop national investment priorities that will help deliver the national vision, priorities and outcomes for transport identified in the National Transport Strategy 2 (NTS 2). Work on STPR 2 continues and the final report with detailed options will not be delivered until the end of 2021 given the volume of options under consideration. However, discussions in August with the Regional Transport Working Groups engaged in the STPR 2 process has given an indication of the key areas developing through STPR 2
- 4.3 The delay in the completion of the draft RTS and the timing of this recent STPR 2 engagement has therefore been beneficial. Given the position it has been possible and was considered prudent to carry out a sense check of the emerging draft RTS and the RTS Steering Group were advised of this.
- 4.4 Whilst the specific details are not yet identified within STPR 2 to indicate which packages will be funded in the future, the discussions in August have given an indication of the key areas developing through STPR 2. The emerging RTS Regional Mobility Themes are consistent with and relate to the likely outcomes of STPR2 and have sufficient flexibility to ensure appropriate National and Regional interfaces.

#### **5 New RTS – next steps**

- 5.1 The draft RTS will be presented to the Partnership Board at a special meeting on 29 October 2021 and subject to approval, the formal 12-week consultation will begin on 1 November and complete on 4 February 2022.

5.2 Comments made during the consultation period will be considered and any amendments to the RTS will be made prior to the presentation of the final version of the RTS to the March 2022 Partnership Board meeting. However, this timescale may be affected by the subject and nature of comments made and the number received.

## 6 Recommendations

It is recommended that the Board:

- 6.1 notes the continuing progress to deliver a new SEStran Regional Transport Strategy 2035;
- 6.2 notes the role of the STAG Preliminary Options Appraisal, in the development of the RTS;
- 6.3 agrees with the Priorities for Regional Mobility as the basis for the draft RTS document; and
- 6.4 notes that the next stage of the process will be consideration of the draft RTS on 24 October 2021; and
- 6.5 notes that the proposed statutory consultation period for the RTS is from 1 November until 4 February 2022.

Jim Stewart  
**Strategy and Projects Officer**  
 24<sup>th</sup> September 2021

**Appendix 1:** Example of an Appraisal Summary Table  
**Appendix 2:** Programme

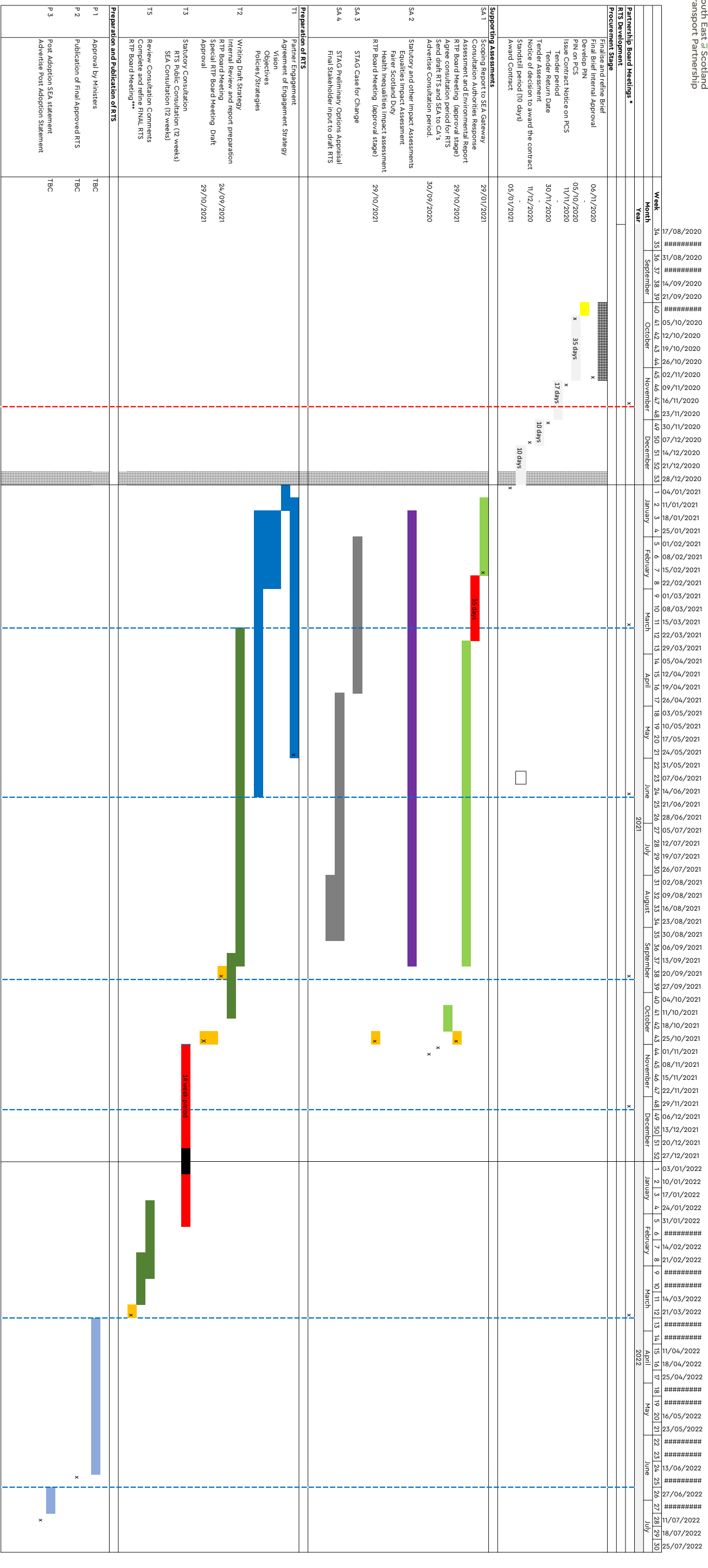
Policy Implications	A new RTS will impact on future strategy development and local transport authorities' plans and strategies.
Financial Implications	Sufficient funds are contained within the projects budget for delivery of the RTS
Equalities Implications	The new RTS is subject to an Equalities Impact Assessment (EQIA) which is being carried out by Stantec as an integral part of the RTS development
Climate Change Implications	The new RTS is subject to a Strategic Environmental Assessment (SEA)
Appendices	Appendix 1 – Example Appraisal Summary Table Appendix 2 – Revised Programme

## Appendix 1: Example of an Appraisal Summary Table

## Option 12: Bus priority measures

Option 12		Bus Priority Measures	
<b>Summary</b>	Public transport journey times can often be long and slow, resulting in people choosing to travel by car instead. However, bus priority can speed up public transport journey times and make it competitive with travelling by car. Bus priority measures include priority signalling, dedicated bus only routes, bus advance areas, bus lanes and gates, and bus only corridors. These enhancements would be prioritised on along existing routes that experience particularly slow journey times, at junctions or at P&R sites to increase the efficiency of bus services across the region as well as on new corridors where high quality bus services are required (e.g., as part of a new land-use development).		
<b>Type of Option</b>	Capital (e.g., infrastructure)	✓	Revenue (e.g., bus subsidies)
<b>Focus</b>	Region Wide		Network Measures
<b>Implementability</b>	Potential barriers include a lack of legislative control as SEStran will rely on constituent local authorities to implement bus priority measures in a coordinated manner. There may be budgeting issues concerning funding the implementation of the measures and to add to that, there would have to be political will as, in some instances, they are likely to receive public opposition. If priority measures were to be implement, bus operators would have to be consulted.		
<b>Public Acceptability</b>	There may be some opposition to implementing bus priority measures as they are likely to increase car journey times in some instances.		
<b>STAG Criteria</b>	Environment	✓✓	Bus priority measures may encourage more people to use bus services due to reduced journey times. There is scope for this to help reduce emissions produced from private cars whilst also minimising the emissions created by buses by ensuring their efficient movement. This would also have benefits for local air quality as well.
	Economy	✓	Cost of implementation of measures is dependent on how extensive the measures are. However, this is likely to be mitigated by the increased efficiency opportunities, a result of decreased journey times.
	Integration	✓✓	This option is in line with established policy as it seeks to enhance public transport provision. Additionally, it involves land-use planning integration as bus priority measures could be integrated into new developments.
	Accessibility & Social Inclusion	✓✓	People may opt to use the bus due to increased efficiency of the service. This could be particularly impactful for who do not have access to a car and vulnerable groups like the young, elderly, ethnic minorities, etc. who are most dependent upon public transport.
	Safety & Security	✓	Some bus priority measures could increase safety for all road users with fewer potential collisions due to being segregated from cars and more vulnerable road users like cyclists and pedestrians.
<b>Strategy Objective 1: Transitioning to a sustainable, post-carbon transport system</b>		✓✓	
Implementing bus priority measures encourages public transport use and the transition to a sustainable, post-carbon transport system.			
<b>Strategy Objective 2: Facilitating greater physical activity</b>		○	
Bus priority measures are unlikely to facilitate greater physical activity.			
<b>Strategy Objective 3: Widening public transport connectivity and access across the region</b>		○ - ✓	
Bus priority measures have the potential to widen public transport connectivity if they result in new services being offered however priority measures primarily concern improving the efficiency of current services and therefore are unlikely to have an impact on widening public transport connectivity			
<b>Strategy Objective 4: Supporting safe, sustainable, and efficient movement of people and freight across the region</b>		✓✓	
Implementing bus priority measures significantly improves the efficiency of bus travel which supports sustainable movement across the region.			
<b>Impact of COVID Related Behaviour Change Scenario</b>			
This option could be impacted by the reduction in public transport use during COVID-19. Reduced patronage and services may undermine the justification for priority measures. However, increased car use will lead to increased congestion negatively impacting bus journey times. As a result, there may be even more justification for bus priority measures.			
<b>Rationale for Selection or Rejection</b>			
Despite the impact of COVID-19 on public transport use, this option meets the majority of the STAG criteria and therefore should be considered within the RTS.			









## Projects Performance Report

### 1 Introduction






- 1.1 This report and its Appendix track progress over the last quarter across SEStran's projects and key work streams. Impacts on progress or delivery are explained, including those deriving from Covid-19. A report addendum is included in the Appendix, as suggested at the September Performance and Audit Committee, summarising the role of SEStran during the Covid-19 pandemic and response.

### 2 Performance Report

- 2.1 Progress against milestones and timescale is indicated in the report template through a high level 'RAG' (Red-Amber-Green) status. Once completed, projects are reported with a 'Blue' status, and then removed from future reports.

RAG Status	Meaning:
	Complete
	Progressing to plan
	Some issues or delays encountered
	Severe issues or delays

- 2.2 The alignment of project work to SEStran's Strategic Objectives is indicated using the following symbols.

	Economy
	Accessibility
	Environment
	Safety and health
	Corporate

- 2.3 The template indicates start dates, and also initial and expected completion where these apply, to help indicate progress within timescales. This discharges an action from the March 2021 Committee meeting. Where decisions have been taken by a funder or Lead Partner to extend a project's completion date (for instance, in response to Covid-19) this is explained.

### 3 European Project Extensions

3.1 The last report on 4<sup>th</sup> June updated the Board that a time-based only extension had been approved for Share North. Since June, PriMaaS and Connect have also time-based extensions approved and BLING and Surflogh have had funding and time extensions agreed. Additionally, the Lead Partner for Regio-Mob, has confirmed that the Joint Secretariat has approved a funded, twelve-month long extension to consider the effects of Covid-19. The project's activities initially concluded in 2019, and the renewed Regio-Mob project work is likely to commence within the next quarter. SEStran's ongoing involvement in EU projects remains secure to the projects' completion dates, within the terms of the EU Withdrawal Agreement.

#### 4 Recommendations.

4.1 The Board is asked to note the following:

- progress outlined in the Performance Report (Appendix 1) including impacts and delays recorded in relation to Covid-19;
- the agreed time extension to the PriMaaS and Connect projects and time and funding extensions to the BLING, Surflogh and Regio-Mob projects;
- the work and role of SEStran during the pandemic, as summarised in the Addendum to the report.

Anna Herriman  
Senior Partnership Manager  
September 2021

#### Appendices

Appendix 1 Performance Report September 2021, including Addendum.

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 Performance September 2021

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# 1. Strategy

## 1.1 Regional Transport Strategy



**Start date:** November 2020

**Initial completion date:** March 2022

**Expected completion date:** March 2022

**Overall project progress:**

*In progress*

**Project description:** A new Regional Transport Strategy (RTS) for the SEStran region is under development, to cover the period up to 2035. It will align to national level policies and strategies including the National Transport Strategy 2, the National Planning Framework 4, the Climate Change (Scotland) Act 2019, as well as regional spatial and economic strategies under development across the SEStran area.

SEStran’s original RTS was approved in March 2007 to cover the period from 2008 until 2023. The strategy was refreshed in August 2015 to cover the period until 2025. The new RTS takes account of potential impacts for future travel demand, behaviour and the transport system resulting from Covid-19.

Current status:

- **RTS Development**

*In progress*

The development of the RTS is being delivered through consultancy support, provided by Stantec following an open procurement exercise. The process is developed in accordance with the Scottish Transport Appraisal Guidance and includes carrying out statutory assessments including a Strategic Environmental Assessment and Equalities Impact Assessment.

- The proposed final completion date of early 2022 has not changed.
- The original delivery timescales were revised in November 2020, to remain in line with the development of other, linked strategies such as the Second Strategic Transport Projects Review (STPR2).
- A further revision to the RTS delivery programme will now be reported to the Board at its meeting on 25 September 2021, to report that an additional 4 weeks is being built into the programme to extend the appraisal stage.
- The draft RTS is due to be presented to the Partnership Board on 29 October 2021.

## 2. Strategic Active Travel Projects

### 2.1 GO e-Bike



**Start date:** April 2018

**Initial completion date:** ongoing programme

**Expected completion date:** ongoing programme subject to funding

**Overall project progress:**

*In progress*

**Project description:** GO e-Bike is the regional bike-sharing scheme funded by SEStran. It was launched in 2018 with a contribution from the SHARE-North project to the first four GO e-Bike hubs in St Andrews, Buckhaven, West Lothian and Falkirk. These hubs remain active and operational. 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 six further hubs / locations, with the Bewegen GO e-Bike hire stations in East Lothian and Midlothian operational since April 2021. Expansion into e-cargo bikes is the latest phase of the project.

