

**SESTRAN PARTNERSHIP BOARD MEETING**

**Dean of Guild Room, City Chambers, Edinburgh, EH1 1YJ**  
**Or via Microsoft Teams**  
**10:00am Friday 16 June 2023**

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**09:30 TEA/COFFEE**  
**10:00 PARTNERSHIP BOARD**  
**12:30 LUNCH**

**AGENDA**

**Page No's**

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

**AGENDA A – POINTS FOR DECISION**

- |            |  |  |
|------------|--|--|
| <b>A1.</b> | <b>MINUTES</b><br><u>For Approval</u><br>(a) Partnership Board – Friday 17th March 2023<br>(b) Partnership Board- Special Meeting RTS – 29 <sup>th</sup> March 2023<br><u>For Noting</u><br>(c) Performance & Audit Committee – Friday 2 <sup>nd</sup> June 2023   | <b>3</b><br><b>10</b><br><br><b>13</b> |
| <b>A2.</b> | <b>PARTNERSHIP DIRECTOR'S UPDATE</b> – Presentation by Brian Butler<br>(a) Quarterly Update<br>(b) Go E-Bike Update  |  |
| <b>A3.</b> | <b>UNAUDITED ANNUAL ACCOUNTS 2022/23 AND TREASURY MANAGEMENT REPORT 2022/23</b> – Report by Iain Shaw  | <b>17</b>                              |
| <b>A4.</b> | <b>SESTRAN 2035 MONITORING – PROGRAMMED INVESTMENT PLAN</b><br>(a) Report by Hattie James and Donald Bell, S82 Consulting<br>(b) Presentation by Donald Bell, S82 Consulting   | <b>66</b>                              |
| <b>A5.</b> | <b>BUS STRATEGY</b><br>(a) Verbal Introduction - by Brian Butler<br>(b) Context and issues facing public transport buses in Scotland – Presentation by Sara Collier, McGill's Buses and Paul Clark, CPT<br>(c) Current Activity – Presentation by Keith Fiskin<br>(d) Towards a World Class Bus Service – Report by Tom Flanagan | <b>127</b>                             |

- (e) Demand Responsive Transport – Presentation by Hattie James
- (f) Q & A Session

- A6. PROJECTS PERFORMANCE REPORT – Report by Keith Fiskén 139**
- A7. DATE OF NEXT MEETING:**  
The date of the next meeting is scheduled for **10:00am on Friday 22<sup>nd</sup> September 2023.**

**AGENDA B – POINTS FOR NOTING**

- B1. NATIONAL OUTCOMES REVIEW 2023 – CONSULTATION RESPONSE – Report by Tom Flanagan 157**
- B2. RISK MANAGEMENT FRAMEWORK – Report by Angela Chambers 160**
- B3. FAMILY LEAVE POLICY – Report by Angela Chambers 174**
- B4. MINUTES**
- B4.1 Integrated Mobility Forum – 27<sup>th</sup> April 2023 **176**
  - B4.2 Chief Officers’ Liaison Group Meeting – 24<sup>th</sup> May 2023 **182**
  - B4.3 Logistics & Freight Forum – 30<sup>th</sup> May 2023 **188**

Gavin King  
Secretary to SESTRAN  
Head of Democracy, Governance and Resilience  
Strategy & Communication Division  
The City of Edinburgh Council  
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9 June 2023

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

## SEStran Partnership Board Minutes

10.00am, Friday 17 March 2023

European Room, City Chambers, Edinburgh, and Microsoft Teams

<u>Present</u>	<u>Name</u>	<u>Organisation Title</u>
	Cllr Colin Davidson (Chair)	Fife Council
	Cllr Scott Arthur	City of Edinburgh Council
	Cllr Danny Aston (From A4)	City of Edinburgh Council
	Cllr Jule Bandel	City of Edinburgh Council
	Cllr Fiona Law	Clackmannanshire Council
	Cllr John McMillan (to A6)	East Lothian Council
	Cllr Derek Glen	Fife Council
	Cllr Dianne Alexander	Midlothian Council
	Cllr Russell Imrie	Midlothian Council
	Cllr Jenny Linehan	Scottish Borders Council
	Cllr Sally Pattle (Deputy Chair)	West Lothian Council
	Cllr Tom Conn	West Lothian Council
	Linda Bamford	Non-Councillor Member
	Alistair Couper	Non-Councillor Member
	Geoff Duke	Non-Councillor Member
	Callum Hay	Non-Councillor Member
	Simon Hindshaw	Non-Councillor Member
	John Scott	Non-Councillor Member
	Doreen Steele	Non-Councillor Member
<u>In Attendance</u>		
	Christopher Gardner	Audit Scotland
	Martin Scott	City of Edinburgh Council
	Iain Shaw	City of Edinburgh Council
	Dheeraj Shekhar	City of Edinburgh Council
	Peter Forsyth	East Lothian Council
	Ian Lennox	East Lothian Council
	Christopher Cox	Falkirk Council

Jane Findlay	Fife Council
Keith Luke	Midlothian Council
Ewan Doyle	Scottish Borders Council
Brian Butler	SEStran
Angela Chambers	SEStran
Andrew Ferguson	SEStran
Keith Fiskin	SEStran
Hattie James	SEStran
Peter Jackson	SEStran
Jim Stewart	SEStran
Nicola Gill	West Lothian Council
Fakhriya Abdulkadir	The Mental Health Foundation

### **Apologies for Absence**

Cllr Marie-Clair Munro	City of Edinburgh Council
Cllr Ruaridh Bennett	East Lothian Council
Anna Herriman	Midlothian Council
Kate Sherry	Non-Councillor Member
Cllr Jane Cox	Scottish Borders Council
Graeme Johnstone	Scottish Borders Council

## **A1. Minutes**

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### **Decision**

- 1) To agree the minute of the SEStran Partnership Board of 2 December 2022 as a correct record.
- 2) To agree the minute of the SEStran Performance and Audit Committee of 3 March 2023 as a correct record.

## **A2. Regional Transport Strategy**

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The Strategy and Projects Officer provided an update on the SEStran Regional Transport Strategy 2035. In October 2021, the Board approved the draft version of SEStran 2035 for statutory consultation purposes and following the statutory consultation process an amended draft version of SEStran 2035 was submitted to Scottish Ministers for approval in October 2022 and to date, approval had not been received from Scottish Ministers.

### **Decision**

- 1) To note the update.

(References – SEStran Partnership Board 29 October 2021 (item A1); verbal update by the Strategy and Projects Officer, submitted)

### **A3. Partnership Director's Report**

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An overview of achievements and activities since the last Board meeting in December 2022 and upcoming events and milestones was provided. The update placed particular emphasis on initial observations and emerging plans for the future development of the organisation.

#### **Decision**

To note the contents of the report by the Partnership Director.

(References - report by the Partnership Director, submitted)

### **A4. Audit Plans**

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#### **(a) External Audit Plan 2022-23**

Audit Scotland, the appointed independent external auditor of the Partnership, prepared an Annual Audit Plan for 2022/23.

The External Audit Plan 2022/23 was considered and noted by Performance and Audit Committee at its meeting of 3 March 2023.

#### **Decision**

To note the External Audit Plan for 2022/23.

(References – SEStran Performance and Audit Committee, 3 March 2023 (item A5(a); report by the External Auditor, submitted)

#### **(b) Internal Audit Plan 2021/22**

The City of Edinburgh Council Internal Audit (IA) team performed one annual review to provide assurance over the controls established to mitigate certain key SEStran partnership risks.

An update was provided on the outcomes of the 2022/23 SEStran IA review of the Thistle Assistance Programme, progress with completion of previously raised audit actions and the Partnership's recommendations on potential areas for inclusion in the planned 2023/24 audit was also requested.

It was suggested the customer experience survey be plugged in to next year's audit.

#### **Decision**

- 1) To note the progress with completion of an audit action raised in 2021/22 audit year.
- 2) To note outcomes of the 2023/23 IA review of the Thistle Assistance Programme, and the associated costs.

(References – SEStran Performance and Audit Committee, 3 March 2023 (item A5(b); report by the Head of Internal Audit, submitted)

### **A5. Finance Reports**

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### **A5(a) Revenue Budget 2023/24 and Indicative Financial Plan 2024/25 to 2025/26**

The revenue budget for 2023/24 and an indicative financial plan for 2024/25 to 2025/26 were presented for approval by the Partnership Board.

#### **Decision**

- 1) To approve the proposed Core budget for 2023/24, as detailed at Appendix 1 of the report.
- 2) To approve the proposed Projects budget for 2023/24, as detailed at Appendix 2(a) of the report.
- 3) To note that financial planning for 2024/25 to 2025/26 would be developed throughout 2023 for review by the Partnership in December 2023.
- 4) To note that the proposed budget was subject to a number of risks. All income and expenditure of the Partnership would continue to be monitored closely with updates reported to each Partnership meeting.

(References – SEStran Performance and Audit Committee, 3 March 2023 (item A6(a); report by the Treasurer, submitted)

### **A5(b) Finance Officer's Report**

The third update on financial performance of the Core and Projects budgets of the Partnership for 2022/23 was presented, in accordance with the Financial Regulations of the Partnership. An analysis of financial performance to the end of January 2023 was provided.

The Partnership's Core and Projects budgets for 2022/23 were approved by the Partnership on 18 March 2022.

#### **Decision**

- 1) To note the forecast underspend on the Core revenue budget of £9,000.
- 2) To approve the final outturn Core revenue budget variance was transferred to the Partnership's unallocated Reserves for a decision as to expenditure in 2023/24.
- 3) To note the forecast slippage on the Projects revenue budget of £158,000.
- 4) To note that, following confirmation of the 2022/23 outturn, an earmarked balance would be established to meet slippage on project delivery from 2022/23 to 2023/24.

(References – report by the Treasurer, submitted)

### **A5(c) Annual Treasury Management Strategy 2023-24**

A Treasury Management Strategy for 2023/24 was proposed.

#### **Decision**

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

(References – SEStran Performance and Audit Committee, 3 March 2023 (item A6(b)); report by the Treasurer, submitted)

## **A6. Governance Scheme Update**

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Part of SEStran’s organisational drive for continuous improvement was ongoing review of all its governance documentation. At its meeting in December 2022, the Board agreed to the Corporate Procurement Strategy replacing the previous Corporate Procurement Policy.

At its meeting in December 2022, the Board requested the Strategy be updated to include how the principles of the strategy would give due regard within procurement processes to the relevance of all contracts in supporting SEStran’s commitment to meet its statutory duties under the Equality Act (2010) and the Public Sector Equality Duty.

### **Decision**

To approve the revised Corporate Procurement Strategy, attached at Appendix Part A of the report, delegating to the Secretary to make appropriate adjustments to the Governance Scheme to reflect the Board’s decision.

(References – SEStran Partnership Board, 2 December 2022 (item A2(b)); report by the Partnership Secretary, submitted)

## **A7. Equalities Mainstreaming and Equalities Outcomes 2012-2025 Update Report**

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The Board considered a report which advised that SEStran was a listed public body under the Equality Act 2010 (“the 2010 Act”) and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. The draft copy of the Progress Update 2023: Equalities Outcomes 2021-2025 and Mainstreaming report was presented for approval and publication by 30 April 2021.

### **Decision**

To approve the report, subject to providing delegated authority to SEStran Officers to finalise the report with the gender balance data, prior to the publication deadline of 30 April 2023.

(References – SEStran Partnership Board, 19 March 2021 (item A6); report by the Partnership Business Manager, submitted)

## **A8. Go SEStran MaaS and DDRT**

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An update was provided on progress of GoSEStran. The project had continued to show promising results. The nominal target of 1000 users for GoSEStran was achieved in mid-February and there was evidence of good repeat use compared to other apps of this kind.

### **Decision**

- 1) To note the progress made since the meeting of the Board on 2 December 2022.
- 2) To agree to receive updates on the project as appropriate.
- 3) To note the extension of the Fuse licence agreement at no cost to SEStran.

(References – SEStran Partnership Board, 2 December 2022 (item A6); report by the Projects Officer and SEStran Consultant, submitted)

## A9. Projects Performance Report

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An update was provided on performance within SEStran's various workstreams and projects over the last quarter. The update outlined to the Board on proposed approach to streamlining project performance reporting, for agreement.

The report summarised the details around a contract to be issued to Bewegen, for provision and operation of hire e-Bikes, and outlined the next steps in relation to development of GO SEStran, the digital MaaS app pilot.

### Decision

- 1) To note progress on existing projects outlined in the Performance Report at Appendix 1 of the report.
- 2) To note the ongoing process with a Notice of Intention on behalf of Bewegen, as outlined in paragraphs 3.1 to 3.5 of the report.
- 3) To agree that officers pursue work to extend DRT and related activities in the region, with available funds, as outlined in paragraph 4.2 of the report.

(Reference – report by the Partnership Director, submitted)

## A10. Date of Next Meeting

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### Decision

- 1) To note that the next meeting would be held on Friday 16 June 2023 at 10.00am in the Dean of Guild Courtroom, City Chambers, 253 High Street, Edinburgh, EH1 1YJ / Teams.
- 2) To agree to add an item to the agenda focussing on buses and Non-Councillor Members John Scott and Paul White would be invited to present.
- 3) To note that consideration would be given to hosting Board meetings at different Local Authorities and that Officers from hosting authorities would be invited.

## B1. Business Plan Activity Tracker Update 2023-2024

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An update was provided on the Business Plan activity for the year April 2023 to March 2024.

### Decision

- 1) To note the report.
- 2) To note the contents in Appendix 1 Activity update of the report.

(Reference – report by the Programmes Manager, submitted)

## B2. Minutes

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### Decision

- 1) To note the minute of the Integrated Mobility Forum of 6 October 2022.
- 2) To note the minute of the Chief Officer Liaison Group meeting of 27 February 2023.



- 3) To note the minute of the Equalities and Access to Healthcare Forum of 28 February 2023.

# SEStran Partnership Board Minutes (Special Meeting)

9.00am, Wednesday 29 March 2023

Microsoft Teams

**Present**

**Name**

**Organisation Title**

Cllr Colin Davidson (Chair)	Fife Council
Cllr Scott Arthur	City of Edinburgh Council
Cllr Danny Aston	City of Edinburgh Council
Cllr Denis Coyne	Clackmannanshire Council
Cllr Fiona Law	Clackmannanshire Council
Cllr John McMillan	East Lothian Council
Cllr Ruairidh Bennett	East Lothian Council
Cllr Derek Glen	Fife Council
Cllr Robin Lawson (Deputy Chair)	Fife Council
Cllr Dianne Alexander	Midlothian Council
Cllr Russell Imrie	Midlothian Council
Cllr Jenny Linehan	Scottish Borders Council
Cllr Sally Pattle (Deputy Chair)	West Lothian Council
Geoff Duke	Non-Councillor Member
Callum Hay	Non-Councillor Member
John Scott	Non-Councillor Member
Kate Sherry	Non-Councillor Member
Doreen Steele	Non-Councillor Member
Paul White	Non-Councillor Member

**In Attendance**

Martin Scott	City of Edinburgh Council
Iain Shaw	City of Edinburgh Council
Ian Lennox	East Lothian Council
Christopher Cox	Falkirk Council
John Mitchell	Fife Council
Graeme Johnstone	Scottish Borders Council

Brian Butler	SEStran
Nikki Boath	SEStran
Angela Chambers	SEStran
Keith Fiskin	SEStran
Peter Jackson	SEStran
Peter Jackson	SEStran
Jim Stewart	SEStran

### **Apologies for Absence**

Cllr Jule Bandel	City of Edinburgh Council
Cllr Kevin Lang	City of Edinburgh Council
Cllr Margaret Anslow	Falkirk Council
Linda Bamford	Non-Councillor Member
Alastair Couper	Non-Councillor Member
Simon Hindshaw	Non-Councillor Member

## **A1. SEStran Regional Transport Strategy 2035**

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SEStran 2035 had been in development during the last two years. In October 2021, the Board approved the draft version of SEStran 2035 for statutory consultation purposes and following the statutory consultation process an amended draft version of SEStran 2035 was submitted to Scottish Ministers for approval in October 2022.

The report presented outlined the minor non substantive changes which had enabled a final version to be agreed and approved by the Minister.

The changes to the RTS which had now been approved by the minister did not fundamentally change the meaning or visions within SEStran 2035 and the final version of the Regional Transport Strategy: SEStran 2035 was recommended for approval and publication.

### **Decision**

- 1) To note and approve the minor amendments outlined in Appendix one of the report by the Strategy and Projects Officer.
- 2) To approve the Regional Transport Strategy SEStran 2035 for adoption and publication Appendix 2 of the report by the Strategy and Projects Officer.
- 3) To delegate to the Partnership Director any minor or non-substantive amendments necessary to enable formal publication of SEStran 2035.

(References – SEStran Partnership Board 29 October 2021 (item A1); report by the Strategy and Projects Officer, submitted)

## **A2. Date of Next Meeting**

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### **Decision**

To note that the next meeting would be held on Friday 16 June 2023 at 10.00am in the Dean of Guild Courtroom, City Chambers, 253 High Street, Edinburgh, EH1 1YJ / Teams.

**PERFORMANCE & AUDIT COMMITTEE**

**Mandela Room, City Chambers, Edinburgh, EH1 1YJ  
and via Microsoft Teams  
On Friday 2 June 2023  
1.00pm**

<b>PRESENT:</b>	<u>Name</u>	<u>Organisation Title</u>
	Councillor Imrie (Chair)	Midlothian Council
	Councillor Glen	Fife Council
	Councillor Law	Clackmannanshire Council
	Councillor Linehan	Scottish Borders Council
	Councillor McMillan	East Lothian Council
	Councillor Pattle	West Lothian Council
	Simon Hindshaw	Non-Councillor Member
	Doreen Steele	Non-Councillor Member

<b>IN ATTENDANCE:</b>	<u>Name</u>	<u>Organisation Title</u>
	Brian Butler	SEStran
	Angela Chambers	SEStran
	Keith Fisker	SEStran
	Iain Shaw	City of Edinburgh Council
	Christopher Gardner	Audit Scotland

**Action by**

**A1. ORDER OF BUSINESS**

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

**A2. APOLOGIES**

Apologies were submitted on behalf of Callum Hay and John Scott.

**A3. DECLARATION OF INTERESTS**

None.

**A4. MINUTES**

To approve the minute of the Performance and Audit Committee of 3 March 2023 as a correct record.

**A5 Unaudited Annual Accounts 2022/23 and Treasury Management report 2022/23**

**(a) Unaudited Annual Accounts 2022/23**

The unaudited Annual Accounts were presented to the Performance and Audit Committee in accordance with the Local Authority Accounts (Scotland) Regulations 2014. It was highlighted that the accounts are subject to audit and that the audited Annual Accounts, incorporating the Auditor's report, would be presented to the Performance and Audit Committee and Partnership Board in due course.

**Decision:**

- 1) To note the unaudited Annual Accounts for 2022/23 and refer the Unaudited Accounts to the Partnership Board for review.
- 2) To note that the audited Annual Accounts, incorporating the Auditor's report, would be presented to the Performance and Audit Committee and Partnership Board in due course.

(Reference – report by the Treasurer, submitted)

**(b) Treasury Management report 2022/23**

The Partnership has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector. Under the code, an annual report on Treasury Management must be submitted to the Partnership at the end of each financial year.

**Decision:**

- 1) To note the annual Treasury Management report for 2022/23.

(Reference – report by the Treasurer, submitted)

**A6. BUSINESS PLAN DEVELOPMENT 2024-2027**

An update in relation to the Business Plan development process for the next 3-year activity period covering 2024-2027 was provided.

Members spoke in favour of the proposed short life working group and agreed that the membership should be made up of members of the Performance and Audit Committee. It was also agreed that consideration would be given to including strategy as part of the remit of the working group.

**Decision:**

- 1) To agree the establishment of a short life working group to devise and manage progress of the Business Plan 2024-27.
- 2) To agree that membership would be made up of 5 members of the Performance and Audit Committee and that officers would circulate an email to all members of the committee regarding membership.
- 3) To agree that officers would work with working group members to devise the Terms of Reference and to submit them to the next meeting of the Committee for approval with consideration being given to the inclusion of strategy.

(Reference – report by the Programme Manager, submitted)

**A7. RISK MANAGEMENT FRAMEWORK**

An update regarding the 6 monthly risk register was provided with reference being made to closed risks, three newly added and five key updates.

Members suggested that the working group covering business planning be factored into the risk register.

**Decision:**

- 1) To agree that officers would consider including the working group on business planning as part of the risk register.
- 2) To note that a final version of the Risk Register would be

referred to the Partnership Board for noting.

(Reference – report by the Business Manager, submitted)

**A8. FAMILY LEAVE POLICY**

The amended Family Leave Policy was presented with reference being made to the updated government guidelines on UK and overseas adoption and fostering for adoption.

Members commented in relation to the rates of pay, in addition to the lack of a breast feeding policy. Officers agreed to explore this whilst acknowledging that the Family Leave Policy ties in with existing Falkirk Council policy.

**Decision:**

- 1) To approve the amendments made to the Family Leave Policy for implementation.
- 2) To agree that officers will explore the possibility of creating a breast feeding policy and including in future.

(Reference – report by the Business Manager, submitted)

**A9. DATE OF NEXT MEETING**

Friday 8<sup>th</sup> September 2023.



## **Unaudited Annual Accounts 2022/23 and Treasury Management report 2022/23**

### **1. INTRODUCTION**

- 1.1 This report presents the unaudited Annual Accounts for the year ended 31st March 2023.
- 1.2 The report also provides the annual Treasury Management report for 2022/23.

### **2. UNAUDITED ANNUAL ACCOUNTS 2022/23**

- 2.1 The unaudited Annual Accounts are submitted to the Partnership in accordance with the Local Authority Accounts (Scotland) Regulations 2014. The accounts are subject to audit and the audited Annual Accounts, incorporating the Auditor's report, will be presented to the Performance and Audit Committee and Partnership Board in September 2023.
- 2.2 The unaudited Annual Accounts are appended at Appendix 1.
- 2.3 The Treasurer's opinion on the effectiveness of the Partnership's system of internal financial control is provided within the Annual Governance Statement on pages 7 to 9. The Treasurer's opinion is informed by the work of Internal Audit and managers in the Partnership.
- 2.4 The Management Commentary is on pages 2 to 5 of the Annual Accounts. This highlights key aspect of financial performance during the year. The unaudited underspend is £177,000. This comprises an underspend of £18,000 on the Core revenue budget and slippage of £159,000 on the Projects budget. Under the Partnership's Reserves Policy, it is planned to carry these balances forward to 2023/24.
- 2.5 The unaudited Annual Accounts were reviewed by Performance and Audit Committee at its meeting on 2<sup>nd</sup> June 2023. Two amendments have been made to the unaudited Annual Accounts:
  - 2.5.1 The Partnership's actuary has now provided a calculation of the Pension Fund asset at 31<sup>st</sup> March 2023, based on actual asset performance to 31<sup>st</sup> March 2023. This results in a decrease of £20,000 in the value of the pension asset from the position reported to Performance and Audit Committee. The updated pension asset value is £647,000.
  - 2.5.2 A Contingent Liability note has been included in the Annual Accounts at Note 26. The Note advises that a service provider for the Go e-Bike project is in the process of liquidation. Officers of the Partnership are clarifying ownership of the project equipment and are seeking to progress service

provision with an alternative service provider. Discussion is also taking place with project funders.

### **3. TREASURY MANAGEMENT REPORT 2022/23**

- 3.1** The Partnership has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector. Under the code, an annual report on Treasury Management must be submitted to the Partnership at the end of each financial year.
- 3.2** The Partnership maintains its bank account as part of the City of Edinburgh Council's group of bank accounts. Any cash balance is effectively lent to the Council and is offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Partnership. Interest is given on month end net indebtedness between the Council and the Partnership.
- 3.3** For 2022/23, interest was calculated in accordance with the (withdrawn) Local Authority (Scotland) Accounts Advisory Committee's Guidance Note 2 on Interest on Revenue Balances.
- 3.4** Net end of month balances for 2022/23 are shown below.

Balance due to SEStran(+ve) /due by SEStran (-ve)

Opening Balance	£-506,806.13
30 April 2022	£-444,962.30
31 May 2022	£-140,550.79
30 June 2022	£26,500.80
31 July 2022	£68,265.06
31 August 2022	£73,928.12
30 September 2022	£-36,823.54
31 October 2022	£50,153.99
30 November 2022	£31,302.60
31 December 2022	£-50,117.07
31 January 2023	£-93,094.34
28 February 2023	£-214,248.30
31 March 2023	£-298,892.41

- 3.5** Interest is calculated on the average monthly balance. The interest rate applied was 2.212%, giving an interest charge of £2,279.06.

### **4 RECOMMENDATIONS**

It is recommended that the Partnership notes:

- 4.1** the unaudited Annual Accounts for 2022/23;

- 4.2 the annual Treasury Management report for 2022/23;
- 4.3 the audited Annual Accounts, incorporating the Auditor’s report, will be presented to the Performance and Audit Committee and Partnership Board in September 2023.

**Hugh Dunn**  
 Treasurer  
 9th June 2023

**Appendix**            Unaudited Annual Accounts 2022/23  
**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.
Equalities Implications	There are no equality implications arising as a result of this report.
Climate Change Implications	There are no climate change implications arising as a result of this report.

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

**Unaudited  
Annual Accounts**

**2022/2023**

# The South East of Scotland Transport Partnership (SESTRAN)

## CONTENTS

	<u>Page</u>
Management Commentary	2-5
Statement of Responsibilities for the Annual Accounts	6
Annual Governance Statement	7 - 9
Remuneration Report	10 - 11
 <u>Accounting Statements and Notes to the Annual Accounts:</u>	
Annual Accounts	
<i>1. Movement in Reserves Statement for the year ended 31st March 2023</i>	12
<i>2. Comprehensive Income &amp; Expenditure Statement for the year ended 31st March 2023</i>	13
<i>3. Balance Sheet as at 31st March 2023</i>	14
<i>4. Cash Flow Statement for the year ended 31st March 2023</i>	15
Statement of Accounting Policies	16 - 19
Notes to the Annual Accounts	20 - 45

# 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 established a General Fund reserve. This provision in the Transport (Scotland) Act 2019 came into effect on 19 March 2020.

### 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: SEStran 2035.

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.

The third group of risks are around inadequate governance, failure to follow process, etc. These can take the form of financial loss or penalty and are mitigated by regular reviews, internal and external audits.

### 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 6.

The net revenue budget of the Partnership in 2022/23 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 (£131,000) is presented in the table below. Key aspects of financial performance in 2022/23 are:

- Overall the Partnership had an underspend of £18,000 on the core revenue budget and £159,000 on the projects budget. This is shown in the table below.
- The Partnership incurred core service expenditure of £0.601m which was £18,000 below the Core Service revenue budget. The favourable variance arose from increased staff recharges to EU projects.
- The Partnership incurred expenditure of £1.474m on revenue projects and received external grants and contributions of £1.149m, resulting in net expenditure of £0.325m. Net expenditure was £159,000 under budget, after inclusion of the earmarked reserve brought forward. The main favourable variances on the Projects revenue budget arose on the Sustainable Travel budget (£41,000), Regional Transport Strategy expenditure (£74,000), EU projects (£15,000) and the Real-Time Passenger Information (RTPI) project, where net expenditure was £23,000 below budget.

	Revised Budget £'000	Earmarked Reserves from 21/22 £'000	Outturn £'000	Variance £'000
Core Service	619	0	601	(18)
Revenue Projects - Expenditure	974	131	1,474 }	(159)
Revenue Projects - Income	(621)	0	(1,149) }	
<b>Total Expenditure 2022/23</b>	<b>972</b>	<b>131</b>	<b>926</b>	<b>(177)</b>
Government Grant	(782)	0	(782)	0
Constituent Council Requisitions	(190)	0	(190)	0
<b>Total Government Grant and Council Contributions 2022/23</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 £31,000. Slippage on project delivery from 2022/23 to 2023/24 will be managed by establishment of an earmarked balance, in accordance with the Partnership's Reserves Policy.

#### Non Financial Results

During 2022/23, membership of the Partnership Board underwent significant change following local authority elections and the recruitment of a number of new non-Councillor Board members. A significant amount of training was delivered to the new Board members.

The Partnership Director retired in December 2022 and was replaced by a new Director in January 2023.

The Board approved an Equalities Outcomes 2021-2025 and Mainstreaming Report in March 2023.

The Regional Transport Strategy (RTS) was approved by the Minister for Transport in March 2023. The RTS sets the strategic framework for transport plans and decisions within the SEStran region up to 2035. The RTS was developed through consultancy support, with partner and stakeholder input sought at key stages, analysis of evidence of transport problems and opportunities and detailed option appraisal. Relevant Statutory Assessments for the new RTS were concluded in 2021/22 and all consultations were completed in 2022/23.

# The South East of Scotland Transport Partnership (SESTRAN)

## Management Commentary (*continued*)

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

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

The Partnership was successful in attracting funding for delivery of region-specific strategies, projects and services, which were of benefit to transport users and partners across the region and remained actively involved in a wide range of regional and national strategic activities, and progressed initiatives in response to Covid-19.

- Further funding from Transport Scotland supported continued development of the Strategic Network. Building on previous years, routes in West Lothian, Falkirk and Scottish Borders underwent topographical and utility surveying. Additional work reviewed a sample of the multi-criteria assessment of routes for future prioritisation;
- The Partnership with Sustrans Scotland supported the Bio Quarter Active Travel corridor project with final junction and lighting design aspects ready for a bid to construct;
- The GO e-Bike programme extended support to several community organisations through the procurement of e-bikes, cargo-bikes, adapted bikes and storage solutions to further promote the varied uses of e-bikes throughout the region. This support will allow more access to bikes and reduce the need for combustion vehicles for the delivery of goods and services;
- The Partnership progressed development work of the Thistle Assistance Journey Planner project. The bulk of the work and design was completed, with public testing due to start in early 2023/24;
- Work on the SEStran Freight Study continued with initial options completed and presented for review by Transport Scotland in September 2022;
- The Partnership, working with the Newburgh Train Station Group and Fife Council, completed the final stage of the transport appraisal and submitted this for review to Transport Scotland. Comments were received in February 2023 from Transport Scotland, which the project team will work through in the upcoming year;
- The upgrade of the Real Time Passenger Information (RTPI) system succeeded in becoming fully operational in November 2021. The Partnership continued to work with Local Authorities and Bus Operators to improve the quality of real time data and also expand the screen network with the purchase of new screen infrastructure via the regional procurement framework;
- Through the PriMaaS project and the development of a Regional Mobility as a Service (MaaS) Action Plan and with support from funding from the MaaS Investment Fund, the Partnership developed 'GOSEStran' - a MaaS platform and a Demand Responsive Transport (DRT) focussed pilot. After a successful trial in East Lothian and a further bid for funding from Paths for All, the project will be expanded in 2023/24;
- Through the BLING project, the Partnership began exploring the potential to test the project's Blockchain Readiness Awareness Tool with commercial operators DHL and ZEDIFY logistics. A project extension of funding and time to June 2023, was agreed with the project's lead partner;
- Through the Surflogh project, the Partnership completed a study to determine the feasibility of a logistics hub/consolidation centre at Perth. The study developed a logistics framework for Perth West to explore and demonstrate how efficient cargo distributions in urban areas can be achieved, utilising key learnings from the SURLOGH programme;
- The Partnership has been working on improvements to bus infrastructure in the region via the Bus Partnership Fund (BPF). This is a £500m Transport Scotland capital fund for the delivery of infrastructure to tackle the impacts of congestion on bus priority and reliability. SEStran has supported five bus alliance groupings to become established and supported the development of bids in the region, namely Forth Valley, Fife, Midlothian, West Lothian and Edinburgh. SEStran has been working with partners and providing project management services to Midlothian and Forth Valley Bus Alliance appraisal work to assess options for further investment along key bus routes in the region;
- The Partnership has continued to pursue activities towards its five equalities outcomes, which will guide the Partnership up to 2025.



# The South East of Scotland Transport Partnership (SESTRAN)

## Management Commentary (*continued*)

### 6. Future Developments

In 2023/24, the Partnership will focus on working with partners to implement the new RTS. The key stages will be:

- Developing and publishing a Strategic Environmental Assessment, which considers environmental effects as part of the preparation and implementation of plans and strategies. It also enables the monitoring of significant effects, and the review of plans and strategies;
- Sending the RTS to all stakeholders and publicise it as widely as possible;
- Progressing existing and initiating new projects on:
  - Public transport including:
    - A number of initiatives to increase patronage of bus services and identify and work with partners to improve services to transport-poor areas
    - Further rollout and replacement of real time passenger information screens for buses
    - Thistle Assistance Programme and VoyagAR, which improve accessibility of bus services
    - Mobility as a Service including further development of the GoSEStran app and work with partners to expand the scheme throughout Scotland
    - Demand Responsive Transport
  - Active travel including:
    - E-bikes
    - Regional Active Travel Development Fund
    - Cycle Training and Development
  - Freight and logistics projects including the Forth Freight Study.
- Finalising the RTS delivery plan (Programmed Investment Plan) and graphical maps to view the current situation and future plans across the region to identify priority areas for action.
- Working with stakeholders to agree how SEStran can best support this work. This will include:
  - Examining the services provided by SEStran to support financially challenged partners. This may include the potential creation of a pooled resource or shared services and, in conjunction with other RTPs, a centre of excellence;
  - Examining whether SEStran currently has the powers required to provide the optimal level of assistance, and whether existing legislation offers the opportunity to take a more proactive role;
  - Working with partners across Scotland to re-energise the review of regional transport governance;
  - Monitoring and reporting on delivery of the RTS, including the 20% reduction in car kilometres.

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

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

# The South East of Scotland Transport Partnership (SESTRAN)

## STATEMENT OF RESPONSIBILITIES FOR THE ANNUAL ACCOUNTS

### The Partnership's Responsibilities

The Partnership is required:

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

### The Treasurer's Responsibilities

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

In preparing the Annual Accounts, the Treasurer has:

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

The Treasurer has also:

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

I certify that the Annual Accounts give a true and fair view of the financial position of the Partnership at the reporting date and the transactions of the Partnership for the year ended 31st March 2023.

Treasurer:                      HUGH DUNN, CPFA                      \_\_\_\_\_                      Date signed: 9th June 2023

# The South East of Scotland Transport Partnership (SESTRAN)

## ANNUAL GOVERNANCE STATEMENT 2022/23

### 1. Scope of Responsibility

The South East of Scotland Transport Partnership aims to lead the development of a transportation system for South East Scotland, enabling business to function effectively and provide everyone living in the region with improved access to healthcare, education, public services and employment opportunities.

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.

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.

# The South East of Scotland Transport Partnership (SESTRAN)

## ANNUAL GOVERNANCE STATEMENT 2022/23 *(continued)*

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

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 lead the development of a transportation system for South East Scotland, enabling business to function effectively and provide everyone living in the region with improved access to healthcare, 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 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 South East of Scotland Transport Partnership (SESTRAN)

## ANNUAL GOVERNANCE STATEMENT 2022/23 (continued)

### 4. Review of Effectiveness (continued)

- **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.
- **CIPFA Financial Management Code**  
A requirement of the Annual Governance Statement is to disclose compliance with the CIPFA Financial Management (FM) Code and identify any outstanding areas for improvement or change. The Code is designed to support good practice and assist local government organisations in demonstrating their financial sustainability and resilience, by setting out expected standards of financial management.  
The Partnership has undertaken an evaluation of compliance with the Financial Management Code  
The Partnership's financial management arrangements are assessed as being compliant with the FM Code.

### 5. Internal Audit Opinion

During the year, the City of Edinburgh Council Internal Audit Service undertook one review to assess the adequacy of design and operating effectiveness of the key controls supporting the effective implementation of the Thistle Assistance programme. The review also followed up on the implementation of management actions raised in the previously completed internal audit review of 'Active Travel Network Development'. The overall assessment of the review was 'some improvement required' (amber) and confirmed that while some control weaknesses have been identified in the governance, risk and control frameworks supporting the Thistle Assistance programme, they provide reasonable assurance that risks are being managed and programme objectives should be achieved.

### 6. Coronavirus Pandemic

During the Covid 19 pandemic, meetings of the Partnership were held online. The Partnership continues to make use of online engagement for meetings, business and events, in addition to face to face meetings.

### 7. Partnership Board Membership

Seventeen new councillors were appointed to the Partnership by the Partnership's constituent councils, following the Local Government Election of May 2022. Three councillors returned to the Partnership. A new Partnership Chairperson and two new Deputy Chairpersons were appointed.

### 8. 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 2023. It is the Treasurer's opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control system.

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

# The South East of Scotland Transport Partnership (SESTRAN)

## REMUNERATION REPORT

### 1. Remuneration Policy for Senior Employees

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

### 2. Remuneration for Senior Councillors

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

### 3. Management of Remuneration Arrangements

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

### 4. Officers Remuneration

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

Remuneration Bands	2022/23	2021/22
£60,000 - £64,999	1	1
£65,000 - £69,999	1	0
£85,000 - £89,999	0	1

### 5. Senior Employees Remuneration

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

Name and Post Title	Salary, Fees and Allowances £	Compensation £	Total Remuneration 2022/23 £	Total Remuneration 2021/22 £
Jim Grieve - Partnership Director (to 31/12/22)	68,758	0	68,758	85,512
Brian Butler - Partnership Director (from 12/12/22)	26,262	0	26,262	0
	95,020	0	95,020	85,512

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	
	2022/23 £	2021/22 £		As at 31 March 2023 £'000	Difference from 31 March 2022 £'000
Jim Grieve - Partnership Director (to 31/12/22)	15,549	28,305	Pension	5	3
			Lump Sum	0	0
Brian Butler - Partnership Director (from 12/12/22)	5,962	0	Pension	0	0
			Lump Sum	0	0
	21,511	28,305			

# 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 2022-23 were as follows:

	<b>Contribution rate</b>
<b>Whole Time Pay</b>	
On earnings up to and including £23,000 (2021/2022 £22,300)	5.50%
On earnings above £23,000 and up to £28,100 (2021/2022 £22,300 to £27,300)	7.25%
On earnings above £28,100 and up to £38,600 (2021/2022 £27,300 to £37,400)	8.50%
On earnings above £38,600 and up to £51,400 (2021/2022 £37,400 to £49,900)	9.50%
On earnings above £51,400 (2021/2022 £49,900)	12.00%

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

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

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

### 8. Exit Packages

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

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

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

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

# The South East of Scotland Transport Partnership (SESTRAN)

## MOVEMENT IN RESERVES STATEMENT

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

2021/22 - Previous 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 2021</b>	<b>134</b>	<b>134</b>	<b>(747)</b>	<b>(613)</b>
<b>Movement in reserves during 2021/22</b>				
Surplus or (Deficit) on Provision of Services	(155)	(155)	0	(155)
Other Comprehensive Expenditure and Income	0	0	509	509
<b>Total Comprehensive Expenditure and Income</b>	<b>(155)</b>	<b>(155)</b>	<b>509</b>	<b>354</b>
<b>Adjustments between accounting basis &amp; funding basis under regulations (Note 7)</b>	<b>183</b>	<b>183</b>	<b>(183)</b>	<b>0</b>
<b>Increase/Decrease in 2021/22</b>	<b>28</b>	<b>28</b>	<b>326</b>	<b>354</b>
<b>Balance at 31 March 2022 carried forward</b>	<b>162</b>	<b>162</b>	<b>(421)</b>	<b>(259)</b>

2022/23 - 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 2022</b>	<b>162</b>	<b>162</b>	<b>(421)</b>	<b>(259)</b>
<b>Movement in reserves during 2022/23</b>				
Surplus or (Deficit) on Provision of Services	34	34	0	34
Other Comprehensive Expenditure and Income	0	0	1,300	1,300
<b>Total Comprehensive Expenditure and Income</b>	<b>34</b>	<b>34</b>	<b>1,300</b>	<b>1,334</b>
<b>Adjustments between accounting basis &amp; funding basis under regulations (Note 7)</b>	<b>12</b>	<b>12</b>	<b>(12)</b>	<b>0</b>
<b>Increase/Decrease in 2022/23</b>	<b>46</b>	<b>46</b>	<b>1,288</b>	<b>1,334</b>
<b>Balance at 31 March 2023 carried forward</b>	<b>208</b>	<b>208</b>	<b>867</b>	<b>1,075</b>



# The South East of Scotland Transport Partnership (SESTRAN)

## COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2022/23

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.

2021/22			2022/23			
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Services	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
750	0	750	Core	711	(1)	710
1,335	(979)	356	Projects	1,356	(1,147)	209
<b>2,085</b>	<b>(979)</b>	<b>1,106</b>	<b>Cost Of Services</b>	<b>2,067</b>	<b>(1,148)</b>	<b>919</b>
71	(50)	21	Financing & Investment Income (Note 9)	96	(77)	19
0	(972)	(972)	Taxation and Non-Specific Grant Income (Note 10)	0	(972)	(972)
<b>2,156</b>	<b>(2,001)</b>	<b>155</b>	<b>(Surplus) or Deficit on Provision of Services</b>	<b>2,163</b>	<b>(2,197)</b>	<b>(34)</b>
			<b>Other Comprehensive Income and Expenditure</b>			
0	(18)	(18)	Change in Demographic Assumptions	0	(23)	(23)
0	(277)	(277)	Change in Financial Assumptions	0	(1,519)	(1,519)
8	0	8	Other Experience	228	0	228
0	(222)	(222)	Return on Assets excluding amounts included in net interest	14	0	14
<b>8</b>	<b>(517)</b>	<b>(509)</b>	<b>Total Other Comprehensive Income and Expenditure</b>	<b>242</b>	<b>(1,542)</b>	<b>(1,300)</b>
<b>2,164</b>	<b>(2,518)</b>	<b>(354)</b>	<b>Total Comprehensive Income and Expenditure</b>	<b>2,405</b>	<b>(3,739)</b>	<b>(1,334)</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 2022 £'000		Note	31 March 2023 £'000
173	Property, plant and equipment	11	231
0	Other long-term assets (Pensions)	24	647
<b>173</b>	<b>Long term assets</b>		<b>878</b>
840	Short-term debtors	13	1,145
0	Provision for Bad Debts	14	0
95	Cash and cash equivalents	15	227
<b>935</b>	<b>Current assets</b>		<b>1,372</b>
(40)	Contributions and Grants Received in Advance		(15)
(747)	Short-term creditors	16	(1,160)
<b>(787)</b>	<b>Current liabilities</b>		<b>(1,175)</b>
(580)	Other long-term liabilities (Pensions)	24	0
<b>(580)</b>	<b>Long-term liabilities</b>		<b>0</b>
<b>(259)</b>	<b>Net assets/ (liabilities)</b>		<b>1,075</b>
	<b>Financed by:</b>		
161	Usable reserves	17	208
(420)	Unusable reserves	18	867
<b>(259)</b>	<b>Total reserves</b>		<b>1,075</b>

The unaudited Annual Accounts were issued on the 9th June 2023.

Treasurer: HUGH DUNN, CPFA

Date signed: 9th June 2023

# 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 other receipts and contributions for 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 2022 £'000	31 March 2022 £'000		31 March 2023 £'000	31 March 2023 £'000
		<b>OPERATING ACTIVITIES</b>		
(782)		Government Grants	(782)	
(190)		Constituent Council Requisitions	(190)	
0		Interest paid/ (received)	0	
(807)		Other receipts from operating activities	(971)	
	<b>(1,779)</b>	<b>Cash inflows generated from operating activities</b>		<b>(1,943)</b>
562		Cash paid to and on behalf of employees	494	
1,478		Cash paid to suppliers of goods and services	1,317	
	<b>2,040</b>	<b>Cash outflows generated from operating activities</b>		<b>1,811</b>
	<b>261</b>	<b>Net cash flows from operating activities</b>		<b>(132)</b>
		<b>INVESTING ACTIVITIES</b>		
10		Purchase of property, plant and equipment	0	
(46)		Proceeds from the sale of property, plant and equipment	0	
	<b>(36)</b>	<b>Net cash flows from investing activities</b>		<b>0</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>225</b>	<b>Net( increase)/ decrease in cash and cash equivalents</b>		<b>(132)</b>
	<b>320</b>	<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>95</b>
	<b>95</b>	<b>Cash and cash equivalents at the end of the reporting period (Note 15)</b>		<b>227</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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#### 1.1 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, or is the value of the net pension asset, 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. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT NOT YET ADOPTED**

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year. The standards introduced by the 2023/24 Code where disclosures are required in the 2022/23 financial statements in accordance with the requirements of paragraph 3.3.4.3 of the Code are:

- IFRS 16 Leases (but only for those local authorities that have decided to voluntarily implement IFRS 16 in the 2023/24 year);
- Definition of Accounting Estimates (Amendments to IAS 8) issued in February 2021;
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) issued in February 2021;
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) issued in May 2021.

CIPFA/LASAAC consider it is likely that, though they lead to improved reporting, the non-IFRS16 items above will not have a significant impact on the amounts anticipated to be reported in the financial statements.

### **3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

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

The critical judgements made in the Annual Accounts are:

- There is high degree of uncertainty about future levels of funding for local government. The Partnership has determined that this uncertainty is not yet sufficient to provide an indication that the Partnership's assets might be impaired as a result of a need to reduce 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 has allowed for the impact of full GMP indexation in the calculation of the latest funding valuation results. The funding valuation results are used as the starting point for the accounting roll-forward calculations and therefore an allowance for full GMP indexation is included in the accounting disclosure;
- GMP equalisation – historical transfers (Further Lloyd's ruling) - the Partnership's actuary has advised this further ruling is unlikely to have a significant impact on the pension obligations of a typical employer. The historic individual member data needed to assess the impact is not readily available. As a result, no allowance has been made for this within the actuary's calculations.
- Local Government Pension Scheme (LGPS) - McCloud and Sargeant cases. Where an allowance was made for the McCloud case in 2021/22, the actuary has made no further adjustment to the 2022/23 Result Schedule. No explicit additional adjustment for the McCloud case has been added to the current service cost for 2022/23 or the projected service cost for 2023/24.
- 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. The actuary has carried out analysis to understand the potential impact of implementing a solution to correct the past underpayment of spouses' benefits. The remedy is still uncertain but the potential impact has been estimated to be very small. The actuary does not believe it is necessary or appropriate to make an adjustment to account for this at the moment.
- 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

### 4. 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 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are:

#### 4.1 Pension Asset/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 LGPS Funds, asset investment returns have been greater than expected compared to last year's accounting date assumption. The net discount rate assumption has increased by more than the increase in the CPI assumption, which has resulted in a gain on the balance sheet position. Using more up-to-date longevity assumption has also led to a small gain on the obligations.

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)
0.1% decrease in Real Discount Rate	2%	48
1 year increase in member life expectancy	4%	93
0.1% increase in the Salary Increase Rate	0%	1
0.1% increase in the Pension Increase Rate (CPI)	2%	47

### 5. EVENTS AFTER THE BALANCE SHEET DATE

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The Unaudited Annual Accounts were authorised for issue on 9 June 2023. 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 31st March 2023, 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 2023 which would materially affect the 2022/23 Annual Accounts.

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 6. 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
<b>2022/23</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Core	599	111	710
Projects	325	(116)	209
<b>Net Cost of Services</b>	<b>924</b>	<b>(5)</b>	<b>919</b>
<b>Other Income and Expenditure</b>			
Government grant	(782)	0	(782)
Constituent council requisitions	(190)	0	(190)
Interest paid/ (received)	2	0	2
Net pension interest cost	0	17	17
<b>(Surplus) or deficit on the provision of services</b>	<b>(46)</b>	<b>12</b>	<b>(34)</b>
	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
<b>2021/22</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Core	588	162	750
Projects	356	0	356
<b>Net Cost of Services</b>	<b>944</b>	<b>162</b>	<b>1,106</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	21	21
<b>(Surplus) or deficit on the provision of services</b>	<b>(28)</b>	<b>183</b>	<b>155</b>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

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

#### Expenditure and Funding Analysis *(continued)*

##### 6.1 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>2022/23</b>				
Core	58	56	(3)	111
Projects	(116)	0	0	(116)
<b>Net Cost of Services</b>	<b>(58)</b>	<b>56</b>	<b>(3)</b>	<b>(5)</b>
<b>Other Income and Expenditure</b>				
Interest paid/ (received)	0	0	0	0
Net pension interest cost	0	17	0	17
<b>(Surplus) or deficit on the provision of services</b>	<b>(58)</b>	<b>73</b>	<b>(3)</b>	<b>12</b>
<b>2021/22</b>				
Core	84	78	0	162
Projects	0	0	0	0
<b>Net Cost of Services</b>	<b>84</b>	<b>78</b>	<b>0</b>	<b>162</b>
<b>Other Income and Expenditure</b>				
Net pension interest cost	0	21	0	21
<b>(Surplus) or deficit on the provision of services</b>	<b>84</b>	<b>99</b>	<b>0</b>	<b>183</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 and interest paid on revenue balances.

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

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

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

	Core £'000	Projects £'000	Total £'000
<b>2022/23</b>			
<b>Expenditure</b>			
Employee expenses	389	0	389
Other service expenses	211	1,472	1,683
<b>Total Expenditure</b>	<b>600</b>	<b>1,472</b>	<b>2,072</b>
<b>Income</b>			
Government grants and other contributions	(1)	(1,147)	(1,148)
<b>Total Income</b>	<b>(1)</b>	<b>(1,147)</b>	<b>(1,148)</b>
<b>Net Cost of Services</b>	<b>599</b>	<b>325</b>	<b>924</b>
<b>2021/22</b>			
<b>Expenditure</b>			
Employee expenses	403	0	403
Other service expenses	185	1,335	1,520
<b>Total Expenditure</b>	<b>588</b>	<b>1,335</b>	<b>1,923</b>
<b>Income</b>			
Government grants and other contributions	0	(979)	(979)
<b>Total Income</b>	<b>0</b>	<b>(979)</b>	<b>(979)</b>
<b>Net Cost of Services</b>	<b>588</b>	<b>356</b>	<b>944</b>

#### 6.3 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 2023 £'000	31st March 2022 £'000
<b>Expenditure</b>		
Employee expenses	442	481
Other service expenses	1,567	1,510
Depreciation, amortisation and impairment	58	94
Interest payments	96	71
<b>Total Expenditure</b>	<b>2,163</b>	<b>2,156</b>
<b>Income</b>		
Fees, charges and other service income	0	0
Interest and investment income	(77)	(50)
Income from constituent councils	(190)	(190)
Government grants and other contributions	(1,930)	(1,761)
<b>Total Income</b>	<b>(2,197)</b>	<b>(2,001)</b>
<b>(Surplus) or Deficit on the Provision of Services</b>	<b>(34)</b>	<b>155</b>

# 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.

2022/23	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	58	(58)			(58)
<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	(116)	116			116
<b>Adjustments primarily involving the <u>Pensions Reserve</u></b>					
Reversal of items relating to retirement benefits debited or credited to the CIES	208			(208)	(208)
Employer's pension contributions and direct payments to pensioners payable in the year	(135)			135	135
<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	(3)		3		3
<b>Total Adjustments</b>	<b>12</b>	<b>58</b>	<b>3</b>	<b>(73)</b>	<b>(12)</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.

2021/22	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	84	(84)			(84)
<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	0	0			0
<b>Adjustments primarily involving the Pensions Reserve</b>					
Reversal of items relating to retirement benefits debited or credited to the CIES	228			(228)	(228)
Employer's pension contributions and direct payments to pensioners payable in the year	(129)			129	129
<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	0		0		0
<b>Total Adjustments</b>	<b>183</b>	<b>(84)</b>	<b>0</b>	<b>(99)</b>	<b>(183)</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 will be established to meet slippage on project delivery from 2022/23 to 2023/24.

### 9. FINANCING AND INVESTMENT INCOME

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	2022/23 £'000	2021/22 £'000
Interest income on pension asset/liability	(77)	(50)
Interest Paid/ (Received)	2	0
Pensions interest cost	94	71
	<hr/>	<hr/>
	19	21
	<hr/>	<hr/>

### 10. TAXATION AND NON SPECIFIC GRANT INCOME

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	2022/23 £'000	2021/22 £'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:

##### Movements in 2022/23

Cost or Valuation	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
At 1st April 2022	885	28	913
Additions	94	22	116
Transfers	14	(14)	0
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0
At 31st March 2023	993	36	1,029
<b>Accumulated Depreciation</b>			
At 1st April 2022	(740)	0	(740)
Depreciation charge	(58)	0	(58)
Depreciation written out to the Surplus/Deficit on the Provision of Services	0	0	0
At 31st March 2023	(798)	0	(798)
<b>Net Book Value</b>			
At 31st March 2023	195	36	231



# 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 2021/22

Cost or Valuation	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
At 1st April 2021	787	137	924
Additions	10	0	10
Transfers	88	(88)	0
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	0	(21)	(21)
At 31st March 2022	<u>885</u>	<u>28</u>	<u>913</u>
<b>Accumulated Depreciation</b>			
At 1st April 2021	(667)	0	(667)
Depreciation charge	(73)	0	(73)
Depreciation written out to the Surplus/Deficit on the Provision of Services	0	0	0
At 31st March 2022	<u>(740)</u>	<u>0</u>	<u>(740)</u>
<b>Net Book Value</b>			
At 31st March 2022	<u><u>145</u></u>	<u><u>28</u></u>	<u><u>173</u></u>

#### 11.3 Depreciation

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

- Vehicles, plant and equipment: 4 - 5 years

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

#### 11.4 Capital Commitments

As at 31st March 2023, the Partnership had no capital commitments.

# 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 2023 £'000	31st March 2022 £'000
Trade creditors	1,167	718

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

	Current	
	31st March 2023 £'000	31st March 2022 £'000
Loans and receivables	1,041	529
Trade debtors	107	287
	1,148	816

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# 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 2023		31 March 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£'000	£'000	£'000	£'000
Trade creditors	1,167	1,167	718	718

Financial Assets	31 March 2023		31 March 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£'000	£'000	£'000	£'000
Loans and receivables	1,041	1,041	529	529
Trade debtors	107	107	287	287
	<u>1,148</u>	<u>1,148</u>	<u>816</u>	<u>816</u>

#### 12.4 Income, Expenses, Gains and Losses

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

	31st March 2023	31st March 2022
	£'000	£'000
Total expense and income in Surplus or Deficit on the Provision of Services:		
Interest Expense/ (Income)	2	0

### 13. DEBTORS

	31st March 2023	31st March 2022
	£'000	£'000
Debtors:		
Central government bodies	603	315
Other local authorities	120	254
HM Customs and Excise - VAT	59	20
Other entities and individuals	363	251
	<u>1,145</u>	<u>840</u>

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 14. PROVISION FOR BAD DEBTS

	31st March 2023 £'000	31st March 2022 £'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 2023 £'000	31st March 2022 £'000
Bank account	227	95
	227	95

### 16. CREDITORS

	31st March 2023 £'000	31st March 2022 £'000 <i>(re-stated)</i>
Central government bodies	(2)	0
Other local authorities	(531)	(630)
Other entities and individuals	(586)	(93)
Employee costs	(41)	(24)
	<b>(1,160)</b>	<b>(747)</b>

### 17. USABLE RESERVES

	31st March 2023 £'000	31st March 2022 £'000
17.1 Unallocated General Fund Reserve	49	104
17.2 Earmarked Balance - Project Budget slippage	159	58
	208	161

# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

### 18. UNUSABLE RESERVES

	31st March 2023 £'000	31st March 2022 £'000
18.1 Capital Adjustment Account	231	173
18.2 Pension Reserve	647	(580)
18.3 Accumulated Absence Account	(11)	(14)
	<u>867</u>	<u>(420)</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.