Current status:

- **GO e-Bike expansion with LCTT and TS funding**
  - Cargo Bike Movement (CBM) is now operating from a facility in Tollcross, shared with another cargo bike courier Farr Out Deliveries. CBM has renovated the space to make it fit for purpose. CBM cargo bikes are being used for the collection and redistribution of surplus food from supermarkets in Edinburgh. CBM is recruiting volunteers to increase their capacity for food collections. Volunteers are currently being trained by Cycling Scotland but there are plans to support CBM to be able to deliver training themselves. CBM are also exploring the potential for hiring out the cargo bikes.
  - Rider numbers across the Bewegen stations continue to show growing interest in the system.
  - Measures have been introduced to protect the assets with a security deposit and system curfew. There has been a reduction in vandalism with these measures but there remains an element of malicious damage which is being reviewed with bike placement and opportunities for further surveillance coverage.
  - The "[Do The Ride Thing](#)" campaign is entering phase two after a successful phase one with a large reach and initial engagement. Phase two launches a campaign of on street advertising across the region and some focussed social media campaigning with a series with a number of social media influencers.

*In progress*

## 2.2 Regional Cycle Network Grant Scheme



**Start date:** April 2014

**Initial completion date:** ongoing programme

**Expected completion date:** ongoing programme subject to funding

**Overall project progress:**

*In progress*

**Project description:** Provided through a partnership between Sustrans Scotland and SEStran, the Regional Cycle Network Grant Scheme delivers improvements to the cross-boundary utility routes.

Current status:

- **Kirkliston to Cramond Brig Pathway** Complete
  - SEStran are supporting Edinburgh Lothian Greenspace Trust with a feasibility for the upgrade of a pathway along the Almond River.
  - A final report has now been completed with ELGT now considering further funding streams to progress work along the route.
- **Edinburgh BioQuarter** Delayed
  - Work on this route remains on hold while a review is completed of national funding for active travel projects. Additional design work is required prior to a final bid for construction funding from Sustrans.
- **SEStran Strategic Network** In progress
  - In order to maximise the investment possible in the Strategic Network, the funding will be combined with the Regional Active Travel Fund as described below.

## 2.3 Regional Active Travel Development Fund – Transport Scotland



**Start date:** Financial year 2021/22

**Initial completion date:** March 2022

**Expected completion date:** March 2022

**Overall project progress:**

*In Progress*

**Project description:** The Regional Active Travel Development Fund was established between Transport Scotland and the Regional Transport Partnerships in 2018/19 and allows for an annual award for delivery of agreed project work. SEStran's proposal for projects in 2021/22 to Transport Scotland has been awarded up to £250,000 for this fourth year of funding. With agreement of Transport Scotland, a number of 2020/21 projects have been continued into 2021/22 as a result of COVID-19.

Current status:

- **Project 1: Attitudinal Survey** In progress
  - “The Lines Between” continue to carry out research into travel attitudes and behaviours and currently are preparing for the next phase of quantitative population surveying followed by the qualitative panel survey.
  - Panellists were engaged through the summer in a pulse survey on attitudes to travel associated to holidays.
  - Initial analysis of the quantitative results was shared with the City Region Transport Working Group in June with a request made for a national report on conclusion of the project.
  - **Total award £62,000**
  
- **Project 2: ‘Do The Ride Thing’ Awareness Campaign** In progress
  - As reported with GO e-Bike.
  - SEStran has 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.
  - Procurement was completed in March 2021 with a successful contract awarded to the Media Shop Scotland.
  - **Total award £90,000**
  
- **Project 3: SEStran Strategic Network** In progress
  - Following on from the publication of the SEStran Strategic Network in 2020, this project will take forward a series of feasibility studies with agreement from partners to develop proposals in preparation for community engagement.
  - ARUP Ltd have been procured to take forward a series of studies and co-design workshops through an interactive engagement platform.
  - Agreement has been reached to take forward studies in West Lothian and Falkirk with remaining routes to be agreed.
  - **Total award £270,000 (£170,000 RATDF + £100,000 Sustrans)**
  
- **Project 4: East Fife Mobility Hub Integration and Last Mile Logistics Feasibility** In progress
  - The study will establish how Mobility Hubs could be delivered in conjunction with key rail and bus interchanges at Leven and Cameron Bridge (proposed), Leuchars and St Andrews and link into existing and proposed active travel routes.
  - Supporting active travel is a core element of a Mobility Hub. Key to this is the provision of secure cycle parking facilities and a safe, well designed public realm. Additional elements can include e-bike charging facilities, public transport information, secure



parcel pick up, and in appropriate locations, space reallocated from private car parking for car share operators to use.

- In addition to this will be the business case feasibility of last mile logistics operations on cargo bike in East Fife, tying into mobility hubs and interchanges.
- Steer in partnership with Jacobs and ComoUK were awarded this work in July and outputs are expected by the end of September 2021. Stakeholder engagement, site visits and modelling are being undertaken to develop a feasibility study and business case for the proposed sites.
- **Total award £80,000**

## 2.4 Cycle Training and Development – Cycling Scotland



**Start date:** core workstream

**Initial completion date:** ongoing

**Expected completion date:** ongoing

**Overall progress:**

*In Progress*

**Project description:** This workstream is made possible through a partnership arrangement with Cycling Scotland, and supports the delivery of Bikeability Scotland National Standard cycle training delivered by local authority Bikeability coordinators. It promotes, encourages and develops cycle training opportunities across SEStran projects.

Current status:

- **Bikeability Scotland** *In progress*
  - Delivery across the region has picked up with schools back full-time, however there are areas where capacity to support delivery is limited. Some areas still have restrictions in place around external staff delivering training for schools. There has been a significant increase in demand for instructors due to compressed delivery period.
  - Staff and volunteer training is increasing to enable them to support Bikeability Scotland delivery.
  - Support Plus Funding expressions of interest have been received from all relevant LAs and applications have been approved for most in the region to enable delivery to continue in the year ahead.
- **GO e-Bike cycle training** *In progress*
  - Training is offered to all hubs as they are completed and as part of ongoing development plans. West Lothian Bike Library has accessed training to enable them to deliver Family cycling sessions.
  - There are plans to provide the Tweeddale BID with Cycle Ride Leader training to support them with utilising the e-bike fleet.

• **Adult and Family Cycle Training**

*In progress*

- Cargo Bike training is now being delivered in the region. Sessions have been run for volunteer groups as well as for NHS staff with access to cargo bikes for work trips. More tutors are being trained to support an increase in capacity across the region and nationally.

### 3. Strategic Public Transport Projects

#### 3.1 Real Time Passenger Information (RTPI)



**Start date:** 2010

**Initial completion date:** ongoing workstream

**Expected completion date:** ongoing workstream

**Overall progress:**

*In Progress*

**Project description:** SEStran began implementing a region wide network of RTPI screens supplying bus timetable information feeds in 2010, to help tackle declining bus patronage and make bus travel more predictable and reliable. Since 2010, SEStran has built up a comprehensive network with information screens in key travel hubs such as railway stations, park and choose / ride sites, hospitals, colleges, universities, shopping centres and large employer hubs. More recently SEStran has worked with the City of Edinburgh Council to support a move towards a new, common Content Management System that will improve the information provided in the public facing regional screen network incorporating Lothian Buses information.

Current status:

- **New Content Management System and hardware upgrades**

*Delayed*

- The new system is currently undergoing silent running and Sight Acceptance Testing with issues being highlighted and addressed. The contractor (21<sup>st</sup> Century/Journeo) is expected to hand over the system in September.
- There has been a delay to organising the training workshops with Local Authority officers on the Novus FX system as the key person from Trapeze contracted COVID-19, it is hoped that this can be organised over the next quarter.
- SEStran & City of Edinburgh will be organising the next meeting in September with Operators and Local Authority officers to discuss data input and system management.

### Public Transport Capacity Information

*In progress*

- In response to Covid-19, SEStran is working alongside Transport Scotland and Trapeze to test the feasibility of incorporating bus capacity information on public transport for use by Traveline Scotland.
- This new feed will be integrated into the new SEStran regional RTPI system with the layouts adapted to display the new information.
- This will 'go live' when the new RTPI feed is operational, estimate October to December 2021.
- **New RTPI Screens Network**
  - Web based layouts have been successfully developed for partners such as ScotRail, that have the capacity to use this format, which will further increase the flexibility and reach of the system.
  - Installation of the new screens in Fife, Clackmannanshire and at the Livingston Centre is underway with several now operational.
  - Fife Council & West Lothian Council are funding additional screens at sights and will be procuring these via the SEStran/CEC framework.

## 3.2 Thistle Assistance Programme



**Start date:** 2005

**Initial completion date:** ongoing workstream

**Expected completion date:** ongoing workstream

**Overall project progress:**

*In Progress*

**Project description:** 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 working to evolve the journey planning aspect of the scheme.

Current status:

#### • Journey Planner App - Phase Two

*In progress*

- The successful developer Sentireal began work on the project in June and is making good progress.
- SEStran has invited officers from Hitrans, ZetTrans & Nestrans to work on the project steering group which will expand the reach and efficiency of the project as it progresses.

#### • Thistle Assistance Programme Update

*In progress*

- The Covid-19 update SEStran to the Thistle card and App is still live and relevant. Mask exemption messaging is available for print, social media and on the website<sup>1</sup>.

<sup>1</sup> <https://www.thistleassistance.com/travel-safety/>

- Thistle Assistance continues to be advertised in key publications such as Inspire Magazine and Enable ([Enable Sep/Oct 21](#)).
- To date over 70,000 cards and leaflets have been distributed and there have been over 10,000 downloads of the App.
- **SEStran Website** *Delayed*
  - In order to comply with legislation ([Public Sector Bodies \(Websites and Mobile Applications\)\(No. 2\) Accessibility Regulations 2018](#)) SEStran updated the Partnership website in 2020.
  - Work has begun on the new website with Hillside Agency being appointed to do the work. The new site should be live by the end of October.

### 3.3 Newburgh Train Station Study



**Start date:** December 2019

**Initial completion date:** March 2020

**Expected completion date:** March 2022

**Overall project progress:**

*In Progress*

**Project description:** SEStran is carrying out a transport options study for Newburgh, with work being delivered by consultants Systra appointed to work on behalf of SEStran. This study is funded by the [Local Rail Development Fund](#) that was introduced by the Scottish Government in February 2018, with the aim of providing funding to develop community led options to improve local rail connections.

Current status:

- **Initial Options Appraisal** *In Progress*
  - Phase 3 work 'Detailed Options Appraisal' is progressing with further stakeholder engagement and the development of modelling scenarios around the various options being developed.
  - This work will continue up to the end of the year with the final report due in March 2022.
  - SEStran continues to engage with Tactran so that the work is aligned with the appraisal at Bridge of Earn.
  - £37,834 of the £82,000 budget has been claimed for the work to date.

### 3.4 South East Scotland Transport Transition Group



**Start date:** June 2020

**Initial completion date:** subject to ongoing need for group to meet in response to Covid-19 crisis.

**Expected completion date:** as above.

**Overall project progress:**

*In progress*

**Project description:** The South East Scotland Transport Transition Group was established in June 2020 to jointly plan for the management of transport related measures during and following Covid-19 related restrictions. The work of the Group, made up of local, regional and national partners, is now moving out of transition phase.

Current status:

- **Close out of South East Scotland Transport Transition Plan** *In progress*
  - SEStran is coordinating the drafting of an evaluation and close out report to record the findings and reflections on the South East of Scotland Transport Transition Plan (the Plan).
- **Bus Priority Rapid Deployment Fund** *Complete*
  - Temporary bus priority measures were implemented across the SEStran local authorities, with funding from Transport Scotland's Bus Priority Rapid Deployment Fund and monitoring and evaluation of those in place is ongoing.

### 3.5 Bus Service Improvement Partnerships



**Start date:** May 2020

**Initial completion date:** ongoing area of work

**Expected completion date:** March 2026

**Overall project progress:**

*In progress*

**Project description:** The Bus Partnership Fund (BPF) is a £0.5Bn Transport Scotland capital fund for the development of permanent bus priority infrastructure. Bids can be made by partnerships working towards a Bus Service Improvement Partnership (BSIP) status. BSIPs must be collaborative, involving bus operators and other relevant partners. SEStran has been supporting the development of emerging BSIPs and BPF bids with the intention to maximise investment in bus priority infrastructure into the SEStran region, and ensure that bids are complementary.

Current status:

- **Fife Bus Partnership BPF bid development** *In Progress*

- The West Fife bid to the BPF, led by Fife Council was successful with £750,000 awarded for further development. The outcome of the Central and East Fife bid is still awaited.
- **Edinburgh and south east of Scotland BPF bid development** In progress
  - The ‘corridors’ bid submitted by City of Edinburgh Council was successful, with £3M awarded implementing quick wins and for further development.
- **Forth Valley Bus Alliance BPF bid development** In progress
  - A Forth Valley bid submitted by Falkirk on behalf of Falkirk, Clackmannanshire and Stirling Councils was successful, with £500,000 awarded for further development work. SEStran procured initial consultancy support on behalf of partner Councils.
- **Midlothian Bus Alliance** In progress
  - A bid led by Midlothian Council is being developed for submission to the October 2021 BPF round. The Alliance is focussing on east-west bus priority across East Lothian and Midlothian council areas, and connections through bus transport to the west. SEStran procured initial consultancy support on behalf of Midlothian Council.
- **West Lothian Bus Alliance** In progress
  - A bid focussed on bus priority measures in the West Lothian area is being developed for submission to the October 2021 BPF round.

## 4. Freight and Logistics Projects

### 4.1 Forth Freight Study



**Start date:** May 2020

**Initial completion date:** December 2021

**Expected completion date:** June 2022 (end date revised by funder, Transport Scotland)

**Overall project progress:**

In progress

**Project description:** This study, delivered by SEStran in partnership with Forth Ports, explores the potential in the region, particularly around the Forth, for developing sustainable, multimodal freight gateways. It aims to identify key locations for potential freight consolidation centres that would maximise the sustainable movement of freight at national, regional, and local levels. The study is being carried out for SEStran by appointed consultants Aecom. The study is funded by the [Local Rail Development Fund](#) that was introduced by the Scottish Government in February 2018.

Current status:

- **Case for Change** In progress
  - Transport Scotland advised in April 2021 that the evidence and analysis made available through the Case for Change has been incorporated into Transport Scotland’s STPR2 process and Case for Change.

- SEStran is in discussion with Transport Scotland Rail Directorate (LRDF funders) to understand how the study work to date can be moved forward as STPR2 progresses.

## 5. European-funded Projects

### 5.1 SHARE-North

Interreg North Sea Region, ERDF



**Start date:** January 2016

**Initial completion date:** December 2019

**Expected completion date:** June 2022 (following successful extension application and 6-month Covid-19 extension)

**Overall project progress:**

*In progress*

**Project description:** SHARE-North focuses on shared mobility and its potential to address sustainable transport challenges in the North Sea region. This includes developing, implementing, promoting and assessing car, bike and ride sharing and other forms of shared mobility in urban and rural areas and employment clusters. One example is the establishment of Mobility Hubs. 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. Following the completion of the Mobility Hub Strategic Study in 2020 SEStran has been working with partners to identify potential opportunities to plan for Mobility Hubs.

Current status:

- **Mobility Hubs**

*In progress*

- SEStran has committed funding to the region's first mobility hub in Musselburgh, East Lothian, to be called a 'Journey Hub' and this hub is now complete.
- SEStran is supporting Fife Council to carry out feasibility and business case development for Mobility Hubs at east Fife railway stations at Leven, Cameron Bridge, St Andrews and Leuchars. An application to Transport Scotland for funding was successful and SEStran is working with Fife Council to procure consultants.

- **Project activities and partner meetings**

*Delayed*

- Due to Covid-19 various project activities and physical meetings have been cancelled. Whilst some activities have moved online, through teleconferences, other activities have been delayed. The project consortium successfully applied for a 6-month extension to the project, to allow extra time to complete project activities.

- **Tripshare SEStran**

*Reduced service*

- Due to the ongoing impacts of Covid-19 and Scottish Government guidance on carsharing only where necessary, SEStran continue to be unable to actively promote the Tripshare SEStran platform. The Partnership Board agreed on 18 June 2021 not to renew the contract

or make further award to Liftshare and the SEStran Tripshare platform will cease this month. Individual members will still be able to access Liftshare's own system directly.

- **Future lift sharing**

*In progress*

- Options for procuring and providing future trip sharing opportunities are being explored with other RTPs and Transport Scotland, recognising that (subject to public health guidelines) trip-sharing is likely to have a role within a more sustainable transport system.

## 5.2 SURFLOGH

Interreg North Sea Region, ERDF



**Start date:** June 2017

**Initial completion date:** October 2020

**Expected completion date:** June 2023

**Overall project progress:**

*In progress*

**Project description:** SURFLOGH aims to enhance the role of sustainable logistics in urban logistics networks in the North Sea Region. SURFLOGH has created a trans-national network of 'city hubs' promoting innovation in city logistics. These hubs bring together different partners to exchange knowledge and work on innovative pilot projects and business models that can work in real world urban logistics systems. SEStran's Edinburgh pilot operating near Haymarket has now been running successfully since 2018, and the study is in an advanced stage.

Current status:

- **Development of business models with Edinburgh Napier University**

*In progress*

- An extension proposal for the project was approved by the Organising Committee of the EU Joint Secretariat in June.
- SEStran will be exploring the planning and the development of a logistics consolidation centre as part of the West Perth Tay Cities project and will be working with Tactran on this.
- SEStran will be also exploring with the Province of Drenthe options for the development of drones for use in urban logistics.
- The next mini-conference will be held on September the 16<sup>th</sup> online hosted by the City of Mechelen. Registration is available vis the following link: <https://www.duurzame-mobiliteit.be/online-register>

- **Edinburgh Pilot – ZEDIFY**

*In progress*

- The new Leith hub started operations in March 2021.
- Funding from SEStran has supported the recruitment of additional couriers as the new hub expands its business.



- A new relationship with FEDEX UK will see 2 bikes completing routes in the city with the aim of increasing to 4 bikes by mid-autumn. This will equate to over 250 parcel deliveries per day.
- Increased demand for Freddie’s Flowers will increase deliveries from 140 to approximately 200 split over two days.
- A working relationship with the Energy Saving Trust has developed to enable any e-bike loans to be delivered by cargo bike and also the promotion of cycle logistics for businesses seeking sustainability advice.
- **Expansion of Edinburgh Cargo-Bike delivery** In progress
  - SEStran has been working with Transport Scotland to support Cargo Bike Movement (CBM).
  - CBM are developing a community hub in south Edinburgh to promote the use of cargo bikes as a fairer, healthier and greener alternative to carbon-emitting vehicles in the delivery of goods and for individuals and families.
  - This new hub approach will share information that contributes to SURFLOGH research.
  - Work on the new hub has progressed and the space is now in use by CBM and a small courier company.

### 5.3 BLING

Interreg North Sea Region, ERDF



**Start date:** January 2019

**Initial completion date:** June 2022

**Expected completion date:** June 2023

**Overall project progress:**

In progress

**Project description:** 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’s role is to develop a pilot with the University of Edinburgh, which will showcase innovative use of the technology in a transport environment.

Current status:

- **Development of Edinburgh Pilot** In progress
  - An extension proposal for the project was approved by the EU Joint Secretariat in June 2021.
  - SEStran will be exploring with stakeholders how blockchain technologies can be applied in the logistics sector.

- SEStran officers will be helping manage a hackathon with students from Universities across the partnership in November. This work will help inform further project work.

## 5.4 PriMaaS

Interreg Europe, ERDF



**Start date:** August 2019

**Initial completion date:** January 2023

**Expected completion date:** July 2023 (following 6-month extension due to Covid-19 impacts)

**Overall project progress:**

*Delayed*

**Project description:** 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.

Current status:

### ▪ 'GO SEStran' MaaS/DRT in the SEStran region

*Delayed*

- SEStran lodged a bid to the MaaS Investment Fund for an ambitious project exploring potential uses of MaaS and DRT throughout the region. SEStran is lead partner in a consortium of tech providers and East Lothian and Fife Councils. The bid aimed to attract funding of c. £600K to an overall project of £1.6m.
- Transport Scotland fed back in July that the SEStran bid was third placed in a competitive environment of fifteen bids overall. This meant that not all of the elements of the bid could be funded through the MaaS Investment Fund. However, Transport Scotland were keen to co-create a viable pilot with the available funding and details will be reported once the scale and nature of the activity is agreed with Transport Scotland.
- It has been provisionally agreed that the scaled-down project will focus on the Journey Hub being developed in Musselburgh, using existing partnerships to develop a MaaS app for the public to use, to enable planning, booking and payment across travel modes (bus, rail, bike hire, car club, taxi) in the Musselburgh area initially. It is intended that the East Lothian pilot will also include a tech-enabled DRT bus service.
- Meantime SEStran is actively pursuing other opportunities for DRT elsewhere in the region, using other funding sources where these are available.

### ▪ Project activities and partner meetings

*Delayed*

- Project activities have taken place in an online format. SEStran presented the 'GO SEStran' MaaS/DRT project during the Next Generation Mobility Conference Turin, which was an online conference organised by the Italian project partners. SEStran also presented during the 5<sup>th</sup> Capacity Building Workshop, hosted by the project partners from Erfurt University, Germany.
- In June, SEStran organised a Regional Stakeholder workshop focusing on DRT in the South East of Scotland, and lessons from further afield. Two guest speakers, from Transport for Wales and the Pembrokeshire Association of Community Transport Organisations (PACTO) presented on the Welsh 'Fflecsi' DRT platform, which is hosted by Via. Five other presenters, from within the SEStran region, presented their DRT experiences. The event, being held on Microsoft Teams, was well attended by a wide range of stakeholders.
- The funding programme secretariat has approved a 6-month extension to the PriMaaS project to allow additional time to complete project activities, where these have been delayed by the impacts of Covid-19. The official end-date of the project is now July 2023.

## 5.5 CONNECT

Interreg North Sea Region



**Start date:** October 2019

**Initial completion date:** March 2022

**Expected completion date:** December 2023

**Overall project progress:**

*Delayed*

**Project description:** [CONNECT's](#) overall objective is to support the growth of 'smart inter-modality' in the North Sea Region, through smart efficiency enhancements within freight movement. It looks at connecting the North Sea Region's TEN-T nodes, focusing on implementing new smart processes and working tools (smart inter-modality) and development of strategies for smart efficiency enhancements (smart involvement). <https://northsearegion.eu/north-sea-connect>

Current status:

- **Project Development** *Delayed*
  - The partnership meets online on a monthly basis, but Covid-19 travel restrictions are impacting on progress.
  - Project pilots are being developed and a workshop will be run in May 2021 to develop concepts further.
  - SEStran will be leading on a work package based (WP3) focussed on sharing of best practice.

## 6. SEStran forums and upcoming events

### 6.1 SEStran Forum Meetings



SEStran hosts three different forum groups, the Integrated Mobility Forum, the Equalities and Access to Healthcare Forum and the Logistics and Freight Forum. The aim of the forums is to provide a platform for interested parties to come together and to formulate a regional voice in various transport-related matters.

#### Latest Forum meetings:

- **Logistics and Freight Forum**
  - The forum last met on the 19 May 2021 and provided feedback to the draft Case for Change report produced for the Forth Freight Study and also on the Regional Transport Strategy.
  - The forum had presentations from the University of Edinburgh on the BLING GeoPact<sup>2</sup> logistics pilot, Fife Council on their use of drones and from Rail Operations Ltd on an innovative UK pilot for rail freight using converted electric passenger trains.
  - The next forum will take place in November 2021.
- **Equalities and Access to Healthcare Forum**
  - The forum last met on 31 March 2021 and covered agenda items including an RTS update and equalities impact assessment update, MaaS/DRT update, Thistle Assistance, the Hate Crime Charter, and the Equalities Outcomes 2021-2025 and Mainstreaming Report.
  - The next forum will take place on 30 September 2021.
- **Integrated Mobility Forum**
  - The forum last met on 27 April and was well attended. The agenda included a presentation from Minze Walvius at Advier, a Dutch consultancy also involved in the SHARE-North project; a presentation from Cycling Scotland on the Cycle Friendly Programme; a presentation from Stantec on the RTS; an update on DRT/MaaS project; an update on the Regional Transport Transition Group; and an update on the Bus Partnership Fund.
  - The next forum meeting will take place on 7 October 2021.

<sup>2</sup> <https://northsearegion.eu/bling/use-cases/use-case-2-university-of-edinburgh/>

## **ADDENDUM to Projects Report**

### **1. Introduction**

- 1.1** This report reflects on the significant role of SEStran as an RTP in the response to Covid-19-related transport measures in the South East of Scotland since the start of the global pandemic.

### **2. SEStran's role in the Covid-19 response in the South East of Scotland**

- 2.1** In May 2020, SEStran became involved in discussions with Transport Scotland, and local authorities in the SEStran region, to identify what regional transport issues were arising as a result of Covid-19, and to help guide the transport sector back to normal as the nation emerged from the lockdown. The aim was to provide a regional focus to help with the implementation of the National Transport Transition Plan published by Transport Scotland at the time.

SEStran led on a paper that provided a regional perspective on the scale of the impact of physical distancing on the capability of public transport on each of the main transport corridors into Edinburgh to meet the demand. This study helped with an understanding of what measures could be effective in supporting non-car-based travel.

Following initial discussions, the South East of Scotland Transport Transition Group (the Group) was established to coordinate a regional response to the impacts of Covid-19 and Covid-related Government measures on transport. SEStran took on a leadership role to develop the South East of Scotland Transport Transition Plan, which laid the foundation for the Group's establishment and its activities. SEStran also ensured that all eight local authorities of the SEStran region were invited as members of this Group, along with Transport Scotland.

The Group first met on 3<sup>rd</sup> June 2020, to coordinate temporary or transitional responses in the SEStran region in response to Covid-19 related impacts for transport. At that time, many impacts and detail around transmission of Covid-19 were still coming to light. It was not envisaged that restrictions applying to physical access to activities and human interaction would be required for nearly 18 months. The overall length of time that Covid-19 restrictions were in place at various levels led to a prolonged period of unpredictable transport demand and travel behaviours, with clear impact on all aspects of the transport network and particularly public transport operations.

The plan set out the group structure comprised a main group involving all eight SEStran area Councils, SEStran and Transport Scotland. It was jointly chaired by Transport Scotland and Midlothian Council. The workstreams coalesced around three corridor groupings focussed on measures to support bus-based journeys into Edinburgh, with additional subgroups established for Finance and Monitoring and Evaluation, Communications, Travel Demand Management and wider regional measures). SEStran was represented at all three corridor groupings, and actively participated in the Monitoring & Evaluation and Finance sub-groups.

SEStran coordinated the wider regional measures on behalf of the Group. This involved working with Transport Scotland to coordinate and implement capacity information trials on public transport in partnership with Trapeze and the integration with the existing Real Time Passenger Information (RTPI) system.

SEStran also rapidly deployed the Thistle Assistance design team to develop a functionality in the App to add a face covering exemption option. This allowed those who are exempt from wearing a face covering to easily communicate this to others such as on public transport, or within the wider public realm.

Furthermore, SEStran led the coordination of temporary bus interventions out-with the three corridor groupings and were submitted to the Bus Priority Rapid Deployment Fund as part of the second tranche of interventions. These interventions particularly benefitted Fife and Clackmannanshire, for the implementation of non-corridor related bus priority measures.

SEStran took a leadership role initiating discussions around DRT and trialling DRT tech in the region. This led to the development of a MaaS/DRT project bid to the Transport Scotland MaaS Investment Fund Round 2 (MIF2) in February 2021. Furthermore, this led to an exchange of learning and best practices across the region and beyond, such as during a DRT seminar which SEStran organised in June 2021. Potential DRT trials have been identified in East Lothian (as part of the MIF2 project proposal), Scottish Borders, Fife, and West Lothian, subject to funding. SEStran has been partially successful in its bid to the MaaS Investment Fund and is currently co-creating a project with Transport Scotland for the SEStran region.