	2022/23 £'000	2021/22 £'000
Balance at 1st April	173	257
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	(58)	(73)
• Charges for revaluation of non-current assets	0	(21)
Net written out amount of the cost of non-current assets consumed in year	<u>115</u>	<u>163</u>
Capital financing applied in the year:		
• Contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	116	10
Balance at 31st March	<u>231</u>	<u>173</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)*

	2022/23 £'000	2021/22 £'000
Balance at 1st April	(580)	(990)
Remeasurements of the net defined benefit liability	1,300	509
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.	(208)	(228)
Employer's pension contributions and direct payments to pensioners payable in the year.	135	129
Balance at 31st March	<u>647</u>	<u>(580)</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.

	2022/23 £'000	2021/22 £'000
Balance at 1st April	(14)	(14)
Settlement or cancellation of accrual made at the end of the preceding year	14	14
Amounts accrued at the end of the current year	(11)	(14)
Balance at 31st March	<u>(11)</u>	<u>(14)</u>

### 19. MEMBERS EXPENSES

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

	2022/23 £'000	2021/22 £'000
Expenses	<u>0</u>	<u>0</u>
	<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 by the Partnership's external auditors:

	2022/23	2021/22
	£'000	£'000
Fees payable in respect of:		
• external audit services carried out by the appointed auditor for the year	11	11
	11	11

### 21. GRANT INCOME

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

	2022/23	2021/22
	£'000	£'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)
	(972)	(972)
<b>Credited to Services</b>		
EU Grant - Bling	(43)	(17)
EU Grant - Connect	(18)	(14)
EU Grant - Primaas	(29)	(33)
EU Grant - Regio Mob	(29)	(6)
EU Grant - Sharenorth	(5)	(42)
EU Grant - Surflogh	(53)	(34)
Contribution - City of Edinburgh Council	(2)	(2)
Contribution - Clackmannanshire Council	0	(3)
Contribution - East Lothian Council	(2)	(6)
Contribution - Falkirk Council	(12)	(4)
Contribution - Fife Council	(91)	(143)
Contribution - First Bus Scotland	0	(5)
Contribution - Midlothian Council	(7)	(9)
Contribution - Paths for All	0	(25)
Contribution - Scotrail	(11)	3
Contribution - Scottish Borders Council	(8)	(69)
Contribution - Scottish Enterprise	(40)	(110)
Contribution - Stirling Communication Centre	(4)	(2)
Contribution - Scottish Government/ Transport Scotland	(729)	(484)
Contribution - West Lothian Council	(1)	(10)
Contribution - HITRANS	(4)	(4)
Contribution - NESTRANS	(6)	(5)
Contribution - SPT	(5)	(4)
Contribution - SUSTRANS	(45)	(159)
Contribution - SWESTRANS	(2)	(2)
Contribution - TACTRAN	(6)	(5)
Contribution - ZETRANS	(1)	(1)
	(1,153)	(1,195)

# 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 2022-23 is shown in Note 19.

#### 22.3 Other Parties

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

	2022/23 £'000	2021/22 £'000
• Revenue Expenditure - Support Services		
City of Edinburgh Council - Financial and Clerking Services	44	42
Falkirk Council - HR Services	0	0
	<hr/> 44	<hr/> 42
• Revenue Expenditure - Interest on Revenue Balances		
City of Edinburgh Council	2	0
	<hr/> 2	<hr/> 0
• Revenue Expenditure - Other		
City of Edinburgh Council	1	0
East Lothian Council	1	30
Edinburgh & Lothians Greenspace Trust	0	20
NHS Lothian	0	43
Scottish Government	18	15
West Lothian Council	2	14
	<hr/> 22	<hr/> 122



# The South East of Scotland Transport Partnership (SESTRAN)

## NOTES TO THE ANNUAL ACCOUNTS

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

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

	2022/23 £'000	2021/22 £'000
• Revenue Income - Requisitions		
Clackmannanshire Council	(6)	(6)
East Lothian Council	(13)	(13)
City of Edinburgh Council	(62)	(61)
Falkirk Council	(19)	(19)
Fife Council	(44)	(44)
Midlothian Council	(11)	(11)
Scottish Borders Council	(13)	(14)
West Lothian Council	(22)	(22)
	<u>(190)</u>	<u>(190)</u>
• Revenue Income - Interest on Revenue Balances		
City of Edinburgh Council	0	0
	<u>0</u>	<u>0</u>
• Revenue Income - Other		
City of Edinburgh Council	(2)	(2)
Clackmannanshire Council	0	(3)
East Lothian Council	(2)	(6)
Falkirk Council	(12)	(4)
Fife Council	(3)	(2)
Midlothian Council	(7)	(9)
Scottish Borders Council	(2)	(3)
Scottish Enterprise	(40)	(110)
Scottish Government/ Transport Scotland	(729)	(484)
West Lothian Council	(1)	(1)
	<u>(798)</u>	<u>(624)</u>
• Revenue Income - Agency Income		
Fife Council	(88)	(141)
Scottish Borders Council	(6)	(66)
West Lothian Council	0	(9)
	<u>(94)</u>	<u>(216)</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 2023, with its related parties.

<b>CREDITORS</b>	<b>2022/23</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>
• Creditors - Related Parties (Revenue Grants)		
East Lothian Council	0	(28)
Scottish Enterprise	0	(40)
	<u>0</u>	<u>(68)</u>
• Creditors - Related Parties (Other)		
City of Edinburgh Council	(1)	(1)
Falkirk Council	0	0
Fife Council	(5)	0
Scottish Government	(2)	0
	<u>(8)</u>	<u>(1)</u>
• Creditors - Other Parties	<u>(1,167)</u>	<u>(718)</u>
Total Creditors	<u>(1,175)</u>	<u>(787)</u>
<b>DEBTORS</b>		
• Debtors - Related Parties (Revenue Grants/ Other)		
Clackmannanshire Council	0	1
East Lothian Council	0	(12)
Falkirk Council	7	0
Fife Council	100	169
Midlothian Council	4	0
Scottish Borders Council	9	84
Scottish Government/ Transport Scotland	603	315
West Lothian Council	0	11
	<u>723</u>	<u>568</u>
• Debtors - Other Parties	<u>422</u>	<u>272</u>
Total Debtors	<u>1,145</u>	<u>840</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 O2 to lease ten Apple iPhones for staff use. The minimum term for this contract is 24 months before the Partnership has the option to terminate the lease under no penalty. This contract expires in February 2024.

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 September 2025.

The Partnership's expenditure on lease payments during 2022/23 was £23,000 (2021/22 £17,000)

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

	2022/23 £'000	2021/22 £'000
• Not later than 1 year	23	21
• Over 1 year	1	4
	<hr/>	<hr/>
	24	25
	<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 require 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:

	2022/23 £000	2022/23 £000	2021/22 £000	2021/22 £000
<b>Comprehensive Income and Expenditure Statement</b>				
<i>Cost of services:</i>				
Service cost, comprising:				
Current service costs	191		207	
Past service costs	<u>0</u>		<u>0</u>	
		191		207
<i>Financing and investment income:</i>				
Net interest expense		<u>17</u>		<u>21</u>
<b>Total post employee benefit charged to the surplus on the provision of services</b>		208		228
<i>Other post-employment benefits charges to the Comprehensive Income / Expenditure Statement</i>				
Remeasurement of the net defined liability, comprising:				
Return on pension assets, excluding the amount included in the net interest expense above	14		(222)	
Actuarial gains and (losses) arising on changes in financial assumptions	(1,519)		(277)	
Actuarial gains and (losses) arising on changes in demographic assumptions	(23)		(18)	
Other experience	<u>228</u>		<u>8</u>	
		<u>(1,300)</u>		<u>(509)</u>
<b>Total post-employment benefits charged to the Comprehensive Income / Expenditure Statement</b>		<u>(1,092)</u>		<u>(281)</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>73</u>		<u>99</u>
<b>Actual amount charged against the General Fund Balance for pensions in the year:</b>				
Employer's contributions payable to the scheme		135		129
		<u>135</u>		<u>129</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:

	2022/23 £'000	2021/22 £'000
Fair value of employer assets	2,976	2,821
Present value of funded liabilities	(2,329)	(3,401)
Present value of unfunded liabilities	0	0
Net asset/(liability) arising from defined benefit obligation	647	(580)

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

	2022/23 £'000	2021/22 £'000
Opening fair value of scheme assets	2,821	2,463
Interest income	77	50
Remeasurement gain / (loss):		
Other Experience		
Return on plan assets, excluding the amount included in the net interest expense	(14)	222
Contributions from employer	135	129
Contributions from employees into the scheme	30	29
Benefits paid	(73)	(72)
Unfunded benefits paid	0	0
Closing fair value of scheme assets	2,976	2,821

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

	2022/23 £'000	2021/22 £'000
Present value of funded liabilities	(3,401)	(3,453)
Present value of unfunded liabilities	0	0
Opening balance at 1st April	(3,401)	(3,453)
Current service cost	(191)	(207)
Interest cost	(94)	(71)
Contributions from employees into the scheme	(30)	(29)
Remeasurement gain / (loss):		
Change in demographic assumptions	23	18
Change in financial assumptions	1,519	277
Other experience	(228)	(8)
Past service cost	0	0
Benefits paid	73	72
Unfunded benefits paid	0	0
Closing balance at 31st March	(2,329)	(3,401)

# 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.

	2022/23		2021/22	
	£'000	%	£'000	%
Equity Securities:				
Consumer *	365	12	347	12
Manufacturing *	410	14	373	13
Energy and Utilities *	180	6	156	6
Financial Institutions *	179	6	163	6
Health and Care *	219	7	195	7
Information technology *	124	4	128	5
Other *	203	7	210	7
Sub-total Equity Securities	1,679		1,573	
Debt Securities:				
Corporate Bonds (investment grade) *	46	2	0	0
UK Government *	345	12	246	9
Other *	62	2	53	2
Sub-total Debt Securities	454		299	
Private Equity:				
All *	2	0	0	
All	10	0	13	0
Sub-total Private Equity	12		14	
Real Estate:				
UK Property *	20	1	26	1
UK Property	114	4	123	4
Overseas Property *	4	0	0	0
Overseas Property	1	0	1	0
Sub-total Real Estate	139		150	
Investment Funds and Unit Trusts:				
Equities *	40	1	49	2
Equities	2	0	2	0
Bonds *	0	0	53	2
Bonds	86	3	79	3
Infrastructure	424	14	286	10
Sub-total Investment Funds and Unit Trusts	552		469	
Derivatives:				
Foreign Exchange *	0	0	0	0
Sub-total Derivatives	0		0	
Cash and Cash Equivalents				
All *	141	5	317	11
Sub-total Cash and Cash Equivalents	141		317	
Total Fair Value of Employer Assets	2,976		2,821	

*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 2023 were those from the beginning of the year (i.e. 31 March 2022) 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 2022 to 31 March 2023 2.2%

	<b>2022/23</b>	<b>2021/22</b>
Mortality assumptions - longevity at 65 for current pensioners:		
• Males	19.9 years	20.3 years
• Females	22.9 years	23.1 years
Mortality assumptions - longevity at 65 for future pensioners:		
• Males	21.2 years	21.6 years
• Females	24.7 years	25.0 years
Pension increase rate	2.95%	3.20%
Salary increase rate (see below)	3.45%	3.70%
Discount rate	4.75%	2.70%

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 2023 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 2024

	Assets £000	Obligations £000	Net (liability) / asset £000 % of pay	
Projected current service cost	0	(79)	(79)	(19.5%)
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>(79)</u>	<u>(79)</u>	<u>(19.5%)</u>
Interest income on plan assets	143	0	143	35.1%
Interest cost on defined benefit obligation	<u>0</u>	<u>(111)</u>	<u>(111)</u>	<u>(27.3%)</u>
Total Net Interest Cost	<u>143</u>	<u>(111)</u>	<u>32</u>	<u>7.8%</u>
Total included in Profit or Loss	<u><u>143</u></u>	<u><u>(190)</u></u>	<u><u>(47)</u></u>	<u><u>(11.7%)</u></u>

The Partnership's estimated contribution to Lothian Pension Fund for 2023/24 is £135,000.

### 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)*

---

#### **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 2023, the Partnership had financial assets of £212,000 subject to foreign exchange risk.

The foreign exchange loss or gain on these financial assets cannot be determined until 2023/24, 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.

### 26. CONTINGENT LIABILITY

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A service provider for the Go e-Bike project is in the process of liquidation. Officers of the Partnership are clarifying ownership of the project equipment and are seeking to progress service provision with an alternative service provider. Discussion is also taking place with project funders.

## **SESTRAN 2035 MONITORING**

### **1 INTRODUCTION**

- 1.1 At its meeting on 29<sup>th</sup> March the Partnership Board approved the final version of the Regional Transport Strategy (RTS) which was approved by the Scottish Minister. As part of the ongoing monitoring of the RTS, SEStran appointed S82 Consulting to help develop the Programmed Investment Plan (PIP). The plan was created in close partnership with the eight local authorities in the SEStran region and other stakeholders who have responsibility and/or budget for delivering specific schemes.
- 1.2 The Programmed Investment Plan will be the principal tool with which the delivery of the RTS will be measured and monitored. The purpose of this report is to update on progress on the Programmed Investment Plan since March and the recent receipt of the final report. This will be accompanied by a presentation from S82 Consulting at the meeting.

### **2 BACKGROUND**

- 2.1 S82 Consulting were appointed in November 2022 on a four-month commission to produce a Programmed Investment Plan, setting out in detail the strategic transport interventions planned for the SEStran region over the next three years. The plan would then be visually represented using a Graphical Information System (GIS).
- 2.2 S82 gathered structured data from Lead Stakeholders, such as the eight local authorities in the SEStran region, Transport Scotland and Sustrans. A multi-criteria assessment (MCA) framework for projects was created. Multi-criteria assessment methods are used to analyse the performance of complex systems and understand the trade-offs between different factors. As such, they can be used to provide reliable information on the strengths and weaknesses of different transport projects. A range of different metrics are used to do this, such as technical performance or financial viability. The outputs of a multi-criteria assessment provide stakeholders with impartial evidence to help them make decisions. They can also identify barriers that are limiting the development of projects, in turn helping to increase confidence and reduce risk.
- 2.3 These projects were filtered to determine if they were 'Regional' and were assessed against a range of transport policies, including the Regional Transport Strategy, National Transport Strategy and Scottish Transport Appraisal Guidance (STAG). S82 are mapping these projects on GIS to help identify 'gaps' in the transport network.

### **3 NEXT STEPS**

- 3.1 SEStran will seek to further identify strategic gaps in transport provision and networks.
- 3.2 SEStran will continue to update the MCA and the relevant GIS mapping by ensuring regular meetings with the Lead Stakeholders to monitor progress.

- 3.3 Many of the regional projects lack budgetary information for a range of reasons. S82 are liaising with stakeholders to gain information on budget, and the Partnership Director is meeting with individual Chief Officers over the next few weeks to discuss a number of issues including these gaps in the report.
- 3.4 SEStran will use the data obtained and analysed to see how national targets in reducing car usage can be met, and to see how freight can be considered more clearly in national, regional and local policies.
- 3.5 SEStran officers see the PIP project as being transformational for the work towards the uptake of the new Regional Transport Strategy 2035.

**4 RECOMMENDATIONS**

It is recommended that the Board:

- 4.1 Notes the progress made on developing the Programmed Investment Plan since the last meeting and the receipt of the final report from S82 Consulting
- 4.2 Delegates the Partnership Director to continue to work with key stakeholders and constituent councils to further update and develop the Programmed Investment Plan as a monitoring tool for delivery of the RTS.
- 4.3 Agrees to receive regular updates on the project as appropriate and at least every six months

Hattie James  
**Project Officer**

16<sup>th</sup> June 2023

**Appendix: SEStran 2035 Monitoring – Programmed Investment Plan**

Policy Implications	A new RTS and PIP will inform and impact on future SEStran strategy development and Local Transport Authorities’ plans and strategies.
Financial Implications	Sufficient funds are contained within the projects budget for delivery of the RTS and development of the PIP and funding is identified in the three-year budget plan.
Equalities Implications	The new RTS from which the PIP has been derived has been subject to an Equalities Impact Assessment (EQIA).
Climate Change Implications	The new RTS from which the PIP has been derived has been subject to a Strategic Environmental Assessment (SEA).

# **SEStran**

## **2035 Monitoring – Programmed Investment Plan**

June 2023

## Report Version History

Version	Comments	Date issued
Issued v1.0	Issued to SEStran	09/06/23

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# Table of Contents

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Glossary.....	1
Executive Summary.....	3
Aim of the Commission.....	3
Methodology.....	3
Commission Outcomes.....	4
Conclusions.....	5
1. Introduction.....	6
1.1. The Commission and its Context.....	6
1.2. S82 Consulting.....	6
2. Methodology.....	7
2.1. Overall Approach.....	7
2.2. Initial Development and Structure of the MCA.....	7
2.3. Interviews with Lead Stakeholders.....	10
2.4. Initial Filtering to Identify 'Regional' Projects.....	10
2.5. Reviewing 'Regional' Projects against Relevant Transport Policies.....	12
2.5.1. RTS Strategy Objectives.....	12
2.5.2. RTS Regional Mobility Themes.....	13
2.5.3. NTS Priorities.....	13
2.5.4. NTS Sustainable Travel Hierarchy.....	14
2.5.5. NTS Sustainable Investment Hierarchy.....	15
2.5.6. STAG Criteria.....	16
2.6. Additional Assessment Criteria.....	16
2.6.1. Potential Problem.....	16
2.6.2. High Embodied Carbon.....	16
2.7. Moderation.....	17
2.8. Overall Scoring of 'Regional' Projects.....	17
2.8.1. NTS Sustainable Travel Hierarchy Score.....	17
2.8.2. NTS Sustainable Investment Hierarchy Score.....	17
2.8.3. Balanced Travel and Investment Score.....	17
2.8.4. 'Regional' Score.....	18

2.8.5. RTS Strategy Objectives Score .....	18
2.9. GIS Plotting of 'Regional' Projects.....	18
3. Commission Outcomes.....	19
3.1. Lead Stakeholders.....	19
3.1.1. Ongoing Development of Investment Programmes .....	20
3.2. MCA Data Quality.....	20
3.2.1. Project, Lead Stakeholder, Promoter and Description.....	21
3.2.2. Linked Programme.....	21
3.2.3. Transport Category.....	21
3.2.4. Delivery Status .....	21
3.2.5. Linked Stakeholders.....	21
3.2.6. Revenue or Capital.....	21
3.2.7. Budget Year 0 (FY 2022/23) to Year 3 (FY 2025/26).....	21
3.2.8. Opening Year.....	22
3.2.9. Linked Trip Generators – Existing and Proposed .....	22
3.2.10. Commentary.....	22
3.2.11. Duplicate Projects.....	22
3.3. Overall MCA Data Trends .....	23
3.3.1. 'Regional' Projects by Lead Stakeholder .....	23
3.3.2. High Scoring Projects.....	25
3.3.3. Low Scoring Projects .....	27
3.3.4. GIS Mapping .....	29
3.3.5. Identifying Gaps.....	29
3.3.6. Further Analysis.....	36
3.3.7. Budgets .....	36
4. Conclusions.....	39
4.1. Identified Trends in 'Regional' Projects.....	39
4.1.1. Nature of the Projects .....	39
4.1.2. Scoring of the Projects .....	39
4.2. Key Areas for Future Focus.....	40
4.3. Potential Downstream Actions .....	40
Appendix A.....	41
Appendix B .....	43
Appendix C .....	55

# Glossary

Term	Description
Analysis / Review	A 'Regional' project that is not definitely delivering an outcome. These projects were therefore not fully assessed.
Capital Budget	Spending of a 'one-off' nature which results in the purchase, construction, or improvement of an asset such as transport infrastructure.
Geographical Information System (GIS)	A computer system that analyses and displays geographically referenced information. It uses data that is attached to a unique location and can provide mapping information.
Lead Stakeholder	An organisation who was interviewed for this commission and provided data on relevant projects. Generally, they were also the Promoter of the projects.
Linked Programme	A local, regional or national programme a project was linked with.
'Local' projects	Projects that did not meet at least one of the six 'Regional' criteria – see <a href="#">Section 2.4</a> .
Multi Criteria Assessment (MCA)	A MS Excel table produced as part of this commission to list, categorise and rank projects within the SEStran region.
National Transport Strategy (NTS 2)	The strategy published by Transport Scotland in 2020 covering all of Scotland.
NTS Priorities	Priorities listed in the NTS.
NTS Sustainable Investment Hierarchy	A sustainable investment hierarchy identified in the NTS, as shown in in <a href="#">Figure 2.5.5</a> , which helps inform investment decisions and places 'Reducing the need to travel unsustainably' at the top.
NTS Sustainable Travel Hierarchy	A sustainable travel hierarchy identified in the NTS, as shown in <a href="#">Figure 2.5.4</a> , that places walking and wheeling at the top and private car use at the bottom.
Project	A transport project in the SEStran area that was identified by the Lead Stakeholders and listed in the MCA.
Promoter	The organisation leading delivery of a project. In most cases this was also the Lead Stakeholder.
Raster Tiles	Used in GIS, these are square bitmap graphics displayed in a grid arrangement to show a map.
'Regional' projects	Projects that were identified as meeting at least one of the six 'Regional' criteria – see <a href="#">Section 2.4</a> .
Regional Transport Strategy (RTS)	The strategy initially published by SEStran in 2022 and subsequently approved by Scottish Ministers in 2023.



Term	Description
RTS Objectives	Objectives listed in SEStran's RTS.
RTS Regional Mobility Themes	The RTS lists 12 Regional Mobility themes which group proposed projects, policies and actions - see <a href="#">Section 2.5.2</a> .
Revenue Budget	The amount of money needed to provide services during a financial year.
Scottish Transport Appraisal Guidance (STAG) Criteria	Guidance on the appraisal of transport schemes, updated by Transport Scotland in 2022.
Shapefile	A GIS data storage format for storing the location, shape and attributes of geographic features.
Stakeholder	An organisation who has some involvement with a project.
Strategic Project Transport Review 2 (STPR2)	A Scotland-wide evidence-based review published by Transport Scotland in 2022, which follows the Scottish Transport Appraisal Guidance (STAG), of the strategic transport network across all transport modes, including walking, wheeling, cycling, bus, rail and car, as well as reviewing wider island and rural connectivity.

# Executive Summary

---

## Aim of the Commission

The commission was to produce a Programmed Investment Plan, setting out in detail the strategic transport interventions in the SEStran region over the next three years.

The commission successfully identified relevant projects, their funding status, delivery timescale, budgets and stakeholders.

## Methodology

The agreed approach was to gather structured data from Lead Stakeholders, such as local authorities and transport bodies, using an MS Excel spreadsheet. This enabled a common, multi-criteria assessment (MCA) framework for projects, regardless of the type of project, its location or status.

14 Lead Stakeholders, including all the local authorities in the SEStran region, were interviewed in January and February 2023. An MCA pre-populated with some examples, along with guidance notes, was passed to Lead Stakeholders in advance of the meetings, which were all held using MS Teams. The commission team greatly appreciated the co-operation of the Lead Stakeholders.

Some 640 projects were identified in these discussions.

Using initial information from stakeholders, the projects were then filtered to determine if they were 'Regional', and to examine how they compared with current relevant transport policies.

The initial 'Regional' filtering of projects considered six questions. Did the project:

1. Link more than one local authority area?
2. Fill an 'internal gap' in one local authority area to enable completion of a larger, 'cross-boundary' network or linkage?
3. Have 'points of delivery' in more than one local authority (e.g., trials of bus services in four different towns across the SEStran area)?
4. Follow one of the 18 SEStran 'regional corridors' (see Figure 2.4)?
5. Enables access to regional corridors or networks? This is particularly important for active travel schemes which can improve access to mobility hubs for regional travel.
6. Connect to another RTP or national network?

A 'yes' answer to at least one of these questions enabled a project to be classed as a having 'regional impact', creating a shortlist of 'Regional' projects.

This resulted in the commission team identifying 276 'projects classed as 'Regional'. Some 88 of these 276 projects were primarily an analysis or a review. Since these did not deliver direct transport benefits to users, they were not reviewed against relevant transport policies.

The remaining 188 'Regional' projects were then assessed against a range of transport policies comprising:

- SEStran's Regional Transport Strategy (RTS) Strategy Objectives.
- SEStran's RTS Regional Mobility Themes.
- National Transport Strategy (NTS) Priorities.
- NTS Sustainable Travel Hierarchy.
- NTS Sustainable Investment Hierarchy.
- Scottish Transport Appraisal Guidance (STAG) Criteria.

Given the scope of the commission, assessments against these policies were based on professional judgement to give guidance, rather than detailed studies or surveys.

'Regional' projects were also assessed to identify any possible major issues that could potentially delay or hinder delivery. These were typically issues such as the planning or statutory processes required for delivery, or affordability.

The commission also identified projects which may include high embodied carbon. These were generally major infrastructure projects which utilise large quantities of high carbon material such as concrete, steel and bituminous materials in their construction.

'Regional' projects were plotted on GIS mapping, with the relevant data set attached. This has been made available to SEStran.

## Commission Outcomes

The 276 'Regional' projects were spread across all the Lead Stakeholders, who comprised local authorities and other transport bodies. 172 of these projects were area-wide and not linked to a discrete location. 188 of the 276 were an actual project, rather than an analysis or a review.

These 188 projects were scored against how they met the NTS travel and investment hierarchies. Whilst this had some limitations, higher scoring projects tended to be multi-modal and those focused on legislative change. Road-focused projects scored lowest.

Three case studies were identified to demonstrate GIS mapping capability, using MCA and third-party data to identify gaps in the transport network. These looked at rail access to strategic housing sites, active travel links to hospitals and the Blindwells Strategic Housing Site, demonstrating the potential of GIS analysis.

Budget information was not always readily available for many projects, reflecting uncertainty in public sector funding and project status.

Capital budgets for Financial Years 2023/24, 2024/25 and 2025/26 were significantly higher than revenue budgets. This reflected the annual nature of revenue budgeting and wider budget-setting uncertainty at the present time.

Across the four Financial Years from 2022/23 to 2025/26 the total capital budget was £229,409k for 'Regional' projects and £431,769k for 'Local' projects.

The total revenue budget for the four Financial Years was £8,385k for 'Regional' projects and £23,626k for 'Local' projects.

These figures cannot be seen as definitive going forward, given that for many projects the budget was advised as £0k or budget information was not available.

## Conclusions

Of the 188 'Regional' projects analysed in detail:

- 128 were capital projects, with the remaining 60 classed as revenue.
- 78 projects containing an element of public transport (bus, rail and tram).
- 58 contained an element of active travel (walking, wheeling and cycling).
- 32 had potential problems identified – mainly relating to statutory process, affordability or land issues.
- 31 potentially had high embodied carbon. These were larger scale infrastructure projects.
- 26 contained an element of the road category - 20 of these were categorised as road alone.
- 25 were at least in part classified as having an element of modal interchange.
- 5 were defined as behaviour change.
- 4 contained an element of freight provision.

Overall, the balance of 'Regional' projects was focused on public transport and active travel, reflecting SEStran's and national priorities.

From the data obtained and analysed, the future focus for SEStran should be:

- Keeping the MCA and GIS data updated.
- Further identification of strategic gaps in transport provision and networks.
- Prioritising high-scoring projects.
- Looking at how to improve low scoring projects.
- How carbon reduction can be included in procurement for appropriate projects.
- How national targets in reducing car usage can be met.
- How freight transport can be considered more clearly in national, regional and local policies.
- How information can be shared with Elected Members, Board Members and stakeholders, and potentially made public, if appropriate.

# 1. Introduction

---

## 1.1. The Commission and its Context

Given its strategic role in transport in south-east Scotland, SEStran requires an overview of the 'Regional' projects planned for its area by its numerous stakeholders and partners. This will help SEStran in its long-term planning, as well as with delivery of the strategy objectives and regional mobility themes in its Regional Transport Strategy (RTS).

With current economic pressures and the likelihood of constrained public sector budgets, understanding and prioritising support for investment projects will become increasingly important for SEStran and its stakeholders. In addition, there is the emerging policy environment to consider including the recent National Transport Strategy 2 and the Strategic Transport Projects Review 2.

These national policies, with their focus on active travel, public transport, health and low carbon will help shape the requirement for transport policy and delivery within the SEStran region. There are also numerous policies to consider that are published by the local authorities in the SEStran area.

Within this context, the aim of the commission was to produce a Programmed Investment Plan, setting out in detail the strategic transport interventions in the SEStran region over the next three years.

This work would also identify locations and corridors where key cross boundary and/or region-wide investment by mode may be targeted for action by SEStran or partners, to further enhance delivery of the RTS objectives. The aim was to identify all projects, their funding status, delivery timescale, identified budgets and stakeholders. From this, projects that had a 'Regional' impact could also be identified and mapped using GIS.

In addition, the commission also aimed to consider and identify strategic gaps in regional transport infrastructure across all modes.

## 1.2. S82 Consulting

Following a competitive tendering process, S82 Consulting was appointed in November 2022 to deliver the commission by the end of March 2023.

S82 Consulting is a Scottish SME consultancy, specialising in transport advisory projects and was established in 2020.

The commission team comprised specialists in transport infrastructure and policy, active travel, public transport and GIS.

## 2. Methodology

### 2.1. Overall Approach

The agreed approach to the commission was to gather structured data from stakeholders such as local authorities and transport bodies using an MS Excel spreadsheet. This would enable a common, multi-criteria assessment (MCA) framework for projects, regardless of the type of project, its location or status. Using this initial information from stakeholders, the projects could be filtered to determine if they were 'Regional', and to examine how they compared with current relevant transport policies.

### 2.2. Initial Development and Structure of the MCA

Following discussions between SEStran and S82 Consulting, an agreed format was developed for the initial data collection in the MCA table. For each project, the information shown in [Table 2.2](#) below was gathered in the initial data collection MCA table.

Data	Information Recorded for Each Project
Project Name	Name of the project.
Promoter	The single body leading the promotion of the project.
Description	Free text description of the project.
Linked Programme	Name of any local, regional or national programme the project was linked with.
Transport Category	<p>The following individual categories were identified:</p> <ul style="list-style-type: none"> <li>• Walking and Wheeling</li> <li>• Cycling</li> <li>• Walking, Wheeling &amp; Cycling</li> <li>• Bus</li> <li>• Rail</li> <li>• Tram</li> <li>• Taxi</li> <li>• Modal Interchange</li> <li>• Road</li> <li>• Maritime</li> <li>• Aviation</li> <li>• Behaviour Change Campaign</li> </ul> <p>Projects could be classified under single or multiple categories, as appropriate.</p>

**Table 2.2– Data and information recorded for each project in the initial data collection MCA (part)**

Data	Information Recorded for Each Project
Delivery Status	<p>The project's status was defined by one of the following categories:</p> <ol style="list-style-type: none"> <li>1. Funded and currently being delivered.</li> <li>2. Funded and planned for delivery.</li> <li>3. Approved without any funding.</li> <li>4. Funded for detailed design development (DBC).</li> <li>5. Funded for initial project assessment and development (OBC).</li> <li>6. Aspirational projects.</li> <li>7. Developer funded project linked to Regional Growth and Strategic Development.</li> </ol>
Linked Stakeholders	Any additional bodies, whether public, private or third sector, who may have an interest or influence on the project.
Revenue or Capital	Each project was identified as being either Revenue or Capital funded.
Year 0 Budget FY 2022/23	Anticipated budget spend on the project in that financial year.
Year 1 Budget FY 2023/24	Anticipated budget spend on the project in that financial year.
Year 2 Budget FY 2024/25	Anticipated budget spend on the project in that financial year.
Year 3 Budget FY 2025/26	Anticipated budget spend on the project in that financial year.
Opening Date	Estimated opening date for the project. If this was not known, a default value of 2035 was entered.
Linked trip generators - existing	Any existing trip generators, such as schools, hospitals or colleges, that may impact on the project.
Linked trip generators - proposed	Any proposed trip generators, such as a new housing development, that may impact on the project.
Commentary	Free text with any further comments on the project.

**Table 2.2– Data and information recorded for each project in the initial data collection MCA (continued)**

Figure 2.2 below shows a version of the initial data collection MCA table, populated with notional example projects.

Project Data																
Project #	Project	Promoter	Description (Free text - will not be used for filtering)	Linked Programme	Transport Category	Delivery Status	Linked Stakeholders	Revenue or Capital	Year 0 Budget FY2022/23 £k	Year 1 Budget FY2023/24 £k	Year 2 Budget FY2024/25 £k	Year 3 Budget FY2025/26 £k	Opening date	Linked trip generators - existing	Linked trip generators - proposed	Commentary (Free text - will not be used for filtering)
1	Cycling Scheme 1	ABC Council	Cycle lanes and modal gates	Places for Everyone	Cycling	2. Funded and planned for delivery	Sustrans Scotland	Capital	20	100	150	150	2025	Hospital Shopping Centre	New housing	Minor local works
2	Rail freight yard	Network Rail	Distillery access	Green Freeport	Rail	3. Approved without any funding	DEF Council	Revenue	-	20	100	100	2028	n/a	New distillery	Initial study
3	Anytown bypass	GHI Council	5km Local village bypass	n/a	Road	2. Funded and planned for delivery	n/a	Capital	750	5,000	5,000	5,000	2030	Canal Basin Park	Mixed Retail Development New housing	Currently out to tender
4	Bus priority on M8	Transport Scotland	Continuous lanes from Baillieston to A720	STPR2	Bus	5. Funded for initial project assessment and development (OBC)	Bus Company	Revenue	50	100	100	2,500	2027	The Gyle / Heriot Watt Uni	n/a	Funding is for major study
5	Bus revenue support	ABC Council	Annual Support	n/a	Bus	2. Funded and planned for delivery	Bus Company	Revenue	1,000	1,000	1,000	1,000	n/a	n/a	n/a	Ongoing support
6	Minor junction improvements	DEF Council	Series of local adjustments / ped crossings	n/a	Road	1. Funded and currently being delivered	n/a	Capital	50	50	50	50	n/a	n/a	n/a	Ongoing programme of works
7	New station Easttown	XYZ Developments Ltd	New station as part of housing development	Easttown City Region Deal	Rail	7. Developer funded project linked to Regional Growth and Strategic Development	DEF Council Scot Gov UK Gov Network Rail	Capital	-	-	150	175	2026	Edinburgh Glasgow	major new housing development on brownfield site	Developer led, but with some funding from public bodies
8	Replacement River Crossing	GHI Council	Missing link bridge across river	Regional Prosperity Framework	Walking, Wheeling & Cycling	6. Aspirational projects	ABC Council	Revenue	-	25	25	-	2030	Anytown Westville	n/a	Re-instatement of old rail crossing for active travel
9	Town centre adaptation	DEF Council	Major town centre works in	Regional Prosperity	Walking &	2. Funded and planned	n/a	Capital	-	500	500	-	2034	Rail station Southton	n/a	Scheme has been planned for

Figure 2.2 - A screenshot of the initial agreed data collection MCA with notional examples



Only this initial data collection version of the MCA was issued to stakeholders in advance of interviews. Once data had been collected for all projects via interviews with stakeholders, the MCA was subsequently extended to enable assessment of whether a project was 'Regional'. If a project was deemed to be 'Regional' it was then further assessed against a range of policies and criteria. Full details of this further assessment are given in [Sections 2.4 to 2.8](#) of this report.

## 2.3. Interviews with Lead Stakeholders

With the assistance of SEStran, S82 Consulting interviewed 14 stakeholders in January and February 2023 (see [Appendix A](#)). These bodies were subsequently termed 'Lead Stakeholders'. An MCA pre-populated with some examples (see [Figure 2.2](#)), along with guidance notes, were passed to Lead Stakeholders in advance of the meetings, which were all held using MS Teams. Some 640 projects were identified within discussions with Lead Stakeholders.

In many cases the commission team pre-populated the MCA table with publicly available project data to assist Lead Stakeholders in identifying data gaps, hence expediting data gathering. Full details of the meetings and outputs are given in [Section 3](#) and [Appendix A](#).

## 2.4. Initial Filtering to Identify 'Regional' Projects

Once the interviews with Lead Stakeholders were completed, all the projects in the MCA were filtered by the commission team to identify which could be classed as having a 'Regional' impact. The criteria used to identify 'Regional' projects was based on two key elements in SEStran's Regional Transport Strategy (RTS) published in 2022. These are:

- The RTS defines regional travel as 'travel between local authorities, as opposed to travel wholly within local authority areas'.
- The RTS also identified a set of 18 'regional corridors' (see [Figure 2.4](#)) which form the 'building blocks' of regional travel across the area and were defined based on travel between local authority sub areas.

These two definitions helped create a final filter to sift 'Regional' projects from 'Local' ones.

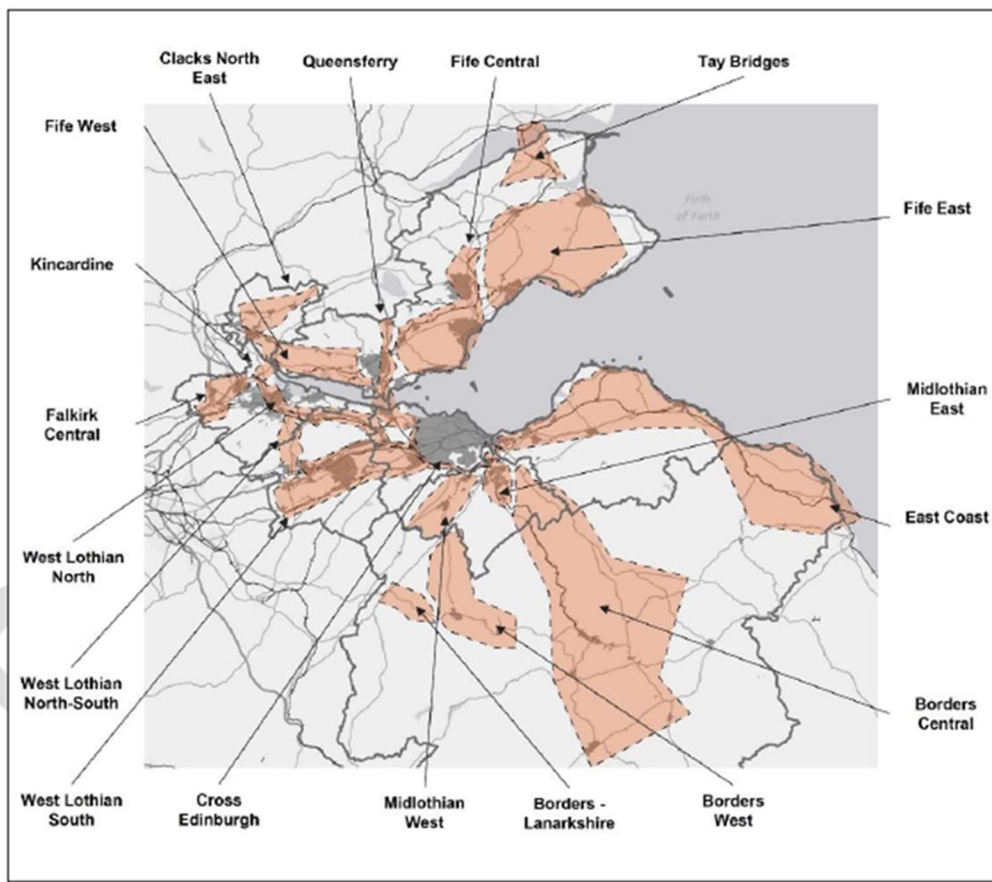


Figure 2.4 - RTS Regional Corridors

The initial sifting of projects considered six questions. Does the project:

1. Link more than one local authority area?
2. Fill an 'internal gap' in one local authority area to enable completion of a larger, 'cross-boundary' network or linkage?
3. Have 'points of delivery' in more than one local authority (e.g., trials of bus services in four different towns across the SEStran area)?
4. Follow one of the 18 SEStran 'regional corridors' (see Figure 2.4)?
5. Enables access to regional corridors or networks? This is particularly important for active travel schemes which can improve access to mobility hubs for regional travel.
6. Connect to another RTP or national network?

A 'yes' answer to at least one of these questions enabled a project to be classed as having 'regional impact', creating a shortlist of 'Regional' projects. From there the MCA was developed further to identify the individual alignment of each 'Regional' project with published policies.

During the data gathering, two further filters were identified and applied to these 'Regional' projects:

1. Regional Analysis / Review – If the 'Regional' project was an analysis or review that may not definitely deliver a change, it was not taken forward to be assessed against the relevant transport

policies (see [Section 2.5](#) below) since their outcome was uncertain. For example, the review may find that the project would not go ahead, so any potential benefits would not be delivered.

2. Area Wide – If a 'Regional' project was identified to cover a wide area (e.g., an implementing cycle hire scheme at undefined locations within a local authority area), rather a discrete location, this was flagged up. The GIS plot of these projects covered the relevant full area. These 'Area Wide Regional' projects were fully assessed against relevant transport policies (see [Section 2.5](#) below).

The above approach resulted in the commission team identifying 276 'Regional' projects - 43% in total from the long list of 640.

## 2.5. Reviewing 'Regional' Projects against Relevant Transport Policies

During the data collection phase of the commission, the team identified a number of 'Regional' projects (88 out of 276, some 32%) that were primarily an analysis or a review. As discussed in [Section 2.4](#), since these would not deliver direct transport benefits to users, they were not taken through the full review against relevant transport policies.

Once this final shortlist of 'Regional' projects had been identified, they were assessed against a range of relevant transport policies. Some 188 'Regional' schemes were therefore taken forward for detailed assessment. After the stakeholder sessions were completed, the MS Excel MCA table was extended to enable the filtered, relevant 'Regional' projects to be assessed against:

- SEStran's RTS Strategy Objectives.
- SEStran's RTS Regional Mobility Themes.
- National Transport Strategy (NTS) Priorities.
- NTS Sustainable Travel Hierarchy.
- NTS Sustainable Investment Hierarchy.
- Scottish Transport Appraisal Guidance (STAG) Criteria.

Details of these filters are given in [Sections 2.5.1](#) to [2.5.6](#) below.

### 2.5.1. RTS Strategy Objectives

The RTS lists four Strategy Objectives, and the sifted 'Regional' projects were assessed to see how many they met. These are:

1. Transitioning to a sustainable, post-carbon transport system.
2. Facilitating healthier travel options.
3. Widening public transport connectivity and access across the region.
4. Supporting safe, sustainable and efficient movement of people and freight across the region.

If a 'Regional' project met any of the above four criteria, it was scored with a 'Yes' in each relevant column.

## 2.5.2. RTS Regional Mobility Themes

In addition to the Strategy Objectives, the RTS lists 12 Regional Mobility themes. These are:

1. Shaping development and place.
2. Delivering safe active travel.
3. Enhancing access to public transport.
4. Enhancing and extending the bus service.
5. Enhancing and extending the train service.
6. Reallocating road-space on the regional network.
7. Improving integration between modes.
8. Decarbonising transport.
9. Facilitating efficient freight movement and passenger travel.
10. Working towards zero road deaths and serious injuries.
11. Reducing car kilometres.
12. Responding to the post-Covid world.

If a 'Regional' project met any of the above twelve criteria, it was scored with a 'Yes' in each relevant column.

## 2.5.3. NTS Priorities

The NTS was published by Transport Scotland in 2020 sets out a vision for Scotland's transport system to 2040. It identifies four Priorities, (each with three associated Outcomes), as shown in [Figure 2.5.3](#).



**Figure 2.5.3 – The four NTS Priorities**

If a 'Regional' project met any of the above four Priorities, it was scored with a 'Yes' in each relevant column.

## 2.5.4. NTS Sustainable Travel Hierarchy

The NTS identified a sustainable travel hierarchy, as shown in [Figure 2.5.4](#) to help achieve its priorities.



**Figure 2.5.4 - NTS Sustainable Travel Hierarchy**

'Regional' projects were assessed to identify which elements of the sustainable travel hierarchy they addressed. In addition, these projects were scored against the criteria, with a weighting applied to favour projects serving modes at the top of the hierarchy (see [Table 2.5.4](#)).

Sustainable Transport Hierarchy Mode	Score
Walking and Wheeling	5
Cycling	4
Public transport	3
Taxis & Shared Transport	2
Private Car	1

**Table 2.5.4 - Scoring for Sustainable Transport Hierarchy Mode**

Where 'Regional' projects covered more than one mode, they were allocated the relevant scores for each mode.

### 2.5.5. NTS Sustainable Investment Hierarchy

The NTS identified a sustainable investment hierarchy, as shown in [Figure 2.5.5](#), to help inform investment decisions.



**Figure 2.5.5 - NTS Sustainable Investment Hierarchy**

In a similar manner to the Sustainable Travel Hierarchy in [Section 2.5.4](#), 'Regional' projects were assessed to identify which elements of the Sustainable Investment Hierarchy they addressed. In addition, these projects were scored against the criteria, with a weighting applied to favour projects serving modes at the top of the hierarchy.

Sustainable investment Hierarchy	Score
Reducing the need to travel unsustainably	4
Maintaining and safely operating existing assets	3
Making better use of existing capacity	2
Targeted infrastructure improvements	1

**Table 2.5.5 - Scoring for Sustainable Investment Hierarchy**

Where projects covered more than one element of the hierarchy, they were allocated the relevant scores for each element.

## 2.5.6. STAG Criteria

The STAG Guidance, published by Transport Scotland, has five key criteria used to assess projects or options. These are:

- Environment.
- Climate change.
- Health, safety and wellbeing.
- Economy.
- Integration and Accessibility.

Each 'Regional' project was assessed against these five criteria based on the seven-point scale used in STAG, as shown in **Table 2.5.6**. This assessment was a 'broad-brush' overview based on professional judgement for the type of project, rather than a detailed assessment of relevant data, or surveys relating to each project.

Major Benefit	Moderate Benefit	Minor Benefits	No Benefit	Small Negative Impact	Moderate Negative Impact	Major Negative Impact
+++	++	+	0	-	--	---

**Table 2.5.6 – STAG seven-point scale**

## 2.6. Additional Assessment Criteria

To bring in wider criteria to assess the 'Regional' projects, two further areas were examined. These are discussed below.

### 2.6.1. Potential Problem

The commission team considered the 'Regional' projects to identify any possible major issues that could potentially delay or hinder delivery of a project. Each project was given a simple 'Yes' or 'No' based on professional judgement. If 'Yes', a brief explanation was given. These were typically issues such as the planning or statutory processes required for delivery, or affordability.

### 2.6.2. High Embodied Carbon

The aim was to identify projects which may include high embodied carbon. These would typically be major infrastructure projects which would utilise large quantities of high carbon material, such as concrete, steel and bituminous materials in their construction.

Some projects with longer-term environmental benefits and low carbon operations, such as North / South Tram Line (CEC 55) and Rail Electrification (SES 32), potentially have high embodied carbon during their construction phase.

Each project was given a simple 'Yes' or 'No', based on professional judgment.

There are some recent examples of emerging best practice of including carbon reduction in procurement, such as Perth & Kinross Council's Cross Tay Link Road project - <https://www.newcivilengineer.com/latest/future-of-roads-cross-tay-link-road-offers-blueprint-for-low-carbon-procurement-29-03-2023/>.

This type of approach could be beneficial in projects with high embodied carbon, particularly road projects. SEStran should discuss this type of approach with Lead Stakeholders for appropriate projects.

## 2.7. Moderation

To ensure consistency across projects and Lead Stakeholders, the commission team reviewed and moderated all the individual assessments and scores. This ensured similar projects were treated consistently.

## 2.8. Overall Scoring of 'Regional' Projects

To give an assessment of how 'Regional' projects compared against each other, five overall scores were generated for each project. We consider each of these should only be used for comparative assessment of similar types of project. Details of each scoring approach are given in **Sections 2.8.1 to 2.8.5** below.

### 2.8.1. NTS Sustainable Travel Hierarchy Score

This was generated by simply adding together the scores given to the relevant means of travel from the five modes shown in **Table 2.5.4** from which the project benefited. For example, a project which addressed Walking & Wheeling, as well as Cycling, would score:

$$5+4 = 9$$

A project which only addressed Public Transport would score 3, and so on.

### 2.8.2. NTS Sustainable Investment Hierarchy Score

Similar to the above, this was based on the four elements of the Sustainable Investment Hierarchy given in **Table 2.5.5**. Each project was scored on the addition of the elements it met.

For example, if a scheme 'Reduced the need to travel unsustainably' and involved 'Targeted infrastructure improvements' its score would be:

$$4+1 = 5$$

### 2.8.3. Balanced Travel and Investment Score

To combine the two NTS hierarchy scores in **Sections 2.8.1** and **2.8.2** and give a balanced overall 'NTS' score, the commission team adopted the following approach, which allowed for there being different numbers of criteria in each:

$$\text{(Travel Hierarchy Score / 5) + (Investment Hierarchy / 4) = Balanced Travel and Investment score (rounded to one decimal place)}$$



For example, a project with a Travel Hierarchy score of 9 and an Investment Hierarchy score of 5 would have the following Balanced Score:

$$(9 / 5) + (5 / 4) = 3.3$$

#### 2.8.4. 'Regional' Score

This was the simple counting of how many of the six 'Regional' criteria in [Section 2.4](#) that the project met. The more criteria were met, the higher the score.

#### 2.8.5. RTS Strategy Objectives Score

Similar to the above, this was the simple counting of how many of the four 'RTS Strategy Objectives' criteria in [Section 2.5.1](#) that the project met. The more criteria were met, the higher the score. 'Regional' projects that were classed as an Analysis / Review were not assessed, so 'N/A' is entered for them.

### 2.9. GIS Plotting of 'Regional' Projects

The GIS mapping elements of the commission utilised the propriety platform QGIS, a widely used and freely available software package. Files in QGIS are fully compatible with other GIS software packages such as ArcGIS.

The base map that projects were plotted on was drawn from the standard OS 1:10,000 raster tiles. The 'Regional' projects fell into two broad categories for mapping purposes:

1. Those with a specific geographic location within the SEStran area. These could be linear projects such as active travel routes, or specific locations, such as a mobility hub at a railway station.
2. Those with an area-wide coverage. These would typically be projects such as developing new bus lanes, where no specific locations were specified.

A discrete shapefile was produced for each project, showing its geographic extent. Following this, a composite single shapefile was created containing all the individual projects. To ensure that continuity was maintained, each project was allocated a unique reference number based on its Lead Stakeholder and this was shown in the shapefile titles.

The data from the MCA was held in a MS Excel spreadsheet. This was converted to a .csv file for adding into the QGIS software as a data file. The data files were then joined to the relevant shapefile geographies to produce a comprehensive dataset that gives the geography for each project.

The data file is fully searchable, and each attribute of the dataset can be plotted on the mapping with either colour or size coding, dependent on the attribute displayed.

Use of the GIS data to identify potential gaps in 'Regional' transport provision is discussed in [Section 3.3.5](#).

## 3. Commission Outcomes

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### 3.1. Lead Stakeholders

Following initial contact by SEStran, the commission team met with representatives of the following 14 Lead Stakeholders in January and February 2023:

- City of Edinburgh Council.
- Clackmannanshire Council.
- East Lothian Council.
- Edinburgh Airport.
- Falkirk Council.
- Fife Council.
- Forth Ports.
- Midlothian Council.
- Network Rail (included ScotRail and Transport Scotland).
- Scottish Borders Council.
- SEStran.
- Transport Scotland Bus.
- Transport Scotland Strategic Project Transport Review 2 (STPR2) team.
- West Lothian Council.

The above list shows that all SEStran's constituent local authorities were able to contribute their projects to the MCA.

All meetings were held via MS Teams and the commission team would like to thank the Lead Stakeholders for their co-operation.

Given the complexity of data requested, and the discussions required with each Lead Stakeholder, there were typically two to three meetings, along with email exchanges, to gather the final project data to enable completion of the MCA.

The commission team were unable to obtain MCA data from the following potential Lead Stakeholders within the delivery timescale:

- Forth Ports.
- Sustrans Scotland.
- Transport Scotland Roads.

Further details of meetings with Lead Stakeholders are given in [Appendix A](#).

### 3.1.1. Ongoing Development of Investment Programmes

#### Transport Scotland STPR2

In discussions with SEStran, Transport Scotland provided the following information on its STPR2 programme:

*"STPR2 was published on the 8 December 2022. 34 of the 45 final recommendations are relevant to the SEStran region and Mass Transit is the flagship recommendation, as well as forming part of a national development within the National Planning Framework 4 (NPF4). Central to the recommendation is improving cross-boundary travel to Edinburgh as well as between communities beyond Edinburgh and enabling end to end sustainable journeys that provide improved access to employment, education and services for the whole region. Other recommendations of relevance to more rural areas of the region include:*

- *Trunk road and motorway safety improvements which have a primary, but not exclusive focus on rural sections where accident rates and severities are typically higher.*
- *Adaptation of the network to the impacts of climate change and further investment in renewals also form part of the recommendations.*
- *Enhancing access to affordable transport through, for example, Investment in Demand Responsive Transport and Mobility as a Service.*
- *From an active travel point of view there are a number of recommendations to improve infrastructure provision to connect smaller rural communities with nearby towns.*

*A number of the STPR2 recommendations are already in progress with funding available – for example those relating to improved active travel and bus priority infrastructure. STPR2 reflects the Scottish Government's long term investment plans for transport and there are other workstreams underway in addition to STPR2 also, which can be referred to in the NTS2 Delivery Plan. Officers from across the region continue to engage with Transport Scotland on the progress and development of both the STPR2 recommendations, as well as the other workstreams in motion."*

#### Sustrans Scotland

The Sustrans Scotland investment programme in the region is currently a work in progress. Sustrans Scotland subsequently advised SEStran this will be approached in two stages: the investment in the National Cycle Network and links to that, followed by the detailed programme of Places for Everyone in each local authority area. SEStran will have further discussions with Sustrans Scotland in due course.

## 3.2. MCA Data Quality

The Lead Stakeholders and commission team put considerable effort into collating robust data for the MCA. For a very limited number of projects, some data had to be interpreted or assumed by the commission team to complete the MCA.

**Sections 3.2.1 to 3.2.11** below give some commentary on the individual data types that comprised the MCA for all projects.

### 3.2.1. Project, Lead Stakeholder, Promoter and Description

There was little difficulty with completing these columns and the Promoter was always a single entity. To provide clarity a 'Lead Stakeholder' column was created in addition to Promoter, as on some occasions these were different organisations. The Lead Stakeholder was the organisation interviewed and supplying the information, and projects were allocated a unique project number relating to them, regardless of the Promoter.

### 3.2.2. Linked Programme

The data here varied between no linkages (marked as N/A) and several linked programmes. These varied from national programmes such as STPR2 or the Regional Prosperity Fund, to internal policies for each Lead Stakeholder.

### 3.2.3. Transport Category

Whilst some projects could be identified under a single category, most covered multiple categories. Active travel schemes, for example, combined the Walking and Wheeling category with Cycling.

### 3.2.4. Delivery Status

SEStran had put forward seven draft delivery status categories in the commission brief and these were adjusted and agreed with the commission team before data was gathered from stakeholders (see [Table 2.2](#)).

In most cases stakeholders were comfortable with placing each project under one of the seven categories. In some instances the commission team used its judgement. For example, as both the Public Transport and Active Travel Action Plans (PTAP and ATAP) in City of Edinburgh Council were out to consultation, none of the projects within these could be confirmed as definitely going ahead. As a result, with the agreement of SEStran, the commission team categorised these as 'Aspirational'.

### 3.2.5. Linked Stakeholders

As with Linked Programme, the data here varied between no linkages (marked as N/A) and several linked stakeholders, depending on the complexity of the project.