Finally, SEStran played a key role in the development of bus alliances and the development of bids to the Transport Scotland Bus Partnership Fund (BPF). SEStran was involved in the development of bids for the Fife Bus Partnership, the Edinburgh and South East of Scotland, the Forth Valley Bus Alliance, the Midlothian Bus Alliance and the West Lothian Bus Alliance.

### **3. Conclusion**

- 3.1** On 9<sup>th</sup> August 2021, the Level Zero restrictions were lifted by the Scottish Government, with requirements for mask wearing in shops, on public transport being some of the only remaining controls. In August 2021, in keeping with the SG move to emphasise 'business as usual' across all industries and spheres of life, the Group agreed to conclude the temporary 'transition' focus of the group.

SEStran is now developing a close out report seeking to record the findings and reflections on the Plan, determine its legacy, and highlight the lessons learned.

Julie Vinders  
**Project Officer**  
14 September 2021

## **Implementation of Part 3 (Bus Services) of the Transport (Scotland) Act 2019**

### **1. INTRODUCTION**

- 1.1 The Scottish Government has launched a consultation on the proposed implementation of Part 3 of the Transport (Scotland) Act 2019, the part which relates to bus services. Given the consultation closes on 6<sup>th</sup> October, and given the importance of the topic to SEStran strategically, Members are being asked to approve the proposed response.

### **2. The Consultation**

- 2.1 The Consultation proposes how the legislation is to be implemented in detail, much of which is reserved to the stage of regulations and associated guidance.
- 2.2 The consultation document itself appears highly technical. However, at its core are the three ways in which bus services can be delivered in a new way under the Act going forward:
- Councils as local transport authorities running their own buses;
  - New ways of working via Bus Service Improvement Partnerships (BSIPs); and
  - Local bus services being delivered by means of a franchise arrangement.

The implementation of the first and third of these potential new ways to deliver bus services lies principally with local transport authorities. The councils themselves, as well as bus operators and professional bodies such as the Association of Transport Chief Officers (ATCO) will be preparing a response, and officers have liaised in particular with ATCO on their response.

- 2.3 However, where it is considered helpful, SEStran's response suggests how these potential ways forward might be made effective.
- 2.4 The remaining potential way forward for buses, Bus Service Improvement Partnerships, is an area where SEStran has had greater involvement, as it is a member of all five of the region's emerging BSIPs. Indeed, SEStran has where necessary provided secretarial services, assisted in procurement of consultants to pull together bids to the Bus Partnership Fund, and contributed financial assistance for consultancy support as well as regular contributions at meetings of the BSIPs.
- 2.5 With that in mind, the SEStran response picks up in particular on the seeming lack of definition around future governance arrangements of BSIPs and how, in practice, they can ensure buy in to the proposed bus service improvement plans and schemes by all stakeholders, most notably the operators

themselves. The legislation has an unusual means of ensuring that buy in, by effectively giving bus operators a right to vote such proposals down. Clearly there is a need for governance structures to ensure that the development of the relevant improvement plans and associated schemes is done on a consensual basis.

### 3. Recommendations

3.1 It is accordingly recommended that Members:

- (a) Approve the proposed response to the Consultation, subject to any agreed amendments; and
- (b) Delegate to the Partnership Director in consultation with the Chair to make any necessary textual amendments to reflect the views of Members before submitting same in time for the deadline of 6<sup>th</sup> October.

Jim Stewart  
**Strategy Manager**

Andrew Ferguson  
**SEStran Consultant**

### Appendix: Consultation on Traffic Regulation Orders

Policy Implications	In line with emerging and existing RTS.
Financial Implications	None.
Equalities Implications	None for SEStran. Relevant Equalities Impact for the Scottish Government forms part of the consultation.
Climate Change Implications	None.

### Background Papers:

[Consultation on Implementation of Part 3 \(Bus Services\) of the Transport \(Scotland\) Act 2019.](#)



<b>Local Transport Authority Bus Services</b>	
	Question 1: Is there anything which should be set out in guidance that LTAs must have regard to in exercising their new functions for running their own bus services? Please explain your answer.
	It is clear from the consultation that the guidance is not to provide a step by step guide. LTAs will decide to progress LTA-run services, but that decision is based on how this contributes to implementing the LTA's relevant general policies. Can Ministers stop local authorities if they disagree that it contributes to the 'general policies'? Some guidance is needed on this aspect of the process so authorities are clear about what might be required to make the case.
	Question 2: What further information and resources would be useful for an LTA considering providing local bus services? Please explain you answer.
	A summary of all relevant legislation would be useful to assist local authorities identify all relevant matters. Is there a role for a FAQ's and answers sections?

<b>Bus Service Improvement Partnerships (BSIPs)</b>	
	<b>BSIP process</b>
	<b>Partnership plans</b>
	<b>Partnership schemes</b>
	Question 3: Do you have any further comments in relation to the form and content of plans and schemes?
	There should be a requirement for schemes to be properly costed, so that operators can make an informed decision on the feasibility and sustainability of them.
	<b>Preparation, variation and revocation of plans and schemes</b>
	Question 4: Do you have any additional comment relating to the procedures for the preparation, making, postponement, variation and revocation of plans and schemes? Please include any comments on matters that may be helpful to consider for inclusion in secondary legislation.
	None
	Question 5: Do you consider any conditions are necessary for the variation or revocation of a scheme (where the scheme itself makes bespoke provision for this)?
	The conditions for variation within the scheme should ensure the same level of engagement and consultation occur as that required under PART 2 of SCHEDULE A1 and associated with a change promoted under section 3H.
	Question 5A: Please provide further information, including what conditions, if any, should be specified and why.
	Why have this power when there are other formal mechanisms for change within the legislation within SCHEDULE A1?
	<b>Notices</b>
	Question 6: Do you have any further comments on the content, form or publicising of the notices listed in Table 1? Please include these below
	None
	<b>Facilities and measures</b>

Question 7: Do you agree or disagree with the above definition of facilities?
Disagree
Question 7A: If you disagree, how should this be amended/ what should this contain?
The provision of Real Time Passenger Information hardware should be included. Systems supporting passenger information should be considered for inclusion.
Question 8: Do you agree or disagree with the above definition of measure
Disagree
Question 8A: If you disagree, how should this be amended/ what should this contain?
Priority signalling is infrastructure even if it is technology based and should be a facility.
Question 9: Should existing facilities form a part of a partnership plan/ scheme?
Yes
Question 9A: If yes, should there be a time restriction and why?
It is more important that the facility meets the scheme aims over the lifetime of the scheme to consider if the historical investment should be included. 5 Years seems reasonable.
<b>Exempt services</b>
Question 10: Do you consider any further services may or must be exempted from the service standards of the scheme (beyond services under section 22 of the 1985 Act as detailed above)?
Don't know. Section 22 of the 1985 Act is about community buses. How do we get the right standards if these are excluded from service standards of a scheme?
Question 10A: If yes, please comment on what services should be exempt. Please explain your answer.
No comment
<b>Voting mechanism</b>
<b>Qualifying local services and qualifying time</b>
Question 11: Do you agree or disagree with the above definition of "qualifying local service"?
Neither agree nor disagree
Question 11A: Please explain why and provide any relevant evidence.
N/A
Question 12: Do you consider any services should be excluded from voting (for example excursions or interurban services)?
This is a question for LTAs and operators to best answer.
Question 12A: Please explain your answer.
N/A
Question 13: Do you agree or disagree with the definition of "qualifying time" as set out above?
Agree
Question 13A: Please explain your answer.
N/A
<b>Sufficient number of persons in relation to the voting mechanism</b>

	Question 14: Do you agree or disagree with the voting mechanism as proposed above? (either of the options within the model can be adopted by the BSIP).
	Neither agree nor disagree
	Question 14A: Please explain your answer.
	<p>The definition as set out in the consultation seems relatively sensible. Operators and LTAs will have a view. However, this part of the consultation misses a major point, which is how the Government proposes that BSIPs should be governed overall.</p> <p>It is appreciated that the legislation as it stands does little to define what a BSIP should look like. However, there should at the very least be Guidance, and where possible using the regulations under Part 4 of Schedule A1, specific requirements, on the governance model to be adopted by BSIPs.</p> <p>Many operators operate across a number of LTA areas. In addition, small LTAs may be members of more than one BSIP if experience of the nascent BSIPs in the SEStran area (where 3 out of 5 Bus Alliances are multi-authority) is representative. That being the case, Guidance should set out clear, unambiguous guidelines as to what good practice in governance terms should be. Operators especially should be able to expect consistency between different BSIPs in terms of how representation is managed and decisions reached.</p> <p>At present, many BSIPs which have been formed to bid to the Bus Partnership Fund are loose alliances of LTAs, bus operators, and others such as RTPs and bus users' representatives. The legislation makes no provision for the latter two groups to have any say in what BSIPs decide; other than the consultation provisions. Decision making mechanisms in the BSIPs need to reflect that. From the RTPs' point of view, it is important to have a voice, and this is potentially useful in ensuring a consistency of approach.</p> <p>BSIPs should also be clearly intended to be distinct partnerships, and not adjuncts to existing governance arrangements. The latter approach may be convenient for the stakeholders in such arrangements but fails to recognise the distinct nature and purpose of BSIPs.</p> <p>One option would be to use a Members' Board approach, with elected representatives from the LTA(s) and representatives from each of the operators as well as other interested parties such as RTPs and bus user organisations able to attend and vote – subject to the veto provisions being constrained by the legislation, as set out above.</p> <p>A good example of how such a Board might be structured, and what guidance could therefore be given on a BSIP's governance structure, can be found in the <a href="#">Regional Transport Partnerships (Establishment, Constitution and Membership) (Scotland) Order 2005</a>. This recognises for example that non-councillor members of an RTP Board do not have a vote on certain fiscal matters.</p>

	Other governance models exist. However, without any guidance on the matter, it is likely that BSIPs will be formed in different ways across the country, with each of them making a 'best guess' as to what best practice should be.
	<b>Multi-operator travel card definition</b>
	Question 15: Do you agree or disagree with the proposed definition of a "multi-operator travel card"?
	Neither agree nor disagree
	Question 15A: Please explain your answer
	This is a question LTAs and operators are best placed to answer.
	<b>Reviewing and reporting</b>
	Question 16: Do you agree or disagree with the proposed content of reviews and reports on the operation of a plan or scheme to be outlined in guidance?
	Agree
	Question 16A: Please explain your answer
	Guidance covers this best not regulations covering how to report.
	<b>Scrutiny of bus service improvement partnerships</b>
	<b>Provision of information</b>
	Question 17: What type of information should be excluded from the definition of relevant information and why?
	This question is best answered by ATCO and LTA's
	Question 17A: Are there any circumstances in which it should not be possible for the Local Transport Authority to require relevant information?
	This question is best answered by ATCO and LTA's
	Question 17B: Do you have any further comments on the provision of information within Bus Service Improvement Partnerships?
	<b>Accessibility of services</b>
	Question 18: What further guidance is required on how a partnership scheme and plan may consider the accessibility of bus services for disabled people and people who have limited mobility?
	This question is best answered by ATCO and LTA's
	Question 18A: Do you have any further comments in relation to accessibility of bus services in the context of Bus Service Improvement Partnerships?
	<b>Guidance</b>
	Question 19: What information, beyond the processes and considerations outlined in this chapter, should any guidance on Bus Service Improvement Partnerships contain?

<b>Local Services Franchises</b>	
	A franchising framework sets out
	Other key facts about Franchising Frameworks
	Franchising process
	Franchising assessments
	Breakdown of the Five Case model promoted by HM Treasury
	Guidance to LTAs on franchise assessments

Question 20: What should the guidance to LTAs on preparing a franchising assessment contain? Please explain your answer.
This is a question LTAs and operators are best placed to answer.
<b>Provision of Information for Preparing and Assessing Proposed Franchising Frameworks</b>
Question 21: What relevant information do you think LTAs should be able to require from bus operators for the purpose of preparing and assessing a proposed franchising framework? Please explain your answer.
This is a question LTAs and operators are best placed to answer.
Question 21 A: In preparing and assessing a proposed franchising framework, are there any circumstances in which you think the LTA should not be able to require relevant information (or types of relevant information)? Please explain your answer.
This is a question LTAs and operators are best placed to answer.
<b>The audit process</b>
<b>Guidance to auditors</b>
Question 22: What should be included in the guidance for auditors? Please explain your answer.
An audit should be 'light touch' and not require intensive resource from those audited to respond. It should also be timeous and respect reporting deadlines.
<b>Guidance to LTAs for making a new franchise assessment</b>
Question 23: What should be included in guidance to LTAs in relation to the circumstances in which the LTA must prepare a new assessment of a proposed framework? Please explain your answer.
This is a question LTAs and operators are best placed to answer.
<b>Independent panel appointed by the Traffic Commissioner</b>
Question 24: Do you have any views on the constitution of the panel, including any criteria for potential panel members? If so, please explain.
Guidance should set out in particular the type of experience that panel members will be expected to have. At least some of them should have a regional perspective.
Question 24 A: Do you have any views in relation to the appointing, removing or replacing members to the panel and why? If so, please explain.
None
<b>Functions of the panel</b>
Question 25: Do you have any views about the process that the panel should follow in making their decision? If so, please explain.
None
Question 25 A: Are there any matters which you think should be prescribed in regulations that the panel must be required to consider (in relation to whether the LTA has given appropriate weight to such matters)? If so, please explain.
None
<b>Information relating to services</b>
<b>Prescribing the time period for providing information</b>

Question 26: How long should an LTA be given to require the provision of service information and why? Please explain your answer
This is a question LTAs and operators are best placed to answer.
Question 27: How long should an operator be given to provide that information and why? Please explain your answer.
This is a question LTAs and operators are best placed to answer.
<b>Service Information Operators Must Provide</b>
Question 28: What considerations might need to be taken into account when determining what revenue and patronage information an operator should be required to provide to an LTA under new section 6ZA(2) of the 1985 Act. Please explain your answer.
This is a question LTAs and operators are best placed to answer.
Question 29: Do you have any views on what specific information should be prescribed? If so, please explain.
This is a question LTAs and operators are best placed to answer.
Question 30: Do you have any views on what specific information should not be prescribed? If so, please explain.
This is a question LTAs and operators are best placed to answer.
<b>Extent of Permissible Disclosure</b>
Question 31: What other persons do you think patronage information should be disclosed to and why?
This is a question LTAs and operators are best placed to answer. However, it would be helpful if patronage information could be disclosed to RTPs to assist in strategy development.
<b>Further Provision and Consultation</b>
Question 32: Under what circumstances might the application of new section 6ZA of the 1985 Act require to be excluded or modified? Please explain your answer.
This is a question LTAs and operators are best placed to answer.
Question 33: Should operators be required to keep records of information and if so, what information should they keep? Please explain your answer.
This is a question LTAs and operators are best placed to answer.
Question 34: Do you have views as to the form and content of the information operators may be required to provide under new section 6ZA of the 1985 Act including how it should be delivered? If so, please explain.
This is a question LTAs and operators are best placed to answer.