### 3.2.6. Revenue or Capital

For most projects this data was provided by Lead Stakeholders, but in a few instances, it was assumed by the commission team.

### 3.2.7. Budget Year 0 (FY 2022/23) to Year 3 (FY 2025/26)

This proved to be the most challenging element of the data collection for the commission team. The aim was to collect budget data for all projects, whether they were 'Regional' or not.

A good deal of budget data was made available to the commission team by Lead Stakeholders. Projects with identified budgets has the relevant sums (which in many cases was '£0k') shown in the MCA. Nevertheless, there were many projects where accurate data could not be provided. There were a variety of factors which caused this, including:

- At the time of data collection in early 2023, there were delays budget setting for Financial Year 2023/24 across the Scottish public sector due to wider economic challenges. This prevented stakeholders from providing publicly available budgets.
- Headline budgets were available for a policy or basket of schemes, but not split down at individual project level.
- Projects were too early in gestation to have individual or annual budgets identified.
- Budgets had been identified for initial work, but not for future elements.
- Funding for a project may be provided on an annual basis and funding for future years had not yet been agreed.

Where budget information could not be provided for a project, 'Budget Not Available' was entered into the MCA by the commission team.

For many Capital projects, the budgets provided represented the early development investment or business case development, design etc costs, rather than estimated construction costs which would be incurred beyond Year 3 (FY 2025/26).

### 3.2.8. Opening Year

In most cases, information regarding each project opening year was provided by Lead Stakeholders. In some instances, projects were annual programmes and the text 'Annual rolling programme' has been entered. Where opening year information was not available, it was agreed with SEStran that a default value of 2035 was entered.

### 3.2.9. Linked Trip Generators – Existing and Proposed

Where relevant and possible, general information was provided on existing or proposed trip generators such as existing railway stations or new housing developments.

If no information was provided, or there was no relevant trip generators, 'N/A' was entered.

### 3.2.10. Commentary

As anticipated, there were varying levels of information available for projects. Any relevant information provided by Lead Stakeholders was entered in this column. If there was no relevant commentary, 'N/A' was entered.

### 3.2.11. Duplicate Projects

Within the 188 'Regional' projects that were assessed there were a small number of duplicate projects listed by more than one Lead Stakeholder. These related to (project numbers in brackets):

- Alloa to Dunfermline Rail (CCC 32 / RRR 16).
- Edinburgh and South East Scotland Mass Transit (CEC 54 / ELC 37 / TSS 11 / RRR 1 / WLC 29).
- Borders Rail Extension (RRR 14 / SBC 1 / TSS 36).
- Edinburgh Tram Extension (CEC 55 / MLC 22).
- High speed and cross-border rail enhancements (ELC 53 / RRR 8/ SES 33 / TSS 35).
- Rail freight terminals and policies (RRR5 / RRR7 / SES 84 / TSS 21 / TSS 34).
- Rail decarbonisation (RRR 4 / SES 32 / TSS 19).

- Edinburgh/Glasgow-Perth/Dundee rail corridor enhancements (RRR 2 / TSS 13).
- Infrastructure to provide access for all at railway stations (RRR 3 / TSS 14).
- Winchburgh Station (RRR 13 / WLC 55).

Each individual Lead Stakeholder entry for the above projects was retained in the MCA and counted towards the 188 'Regional' projects. This ensured all relevant data provided by Lead Stakeholders was clearly attributable.

These projects have been flagged in a 'Duplicate Project' column in the MCA for each occasion where they occur. In addition, the 'Linked Projects' are also given to identify the duplicates and linked projects.

### 3.3. Overall MCA Data Trends

The overall scale of the MCA with 640 project lines and 72 columns with over 46,000 data cells means it is not possible to display all the data in this report. Below, in [Sections 3.3.1 to 3.3.3](#), are some trends in the data.

#### 3.3.1. 'Regional' Projects by Lead Stakeholder

[Table 3.3.1](#) below shows some of the basic project information by Lead Stakeholder. Projects have been allocated to the Lead Stakeholder who provided the information, as discussed in [Section 3.2.1](#). In a small number of instances, the Promoter differs from the Lead Stakeholder. The totals include duplicate projects discussed in [Section 3.2.11](#).

Lead Stakeholder	Project Code	Total projects	'Regional' projects	%age 'Regional'	'Regional' projects (not an Analysis / Review)	Area wide 'Regional' projects
City of Edinburgh Council	CEC	216	30	14%	21	15
Clackmannanshire Council	CCC	33	10	30%	8	2
East Lothian Council	ELC	62	23	37%	21	5
Edinburgh Airport	EDI	1	1	100%	1	0
Falkirk Council	FAL	19	6	32%	5	2
Fife Council	FFC	47	4	9%	4	3
Midlothian Council	MLC	26	9	35%	9	2
Network Rail (included ScotRail and Transport Scotland)	RRR	16	16	100%	15	5
Scottish Borders Council	SBC	23	17	74%	15	7
SEStran	SES	102	102	100%	39	96
Transport Scotland Strategic Project Transport Review 2 (STPR2) team.	TSS	39	39	100%	32	33
West Lothian Council	WLC	56	19	34%	18	2
Total		640	276	43%	188	172

**Table 3.3.1 – Split of Projects by Lead Stakeholder**

Some 43% (276 of the 640 projects identified) were classed as 'Regional'. Of these, 188 were an actual project, rather than an analysis or a review. 172 of 276 'Regional' projects were 'area-wide' initiatives without a specific location and 94 (55%) of these were promoted by SEStran.

**Table 3.3.1** also shows a wide range in the proportion and number of 'Regional' projects held identified by each Lead Stakeholder. For 'strategic' bodies such as SEStran, Network Rail and Transport Scotland (and also Edinburgh Airport), 100% of their projects were classed as 'Regional'. This was not unexpected given the wider remit of these organisations. It should be noted that the major A720 Sheriffhall Roundabout project has been allocated Transport Scotland STPR2 as Lead Stakeholder, although it is not listed in that document.

Within local authorities there was considerable variation, with City of Edinburgh having 13% of projects as 'Regional' (despite having the largest number of all projects – 216) and Scottish Borders Council having 74%. This variation was a result of the nature of the different schemes listed by each Lead Stakeholder. For example, in Scottish Borders Council many of the projects linked to Regional Corridors or rail stations. In Edinburgh projects tended to be discrete works within the city. In most other local authorities around 35% of projects were 'Regional'.

### 3.3.2. High Scoring Projects

Based on the Balanced Travel and Investment Score developed in [Section 2.8.3](#), 13 projects had the joint highest score of 5.3. These projects are listed in [Table 3.3.2](#).

Project #	Project	Lead Stakeholder	Description	Balanced Travel and Investment Score
CEC 49	Mobility Hubs	City of Edinburgh Council	Plan, design and deliver pilot projects with site specific sustainable transport and urban realm facilities to suit the needs of the area.	5.3
ELC 36	Queen Margaret University Journey Hub	East Lothian Council	Queen Margaret University journey hub integration of bus, tram, rail and active travel tied into business park development.	5.3
ELC 47	20-Minute Neighbourhoods	East Lothian Council	Town centre masterplanning for 20-minute neighbourhoods, journey hubs and active travel routes.	5.3
SES 1	Implement RTS policies	SEStran	Partner Councils work with SEStran through the statutory planning processes to implement RTS policies with regards to major developments.	5.3

**Table 3.3.2 – Top 13 'Regional' projects based on the Balanced Travel and Investment Score (part)**



Project #	Project	Lead Stakeholder	Description	Balanced Travel and Investment Score
SES 4	Partner Council and SEStran implement best practice	SEStran	Partner Councils work with SEStran to implement best practice guidance through participation in the planning and development process.	5.3
SES 6	Legislative change	SEStran	Pursue legislative change to enforce good practice in transport and connectivity for new developments through the planning system and building regulations.	5.3
SES 12	Amend planning legislation	SEStran	Consider the case for amendments to legislation to ensure that the requirements of all users are appropriately taken into consideration in the planning and implementation of our active travel network.	5.3
SES 25	Strategic Demand Responsive Transport	SEStran	Implement the findings of the SEStran Strategic Demand Responsive Transport Study.	5.3
SES 26	Review bus powers	SEStran	Review the bus powers detailed in the Transport (Scotland) Act 2019 and identify if they could be implemented across all or parts of the region as part of an integrated strategy to enhance the bus network.	5.3
SES 42	Eight pilot multi-modal mobility hubs	SEStran	Deliver the eight pilot multi-modal mobility hubs as defined in the SEStran Mobility Hub study.	5.3
TSS 1	Connected Neighbourhoods	Transport Scotland	Connected neighbourhoods are the transport components of 20-minute neighbourhoods.	5.3

**Table 3.3.2 – Top 13 ‘Regional’ projects based on the Balanced Travel and Investment Score (part)**

Project #	Project	Lead Stakeholder	Description	Balanced Travel and Investment Score
TSS 16	Improved public transport passenger interchange facilities	Transport Scotland	Building on Infrastructure to provide access for all at railway stations and Scotland's Accessible Travel Framework, to roll out a programme of interchange upgrades.	5.3
TSS 17	Framework for the delivery of mobility hubs	Transport Scotland	A delivery framework for mobility hubs is developed in collaboration with stakeholders to facilitate the creation of high-quality mobility hubs across Scotland.	5.3

**Table 3.3.2 – Top 13 'Regional' projects based on the Balanced Travel and Investment Score (continued)**

What can be seen from [Table 3.3.2](#) is that multi-modal projects such, as journey hubs or mobility hubs, scored highly. These delivered benefits to active travel and public transport, as well as reducing the need to use unsustainable modes of transport, hence their high score. Connected and 20-minute neighbourhoods also scored highly for the same reason.

As these projects broadly align with national and regional policies, it indicates this approximate scoring mechanism broadly reflects wider ambitions.

### 3.3.3. Low Scoring Projects

Based on the Balanced Travel and Investment Score developed in [Section 2.8.3](#), five projects had the joint lowest score of 0.5. These projects are listed in [Table 3.3.3](#).

Project #	Project	Lead Stakeholder	Description	Balanced Travel and Investment Score
ELC 55	Queen Margaret University A1 interchange	East Lothian Council	Road junction	0.5
ELC 57	Salter's Road A1 Junction	East Lothian Council	Road junction	0.5

**Table 3.3.3 – Lowest-scoring five 'Regional' projects based on the Balanced Travel and Investment Score (part)**

Project #	Project	Lead Stakeholder	Description	Balanced Travel and Investment Score
ELC 58	Bankton A1 Junction and Meadowmill Junction	East Lothian Council	Road junction	0.5
FAL 14	A801 Avon Gorge	Falkirk Council	Upgrading of the A801 at the Avon gorge to improve link between M8 Junction 4 and M9 Junction 4	0.5
WLC 46	M9-J3 Westbound slip roads	West Lothian Council	Westbound slip roads on the M9 at Burghmuir	0.5

**Table 3.3.3 – Lowest-scoring five ‘Regional’ projects based on the Balanced Travel and Investment Score (continued)**

This listing shows that the lowest scoring projects are all road-focused. It should be noted that some of these projects are likely to have been in development for a considerable period and have been through extensive assessments and approvals that pre-date current policies.

From the headline information provided for these projects, there were no clear benefits for active travel, public transport or multi-modal travel. More detailed investigation may indicate additional benefits.

As these projects do not broadly align with current national or regional transport priorities, it indicates this approximate scoring mechanism broadly reflects wider ambitions going forward.

### 3.3.4. GIS Mapping

Example hard copies of the GIS mapping generated for each local authority area showing 'Regional' projects with a specific geographic location are given in [Figures App B 1-11](#) in [Appendix B](#).

Details of the reference files for all GIS mapping are given in [Appendix C](#).

### 3.3.5. Identifying Gaps

One of the original elements of the brief had been to identify key gaps in each mode of transport or measures aimed at promoting behaviour change.

Following consideration and discussion between the commission team and SEStran, it was agreed that three case studies should be identified to assist in understanding the potential future use of the GIS and MCA data to identify gaps and opportunities in the SEStran area.

The wider assessment of gaps was not taken forward due to current limitations of transport network base GIS data available from third parties. For example, whilst bus route GIS data is available, details of existing bus lanes are not available, meaning planned extensions to bus lanes could not be shown.

The three case studies are discussed below. Due to the need to plot the GIS data at A4 size for this report, detail may not be as clear as using live GIS mapping which has a zoom function.

## Population Density, Strategic Housing Sites, Rail Lines, Stations and Rail Projects

Figure 3.3.5.1 shows plots of GIS data covering:

- Population density > 25 people per hectare from the 2020 census zones.
- Strategic housing site (SHS) locations supplied by SEStran.
- Rail lines and stations.
- Rail projects with discrete locations.

Analysis of these data sets showed how major new housing sites relate to current and future rail access, as well as areas with high population density and poor rail access.

From this data, some key gaps can be seen regarding the SHS sites, and the existing rail network:

- The Tweedbank SHS in Scottish Borders is adjacent to the current Borders rail line terminus at Tweedbank and the Borders Rail Extension (RRR 14 / SBC 1) project will also bring benefits.
- The Blindwells SHS in East Lothian is situated 1.5km east of Prestonpans station, but may not have easy access to it. The proposed four tracking of the East Coast Mainline (ELC 53) will not change this. The proposed Platform Lengthening and Increased Parking project (ELC 52) may benefit Prestonpans and Longniddry stations.
- The SHS in Dunfermline has three main areas – to the south (Broomhall), north (five sub-areas) and the north east (Halbeath) of the existing city. Broomhall is situated between Dunfermline City and Rosyth stations, but may not have easy access to either. It may be served by the proposed Dunfermline West Station (RRR 15). The five sub-areas to the north are remote from Dunfermline City and Queen Margaret stations, without easy access to either. Halbeath is relatively close to Queen Margaret station.
- The Winchburgh SHS in West Lothian is remote from existing stations, despite being adjacent to the main Edinburgh – Glasgow rail line. It should be well served by the proposed new station (RRR 13 / WLC 55)
- The Calderwood SHS in West Lothian is approximately 1km from Kirknewton station. It may benefit from the proposed Milrig Holdings/ Kirknewton railway station interchange (WLC 25) and Links from NCN 75 – Kirknewton (WLC 35) projects to improve access to the station.
- Shawfair SHS in Midlothian is located close to the existing rail station.
- The Waterfront SHS in Edinburgh is remote from the rail network but will be served by existing bus services and the potential new tram line (CEC 55).

Some key gaps with population density and rail stations are:

- Leven and Methil –these are now being picked up by the Levenmouth line (RRR 9) currently under construction.
- St Andrews, Haddington and Penicuik all show concentrations of high population density, but are remote from rail lines and stations. St Andrews may be addressed by the proposed re-opening of the line (RRR 10).
- The station serving Glenrothes is remote from the high-density areas of the community. There are no projects to address this.

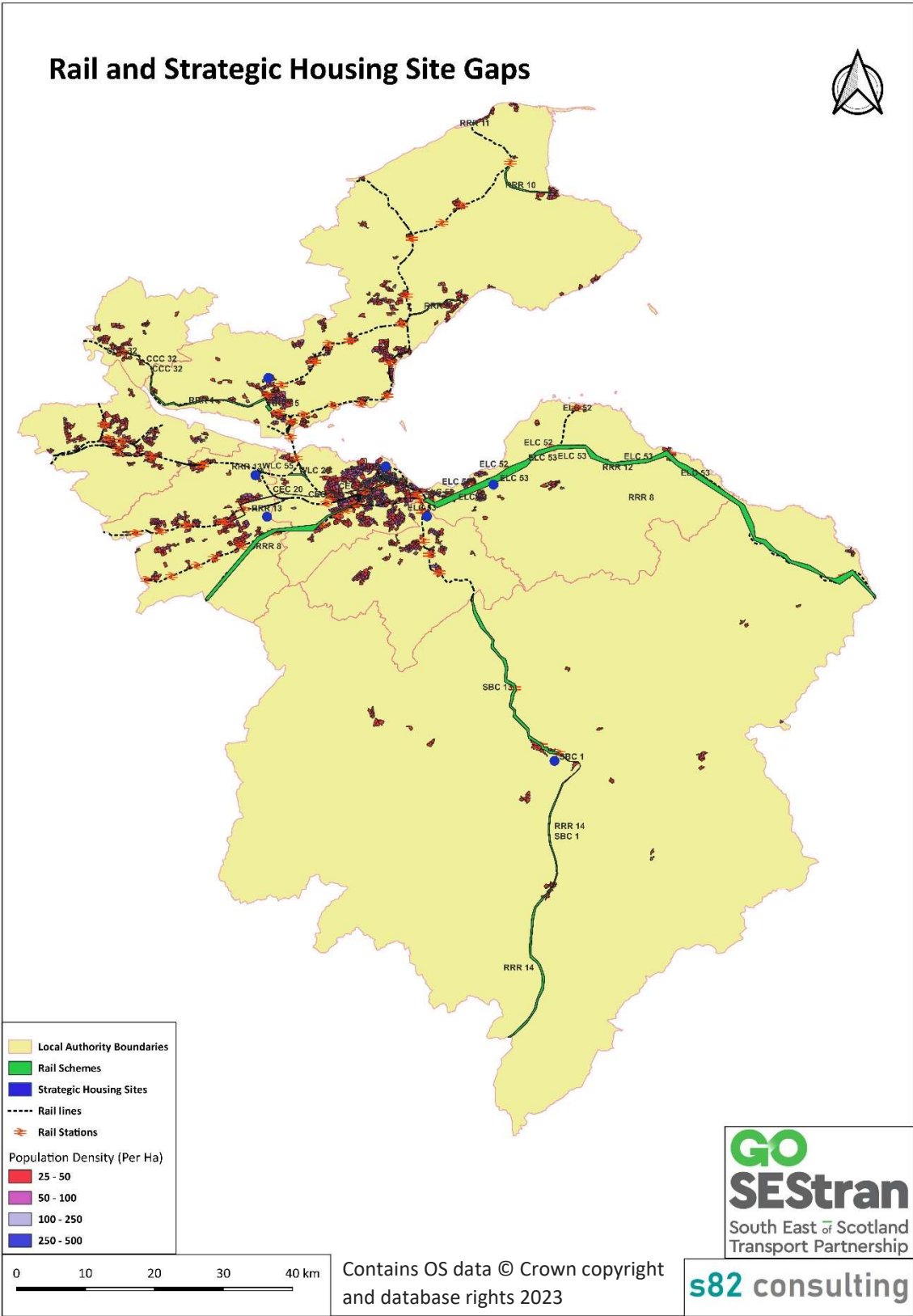


Figure 3.3.5.1 -Plot of GIS data for Population Density, Strategic Housing Sites, Rail Lines & Stations and Rail Projects

## Hospitals, National Cycle Network and Active Travel Projects

Figure 3.3.5.2 shows plots of GIS data covering:

- Hospitals, with a 5km radius shown.
- National Cycle Network (NCN).
- Active Travel Projects.

Hospitals are major trip generators for staff and patients. By providing good active travel links there is the possibility to encourage modal shift, particularly for staff, bringing health and environmental benefits.

Due to limited information on the route of proposed active travel schemes in Scottish Borders Council (SBC 7 / 8 and 23) and West Lothian Council (WLC 34), these have been shown as straight lines.

From a review of hospital locations, the NCN and active travel projects, the following trends are apparent:

- Hospitals in Hawick, and North Berwick are remote from the NCN.
- In Fife, hospitals in Methil, Cupar and Glenrothes are also remote from the NCN. There are no projects to address this.
- There are also gaps between hospitals and the NCN in Edinburgh, but these may be picked up by 'Local' schemes.
- Forth Valley hospital in Falkirk Council and the cottage hospital in North Berwick in East Lothian are remote from the NCN. There are no projects to address these gaps.

It may be there are some 'Local' active travel projects that pick up these gaps.

Some potential positive developments are:

- Some active travel projects in Scottish Borders Council (SBC 7 / 8 and 23) may improve cycle access to hospitals in Peebles, Duns and Kelso.
- Project MLC 7 will improve access in Midlothian.
- Project WLC 44 may help accessibility in West Lothian.

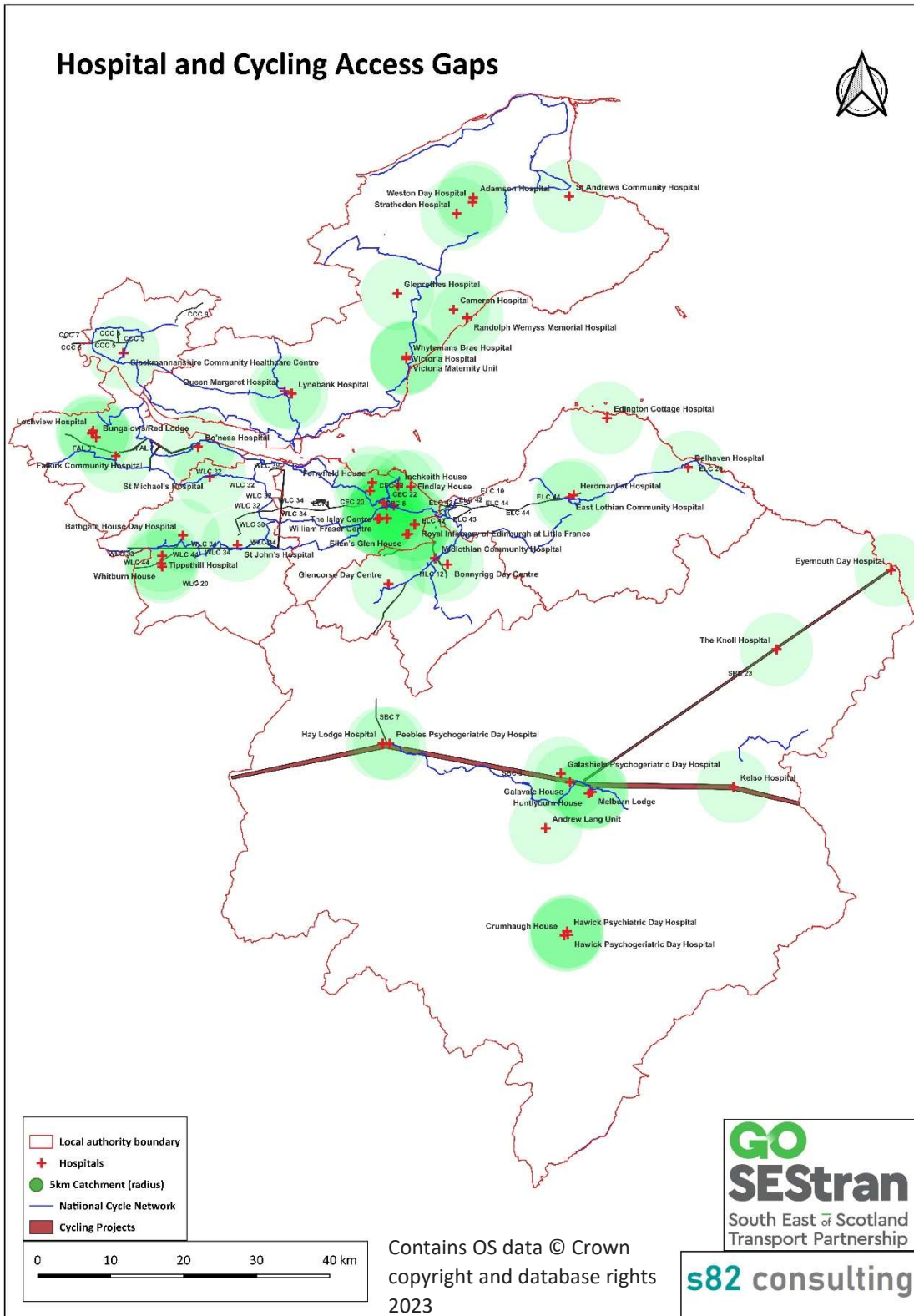


Figure 3.3.5.2 -Plot of GIS data for Hospitals, National Cycle Network and Active Travel Projects



### Projects around Blindwells Strategic Housing Site

Blindwells is in East Lothian and is one of the seven Strategic Housing Sites in the SEStran area. **Figure 3.3.5.3** shows a plot of GIS data covering:

- The location of Blindwells Strategic Housing Site.
- Nearby 'Regional' projects (not including 'area-wide Regional' projects such as Bus Improvement Fund – Quick Wins (ELC 50) which are not location-specific).
- Rail lines and stations.
- National Cycle Network.

The only 'Regional' project with direct links to Blindwells is Bankton A1 Junction and Meadowmill Junction (ELC 58). This is partly developer funded and links Blindwells to the trunk road network, as well as local roads.

For public transport projects, there are 'Regional' projects which may benefit Blindwells. There are:

- Platform lengthening and increased parking, which will include Prestonpans station approximately 1.5km west of Blindwells and Longniddry, approximately 2km to the east (ELC 52).
- High speed and cross-border rail enhancements and four-tracking of the East Coast Main Line (TSS 35 and ELC 53).

There are no individual 'Regional' projects identified that benefit bus travel or active travel at Blindwells. The site is also remote from the current National Cycle Network.

There is a 'Regional' analysis / review – Wide-ranging Transport Improvements (ELC 54) – that includes potential investment at Blindwells. As outlined in **Section 2.4**, since these proposals may not definitely deliver a change, they were not assessed against the relevant transport policies or plotted in GIS.

Discussions with East Lothian Council also identified a 'Local' project - New junction at Adniston and St. Germain's (ELC 51) - which would provide non-strategic public transport and active travel access to the east end of Blindwells.

Potential gaps in 'Regional' transport provision at Blindwells are:

- Active travel links to Prestonpans and Longniddry stations.
- Links to the National Cycle Network.
- Provision of bus services and associated facilities.
- Rail station for Blindwells.

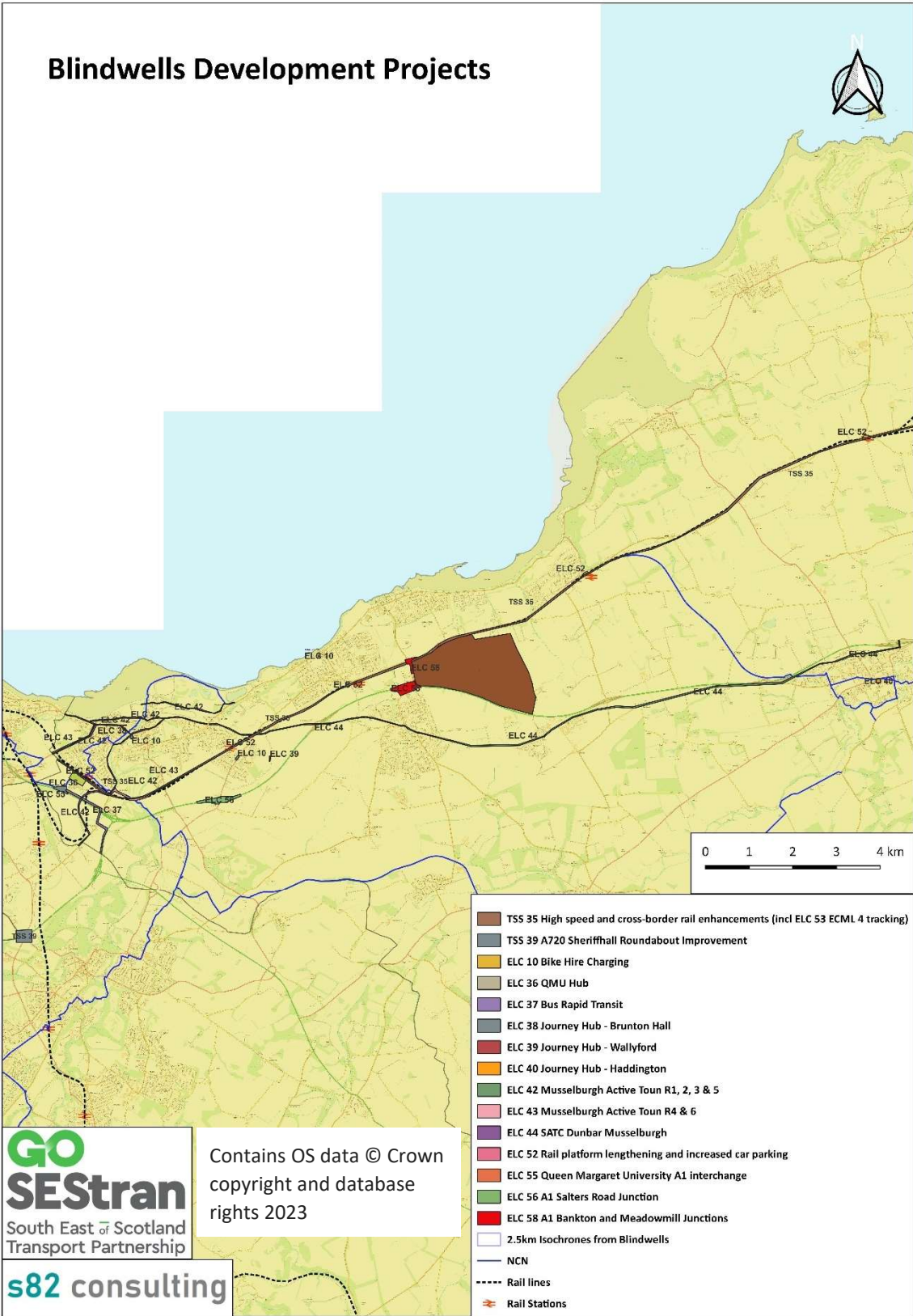


Figure 3.3.5.3 – Plot of GIS data for Blindwells Strategic Housing Site and relevant ‘Regional’ Projects

### 3.3.6. Further Analysis

These three case studies show the power of GIS analysis backed up by robust MCA data.