### Impact Assessments

Question 35: Do you have any views on the contents of the impact assessments published in association with this consultation paper?
No
Question 36: Do you have any comments on the information contained in the partial BRIA including the options, costs and benefits discussed?
No

## **Public Services Reform (Scotland) Act 2010**

### **1. INTRODUCTION**

- 1.1 The Regional Transport Partnerships are included in the schedule of the Public Services Reform (Scotland) Act 2010. This requires annual publication of certain information and this report advises the Board of the information to be published.

### **2. DATA TO BE PUBLISHED**

#### **2.1 Expenditure**

- 2.1.1 Section 31 (1) and (2) require public bodies to publish as soon as is reasonably practicable after the end of each financial year a statement of any expenditure they have incurred during that financial year on or in connection with the following matters:
- Public relations
  - Overseas travel
  - Hospitality and entertainment
  - External consultancy
  - Payments with a value in excess of £25,000
  - Members or employees who received remuneration in excess of £150,000.

#### **2.2 SUSTAINABLE ECONOMIC GROWTH**

- 2.2.1 Section 32(1)(a) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement of the steps it has taken during that financial year to promote and increase sustainable growth through the exercise of its functions. As this requires the publication of a statement it is not sufficient simply to refer to other published material such as the annual report.

#### **2.3 EFFICIENCY, EFFECTIVENESS & ECONOMY**

- 2.3.1 Section 32(1)(b) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement of the steps it has taken during that financial year to improve efficiency, effectiveness and economy in the exercise of its functions. Again, this requires the publication of a free standing statement and it is not sufficient simply to refer to other published material such as the annual report.

2.4 The data as described in sections 2.1 to 2.3 of this report is included in appendix 1 of this report and will be published on the SEStran website in accordance with the requirements of the Act.

### 3. RECOMMENDATION

3.1 The Board is asked to note the content of the material for publication under the Public Services Reform (Scotland) Act 2010 and detailed in appendix 1 of this report.

Beth Harley Jepson  
Regional Cycle Training & Development Officer  
September 2021

#### **Appendix 1 – Statement of Compliance with the Public Services Reform (Scotland) Act 2010**

Policy Implications	None
Financial Implications	As detailed in appendix 1.
Race Equalities Implications	None
Gender Equalities Implications	None
Disability Equalities Implications	None
Climate Change Implications	None



## Appendix 1 - Statements of Compliance with the Public Services Reform (Scotland) Act 2010

### 1. BACKGROUND

- 1.1 Sections 31 and 32 of the Public Services Reform (Scotland) Act 2010 (“the Act”) impose duties on Scottish public bodies to publish information on expenditure and certain other matters as soon as is reasonably practicable after the end of each financial year. This statement is produced by the South East of Scotland Transport Partnership (SEStran) to ensure compliance with the requirements of the Act.
- 1.2 SEStran works hard to be a transparent, responsive, best value organisation that delivers on its vision for the South East of Scotland’s transport network, as outlined in its statutory Regional Transport Strategy.
- 1.3 SEStran’s vision is for 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.”***
- 1.4 SEStran’s annual report and accounts for 2020/21 set out the impact of the work and the outcomes achieved, together with associated costs. This is laid before the Partnership Board of SEStran in September 2021. The purpose of this statement is to disclose those costs which are relevant to Section 31(1) and (2) of the Act.
- 1.5 Section 31(1) of the 2010 Act requires public bodies to publish as soon as is reasonably practical after the end of each financial year a statement of any expenditure they have incurred during that financial year on or in connection with the following matters:
- Public relations;
  - Overseas travel;
  - Hospitality & entertainment;
  - External consultancy
  - Payments in excess of £25,000.
- 1.6 Public bodies are required to publish the total amount of expenditure incurred during each financial year on or in connection with each of the categories set out above, but it is of course open to SEStran to publish a more detailed breakdown of expenditure if they so wish.

### 2. PUBLIC RELATIONS

- 2.1 SEStran had a net spend of £47,869 on public relations in 2020/21. This represents 3.9% of the total expenditure for the year. The majority of expenditure was on marketing costs to increase awareness of project activity and available services, including development of the Thistle Card and

distribution, Thistle Assistance App and the Do The Ride Thing Awareness Campaign, promoted through online media and advertisement on local radio.

### **3. OVERSEAS TRAVEL**

3.1 SEStran incurred an expenditure of £0 on overseas travel in 2020/21.

### **4. HOSPITALITY & ENTERTAINMENT**

4.1 SEStran incurred an expenditure of £0 on hospitality in 2020/21. No expenditure was incurred on benefits, sporting or cultural events.

### **5. EXTERNAL CONSULTANCY**

5.1 SEStran incurred expenditure of £533,369.49 on external consultancy. This is the equivalent of 51% of the total expenditure for the year. SEStran continued to commission WYG for RTPI assistance. SEStran have sought consultative assistance from Passio for Thistle Assistance Development. Furthermore, SEStran have also sought consultative assistance from Systra, Ove Arup, Stantec, The Lines Between, 56 Degrees Insight Limited, Andrew Ferguson Consults, Bewegen Technologies, Jacobs, Joe Revans Studio, Mott MacDonald, Not for Profit Planning, PLANCO Consulting GmbH and Steer Davies & Gleave Ltd.

### **6. PAYMENTS IN EXCESS OF £25,000**

6.1 Section 31(3) of the Act places a duty on public bodies to publish the amount, date, payee and subject matter of any payment made during the financial year which has a value in excess of £25,000.

6.2 SEStran made the following payments over £25,000

<b>Payee</b>	<b>Subject Matter</b>	<b>Gross Amount</b>
Steer Davies & Gleave Ltd	LEZ Support funds	£32,390.40
Clackmannanshire Council	Active Travel Fund	£80,000.00
Edinburgh & Lothians Greenspace Trust	Active Travel Fund	£35,000.00
NHS Lothian	Urban Cycle Networks	£57,500.00
Scottish Enterprise	Thistle Assistance refund	£25,000.00
Trapeze	Core	£57,699.50

- 6.2 Payment of £32,390.40 was made to Steer Davies & Gleave Ltd for the development of a Strategic Study for the development of Mobility Hubs in the region as part of the Low Emissions Zone support fund.
- 6.3 Payment of £80,000.00 was made to Clackmannanshire Council for the completion of place making designs in Alloa Town Centre around their new Active Travel Hub. The Edinburgh and Lothians Greenspace Trust Grant of £35,000 was for work on a feasibility study on the development of a green active travel corridor between Dalkeith and Little France Park routing through the developments at Shawfair.
- 6.4 Payment of £57,500 was made to NHS Lothian associated to consultancy services rendered in the process of work for the active travel corridor between Bio Quarter and Cameron Toll.
- 6.5 Payment of £25,000 was made to Scottish Enterprise refunding saving on £150,000 funding award for Thistle Assistance development.
- 6.6 The £57,699.50 was made to Trapeze for management and maintenance of the NOVUS FX system for regional real time passenger information.
- 6.7 Throughout 2020/21 SEStran paid certain consultants in excess of £25,000 over several payments. These are listed below:

6.9

<b>Supplier</b>	<b>Subject Matter</b>	<b>Total Amount</b>	<b>Comments</b>
Hillside Agency	Thistle Assistance Development	£26,825.40	Marketing and brand development
Hillside Outside	Go e-Bike and Sustainable Travel Awareness	£30,000.00	Do The Ride Thing Branding
Aecom	Leith Docks Freight Study LRDF & Active Travel Fund	£130,555.75	Professional Fees - Studies
Andrew Ferguson Consults	Project Consultancy Support	£32,625.00	Professional Fees – consultancy support
Jacobs	R37 RTS	£70,299.60	Professional Fees - Studies
Ove Arup	LEZ Support funds, Urban Cycle Networks and Active Travel Fund	£142,218.06	Professional Fees - Studies

Systra	Newburgh Transport Appraisal (LRDF)	£48,621.60	Professional Fees - Studies
21st Century Passenger Systems Ltd	RTPI – Revenue Contribution and LEZ Support Funds	£251,272.80	Development of regional real time passenger information system
Scottish Government	Core and Go e-Bike	£79,193.82	
Onestop IT Solutions	Core	£25,091.85	Help desk

## 7. MEMBERS OR EMPLOYEES WHO RECEIVE REMUNERATION IN EXCESS OF £150,000

- 7.1 Section 31(4) of the Act places a duty on public bodies to publish the number of individuals who received remuneration in excess of £150,000.
- 7.2 No employee, office holder or other individual involved with SEStran received remuneration in excess of £150,000 during 2020/21.

## 8. SUSTAINABLE ECONOMIC GROWTH

- 8.1 Section 32(1)(a) of the Act places a duty on public bodies to publish a statement of the steps it has taken during the financial year to promote and increase sustainable growth through the exercise of its functions.
- 8.2 SEStran is a statutory body, under the Transport (Scotland) Act 2005 and is tasked with producing a Regional Transport Strategy for the South East of Scotland.
- 8.3 The following statement sets out the steps that SEStran has taken in 2020/21 to promote and increase sustainable economic growth in the exercise of its functions. Further information on this and our work is contained in our Audited Annual Accounts and Annual Report for 2020/21.
- 8.4 In delivering against its published priorities in the revised Regional Transport Strategy, SEStran contributed to the Scottish Government's overall objectives and National Outcomes. During 2020/21 this work contributed to:
- Reducing the number of commuter journeys by single occupancy vehicles within the South East of Scotland
    - *In the financial year 2020/21, based on statistics from the Liftshare dashboard, Tripshare SEStran contributed to an estimated 417.54 tonnes of CO2 reductions and 1.89 tonnes of NOx reductions.*
  - Minimising the overall need for travel; overall by car.

- *In the area of active travel, the development of the Do the Ride Thing campaign, in-depth behavioural surveying, cargo bike training and development of the strategic network for active travel routes supported our partners in efforts to increase availability of active travel choices.*
- *SEStran's Cycling Officer, continued to support Bikeability Local Authority Coordinators over this year. Adult Cycle Training programmes were delivered across the region.*
- *SEStran's GO e-Bike project continued to promote the use of e-bikes as an alternative to car use. Projects from the previous year continue to perform with staff business journeys at St. Andrews University, and community promotion through West Lothian Bike Library and CLEAR Buckhaven, Socialbite Village and Tweed Valley BID. GO e-Bike is expanded further with new hubs in East Lothian and Midlothian as part of an on-street bike share system.*
- *SEStran has supported the development of a Cargo Bike hub in Edinburgh, increasing access to and awareness of cargo bikes as an alternative transport mode.*
- *SEStran's work in the development of cycle networks saw investment in projects ranging from feasibility to concept and detailed design. Continued support was given to the development of an active travel corridor between Cameron Toll and Edinburgh BioQuarter. Feasibility work was undertaken on a route between Dalkeith and Little France park linking new developments at Danderhall and Shawfair to the Edinburgh BioQuarter site. Building on previous work Arup were engaged to develop a project pipeline and continue stakeholder conversations for the development of the SEStran Strategic Network.*
- *SEStran commenced a longitudinal research project to understand the drivers behind changes in travel behaviour from a sample of participants across the region. The project will be complete in March 2022.*
- Maximising public transport provision and achieving public transport integration and intermodality.
  - *SEStran operates a wide range of programmes and projects to support and bolster the provision of public transport in the region. In addition, SEStran maintains regular contact with rail and bus operators to discuss matters relevant to the provision of public transport in the region. This includes raising any relevant mobility issues for people and communities in the region with rail and bus companies.*
  - *Key during this year has been SEStran's involvement in regional bids to the Bus Partnership Fund, set up by Transport Scotland to enable infrastructure-based solutions to bus delays caused by congestion and related issues. This links to the provisions of the Transport (Scotland) Act 2019 allowing for the creation of Bus Service Improvement Partnerships (BSIPs).*
  - *In 2020/21 SEStran carried out further publicity for the Thistle Assistance Programme. To help respond to the COVID-19 pandemic in March 2020 the SEStran Board agreed to fund*

development of a facemask exemption adaption for the card and app.

- *SEStran was successful with a £150,000 bid to Scottish Enterprise in February 2021 which secured funding for the development and testing for a fully developed working prototype Thistle Assistance Journey Planner App, which will be tested in the public realm. For Phase 2 we propose further exploration of the journey customisation features, both at the lower level of local personal navigation and at the higher macro level of providing better navigation transit systems such as train/bus stations). Additionally, Phase 2 must explore how the demonstrated prototype can be integrated with existing services such as Traveline Scotland.*
- Improving safety for all road and transport users
  - *SEStran's Equality Outcomes 2017 – 2021 were published. For example, there can be a fear of crime particularly when travelling alone on certain modes/routes of transport, particularly in terms of antisocial behaviour or sexual harassment of women on public transport and/or hate crime towards other groups. This can affect the frequency of travel for these groups and curtail their mobility so the RTPI system can play a part in increasing confidence, alongside our promotion of the Thistle Assistance Programme.*
- Enhancing community life and social inclusion
  - *SEStran has been in a Hate Crime working group to develop and implement a Hate Crime Charter for public transport in partnership with Disability Equality Scotland, Transport Scotland and Police Scotland. Following several successful pilots in the SEStran region, the Charter was launched nationally in March 2021.*
- Enhancing movement of freight, particularly by rail and other off-road modes
  - *SEStran continues to work with Edinburgh Napier University and ZEDIFY Logistics on the EU funded SURFLOGH project which aims to improve the commercial sustainability of last and first mile freight distribution and developing business models for urban freight hubs. An expansion of the successful first / last mile delivery trial in the Haymarket area by ZEDIFY was agreed with the project's lead partner. Preparatory work was finalised, and will enable a new hub to be operational in the Leith area in 2021;*
  - *As part of the BLING project the University of Edinburgh supported by SEStran has developed a pilot concept called 'GeoPact'. The GeoPact system is comprised of a complex assembly of technological objects, that together enables the design, deployment of location-aware smart contracts that run on the Ethereum blockchain for study.*
- Enhancing real time passenger information available for bus services in both urban and rural areas
  - *SEStran's RTPI system began in 2010 with the aim to tackle a declining bus patronage and make bus travel more predictable and reliable. In 2020/21 SEStran continued working with the City of*

*Edinburgh Council to move towards a new Content Management System that will improve the public facing regional screen network.*

- *Despite the project timelines being impacted by the COVID-19 pandemic SEStran and local authority partners have continued to upgrade the regional system this year and this work will continue over the next 12 months.*
- *Another qualitative point about RTPI is the safety aspect for women or elderly or other travellers, in that they know their bus is on the way and feel safer in the knowledge of how long they will wait and maybe making contact with people who are going to pick them up. There is an assurance factor as well re linking journeys and making connections*

## **9. EFFICIENCY, EFFECTIVENESS AND ECONOMY**

- 9.1 Section 32(1)(a) of the Act requires public bodies to publish a statement of the steps taken to improve efficiency, effectiveness and economy in the exercise of their functions.
- 9.2 The following statement sets out the steps that South-East of Scotland Regional Transport Partnership (SEStran) has taken in 2020/21 to improve its efficiency, effectiveness and economy in the exercise of its functions.
- 9.3 Supporting the principles of public sector reform, SEStran is aware of the overall need to ensure the delivery of public services as efficiently and effectively as possible.
- 9.4 In relation to the Scottish Government's National Outcome 16: *Our public services are high quality, continually improving, efficient and responsive to local people's needs*, we are committed to delivering services that are high quality, continually improving, efficient and responsive.
- 9.5 SEStran receives a total of £190,000 from its constituent councils.
- 9.6 In 2020/21 a grant of £314,000 was received from Transport Scotland Active Travel Fund and £92,500 from Sustrans.
- 9.7 In 2020/21 SEStran were involved with several European projects as follows:
- Bling
  - Share-North
  - Surflogh
  - PriMaaS
  - CONNECT
- 9.8 SEStran received £89,000 from the EU in relation to these projects.
- 9.9 In procurement, SEStran have continued to make use of the Public Contracts Scotland (PCS) portal, taking advantage of efficiencies associated with e-procurement. It is intended to continue to use available frameworks and PCS for procurement.

9.10 In the current economic climate, and with reduced resources, SEStran will continue to work with all involved in regional transport to ensure effective delivery of strategy, policy and projects that deliver the vision for the transport network of the South East of Scotland.



## Consultation on Traffic Regulation Orders – Response by South East Scotland Transport Partnership

### Background

*(N.B. the paragraphs below form part of the consultation document and have been retained to allow Members to gain a fuller understanding of the context of the consultation. References to 'we' and 'us' refer to the Scottish Government).*

### Local Authority Concerns

The Scottish Government committed to a review of traffic regulation order (TRO) procedures following concerns raised by local authorities, some of which were discussed in evidence sessions on the Restricted Roads (20 mph Speed Limit) (Scotland) Bill. The Rural Economy and Connectivity Committee report on that Bill welcomed and encouraged the TRO procedure review. Officials have been working with local authorities since then to identify potential barriers to the implementation of local 20 mph speed limits and other measures which are implemented by TROs.

This review was further widened to take account of the additional information received during the passage of the Transport (Scotland) Act 2019.

### TRO Review Working Group Feedback

Transport Scotland Officials have been working with a focused group of local authorities and stakeholders to gather information and experiences of the TRO process with a view to considering together what potential improvements could be made.

Evidence has also been gathered from the Spaces for People programme by way of webinars with local authorities.

Spaces for People is a new, temporary infrastructure programme in Scotland which offers funding and support to make it safer for people who choose to walk, cycle or wheel for essential trips and exercise during COVID-19. This program is funded by the Scottish Government and managed by Sustrans Scotland.

[Spaces for People: Making essential travel and exercise safer during Coronavirus - Sustrans.org.uk](https://www.sustrans.org.uk/spaces-for-people)

During these webinars, hosted by Sustrans, local authorities have been given the opportunity to discuss any issues that they may be having with implementation of schemes.

Additionally, the TRO process has been discussed at some length during the work undertaken with all 32 local authorities as part of our Parking Standards Working Group to inform the secondary legislation required for the parking elements of the Transport (Scotland) Act 2019.

### COVID-19 Pandemic and Active Travel

Since we started undertaking the TRO review the backdrop has shifted due to the COVID-19 Pandemic. The requirement for physical distancing and increased use of active travel measures has altered how many roads are used. The Scottish Government issued [guidance](#) in April 2020 to support local authorities in considering using their existing statutory powers to temporarily regulate roads in their areas in order to respond as necessary to the pandemic. Many local authorities used temporary traffic regulation orders (TTROs) to put in place measures to support the need for road users to maintain physical distancing measures and to respond to changes to road use such as increased numbers of pedestrians and cyclists. These measures, such as additional cycle lanes and extended pavement space, were developed under the Spaces for People programme.

The measures employed under Spaces for People were developed as temporary responsive measures but a number of local authorities have indicated that there are various aspects that they may consider adapting into longer term or permanent measures. This requires detailed consideration and consultation and local authorities will have to consider their statutory powers such as those for bringing forward a permanent TRO or an experimental TRO and follow the appropriate connected procedures.

## **Legislation**

Traffic authorities have powers under the [Road Traffic Regulation Act 1984](#) (“the 1984 Act”) to regulate traffic on roads they are responsible for. The relevant traffic authority for a road in Scotland is the same as the roads authority for that road under the [Roads \(Scotland\) Act 1984](#). This means the Scottish Ministers are the roads and traffic authority for all trunk roads (including motorways) and local authorities are the roads and traffic authorities for all other roads in their area.

### Types of Traffic Regulation Orders

#### **Temporary Traffic Regulation Orders (TTROs)**

If the traffic authority for a road are satisfied that traffic on a given road should be restricted or prohibited due to works on or near the road, because of the likelihood of danger to the public or damage to the road, or because of certain litter clearing and cleaning duties the authority may make a TTRO restricting temporarily the use of that road by vehicles or by vehicles of particular types or by pedestrians.

The maximum duration for a TTRO is generally 18 months on roads used by motorised vehicles and 6 months on footpaths, bridleways, cycle tracks or byways.

When making a TTRO traffic authorities must comply with the procedural requirements in the [Road Traffic \(Temporary Restrictions\) Procedure Regulations 1992](#).

#### **Traffic Regulation Orders (TROs)**

A TRO can be promoted for a variety of reasons set out in the 1984 Act, such as avoiding danger to persons or other traffic or for facilitating the passage of traffic on

the road, and they must be indicated by appropriate road signs and/or markings. TROs are the mechanism that allow traffic authorities to implement changes to the road network. They can be used for a variety of things including, for example, delineating parking restrictions, prohibiting turns and setting speed limits.

It is for each traffic authority to determine whether and how they should exercise their functions under the 1984 Act however, in taking forward TROs, local authorities must comply with the [Local Authorities Traffic Order \(Procedure\) \(Scotland\) Regulations 1999](#) which specify procedural requirements such as publication of proposals and dealing with any objections received.

There are separate procedure regulations ([the Secretary of State's Traffic Regulation Orders \(Procedure\) \(Scotland\) Regulations 1987](#)) for TROs made by the Scottish Ministers.

### **Experimental Traffic Regulation Orders (ETROs)**

Section 9 of the 1984 Act enables traffic authorities to make experimental traffic regulation orders (ETROs) for the purpose of carrying out an experimental scheme of traffic control. These can have effect for up to 18 months. The procedure regulations for TROs also apply to ETROs with some minor adjustments.

### **Findings to Date**

The feedback received from the TRO Review Working Group, from our Parking Standards Group and from the Spaces for People webinars found that the overall consensus is that local authorities are generally content with the way that the TRO process works. However, issues have been raised and we have identified some proposals and matters to explore further within this chapter. Officials have categorized these into short term and medium to long term work streams.

### **Short Term**

We propose to consult on and amend the relevant procedural regulations in relation to ETROs.

We will also consult on whether there should be any changes to procedures in relation to:

- Loading Restrictions in TROs
- Redetermination Orders made under the Roads (Scotland) Act 1984

### **Medium to Long Term**

Further work required in relation to:

- Methods of advertising TROs and associated costs.
- Digitization of TROs

### **Experimental Traffic Regulation Orders (ETROs)**

ETROs appear to be very rarely used in Scotland. Feedback from the local authorities we have engaged with through our working groups is that the existing ETRO legislation offers little benefit as the procedure for such orders does not provide a structured way to genuinely consult and modify along the way with a view to reaching a longer term outcome that is locally supported. To make a permanent change to traffic regulation giving effect to a successful ETRO a new TRO process must be embarked on within the duration of the ETRO to avoid a gap in coverage when the ETRO ends. This means that multiple procedures must be followed for the same proposal.

### **Scotland - legislation**

The relevant procedural regulations for a traffic authority making a TRO also apply to ETROs with the disapplication of the requirements in relation to publication and notice of proposals in relation to ETROs for trunk roads. This means in order to make an ETRO on a trunk road the traffic authority must comply with the relevant TRO consultation requirements (such as consulting with the police) and then after making the order they must comply with the requirements in relation to notification and publishing notice of making the order.

In relation to ETROs on local roads, in most cases the full TRO procedural requirements must be followed in relation to consultation, publication and considering objections before the ETRO can be made. The requirements in relation to publication and notice of proposals are disapplied in certain limited circumstances (continuing the ETRO within the maximum duration of 18 months, making the ETRO shorter or less stringent and revoking the ETRO).

### **England & Wales - legislation**

It appears that ETROs are more commonly used in England and Wales. The procedure regulations for TROs there are the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 and the Secretary of State's Traffic Orders (Procedure) (England and Wales) Regulations 1990. Similarly to the Scottish regulations, the application of these is modified in relation to ETROs with the disapplication of prior publication of proposals and usual objections provisions. However, in addition they contain certain specific provisions in relation to ETROs and TROs which give permanent effect to ETROs.

In summary, this results in a procedure as follows:

- Consultation (Police, emergency services, freight groups etc.)
- Notice of making the order is published at least seven days before the order will have effect.
- This notice must include a statement that the traffic authority is considering making the effect of the order permanent and invites any objections to be made within the first 6 months of the order having effect.
- If the ETRO is varied by a subsequent order the 6 months run from the time any such variation has effect.
- The usual provisions continue to apply in relation to objections and hearings.

- At the end of the experimental period a TRO may be made giving permanent effect to the ETRO and the traffic authority does not require to follow the usual consultation, notification and objection requirements, provided that no variation or modification of the ETRO was made more than 12 months after it was first made;
- Any objection made in relation to the ETRO is to be treated as though it was an objection to the TRO giving permanent effect to the ETRO, this has the effect of allowing the traffic authority to address objections and hold any necessary hearings while the ETRO is in effect.
- The usual procedures apply after making the permanent TRO (such as in relation to publication and notification).

### **Our Proposals**

As our evidences suggests that traffic authorities find little benefit in the present procedure for ETROs in Scotland and they are underused we propose to amend the TRO procedure regulations.

We consider that the ETRO procedures could be adjusted to provide traffic authorities with a flexible way to trial experimental traffic management solutions and consider their impacts in action and in taking account of public feedback and objections. It would allow traffic authorities to develop their evidence base for what works and what doesn't and allows them to adapt to public feedback quickly. This in turn gives the public an opportunity to voice their concerns and see positive changes being made on the ground.

We therefore propose a new ETRO process for Scotland to brought forward in regulations.

#### **Before the order comes into effect**

- Consultation should still be required and held with the usual bodies relevant to a TRO such as Police Scotland, the other emergency services, freight groups etc.;
- After making an ETRO notice is published at least seven days before the order will have effect;

#### **During the experimental order period**

- Objections would be invited and considered within the first 6 months of the experimental period;
- ETROs could be varied or amended to take account of the experimental findings or any objections and representations.
- ETROs can be amended at any time during the first 12 months of the experimental period as the objection period must be capable of running for a further 6 months from the date of any amendment to the ETRO;
- there would remain a maximum duration of 18 months for an ETRO as this is set out in the primary legislation (section 9(3) of the 1984 Act);

#### **Procedure at the end of the experimental period**

- The traffic authority, in view of all of the evidence gathered and in consideration of any objections and representations made in the course of the duration of the ETRO, would be able to make a decision on whether to remove the experimental traffic management or proceed to make a TRO giving permanent effect to the provisions of the ETRO at the end of the experimental period.
- There would be no requirement to undertake an additional period of consultation and objection when a traffic authority considers it is appropriate to make a TRO giving permanent effect to an ETRO (any objections to the ETRO will have already have been considered and addressed as appropriate during the experimental period).
- The usual publication and notification procedures will reply in relation to the making of the TRO.

1. Are you content with current procedures for ETROs in Scotland?

No

2. Do you agree or disagree that Scottish Ministers should seek to make amendments to the procedure for making ETROs and TROs which give permanent effect to ETROs?

Agree

3. Do you agree that before making an ETRO traffic authorities must consult with the police and any other bodies that would be required for a TRO having the same effect?

Agree

4. Do agree or disagree that traffic authorities should publish notice of making an ETRO at least 7 days before it will have effect?

Agree

5. Do you agree or disagree that ETROs should be capable of being amended during the first 12 months of the ETROs maximum duration?

Agree

6. Do you agree or disagree that if an ETRO is amended during that period that there must be a further 6 month period where representations and objections can be made?

Agree

7. Do have any comments regarding your answers to the questions above or anything else on the topic of ETROs that you wish to share as part of this consultation? If your comments are in relation to a particular question please be specific about which question you are referring to.