Going forward, SEStran may wish to seek out further data sets from partners and third parties that will help it to analyse transport needs in the region.

Using the detailed filter features in the MCA, as described in [Section 2](#), will enable further analysis of the data to assess individual 'Regional' projects for growth and development potential, including STPR2 opportunities. In particular, both the NTS Priorities ([Section 2.5.3](#)) and the STAG criteria ([Section 2.5.6](#)) contain an assessment of projects against economic factors.

### 3.3.7. Budgets

As discussed in [Section 3.2.7](#), budget information was not always readily available. Information that was available combining all Lead Stakeholders is set out below for 'Regional' and 'Local' projects in [Tables 3.3.7.1](#) and [3.3.7.2](#).

#### 'Regional' Projects

Project Category	Budget	Year 0 Budget FY2022/23	Year 1 Budget FY2023/24	Year 2 Budget FY2024/25	Year 3 Budget FY2025/26
'Regional' projects	Capital	£12,615k	£136,533	£42,199k	£38,062k
'Regional' projects with budget information	Capital	92	92	95	95
'Regional' projects with 'Budget not available'	Capital	46	46	42	42
'Regional' projects	Revenue	£335k	£2,050k	£3,000k	£3,000k
'Regional' projects with budget information	Revenue	105	105	105	105
'Regional' projects with 'Budget not available'	Revenue	33	33	33	33

**Table 3.3.7.1 – Budget Data for 'Regional' Projects across all Lead Stakeholders**

### 'Regional' Capital Projects

There is considerable variation across Years 0 to 3 in the capital budget. The substantial spike in Year 1 is due to the Levenmouth Re-opening rail project (RRR 9), with a budget of £116,000k. In Year 2 almost £27,000k is allocated to the three road schemes (Edinburgh Airport East Access Resilience Road EDI 1, A801 Avon Gorge FAL 14 and A701 Relief Road MLC 17). Projects EDI 1 and FAL 14 also continue at a similar level of spend into Year 3. It should be noted that across Years 0 to 3 for most of the projects where budget information is available, the advised budget was £0k.

Budget information was not available for approximately one-third of the projects.

### 'Regional' Revenue Projects

The identified budgets for revenue projects across Years 0 to 3 are substantially lower than for capital. Across Years 0 to 3 for almost all of the projects where budget information is available, the advised budget was £0k. This may reflect current uncertainty over wider public sector budgets going forward. The project for the Extension of Borders Rail Service to Hawick and Carlisle (SBC 1) comprises the entire Revenue budget for Years 2 and 3.

Budget information was not available for approximately one-quarter of the projects.

### 'Local' Projects

Project Category	Budget	Year 0 Budget FY2022/23	Year 1 Budget FY2023/24	Year 2 Budget FY2024/25	Year 3 Budget FY2025/26
'Local' projects	Capital	£89,619k	£76,959k	£222,847k	£42,344k
'Local' projects with budget information	Capital	133	129	130	130
'Local' projects with 'Budget not available'	Capital	130	134	133	133
'Local' projects	Revenue	£23,194k	£144k	£144k	£144k
'Local' projects with budget information	Revenue	21	9	9	9
'Local' projects with 'Budget not available'	Revenue	80	92	92	92

**Table 3.3.7.2 – Budget Data for 'Local' Projects across all Lead Stakeholders**

### 'Local' Capital Projects

This budget shows a sharp peak in Year 2 before dropping back considerably.

The City of Edinburgh Council Active Travel Action Plan (CEC 66) has a major influence on this budget. It comprises 34% of the budget in Year 0, rising to 50% and 83% in Years 1 and 2, before falling to 24% in Year 3.

Across Years 1 to 3 for most of the projects where budget information is available, the advised budget was £0k. Budget information was not available for approximately half of the projects.

### 'Local' Revenue Projects

Detailed information was only available for a quarter of the projects in Year 0. Going forward, Falkirk Council's Smarter Choices, Smarter Places behaviour change project (FAL 19) was the only project with any funds allocated to it (£144k in Years 1, 2 and 3). All other projects with data had a budget of £0k.

Budget information was not available for 91% of projects in Years 1, 2 and 3.

### Comparing 'Regional' and 'Local' Budgets

Table 3.3.7.3 shows a comparison of 'Regional' and 'Local' budgets. It should be noted that this cannot be seen as definitive going forward, given that for many projects the budget is currently £0k or budget information was not available.

Project Category	Budget	Year 0 Budget FY2022/23	Year 1 Budget FY2023/24	Year 2 Budget FY2024/25	Year 3 Budget FY2025/26
'Regional' projects	Capital	£12,615k	£136,533	£42,199k	£38,062k
'Local' projects	Capital	£89,619k	£76,959k	£222,847k	£42,344k
'Regional' projects	Revenue	£335k	£2,050k	£3,000k	£3,000k
'Local' projects	Revenue	£23,194k	£144k	£144k	£144k

**Table 3.3.7.3 – Comparison of Budget Data for 'Regional' and 'Local' Projects across all Lead Stakeholders**

Capital budgets for Years 1, 2 and 3 are significantly higher than revenue budgets. This reflects the annual nature of revenue budgeting and wider budget-setting uncertainty at the present time.

Across Years 0 to 3 the total capital budget is £229,409k for 'Regional' projects and £431,769k for 'Local' projects.

The total revenue budget for Years 0 to 3 is £8,385k for 'Regional' projects and £23,626k for 'Local' projects.

## 4. Conclusions

### 4.1. Identified Trends in 'Regional' Projects

#### 4.1.1. Nature of the Projects

From the data assembled in the MCA, there were 276 'Regional' projects. Some 88 of these 276 projects were primarily an analysis or a review. Since these did not deliver direct transport benefits to users, they were not reviewed against relevant transport policies.

Within the remaining 188 projects, the following trends were identified:

- 128 were capital projects, with the remainder 60 classed as revenue.
- 78 projects containing an element of public transport (bus, rail and tram).
- 58 contained an element of active travel (walking, wheeling and cycling).
- 32 had potential problems identified – mainly relating to statutory process, affordability or land issues.
- 31 potentially had high embodied carbon. These were larger scale infrastructure projects.
- 26 contained an element of the road category. 20 of these were categorised as road alone.
- 25 were at least in part classified as having an element of modal interchange.
- 5 were defined as behaviour change.
- 4 contained an element of freight provision.

Through this analysis it became apparent that projects tended to focus on positive provision of public transport or active travel, rather than demand management of car use. This may be an area that SEStran and its local authority partners wish to consider.

Overall, it can be seen the balance of 'Regional' projects were focused on public transport and active travel, reflecting SEStran's and national priorities.

#### 4.1.2. Scoring of the Projects

As discussed in [Sections 2.8.3, 3.3.2 and 3.3.3](#) the Balanced Travel and Investment Score can be used for comparative assessment between similar projects but should not be seen as an overall ranking tool.

Within these constraints, multi-modal projects such as legislative changes, journey hubs or mobility hubs scored highly. These delivered benefits to active travel and public transport, as well as reducing the need to use unsustainable modes of transport, hence their high score. Connected and 20-minute neighbourhoods also scored highly for the same reason.

Road-based schemes attracted lower scores as they delivered no clear benefits for active travel, public transport or multi-modal travel.

It became evident that freight projects were difficult to categorise or assess under NTS travel or investment hierarchy, as that mode is not mentioned in these policies.

## 4.2. Key Areas for Future Focus

From the data obtained and analysed, the future focus for SEStran should be:

- Keeping the MCA and GIS data up to date.
- Further identification of strategic gaps in transport provision and networks.
- Prioritising high-scoring projects.
- Looking at how to improve low scoring projects.
- How carbon reduction can be included in procurement for appropriate projects.
- How national targets in reducing car usage can be met.
- How freight transport can be considered more clearly in national, regional and local policies.
- How information can be shared with Elected Members, Board Members and stakeholders, and potentially made public, if appropriate.

## 4.3. Potential Downstream Actions

From the above areas for future focus, the following are potential downstream actions:

- Reviewing project lists, budgets and progress with local authority partners. This should be on a regular basis, with an initial review after 12 months and every two years after that. Any project-related GIS updates should form part of the review.
- Gathering of further GIS data as it becomes available for existing transport networks, as well as existing and potential trip generators. From this further analysis of strategic gaps could be undertaken similar to the three case studies in [Section 3.3.5](#).
- Identifying high scoring projects and creating appropriate working groups with project stakeholders to support taking these forward.
- Working with stakeholders to look at low scoring projects such as road schemes, to see if they can be adjusted to also deliver public transport and active travel benefits.
- Working with stakeholders to look at how procurement can deliver carbon reductions in projects with high embodied carbon.
- Working with stakeholders to look at potential demand management projects to meet national targets in reducing car kilometres.
- Working with stakeholders such as Transport Scotland to see how freight transport can be better addressed in future policies.
- Developing a website with MCA and GIS data that could be available to Elected Members, Board Members and stakeholders. This could potentially be developed into a public-facing resource.



## APPENDIX A

### Details of meetings with Lead Stakeholders

Lead Stakeholder	Dates of Meetings	Public Data Sources
City of Edinburgh Council	31/1/23 7/2/23 24/2/23	Active travel action plan 2023 - Delivering the City Mobility Plan  Public transport action plan 2023 - Delivering the City Mobility Plan  Appendix 2_CMP implementation plan  Parking Action Plan - Delivering the City Mobility Plan  CEC Active Travel Investment Programme Update  Circulation Plan - Delivering the City Mobility Plan
Clackmannanshire Council	1/2/23	Internal data sources were used
East Lothian Council	23/1/23 25/1/23 1/2/23	Internal data sources were used
Edinburgh Airport	26/1/23	Internal data sources were used
Falkirk Council	13/1/23 31/1/23	Five Year General Fund Capital Programme 2022/23 - 2026/27
Fife Council	7/2/23	Internal data sources were used
Forth Ports	9/2/23	Whilst initial contact was made, no further information was forthcoming
Midlothian Council	5/1/23 30/1/23	MLC Agenda document Pack - 15 February 2022



Lead Stakeholder	Dates of Meetings	Public Data Sources
Network Rail (included ScotRail and Transport Scotland)	24/1/23	STPR2
Scottish Borders Council	31/1/23	Internal data sources were used
SEStran	5/1/23 17/1/23	Regional Transport Strategy
Transport Scotland Bus	14/2/23	Internal data sources were used
Transport Scotland STPR2	20/2/23	STPR2 Final technical report December 2022 Status of STPR2 Recommendations as of December 2022 Detailed Appraisal Summary Recommendation Description 12 - Edinburgh and South East Scotland Mass Transit
West Lothian Council	9/2/23	Operational Services Management Plan 2022/23 LDP Action Programme - Update March 2020

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## APPENDIX B

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GIS Mapping

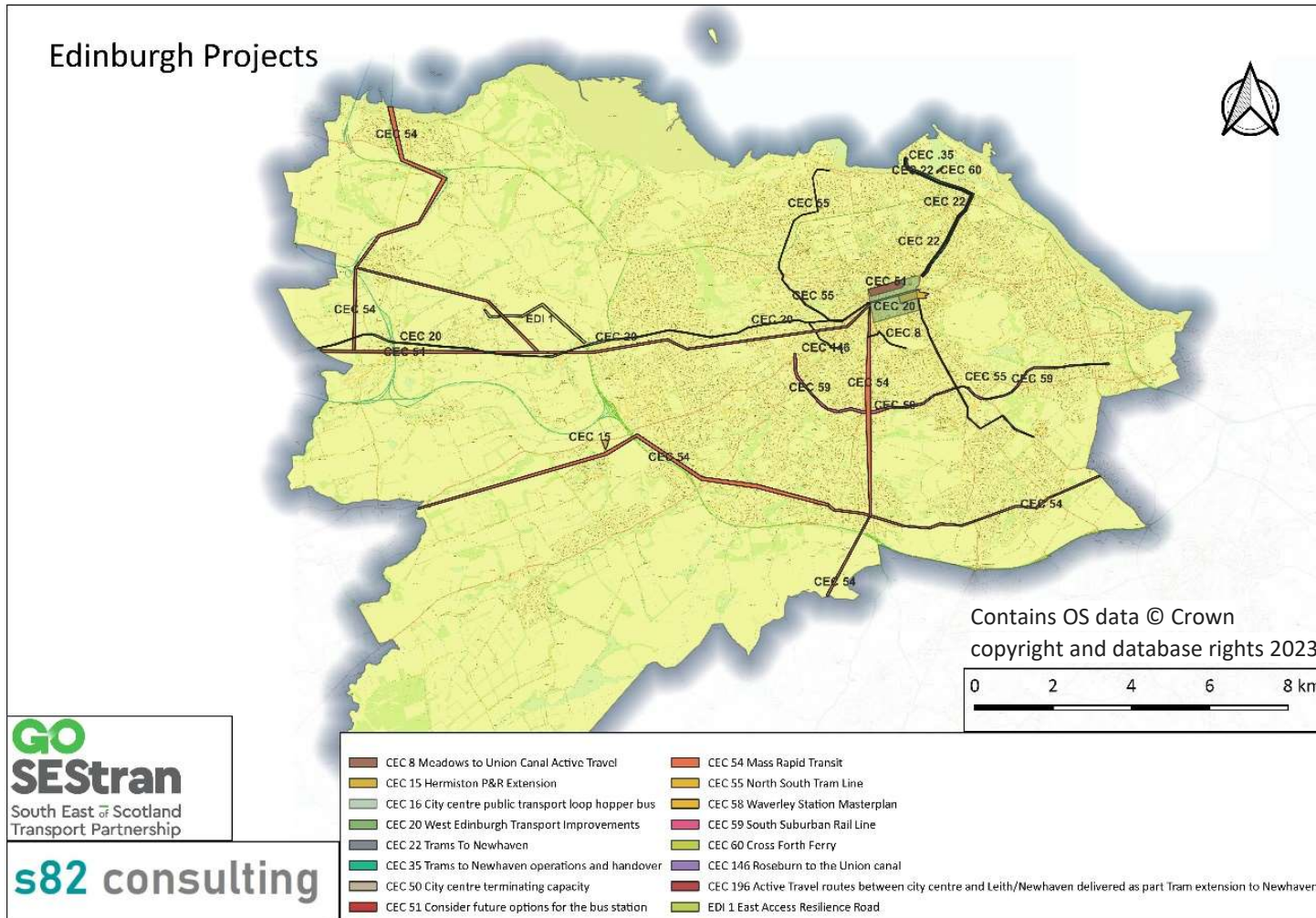


Figure App B1 – City of Edinburgh Council ‘Regional’ projects with a specific geographic location (includes Edinburgh Airport)

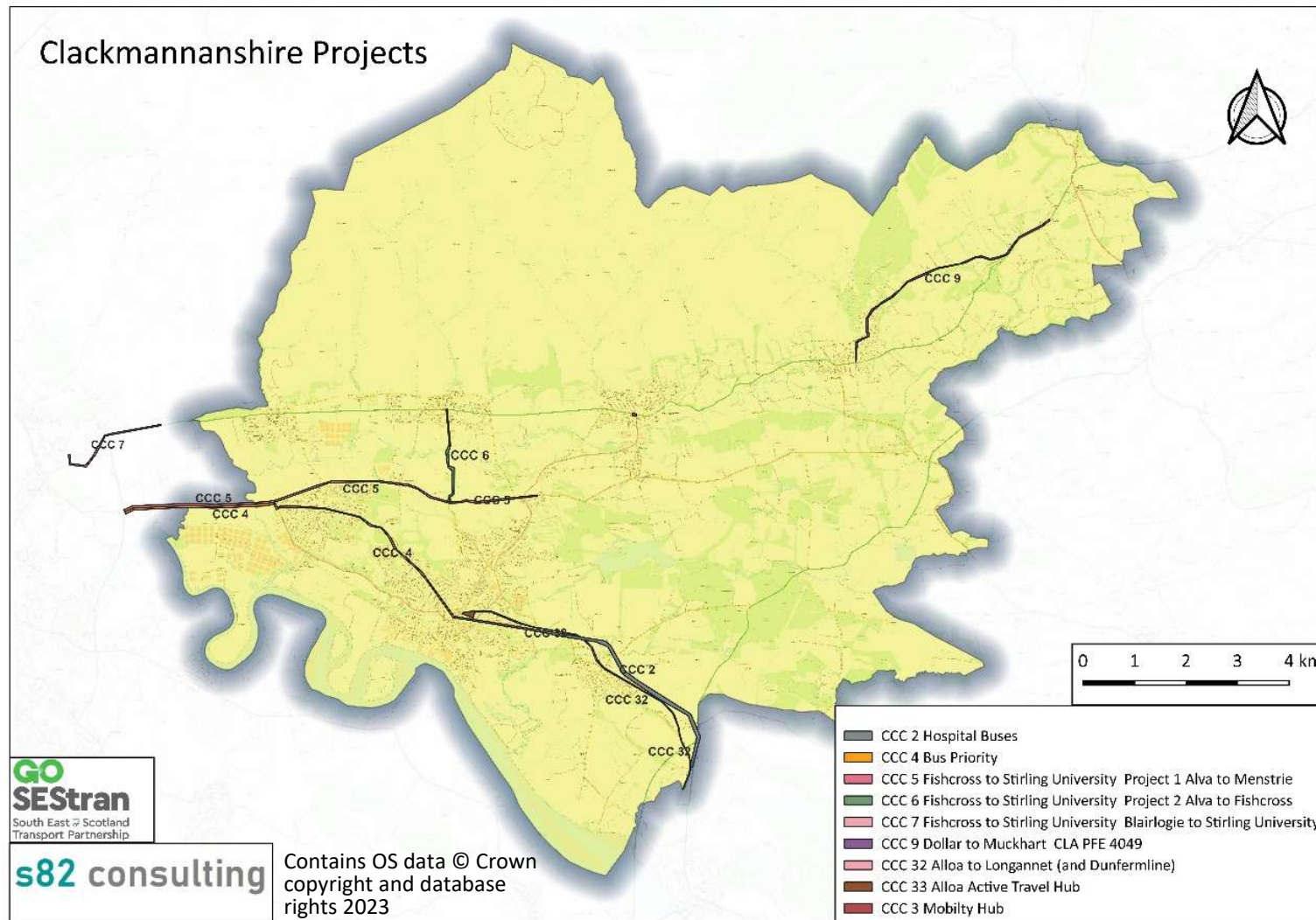


Figure App B2 – Clackmannanshire Council ‘Regional’ projects with a specific geographic location



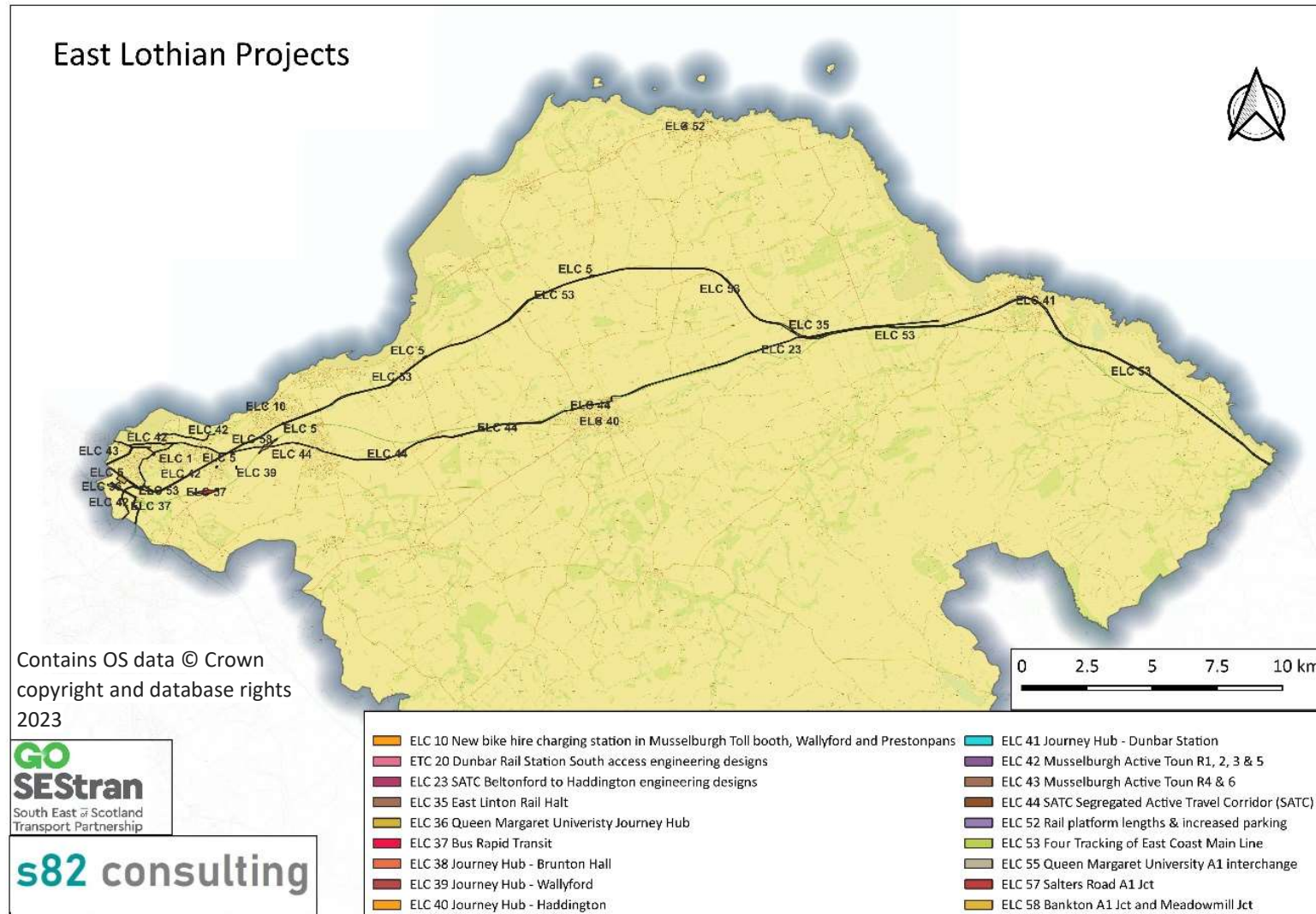


Figure App B3 – East Lothian Council ‘Regional’ projects with a specific geographic location

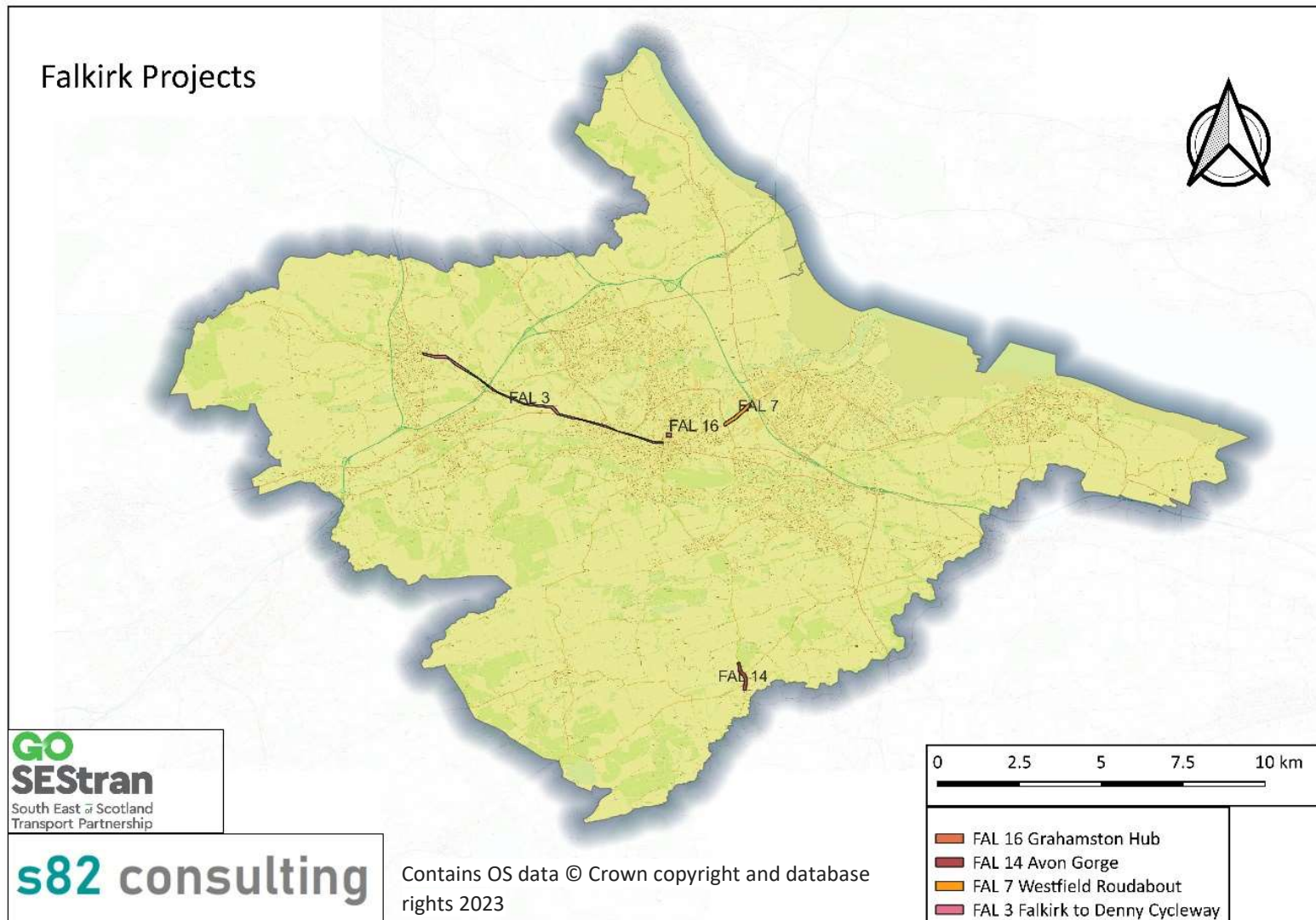


Figure App B4 – Falkirk Council ‘Regional’ projects with a specific geographic location