Please enter your comments here:

**SEStran supports the amendments to the ETRO process which allow the experimental order to be made permanent at the end of the experimental period, avoiding the need to essentially promote a further TRO to replace the experimental order before it expires.**

**The whole process of ETROs should be reviewed as a root and branch review of the legislation. However, don't disagree that proper notice and ability for objections should in principle be available to the public and other stakeholders.**

**Regional Transport Partnerships (RTPs) should be statutory consultees for these and other forms of TRO.**

### **Loading Restrictions**

The local authority procedure regulations require a hearing (a Public Local Inquiry (PLI)) to be held if there are objections to proposed local authority TROs which contain certain types of prohibitions or restrictions (see regulation 8 of the the Local Authorities Traffic Order (Procedure) (Scotland) Regulations 1999).

One of those categories is a TRO which contains prohibitions on the loading or unloading of vehicles on a road. These are often referred to as loading bay TROs. Through our TRO Review Group and Parking Standards Group, some local authorities raised concerns that this can result in one objection leading to an often costly PLI whereas there may be some circumstances in which a PLI is not necessary to determine whether the proposal should proceed.

In contrast, there is no automatic obligation to hold a PLI on the vast majority of TROs, such as those putting in place double yellow lines and other traffic control measures and decisions as to whether a PLI is necessary in relation to any objections to those TROs are routinely taken by the local authority.

The Scottish Government is therefore keen to gather views from local authorities, members of the public and other interested groups as to whether there is a need to revise the legislation in relation to holding PLI's where there are objections to TROs containing loading or unloading restrictions.

8. What are your views in relation to the need for a PLI when objections are made in relation to a proposed TRO containing loading or unloading restrictions?

Please enter your comments here:

**No view as a Regional Transport Partnership. This is an operational matter for roads authorities to respond on.**

### **Redetermination Orders**

During the work on the TRO review some consideration was given to another category of roads order which are not TROs but in some circumstances may have a similar outcome, these are redetermination orders made under section **152(2)** of the Roads (Scotland) Act 1984. Redetermination orders **enable a road authority to redetermine the means of public right of passage over a road**, for example, designating a footway or part of the carriageway of a road is to become cycleway. It is open to local authorities to consider whether a redetermination order or a TRO would best achieve their intended outcome or indeed a combination of the two may be useful as a redetermination order alone may not achieve the wider traffic management intentions (e.g. banning certain turns or in relation to parking).

Some local authorities have raised concerns about the procedure for dealing with objections to proposals for redetermination orders. Where there is an objection to such an order the local authority must refer the matter to the Scottish Ministers for confirmation of the proposals (see section 152 as read with section 71 of the [Roads \(Scotland\) Act 1984](#)). These local authorities have suggested, as with most TROs, the decision to proceed is capable of being taken at a local level and where necessary referred to a PLI.

One local authority indicated they considered that both a TRO and redetermination order would be required to achieve the same thing in certain circumstances thus requiring a doubling up of procedure. This appears to be a particular interpretation that is not widely held and which we could not see the need for. The full set of options in both the Roads (Scotland) Act 1984 and the Road Traffic Regulation Act 1984 are available to local authorities to use as they see appropriate. However, in order to consider the issues fully we are seeking views in relation to the use of redetermination orders.

9. Are you content with the procedures regarding redetermination orders?

No

10. Do you think legislation should be reviewed in light of the need to refer a proposed order to the Scottish Ministers if there are objections to it?

Yes

11. Do you have any other comments in relation to the procedure for redetermination orders?

**it is agreed that LAs should be able to deal with Redetermination Orders at a local level – this is strongly supported as the trigger threshold for of an objection for a public hearing is currently far too low. LAs have the necessary expertise and balanced view to be able to decide if the objection is material and valid / worthy of consideration, and then the means through open committee processes to explore and reach conclusion. Referral to Scottish Ministers is extremely time consuming and expensive as well as causing delays for all concerned.**



**More generally, the whole of the legislation relating to TROs (including redetermination orders) should be reviewed. It is now nearly 40 years old and seems unwieldy and difficult to use, both for roads authorities and members of the public/other stakeholders. The lack of clarity, with one local authority operating differently from the rest, illustrates this point.**

## **Ethical Standards Commissioner Strategic Plan 2021-24 draft consultation response by South East Scotland Transport Partnership (SEStran).**

SEStran welcomes the opportunity to contribute to the development of the Ethical Standards Commissioner's Strategic Plan 2021 – 24 and supports the need to bring forward consideration of this Plan ahead of the usual timetable to address the altered operational context, as set out within the consultation document.

Overall, SEStran is supportive of the content of the Plan and welcomes the key changes set out on page 5 of the consultation document:

- 'Greater assurance on quality than currently provided via targets, indicators and review systems all of which will be consulted on and published;
- Improved governance designed to oversee and ensure delivery of our strategic objectives;
- Recruiting and developing staff to ensure consistent high quality of our professional skills base;
- Better complaints handling via a streamlined, high quality service
- More meaningful engagement with MSPs, local authority councillors and public body board members to inform and shape our work and our performance;
- Codifying a coherent, comprehensive suite of procedures which we'll publish so people know what to expect;
- Revising the Code and guidance on Ministerial Appointments to Public Bodies in Scotland and promoting and supporting its implementation.'

However, these are high level aspirations, and SEStran would welcome the opportunity to further engage with the Ethical Standards Commissioner as these changes, and the timeframe set out at page 13 of the consultation document, are fleshed out. It would be good to know the detail of how these matters are to be addressed.

We recognise that the past couple of years have been challenging for the Ethical Standards Commissioner's Office, and a number of issues have caused members of public bodies subject to the ESC's investigations concern:

- The decision in 2019 (under the previous Commissioner) to terminate the contracts of several experienced investigators, coupled with subsequent staff turnover;
- Under the previous Commissioner, a seeming reluctance to engage with stakeholders;
- Arising from the loss of the previous investigators and time taken to recruit new ones, significant delays in investigations, with those under investigation being given little by way of explanation for the delay.

Issues like these have caused a lack of confidence in the Office and its ability to investigate complaints swiftly and effectively. The commitments, noted above, particularly to codify procedures and make these publicly available alongside improved governance and assurance is therefore welcomed.

The commitment to recruit and develop staff to ensure consistent high-quality investigations is also welcomed and will help rebuild the confidence in the investigation process and the Office's willingness to consider and respond to issues when raised. The

implementation of a high-quality complaints system is also welcomed to consider feedback and builds trust that stakeholder views are being acted upon.

SEStran is keen to input to this and future consultations and looks forward to helping the Ethical Standards Commissioner, along with representative bodies such as SOLAR, SOLACE and the Standards Commissioner for Scotland to rebuild trust and confidence in the Office as well as the complaints system itself.

Contact for follow up queries:

Andrew Ferguson, SEStran Consultant

[andrew.ferguson@sestran.gov.uk](mailto:andrew.ferguson@sestran.gov.uk)

## **Review of the Operation of Public Sector Equality Duty (PSED) in Scotland Consultation Response by South East Scotland Transport Partnership**

### **Introduction:**

As you may be aware, as per commitments by Scottish Ministers work has been progressing on the review of the effectiveness of the PSED regime in Scotland. Work to date has included intensive programme of engagement with equality stakeholders and duty bearers to understand which aspects of the PSED were working well, and where improvement was required. Whilst substantive work was reduced in order to respond to the pandemic thinking continued and following a meeting with Ministers the decision was taken to recommence the review via a two-stage process.

A stage one report, setting out the learning from the engagement programme, reflection of equality mainstreaming over COVID-19 pandemic and key improvement proposals was [published on 24 March 2021](#).

Stage two – this stage – will now involve a programme of further engagement and consultation to progress the areas of focus identified in the stage one report. This questionnaire is a key part of this process and will provide an opportunity for you as duty bearers to shape the way ahead. We would therefore invite you to consider the proposals and questions that follow and to provide your answers by Friday 20<sup>th</sup> August.

Thank you for your support to the review.

IMPROVEMENT PROPOSAL 1	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Making better use of evidence and data	<p>Links across many of the regulations including:</p> <ul style="list-style-type: none"> <li>- Regulation 5 – assessing and reviewing policy and practices;</li> <li>- Regulation 6 – gather and use employee information.</li> </ul> <p>Key part of mainstreaming strategy and a Scottish Government equality outcome.</p>	<p>The Scottish Government in conjunction with key stakeholders are in the process of establishing an Equality Data Improvement Programme (EDIP) which will be designed to improve and strengthen data on the protected equality characteristics collected and utilised across the public sector. This programme will run for the next 18 months, to late 2022. We intend to use the Equality Data Improvement Programme to drive and co-ordinate improvement in this area.</p>
<p><b>Questions:</b></p> <p>1.1 In your view, which elements of the proposed programme are most important for driving improvement?</p> <p>1.2 Are you aware of other public sector equality networks that this programme could link with?</p> <p>1.3 Are there any additional actions, outwith the EDIP, that you believe would improve the quality of and use of evidence and data?</p>		
<p><b>Answers:</b></p> <p>SEStran has no comment on the specific questions but welcomes the implementation of the EDIP.</p>		

IMPROVEMENT PROPOSAL 2	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Strengthening participatory policy making: hearing lived experience	<p>Links across many of the regulations including:</p> <ul style="list-style-type: none"> <li>- Regulation 4 – publish equality outcomes and report progress;</li> <li>- Regulation 5 – assessing and reviewing policy and practices.</li> </ul> <p>Key part of mainstreaming strategy and a Scottish Government equality outcome.</p>	<p>Regulation 4 (setting equality outcomes) states that listed bodies “must take reasonable steps to involve persons who share a relevant protected characteristic and any person who appears to the authority to represent the interests of those persons.” Regulation 5 (assessing and reviewing policies and practices) states: “In making the assessment, a listed authority must consider relevant evidence relating to persons who share a relevant protected characteristic (including any received from those persons)”.</p>

**Questions:**

- 2.1 How can the SSD regime be used to strengthen participatory policy making and ensure lived experience is central within the policy making process?
- 2.2 Are these current requirements sufficient to ensure evidence of lived experience is taken into account in developing equality outcomes and/or impact assessments?
- 2.3 If not, what additional steps could achieve this intention?

**Answers:**

The current SSD regime makes it clear the level and type of engagement that is required. Smaller organisation will require more resourcing and support in order to obtain broad enough input into new policies and practices.

IMPROVEMENT PROPOSAL 3	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Improving the links between equality and human rights frameworks	Key aspect of equality and human rights mainstreaming strategy	The Scottish Government recognises the strong links between current equality and human rights frameworks and is committed to building a more integrated approach towards embedding equality and human rights in policy and delivering for the people of Scotland. While this is outwith the scope of the SSD regime, we will be using the equality and human rights mainstreaming strategy to drive improvement in this area.
<p><b>Questions:</b></p> <p><b>3.1</b> We would welcome your views on how the links between equality and human rights frameworks can be better understood across the public sector in order to support public bodies to better integrate equality and human rights into their business.</p> <p><b>3.2</b> We would welcome your view on how the intended new statutory framework for human rights can align with and fully support delivery of the public sector equality duty?</p>		
<p><b>Answers:</b></p> <p>The new statutory framework for human rights should be implemented in such a way as to make it closely aligned with the equality duty such that organisations of whatever size can meaningfully engage with it.</p>		

IMPROVEMENT PROPOSAL 4	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Strengthening leadership and resourcing	Key aspect of equality and human rights mainstreaming strategy	The Scottish Government recognises the importance to strengthen leadership and adequate resourcing on equality across the public sector. While no regulatory changes are envisaged for this improvement proposal, we would welcome views on how this could be better achieved.

**Questions:**

**4.1** Do you agree with the position that this is best achieved through routes other than regulatory change?

**4.2** If so, then what do you feel is needed?

**Answers:**

Leadership needs to come from the Scottish Government and resources should be targeted at strengthening this aspect and supporting organisations to deliver the national priorities.



IMPROVEMENT PROPOSAL 5	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Reducing bureaucracy	Links across many of the regulations, but mainly relevant including: <ul style="list-style-type: none"> <li>- Regulation 3 - report progress on mainstreaming the equality duty;</li> <li>- Regulation 4 - publish equality outcomes and report progress.</li> </ul>	The Scottish Government is keen to consider ways in which to enhance the regime in ways that lessen burden, and support public authorities to get the best possible value out of their engagement with the regime in a way that prioritises delivering meaningful outcomes and impacts rather than processes.
<p><b>Questions:</b></p> <p>5.1 What do you feel drives the feeling of the bureaucracy of the SSD regime?</p> <p>5.2 What would be the best method of reducing the bureaucracy of the regime while ensuring the regime still prioritises meaningful outcomes and impacts?</p>		
<p><b>Answers:</b></p> <p>Putting in place resource to allow straight forward but meaningful data collection without the need for cumbersome reporting mechanisms that do not fit easily with established governance cycles.</p>		

IMPROVEMENT PROPOSAL 6	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Increasing clarity re: coverage, proportionality, and process	Relevant across most regulations.	One of the aims of the Scottish Government's review of the operation of the PSED is to increase the clarity of the SSD regime, particularly around coverage, proportionality and process.
<p><b>Questions:</b></p> <p>6.1 How could the clarity of the regime be improved?</p> <p>6.2 How could the proportionality of the regime be regime be improved?</p>		
<p><b>Answers:</b></p> <ul style="list-style-type: none"> <li>• The use plain english in documents</li> <li>• Provide reporting templates</li> <li>• Provide relevant case studies covering all sizes of organisations</li> </ul> <p>Less onerous reporting for small organisations using sampling rather than regular reporting. (This exercise itself, is onerous for our organisation as it requires bringing together a variety of staff from different functions. 4 out of our 10 staff have been required to complete and fully consider the responses.)</p>		
<p><b>Questions:</b></p> <p>6.3 How can smaller listed authorities be supported to meet the duties under the SSDs?</p> <p>6.4 How could the process for adding new bodies to the Regulations be improved?</p> <p>6.5 Would consolidating all previous sets of regulations into one new set improve the clarity of the regime?</p>		
<p><b>Answers:</b></p> <p>See above in relation to proportionality.</p>		