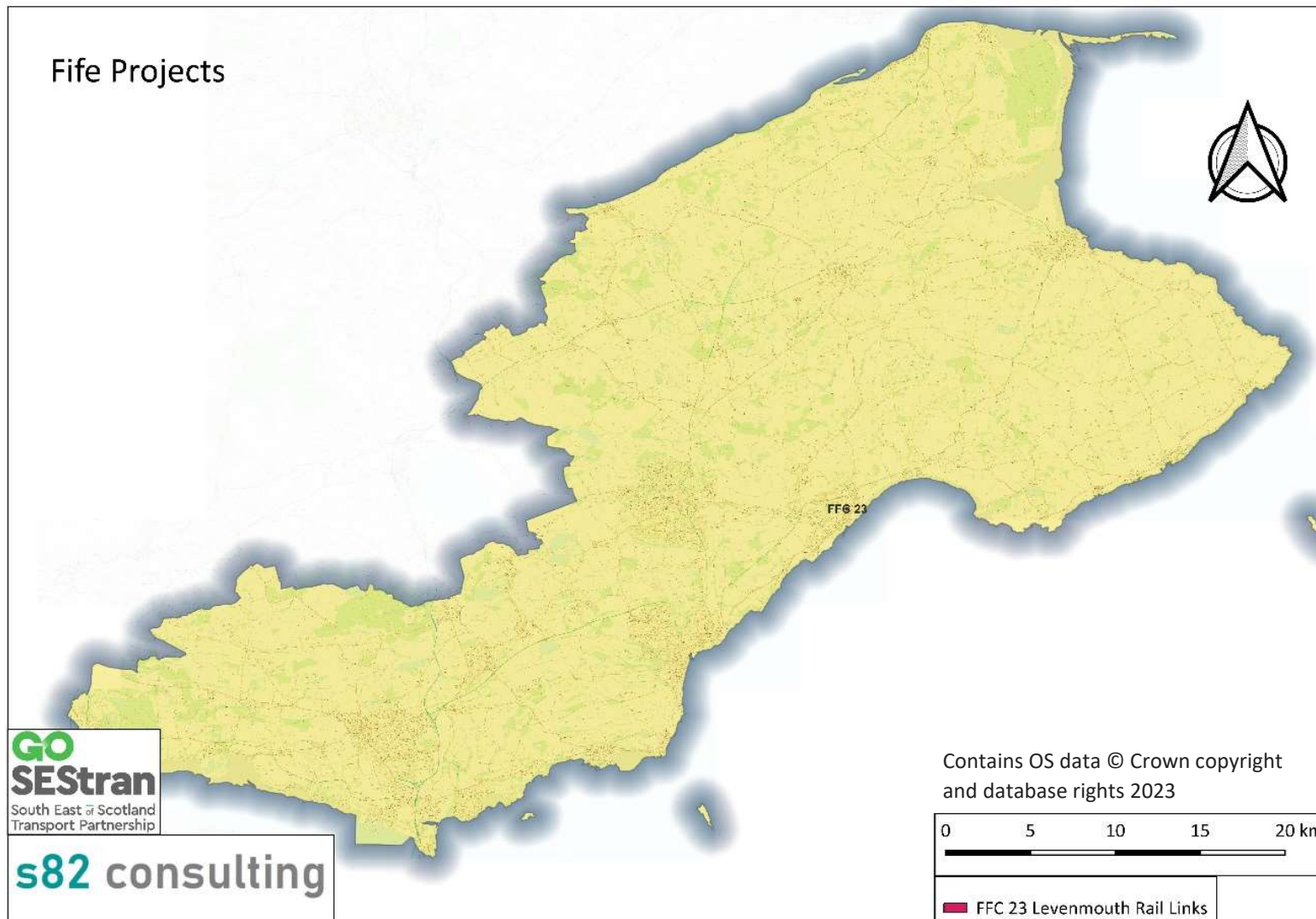


Figure App B5 – Fife Council ‘Regional’ projects with a specific geographic location



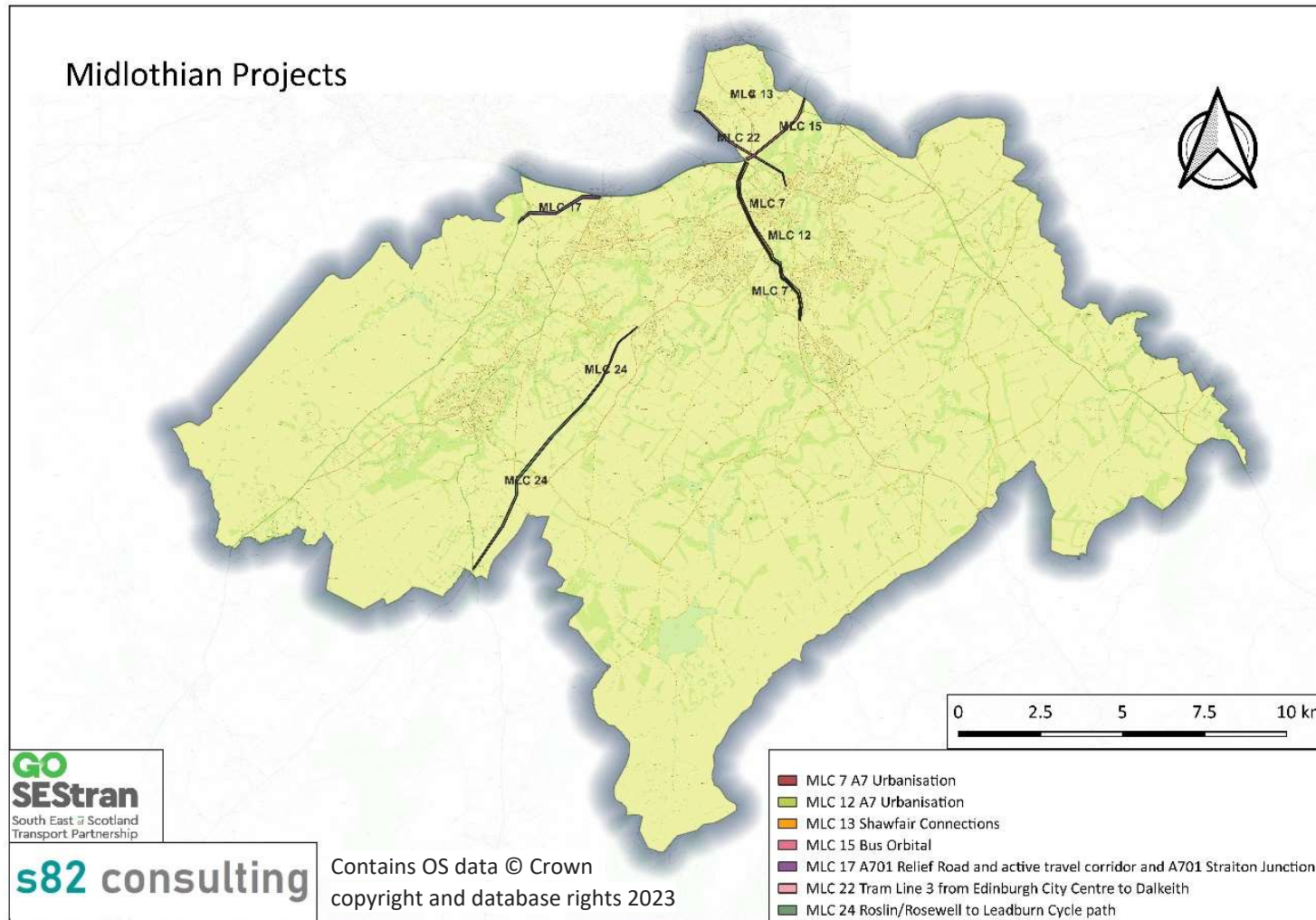


Figure App B6 – Midlothian Council 'Regional' projects with a specific geographic location



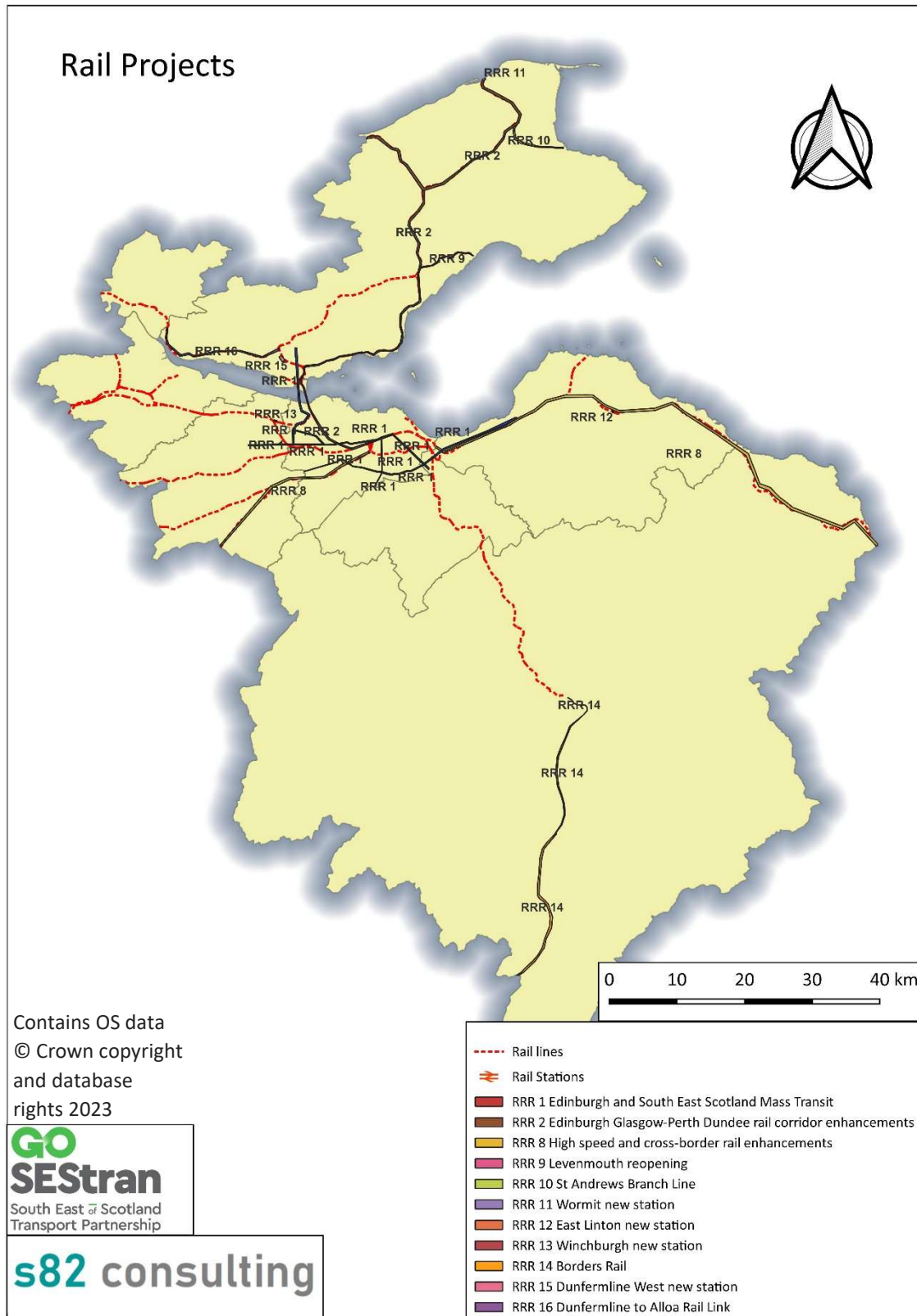


Figure App B7 – Network Rail ‘Regional’ projects with a specific geographic location (includes ScotRail and Transport Scotland)

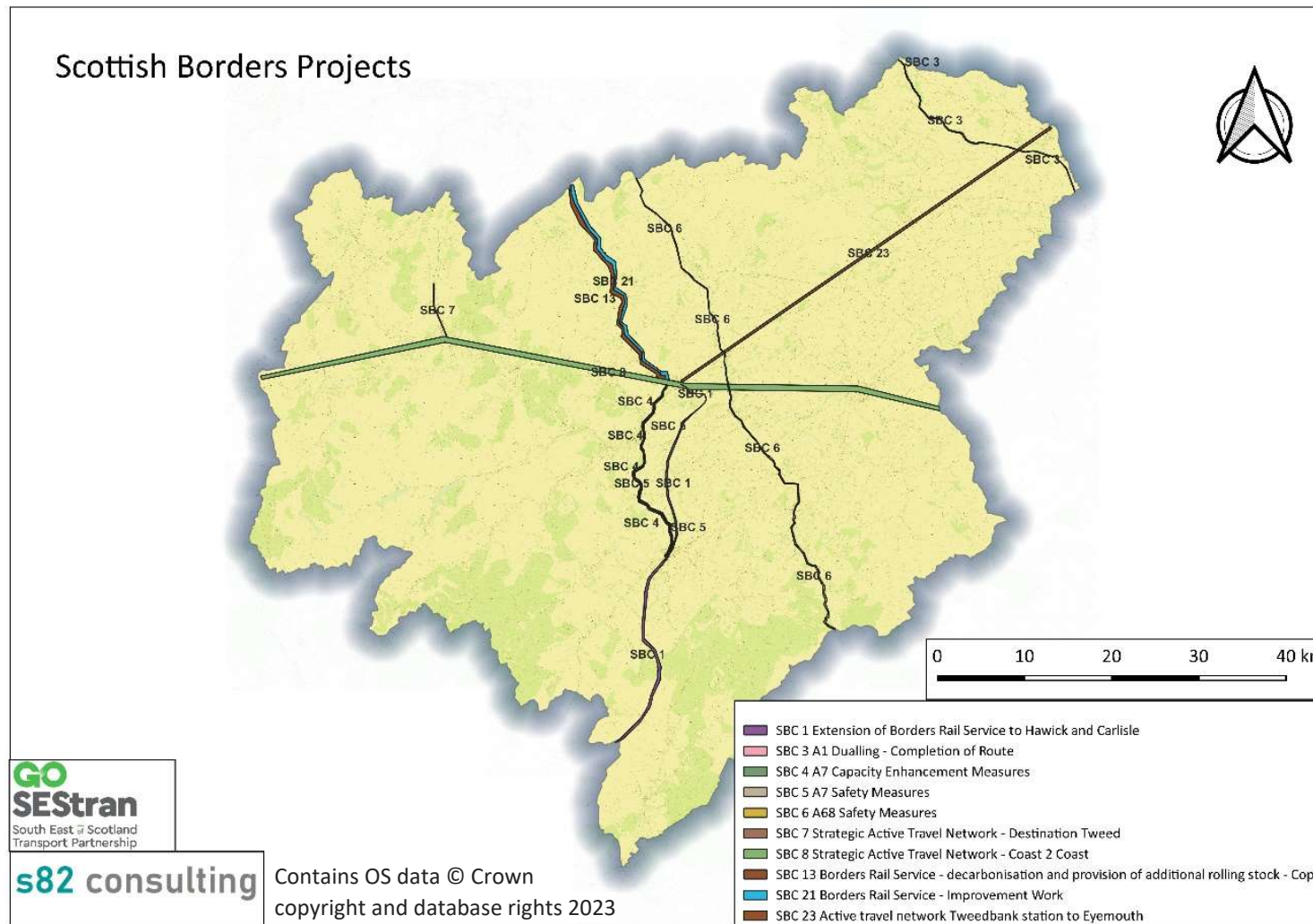


Figure App B8 – Scottish Borders Council ‘Regional’ projects with a specific geographic location



Figure App B9 – SEStran ‘Regional’ projects with a specific geographic location

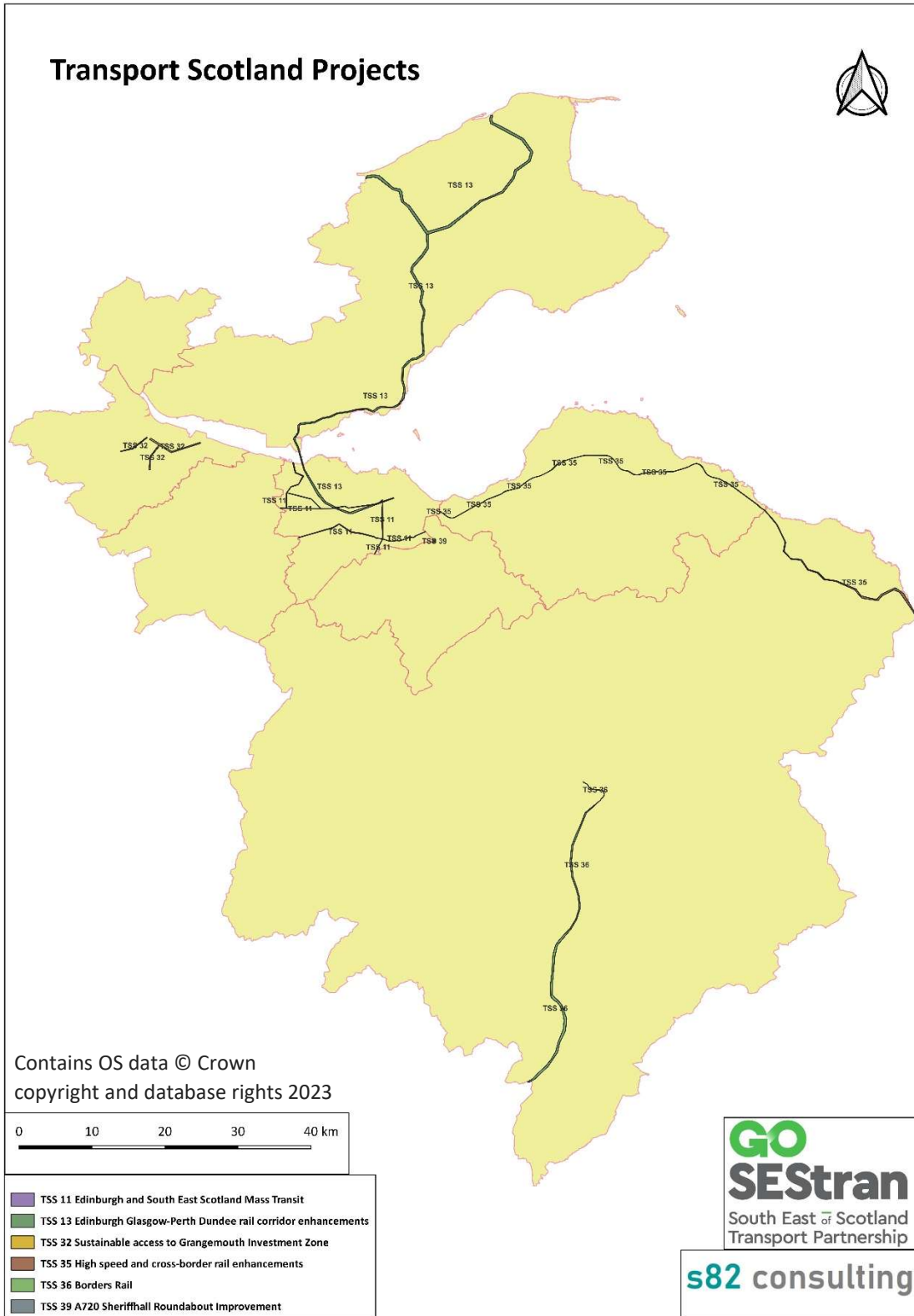


Figure App B10 – Transport Scotland STPR2 ‘Regional’ projects with a specific geographic location.



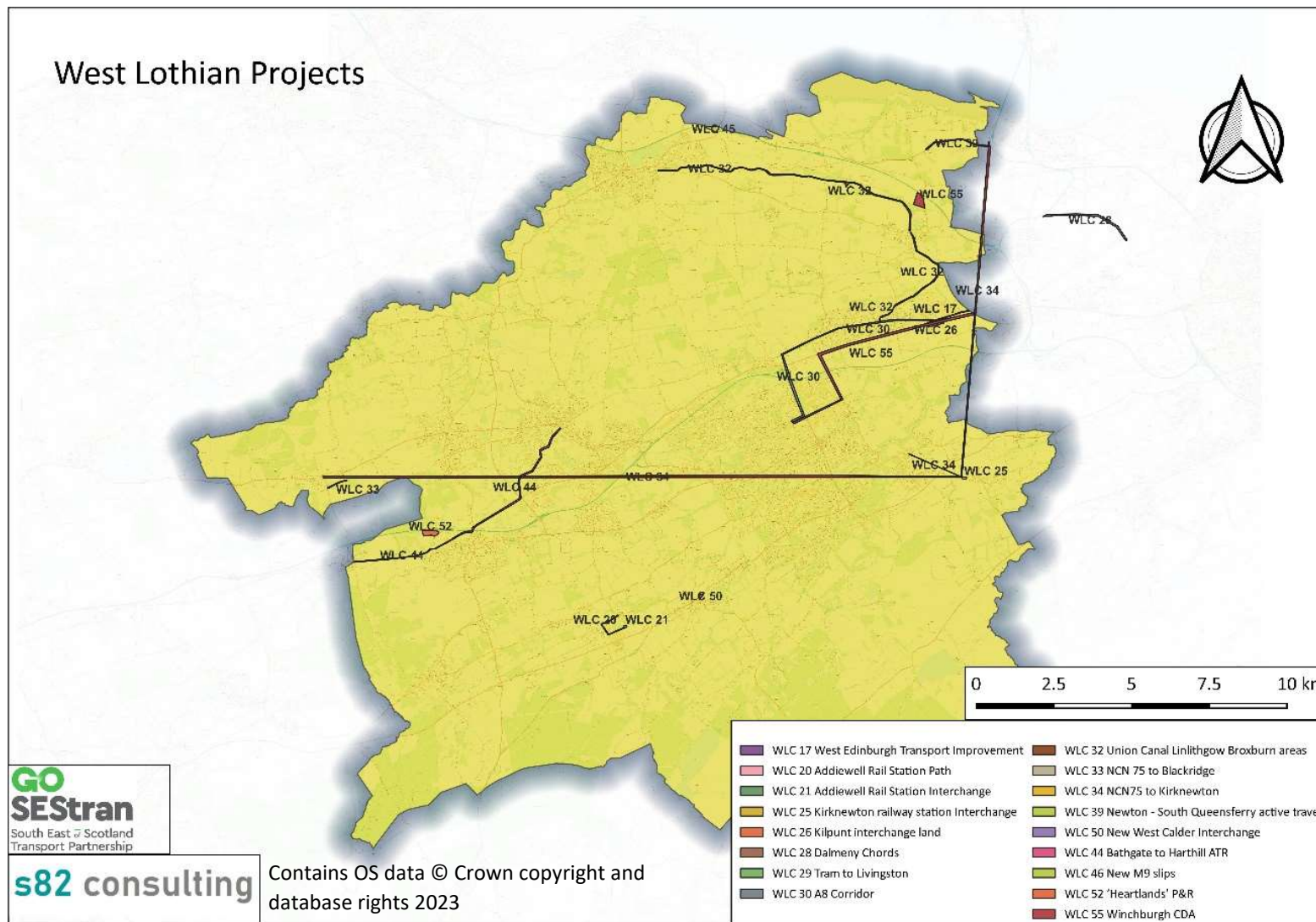


Figure App B11 – West Lothian Council ‘Regional’ projects with a specific geographic location

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## APPENDIX C

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The GIS data was drawn from a mixture of public open data and commercially available sources:

1. Rail network and rail stations, including Edinburgh tram network and stations (non-Network Rail and closed Network Rail freight lines removed as per the March 2023 Network Rail Sectional Appendix, Scotland). Commercially obtained data from Basemap Limited's "Data Cutter" September 2022 issue.
2. Bus Network. Commercially obtained data from Basemap Limited's "Data Cutter" September 2022 issue.
3. Scottish Index of Multiple Deprivation data 2020. Publicly available from <https://www.gov.scot/collections/scottish-index-of-multiple-deprivation-2020/>
4. Scottish 2011 Census data. Publicly available from <https://www.scotlandscensus.gov.uk/search-the-census#/topics/location> (tables QS702SC for mode of travel and KS404SC for car availability). Note the 2022 data should start to become available later this year but it usually takes a while after this for the detailed transport data to be published.
5. Scottish Population data - Publicly available mid-year estimate for 2021 <https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-estimates/mid-year-population-estimates/mid-2021>
6. Hospitals - Publicly available from Public Health Scotland [https://www.opendata.nhs.scot/dataset/cbd1802e-0e04-4282-88eb-d7bdcfb120f0/resource/c698f450-eeed-41a0-88f7-c1e40a568acc/download/current-hospital\\_flagged20211216.csv](https://www.opendata.nhs.scot/dataset/cbd1802e-0e04-4282-88eb-d7bdcfb120f0/resource/c698f450-eeed-41a0-88f7-c1e40a568acc/download/current-hospital_flagged20211216.csv) (note this contains postcode data converted to coordinate data by a lookup of postcode centroids).
7. Schools – Publicly available from "Spatial Data Scotland" at <https://spatialdata.gov.scot/geonetwork/srv/api/records/5fa510db-88c8-40ef-bbf2-2989210b7167>

## **Towards a World Class Bus Service**

### **1 INTRODUCTION**

- 1.1 The purpose of this report is to inform the Board of the policy context for bus as a vital component of the transport network, to summarise current activities to support bus service improvements across the region, to outline the potential opportunities provided by the Transport (Scotland) Act 2019 to further enhance bus services, and to recommend a series of actions that will serve to promote a world class bus service network across the SEStran region.

### **2 POLICY CONTEXT**

- 2.1 In recent years, a series of major policy documents have headlined the central role of bus services as a vital component of the transport network. As the National Transport Strategy 2 (NTS2) stated:

*Bus is a key element of the Sustainable Travel Hierarchy. It is the dominant public transport mode, accounting for three quarters of all public transport trips. It is particularly important to areas which are not served by the rail network, including much of rural Scotland. It can be an important element in multi-modal journeys, for example, as part of the first or final mile of a longer train journey. It also tends to be more active than a car journey as travelling by bus typically involves a walk to or from the bus stop.*

*We will continue to invest in opportunities to make bus, and public transport more generally, a more attractive option for existing and new users in line with the findings of the Big Climate Conversation. Improvements will be made by investing in, for example, bus priority infrastructure to tackle the impacts of congestion on bus services and raise bus usage, including reallocating road space on parts of the motorway network to accommodate space-efficient vehicles.*

- 2.2 The national policy position has now been endorsed by the adoption of the Regional Transport Strategy:

*The bus network is at the heart of the region's public transport system. Almost half (47%) of residents of the region used a bus service at least once a month in 2019. This figure is heavily skewed by Edinburgh though – if Edinburgh residents are excluded, this figure drops to an average of 34%. However, demand has been heavily impacted by the COVID-19 pandemic. To realise our aspirations to decarbonise the region and provide sustainable, affordable access for all, bus services will need to play a pivotal role. The RTS therefore sets out a foundation that seeks to rebuild demand for buses in the wake of the pandemic and that firmly places the role of buses at the centre of the strategy.*

2.3 The Programme for Government 2022 included actions and investments intended to build back patronage following the pandemic, address climate change and provide a more equitable service particularly for young people:

- Continue the Network Support Grant to support bus services by keeping fares at more affordable levels and networks more extensive.
- £300 million for concessionary travel, making bus travel free for over 2 million people in Scotland, including all children and young people under 22, disabled people and everyone over 60.
- Introduce regulations to enable bus franchising and Bus Improvement Partnerships, giving local authorities more options to improve bus services.

2.4 In 2021 the Scottish Government decided to set up a Fair Fares Review, to ensure a sustainable and integrated approach to public transport fares. Over the last two decades, public transport costs have not only risen relative to the costs of driving, but considerably above the rate of inflation. Traveling costs more for people with disabilities, and cost is also a huge barrier to accessing public transport for low-income households. The Fair Fares Review was scheduled to report in June 2023 and was to be accompanied by a 'Vision for Public Transport'. This has now been postponed until Autumn 2023 and so there is a 'window of opportunity' to further contribute to the Review and to input into the Vision.