IMPROVEMENT PROPOSAL 7	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Improving support and capacity building & improving the understanding of and approach to mainstreaming	Relevant across most regulations	The Scottish Government is keen to work with stakeholders improve support and capacity building under the PSED regime, including improving the understanding of and approach to mainstreaming.
<p><b>Questions:</b></p> <p>7.1 How could the guidance (and access to guidance) on SSD compliance be improved? What would you like to see in any new or revised guidance?</p> <p>7.2 In addition to written guidance what approaches would you consider effective to develop the skills, knowledge and practice of duty bearers?</p> <p>7.3 How can revised guidance be best developed to ensure that it fully meets the needs of all parties?</p>		
<p><b>Answers:</b></p> <p>Any development in new guidance needs to set out how it applies to different sizes of organisations and include best practice examples.</p>		

IMPROVEMENT PROPOSAL 8	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Improving the cohesiveness of the regime	Relevant across most regulations	The SSD regime should be seen as a suite of interconnected duties which collectively help public authorities to better perform the PSED.
<p><b>Question:</b></p> <p><b>8.1</b> Can this be improved through mechanisms such as guidance or other means, or do the regulations need strengthened in this respect?</p>		
<p><b>Answer:</b></p> <p>Strengthening regulations will put an even greater burden on smaller organisations.</p> <p>The role of the Scottish Government in providing advice and support as well as collecting monitoring data on behalf of small organisations, needs to be resourced and fulfilled.</p>		

IMPROVEMENT PROPOSAL 9	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Consider new approaches to outcome setting, including the setting of shared outcomes	Regulation 4 - publish equality outcomes and report progress.	n/a
<p><b>Question:</b></p> <p>9.1 Do you support the principle of shared outcomes? In your view, how they would be set and implemented; and how could an improved regulatory regime support this?</p>		
<p><b>Answer:</b></p> <p>The extent of shared outcomes and the level at which they're shared could have a disproportionate effect on small organisations.</p>		

IMPROVEMENT PROPOSAL 10	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Support the gathering, use and reporting of a wider range of employee data	<p>Regulation 6 – Duty to gather and use employee information</p> <p>Regulation 7 – Duty to publish gender pay gap information</p> <p>Regulation 8 – Duty to publish statements on equal pay etc.</p> <p>New regulations also required.</p>	In their manifesto, the SNP committed to expanding “the specific duties that require a listed public authority to publish gender pay gap information to disability and ethnicity reporting and ensure these are included within equal pay statements.
<p><b>Questions:</b></p> <p><b>10.1</b> Could the regulation on “gathering and using” employee information be strengthened?</p> <p><b>10.2</b> Is there anything we have learned from practice and compliance with the existing regulation on gender pay gap reporting that we can apply to proposed new duties on ethnicity and disability pay gap reporting?</p> <p><b>10.3</b> How can we ensure that pay gap reporting is carried out in a consistent way across the public sector, so that different methods are not used and reports are easier to compare?</p>		
<p><b>Answers:</b></p> <p>As a small organisation, we don’t currently have a duty to report and to change the regulations would place a disproportionate burden on us.</p>		

IMPROVEMENT PROPOSAL 11	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
More effectively leverage purchasing power in procurement processes	Regulation 9 - Duty to consider award criteria and conditions in relation to public procurement	n/a
<p><b>Question:</b></p> <p><b>11.1</b> How could Regulation 9 be better aligned with the procurement process to advance equality at every stage of the procurement process, including the use of award criteria and tender specifications, to encourage employers to focus on increasing opportunities for people with one or more of the protected characteristics?</p>		
<p><b>Answer:</b></p> <p>We currently procure through Public Contracts Scotland which requires all consultancies on its framework to comply with PCS regulations and guidelines.</p>		

IMPROVEMENT PROPOSAL 12	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Enhance the accessibility of PSED related publications, and consider the scope of the SSDs to advance progress on inclusive communication more generally	New regulation required and also relevant to Regulation 10 - Duty to publish in a manner that is accessible, etc.	In their manifesto, the SNP committed to using the SSD regime to “place a duty on those public bodies that communicate with the public to ensure they have accessible, inclusive communications” and developing “national guidance for public bodies on inclusive communication”.
<p><b>Questions:</b></p> <p><b>12.1</b> What would you like to see this duty achieve?</p> <p><b>12.2</b> What support is required for public bodies to improve practice on inclusive communication</p> <p><b>12.3</b> What are the barriers to improving inclusive communication within the public sector?</p>		
<p><b>Answers:</b></p> <p>There should be a consultation on the national guidance to ensure there is consistency of approach at all levels whilst remaining proportionate, especially in the case of smaller organisations as for these organisations it could prove to be a barrier.</p>		



IMPROVEMENT PROPOSAL 13	RELEVANT TO WHICH REGULATION(S) AND/OR WORK STRAND	INFORMATION
Explore how best to use the duties relating to Scottish Ministers	Regulation 6A - Use of member information  Regulation 11 - Duty to consider other matters  Regulation 12 - Duty of the Scottish Ministers to publish proposals to enable better performance	n/a
<p><b>Question:</b></p> <p><b>13.1</b> How could the duties under regulations 6A, 11 and 12 be strengthened and/or improved?</p>		
<p><b>Answer:</b></p> <p>See previous comments.</p>		

END OF QUESTIONS



**Remote Chief Officer Liaison Group Meeting  
2:00pm Wednesday 25<sup>th</sup> August 2021  
Microsoft Teams**

**Present:**

**Jim Grieve (JG) (Chair)**

Jason Hedley (JH)  
Kevin Collins (KC)  
Ken Gourlay (KG)  
Lesley Deans (LD)  
Iain Shaw (IS)  
Jim Stewart (JS)  
Cheryl Fergie (CF)  
Angela Chambers (AC)  
Anna Herriman (AH)  
Keith Fiskin (KF)  
Andrew Ferguson (AF)

**SEStran**

Scottish Borders Council  
Falkirk Council  
Fife Council  
Clackmannanshire Council  
City of Edinburgh Council  
SEStran  
SEStran  
SEStran  
SEStran  
SEStran  
SEStran

**Apologies:**

Graeme Malcolm (GM)  
Douglas Proudfoot (DP)  
John Curry (JC)  
Julie Vinders (JV)

West Lothian Council  
East Lothian Council  
West Lothian Council  
SEStran

Ref.		Actions
<b>1.</b>	<b>Welcome and Apologies for Absence</b>	
1.1	The Chair welcomed the Officers to the meeting and apologies were noted as above.	
<b>2.</b>	<b>Minutes and Matters Arising</b>	
2.1	<i>Wednesday 26<sup>th</sup> May 2021</i> There were two actions from the previous minute to be carried forward, all other matters were agreed as a correct record.	

	<ul style="list-style-type: none"> <li>JV – to pick up on LEZ groupings when back from Annual Leave.</li> <li>KF – The Novus FX training has been delayed. KF has a List of participants from LA's who will be contacted in due course.</li> </ul>	<b>Julie Vinders</b> <b>Keith Fisken</b>
<b>3.</b>	<b>Financial Reports</b>	
a)	<i>Unaudited Accounts 2020/21</i>  The external audit of the partnerships last financial year accounts commenced 3 weeks ago, there is an underspend of £122K. There is a meeting next week with the auditors to gain feedback. IS anticipates a Clean Audit Certificate to present to the Partnership Board in September.	
b)	<i>Finance Officer's Report</i>	
<b>4.</b>	<b>Tripshare/Liftshare</b>	
4.1	JS updated: It was agreed at the June PB meeting that SEStran would cease the membership with Liftshare. Covid 19 has impacted and there has been procurement difficulties. Liftshare's active membership will end on the 30th of September, JS will send a letter to them to confirm we will end the contract. The point was raised that there won't be a direct connection with authorities when the contract ends, the Liftshare services will have to be utilised through their own platforms. SEStran are keen to develop a new procurement approach with RTP's, this is still evolving. JS will feed back to CO's with any developments after future meetings.  JG noted that as the Scottish Government are not encouraging car sharing, it will be beneficial to take a break and re-evaluate this later.	<b>Jim Stewart</b>       <b>Jim Stewart</b>
<b>5.</b>	<b>DRT/ MaaS Investment Fund Update</b>	
5.1	AF updated: There are two winners of the DRT/MaaS Investment Fund bid for £1million <ul style="list-style-type: none"> <li>Hitrans – to develop the (GO High) MaaS APP</li> <li>St Andrews University working with Urban Foresight to create a MaaS APP</li> </ul> SEStran came third and are working on a concentrated pilot on East Lothian Journey Hubs but are also keen to support DRT opportunities. AF encouraged anyone that was interested in working with SEStran to get in touch. JV & AF are having a meeting to look at five opportunities next week.	

	<p>TS are looking at a procurement framework that may support separate funding for DRT. AF has been talking to Nicola Gill regarding this. LD was interested, AF advised LD to follow this up with Nicola Gill.</p> <p>Atco and RTP's have been pressing the point that there is more funding needed for DRT.</p> <p>JG noted that there is a levelling up fund and there may be possibilities led by LA's for funding.</p> <p>AH added a link into the teams meeting chat – <a href="https://www.scottish-enterprise.com/support-for-businesses/funding-and-grants/business-grants">https://www.scottish-enterprise.com/support-for-businesses/funding-and-grants/business-grants</a></p> <p>KF to contact Scottish Enterprise for funding.</p> <p>JH discussed a levelling up bid that Scottish Borders are working on. The bid will include some elements of DRT. He pointed out that Graeme Johnstone was a more suitable person to talk to around this, but he was happy to share ideas with LD.</p> <p>AH recently attended the RTWG with David Hannah. He said there may be a regional route with regards to these funds moving forward. This may create a challenge as the eligibility is usually based on which areas will benefit more due to deprivation.</p>	<p><b>Keith Fisken</b></p>
<p><b>6.</b></p>	<p><b>RTS Update</b></p>	
<p>6.1</p>	<p>JS updated: The Case for Change has been finalised and can be found on the SEStran website. Comments have been minor.</p> <p>The RTWG are meeting to discuss the development of regional priorities. Work is ongoing to finalise the next stage of the RTS and the initial appraisal draft report has been completed. There have been around 70 high-level interventions that could be taken forward, SEStran are in discussions with Stantec regarding this. JS will share the report as soon as possible.</p> <p>There will be an extra board meeting in October, there needs to be a cross check between RTS and STPR2 as the documents need to align.</p> <p>JS highlighted that timing is tight for submitting the report to Committees and Boards for comment. The consultation process will start end of Oct - early Nov. JS would like to finalise the RTS in Jan/Feb 2022.</p> <p>JS and CF will liaise regarding the minute from this meeting being distributed. It was noted that putting a header on the email to bring deadlines to the attention of the CO's would be beneficial.</p>	<p><b>Jim Stewart</b></p> <p><b>Jim Stewart</b></p>

7.	<b>RTPI/Bus Partnership Fund Update</b>	
	<p>KF updated on RTPI:  The roll out has started on the new RTPI system, with final testing this week. The final date for going live will be the second week of September.  There is a specific SEStran project team taking care of the management of this.  There is a meeting taking place on Monday at 2pm to discuss RTPI updates etc. KF will circulate a meeting invite link to LA's.</p> <p>Work has commenced on the Livingstone Centre, Clackmannanshire, Ferry Toll and Galashiels Interchange. There have been some data issues, these have now been addressed.</p> <p>Things to be noted for future RTPI provisions are:</p> <ul style="list-style-type: none"> <li>• There must be adequate accessible power to sites and the dig is limited to 1-2 meters for connection.</li> <li>• There needs to be at least two weeks' notice for Novus FX updates.</li> </ul> <p>There is still some equipment that can be used if anyone is interested in setting a new site up.</p> <p><b>AF &amp; AH Updated on BPF:</b></p> <p>The 1st round of successful bids has been announced:</p> <ul style="list-style-type: none"> <li>• Edinburgh Corridors</li> <li>• West Fife</li> <li>• Forth Valley</li> </ul> <p>Central and East Fife must provide additional information regarding connectivity issues around Levenmouth, there may be a duplication in funding to consider.</p> <p>There has been £4.28million awarded to the region in total for feasibility.</p> <p>There are two Bus Alliances looking to bid in the October funding window.</p> <ul style="list-style-type: none"> <li>• West Lothian Bus Alliance using SYSTRA as a consultant.</li> <li>• Midlothian Bus Alliance using WSP as a consultant and SEStran have given some assistance.</li> </ul> <p>There is a lot of car usage outside Edinburgh and the Midlothian Bus Alliance bid would enable the re-examination of the orbital route beyond the city bypass. There is interesting work coming out of Stantec works for RTS, an interface between the two would be beneficial for the region.</p>	<p><b>Keith Fisken</b></p>

<b>8.</b>	<b>SCOTRAIL May 2022 Timetable Discussion</b>	
	<p>KF updated: SEStran has submitted a response to LNER for the Cross Borders consultation. After over 5000 responses the Cross Border timetable has been delayed until 2023. There will be a more detailed, comprehensive consultation.</p> <p>Ewan Tait has given Officers and Members an update on The ScotRail May 22 consultation, with an opportunity for feedback. There has not been much feedback so far. The consultation has gone live, Sestran will gather a regional response. KF will circulate a link for the consultation &amp; organise a ScotRail 4 weekly catch up. KG &amp; KC agreed.</p>	<b>Keith Fisken</b>
<b>9.</b>	<b>AOCB</b>	
	<p>JG asked if there was any preference for this meeting to be held in the morning or afternoon. KG &amp; KC both agreed that as the meeting is held online, they could be flexible.</p> <p>JS attended The Tactran Liaison Group. He noted here are 3 consultations from Scottish Government.</p> <ul style="list-style-type: none"> <li>• Parking Fines</li> <li>• Bus Transport Act 3</li> <li>• Workplace Parking Levy</li> </ul> <p>It would be useful to get a gauge for how the LA's are going to respond. JS will send an email round asking for input.</p>	<b>Jim Stewart</b>
<b>10.</b>	<b>Date of Next Meeting</b>	
	The date of the next meeting is scheduled for <b>2:00pm on Wednesday 10<sup>th</sup> November 2021.</b>	