### **3 TRANSPORT (SCOTLAND) ACT 2019**

3.1 The scope and provisions of the Transport (Scotland) Act 2019 are wide ranging and within it provides powers which offer an ambitious new model for bus services. It provides local transport authorities with options to influence and improve bus services in their area, collectively ensuring that there are sustainable bus networks across Scotland. The Act will support local transport authorities to meet local needs and circumstances, whether they wish to pursue partnership working, local franchising or running their own bus services (1).

3.2 Amongst other provisions, the Act provides several mechanisms to improve collaborative working and enhance service delivery for bus, including:

- Facilitates the creation of a statutory partnership between a relevant authority and operator(s) to improve bus services in a specified area.
- Facilitates a local transport authority being able to provide local bus services either directly or through an arms-length company provided it contributes towards the implementation of their general policies.
- Facilitates the creation of a franchise for local bus services by a local transport authority (or authorities) in a specified designated area, either local or regional.



- Facilitates the provision of data relating to proposed changes in routes, stopping places, timetables, fares and ticketing.

3.3 While many of the provisions of the Act have yet to be supported by regulation or guidance, one aspect that has been enacted is the power for local authorities to run their own bus services by virtue of the Transport (Scotland) Act 2019 (Commencement no.5) Regulations which came into force in June 2022. Members will be aware that prior to this provision coming into force, the only local authority controlled bus service operating in the country was Lothian Buses which covers a large part of the regional network. So, in that regard, the SEStran region could be said to be in a fortunate position and ahead of the opportunities provided by the Act.

#### **4 BUS PARTNERSHIP FUND**

4.1 Although the regulations and guidance to enact the provisions in the Act have not yet been formally published, SEStran has been working closely with its constituent councils to draw in investment from the Bus Partnership Fund (BPF). The BPF is a £500m Transport Scotland capital fund for the delivery of infrastructure to tackle the impacts of congestion on bus priority and reliability. Bids can be made by partnerships working towards a Bus Service Improvement Partnership (BSIP) status. BSIPs must be collaborative, involving bus operators that provide services in a local authority or BSIP area, and other relevant partners.

4.2 SEStran has supported five bus alliance groupings to become established and supported the development of bids in the region, namely Forth Valley, Fife, Midlothian, West Lothian and Edinburgh. Funding contributions have been made to bid development costs in four partnerships. Across the region, all bids submitted have now received funding to progress some or all of their proposals. SEStran is now also contributing by providing project management services to Midlothian and Forth Valley Bus Alliance bids.

4.3 SEStran remains involved in and supportive of all the Alliances as they work through the STAG appraisal process, supported by consultants. Current activities include development of the Case for Change for each alliance, and consultation on the proposals as they develop.

Stages achieved:

- Forth Valley Bus Alliance set up and working with STAG appraisal work funding received from Transport Scotland.
- Midlothian Bus Alliance set up and working with STAG appraisal work funding received from Transport Scotland.

Next steps:

- SEStran will continue to work with all Partnerships on proposed governance structures, plans, and schemes, pending the emerging Guidance and regulations from Scottish Government.
- Contribute to match in kind discussions in all the Alliances, to explore potential SEStran contributions in areas such as real time information (RTI), digital tech pilots (MaaS & DRT) and accessibility programmes (Thistle Assistance) that SEStran supports in the region.
- Engage with Transport Scotland on issues relevant to the emerging BSIPs in the region, including governance arrangements and efficient application of STAG Appraisals which are due to be completed for Midlothian and Forth Valley Bus Alliances by end June 2023.
- Continue to convene regular region-wide meetings of Alliance project managers, including Tayside Bus Alliance, to discuss matters of common interest, ensuring a consistent approach to the development of bids and sharing best practice.
- Continue to provide project management services (funded from the Bus Partnership Fund awards for Midlothian and Forth Valley Bus Alliances).

## **5 BUS OPTIONS SCOPING STUDY**

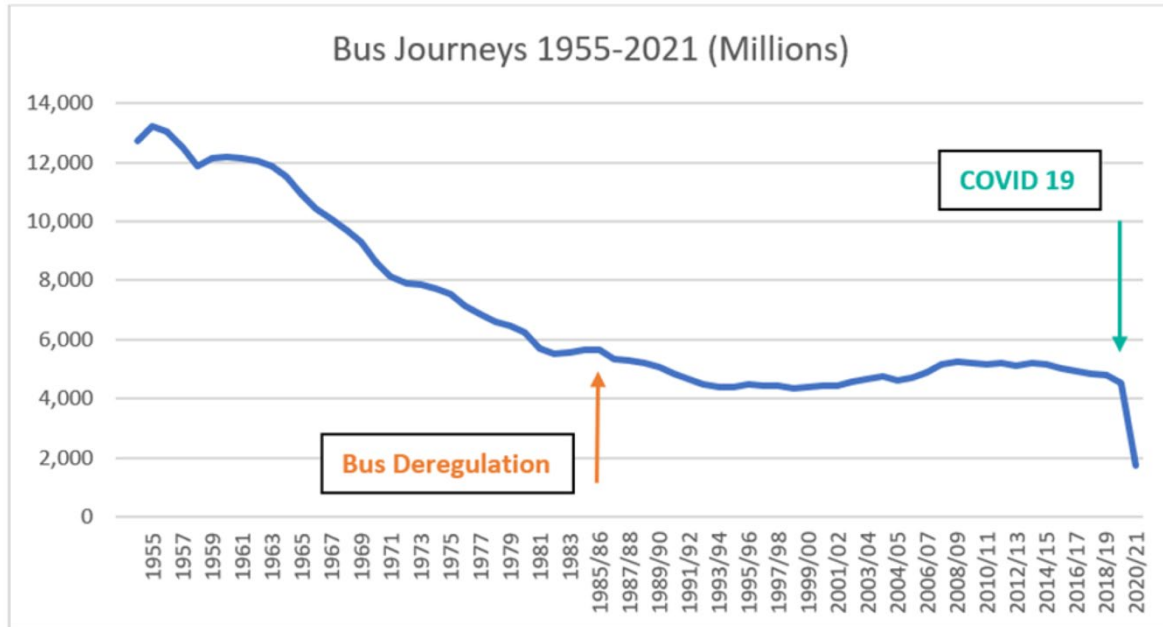
5.1 In developing their RTS, colleagues at Strathclyde Partnership for Transport (SPT) along with Glasgow City Council (GCC) commissioned a Scoping Study to explore the options and opportunities provided by the Transport (Scotland) Act 2019. The Scoping Study was reported to the SPT Partnership Board and is now in the public domain on the SPT web site (2). In summary, the conclusions of the study were:

- The region should adopt a clear set of objectives and outcomes founded on delivering a world class bus network.
- Partners delivering bus services should commit to a world class bus network that will exhibit faster journey times; affordable & integrated ticketing; accessible journey information and a greener bus fleet.
- Where access to the Bus Partnership Fund will secure significant improvements a Bus Service Improvement Partnership is recommended.
- Bus reform alone through partnership working will not deliver a world class network: additional funding and reform of funding streams will be required.
- In the longer term, a Bus Franchising Scheme has the potential to offer a 'single integrated decision maker' that can source funding and deliver a world class bus service.
- Where competition for bus service contracts is weak, local authorities should consider the formation of a municipally owned bus operator.

- 5.2 These recommendations are largely generic and not bespoke to any particular region. As noted above, SEStran is actively involved in partnership working through the five Bus Alliances and consideration of BSIP development. However, if individual BSIP development at a local level will not secure a world class bus service across the region, as the Scoping Study implies, then SEStran should consider what other actions now need to be taken to secure the objectives outlined in the adopted RTS.
- 5.3 The Scoping Study indicated that a Bus Franchising Scheme could take 7 years to bring to fruition and cost up to £15m in its implementation. There are also considerable risks in developing franchising with the requirement to receive the endorsement of an Independent Audit Panel for the business case looming high on the risk register. So, implementing a franchising scheme is not straightforward and as the TfGM (Transport for Greater Manchester) experience has illustrated, the process is susceptible to legal challenge. However, many of these hurdles have now been overcome and, subject to the publication of the requisite regulations in support of the Act, the path to a fully franchised network could be clearer.
- 5.4 In terms of immediate actions, the Scoping Study recommended that where competition for bus service contracts is weak, creating a municipally owned bus operator should be considered. In the SEStran context, the Lothian Buses model already exists and is an exemplar in this regard. It has also successfully demonstrated a capability of taking over and operating previous commercially operated services. Further expansion of a municipally controlled network, with constituent councils owning a share, could spread commercial risk, provide certainty of service provision and offer an integrated branding opportunity to residents and tourists alike.
- 5.5 The Regulations and Guidance in support of the major elements of the Transport (Scotland) Act 2019 have yet to be published and there may still be an opportunity for SEStran to influence the form and content of these. For example, where there was a strong consensus amongst participating local authorities that a Bus Franchising Scheme be pursued that the potential veto of the Independent Audit Panel is mitigated in the face of the democratic mandate. Along with other RTPs, SEStran should consider commissioning external legal advice to clarify the position with the Regulations and the potential legal challenges in taking forward the opportunities afforded by the Act.

## **6 SERVICE RISK AND UNCERTAINTY**

- 6.1 As the diagram below indicates, there was already a long-term trend of a reduction in bus patronage when the Covid pandemic hit and there was a catastrophic fall in bus users.



Statistical Data Set, UK Government, 2021

- 6.2 Recent data published by Transport Scotland indicates that the number of bus passengers is down by 40.3% from 392m in 2016/17 before Covid hit to 234m in 2021/22. Even with this reduction in passengers, bus accounts for around 75% of all public transport trips in Scotland.
- 6.3 In order to support the Scottish bus industry through the Covid pandemic, the temporary Network Support Grant Plus (NSG+) was introduced. The NSG+ rate stood at 79.4p per km until 15 August 2022, it reduced to 50.4p per km to 9 October 2022 and 39.2p per km up until 31 March 2023 when it ceased, and support reverted to the basic NSG at 14.4p per km.
- 6.4 The withdrawal of NSG+ has created an acute level of uncertainty in the bus industry. Operating costs have increased and there have been recent fare rises of 15-20 per cent. Despite this rise, some operators are forecasting a significant 10-12% loss in services. Free travel for under-22s in Scotland has resulted in increased footfall and was responsible for 45 million journeys in its first year. However, while it is recognised as support for the passenger, it is debatable how much it assists the operators as it is applied on a “no better off, no worse off” basis.
- 6.5 The Confederation of Passenger Transport (CPT Scotland), has called for a full review of funding levels for the bus sector. The CPT has pointed out that the Scottish Government pays for 7% of the bus industry’s operating costs, while it funds 80% of the rail industry’s costs which accounts for just 20% of public transport passengers. As rail has now come under public ownership, the operating risk has effectively diminished.

## 7 NATIONAL BUS TASK FORCE

- 7.1 The initial meeting of the Scottish Bus Taskforce, chaired by the previous Minister for Transport Jenny Gilruth MSP, was held on 6 October 2022. There was one further meeting and now the new Minister for Transport, when appointed, will need to decide whether and how to take the Taskforce work programme forward.
- 7.2 The Scottish Government has stated that the reason for establishing the Taskforce is the crisis facing the bus industry across Scotland, with passenger volumes yet to return to pre-Covid levels, widespread shortages of drivers impacting on service delivery and network recovery funding which came to a close on 31 March 2023. The Taskforce will seek to explore solutions to these issues and encourage progression of longer-term strategic goals to improve bus services. This is in the absence of any national bus strategy. Members of the Taskforce include Transport Scotland, the Traffic Commissioner for Scotland, Large Bus Operators, SME Bus Operator representatives, Bus Passenger representatives and Regional Transport Partnership representatives (namely SPT & HITRANS).
- 7.3 Transport Scotland prepared the Taskforce Terms of Reference which outlines the role, remit and responsibilities of the group. The Taskforce has been established with three main areas of focus, namely:
- Patronage growth;
  - Driver shortages; and
  - Community engagement.
- 7.4 Subgroups have been established on each of the above three topics with the following desired outcomes set out in the Terms of Reference:
- Set out a collaborative pathway for increasing patronage long term;
  - Co-design a pathway(s) to address driver shortages; and
  - Co-design best practice guidance for community engagement on bus networks and changes.
- 7.5 In addition, further outcomes the Taskforce seeks to achieve are stated as follows:
- Begin discussions on progressing longer term strategic goals; and
  - Establish Regional Steering Groups to support implementation of immediate actions, and to review local bus networks - giving consideration to the Transport (Scotland) Act 2019 powers and emerging travel patterns.
  - In the case of SEStran, a stand-alone regional Bus Taskforce could be established or the issues could be covered by the Integrated Mobility Forum. The view of Board members on the preferred approach would be welcome.

## **8 REGIONAL BUS STRATEGY**

- 8.1 Given the diverse range of issues outlined in this report, Members may consider that, following the mandate of the adopted RTS, it is the right time to

develop a Regional Bus Strategy. Work in developing the new RTS has reaffirmed significant concerns in terms of the efficiency, performance, affordability and overall sustainability of the bus network across the SEStran region, both presently and in the future. Such concerns have only been further compounded by more recent events, namely the cumulative impacts of the Covid 19 Pandemic, Brexit, Ukraine war and the Cost-of-Living crisis. In short, it is clear and evident that change is required in order to ensure the bus network is fit for purpose for the future.

- 8.2 Feedback received by SEStran during the RTS development process has shown a strong case and significant appetite for positive change to the bus network in order that it better meets the needs of bus users and is of suitable quality to encourage modal shift to bus, arresting historical long-term patronage decline and supporting wider economic, societal and environmental objectives. It is vitally important that the region has a bus service network that supports the aspirations in the City Deal Prosperity Framework along with the City Deal and Growth programmes.
- 8.3 As previously discussed, the Transport (Scotland) Act 2019 is not yet currently supported by published regulations and guidance. SEStran will need to ensure strong engagement with Transport Scotland as the regulations and guidance are developed over the coming year. It is also important to note that, while acknowledging the framework set by the National Transport Strategy (NTS2), there is no specific national bus strategy to act as a reference point for the development of a regional or local bus strategy.
- 8.4 The opportunities provided by the Act need to be explored in the development of the Regional Bus Strategy. At the same time, the legal status of the RTPs to exploit those opportunities needs to be established and Members should mandate officers to discuss with partners and constituent councils the option to collaborate in innovative ways via sections 10 and 14 of the Transport Act 2005 to develop and deliver a Regional Bus Strategy.
- 8.5 Section 10 allows RTPs to assume statutory transport functions from councils and/or Transport Scotland. This can be in place of them or the functions can be shared with the original function holder. There is a statutory process of consultation and approval by the Board and the Scottish Ministers involved. This power has been discussed previously by the Board some years ago in other contexts but it has never been progressed. Section 14, on the other hand, enables SEStran to deliver functions on behalf of others very flexibly, working in partnership with Councils. It is this section, for example, that allows SEStran to project manage two of the Bus Alliances in the region.
- 8.6 It is envisaged that a SEStran Regional Bus Strategy would have the following components:
  - Strategic Framework – Vision, Objectives & Policies
  - Strategic Themes – Network Plan, Data Sharing, Smart Ticketing, RTPi etc.

- Preferred Operating Model – Deregulated, BSIP, Bus Franchising or Direct Delivery
- Delivery Programme – Programme Investment Plan and Funding Strategy (BPF etc.)
- Monitoring & Evaluation Framework – Passenger Satisfaction, Network Performance etc.

8.67 It will be important to take an evidence-based, objective-led, transparent approach involving engagement and consultation in undertaking such an exercise as the development of a Regional Bus Strategy, in line with Scottish Transport Appraisal Guidance (STAG) and following the framework set by the newly adopted RTS. Crucially, an emphasis on outcomes and an unerring focus on how the strategy will improve the bus network for the passenger and all those who rely on it must be at the heart of the development of any regional bus approach.

## 9 CONCLUDING REMARKS

9.1 The importance of the bus network to the well-being of the region cannot be overstated. As indicated during the Covid pandemic when passenger numbers were decimated, it acts as a barometer of economic prosperity. In urban areas, where the presence of bus on our streets is almost ubiquitous, it provides a platform for marketing and branding of the ‘place’ that is unequalled. With an ambitious decarbonisation plan in place, it can reduce emissions and improve the health of the community. Despite the historic trend of falling patronage, still almost half of the population (47%) in parts of the SEStran region use the bus at least once a month.

9.2 However, the picture for the immediate future of the bus network looks anything but rosy. We have to deal with the world as it is and not as we would like it to be. The bus industry is in crisis. Even before the withdrawal of NSG+ bus operators were struggling to square the circle in the face of rising costs, a sluggish market in the throes of Covid recovery and the need for investment in aging fleets. It is difficult to deny the claims of CPT and operators that bus is the poor relation in transport modes with Rail receiving direct subsidy of £1.5 billion and bus a direct subsidy of £155 million.

9.3 Already services are being lost and Regional Transport Partnerships and constituent Councils are having to compensate for the withdrawal of commercial services, such as this recent example:

*“SPT has awarded a number of new subsidised service contracts in Renfrewshire and Inverclyde following the disappointing decision by McGill’s to withdraw some commercial services in these areas. Recognising the importance of some of these services for the communities they serve, SPT has now been able to find resources within its budgets to cover some of the recently withdrawn services. While the new contracted services do not all offer “like for like” services, the new contracts supplement current services and offer connections to other services in the area.”* News Release - 17 April 2023.

- 9.4 The option of ‘operator of last resort’ has now been adopted and Rail in Scotland has been brought into public ownership. It is not clear what the ‘operator of last resort’ is for the bus network. Council finances are limited and under great strain, it is unlikely that local transport authorities currently have the financial wherewithal to offer extensive subsidised services. At the national level, there does not seem to be any contingency planning in place if services start to collapse and are withdrawn over an extensive area.
- 9.5 In the face of this crisis, as the regional transport authority, SEStran needs to decide whether it is going to participate in a process of ‘managed decline’ or offer a more optimistic future for the bus network. The adopted RTS has taken the more optimistic route and called for a transformation and extension of the bus network:
- “The RTS therefore sets out a foundation that seeks to rebuild demand for buses in the wake of the pandemic and that firmly places the role of buses at the centre of the (regional) strategy.”*
- 9.6 In this context, the Transport (Scotland) Act 2019 offers opportunities to build on this foundation and provide a brighter future for the bus network. SEStran should collaborate with constituent Councils and alongside fellow RTP’s to explore the provisions of sections 10 and 14 of the Transport Act 2005 to take full advantage of those opportunities. It should follow up on the Bus Study commissioned by SPT and explore the wider options for BSIPs (Bus Service Improvement Partnerships) and Bus Franchising models to facilitate transformational change.
- 9.7 In addition, the role of municipally owned and directly delivered bus services should be fully explored. Lothian Buses is currently being operated as any other commercial operator. There are many stakeholders in the future, from bus users, transport staff to local and national taxpayers. There needs to be a strong, democratic mandate for what comes next and a strategic discussion on the future role of a municipally owned and directly delivered bus service within the region. The views of Board members on how to facilitate such a discussion would be welcome.

## **10 NEXT STEPS**

- 10.1 SEStran will continue to work with all Partnerships on proposed governance structures, plans, and schemes, pending the emerging Guidance and regulations from Scottish Government. Also, we will engage with Transport Scotland on issues relevant to the emerging BSIPs in the region, including governance arrangements and efficient application of STAG Appraisals.
- 10.2 SEStran will continue to convene regular region-wide meetings of Alliance project managers, including Tayside Bus Alliance, to discuss matters of common interest, ensuring a consistent approach to the development of bids and sharing best practice as well as continuing to provide project management services (funded from the Bus Partnership Fund awards for Midlothian and Forth Valley Bus Alliances).



- 10.3 However, as the SPT Bus Study pointed out, it is unlikely that the emerging BSIPs, (Bus Service Improvement Partnerships) even with some much-needed capital investment from the BPF (Bus Partnership Fund) will offer the transformational change that is needed and that the RTS advocates for. Therefore, the following recommendations are presented for the Partnership Board's consideration.

## 11 RECOMMENDATIONS

It is recommended that the Board:

- 11.1 Notes and supports the continuing work of SEStran to support the Bus Alliances in the region, the development of bids to the BPF and best practice in the governance of the emerging BSIPs.
- 11.2 Delegates the Partnership Director to work with constituent councils and other Regional Transport Partnerships on exploring the opportunities to facilitate a transformational change to the bus network through the opportunities provided by the Transport (Scotland) Act 2019, seeking the necessary external legal advice as and where appropriate.
- 11.3 Requests the Partnership Director to work with the CPT and bus operators in the region on developing an appropriate funding envelope that could provide for the transformational and sustainable change of the bus network in the region.
- 11.4 Opens a strategic discussion with those councils who are currently shareholders of Lothian Buses to determine the future role of a municipally owned bus company in the transformation of the bus network across the SEStran region.
- 11.5 Writes to the new Transport Minister seeking guidance on an 'operator of last resort' for the bus network and to call on him to expand the work of the Bus Taskforce and launch a national conversation on the future of the bus sector in Scotland.
- 11.6 Requests the Partnership Director to pull the various strands of work together and to develop a Regional Bus Strategy to align with the timeframe of the Regional Transport Strategy with a view to it being in place by the close of 2023.

Tom Flanagan  
**SEStran Strategic  
Advisor**  
9 June 2023

Background Papers:

1. Implementation of Part 3 (Bus Services) of the Transport (Scotland) Act 2019, Partnership Board Meeting Friday 24<sup>th</sup> September 2021.

<https://sestran.gov.uk/wp-content/uploads/2021/09/2021-09-24-Item-A7-Implementation-of-Part-3-Bus-Services-of-the-Transport-Scotland-Act-2019.pdf>

2. Glasgow & Strathclyde Transport Act Scoping Study, Options Assessment Study Final Report, Systra, 28<sup>th</sup> January 2022.

<https://www.spt.co.uk/media/hmybrt5l/bus-scoping-study-final-report-january-2022.pdf>

Policy Implications	The aspiration for a World Class Bus Service aligns with objectives in SEStran's Regional Transport Strategy and the National Transport Strategy 2.
Financial Implications	The actions proposed in the report will have no immediate financial implications, any subsequent proposals will be brought back to the Partnership Board for approval.
Equalities Implications	The proposed Regional Bus Strategy will support the equalities objectives in the Regional Transport Strategy and incorporate the outcome of Transport Scotland's Fair Fares Review to be published later in 2023.
Climate Change Implications	The aspiration for a World Class Bus Service will support and positively impact on SEStran's Climate Change objectives as outlined in the Regional Transport Strategy.

## Projects Performance Report

### 1 INTRODUCTION






1.1 This report and its appendix update the Board on performance within SEStran's various workstreams and projects over the last quarter, for noting, and outlines to the Board on proposed approach to streamlining project performance reporting, for agreement.

### 2 PERFORMANCE REPORTING

2.1 For funded projects, programmes and workstreams, progress against agreed outputs and/or Business Plan milestones is indicated in the attached report template. For each, a high level 'RAG' (Red-Amber-Green) status is used, with 'Blue' for completed projects. Once reported as complete, these projects are removed from future updates. Where required, a note explaining progress is provided.

RAG Status	Meaning:
BLUE	Complete
GREEN	Progressing to plan
AMBER	Some issues or delays encountered
RED	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

### 3. GO SESTRAN MAAS, DRT AND TECHNOLOGY DEVELOPMENT

3.1 There has been good progress within the GO SEStran Mobility as a Service (MaaS) and Demand Responsive Transport (DRT) pilots and the associated Tactran MaaS pilots. Funding bids have been successful in extending the current GO SEStran pilot to the end of March 2024, as well as funding the associated DRT pilot for the same period.

- 3.2 Additionally, there is a need to integrate any new DRT and consolidate DRT and other digital solutions being developed by partners to streamline journey apps for people in the region and beyond. This work is under way, with particularly close joint working with Tactran and ongoing discussions with, amongst others, St Andrews University, Clackmannanshire, City of Edinburgh Council, Fife and Borders Councils.
- 3.3 As there was a risk to the continuity of the existing SEStran and Tactran apps if a procurement for a 9-month licence was carried out, the Partnership Director agreed in terms of Contract Standing Order 5.5 that a new Licence Agreement be entered into with Fuse Mobility Ltd. A Voluntary Ex Ante Transparency Notice (VEAT Notice) was published on Public Contracts Scotland in accordance with procurement regulations.
- 3.4 Further agreements with partners such as St Andrews University are likely to be needed as increased partnership working with other public sector bodies becomes a key part of the developing project, which could see considerable cost sharing and branding/marketing advantages. This partnership working has been provisionally named the Integrated Mobility Partnership Scotland (IMPS).

#### 4 RECOMMENDATIONS

4.1 The Board is asked to:

- a) note progress recorded in the past quarter, summarised in the attached Appendix 1, and
- b) Note the intention to enter into a 9-month Licence agreement with Fuse Mobility Ltd in connection with the GoSEStran project, and delegate to officers to enter into further agreements with public sector bodies as part of the next phase of project.

Keith Fiskien  
**Senior Partnership Manager**  
 16<sup>th</sup> June 2023

#### Appendix

#### Projects Performance Report June 2023

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. Several projects actively work to reduce inequalities.
Climate Change Implications	There are no negative climate change implications arising from SEStran projects. Several projects actively work to

	tackle climate change through creation of, or support for more sustainable transport options.
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## SEStran Performance March 2023

### Table of Contents

<b>1. STRATEGY .....</b>	<b>5</b>
1.1 Regional Transport Strategy .....	5
<b>2. STRATEGIC ACTIVE TRAVEL PROJECTS.....</b>	<b>5</b>
2.1 GO e-Bike .....	5
2.2 Regional Cycle Network Grant Scheme .....	7
2.3 Regional Active Travel Development Fund – Transport Scotland .....	7
2.4 Cycle Training and Development – Cycling Scotland .....	8
<b>3. STRATEGIC PUBLIC TRANSPORT PROJECTS.....</b>	<b>9</b>
3.1 Real Time Passenger Information (RTPI) .....	9
3.2 Thistle Assistance Programme .....	10
3.3 Newburgh Train Station Study .....	11
3.4 Bus Service Improvement Partnerships .....	11
3.5 The GoSEStran project .....	12
<b>4. FREIGHT AND LOGISTICS PROJECTS .....</b>	<b>14</b>
4.1 Forth Freight Study .....	14
<b>5. EUROPEAN-FUNDED PROJECTS .....</b>	<b>14</b>
5.1 SURFLOGH .....	14
5.2 BLING .....	15
5.3 PriMaaS .....	16
5.4 CONNECT .....	17
5.5 REGIO-Mob .....	17
<b>6. SESTRAN FORUMS AND UPCOMING EVENTS.....</b>	<b>18</b>
6.1 SEStran Forum Meetings .....	18

# 1. Strategy

## 1.1 Regional Transport Strategy



**Start date:** November 2020

**Initial completion date:** March 2022

**Expected completion date:** March 2023

**Overall project progress:**

*On track*

**Brief description:** A new Regional Transport Strategy (RTS) to cover the period up to 2035, to provide a regional framework for potential for managing future travel demand, behaviour and developing the region's transport system.

The new RTS aligns to the National Transport Strategy 2, National Planning Framework 4, Climate Change (Scotland) Act 2019, as well as spatial and economic strategies under development across the SEStran area. A new monitoring framework, the 'Programmed Investment Plan' will track transport investment and delivery of RTS priorities. SEStran's new RTS, SEStran 2035 has been approved and adopted by the Partnership for implementation in the region.

**Milestones from last quarter**

*On track*

- Completed draft RTS was approved by the Minister for Transport.
- Following completed evaluations S82 were appointed to undertake work on the Programmed Investment Plan.
- S82 have completed draft work on the PIP.

**Overall Stages Achieved**

*On track*

- Main Issues Report published May 2020
- Development stages of SEStran RTS 2035 completed with input from partners March 2022
- Statutory assessments completed with input from partners March 2022
- Board approval of draft RTS September 2022.
- Scottish Ministers approved RTS March 2023.
- SEStran Partnership Board approved and adopted new RTS in March 2023.

**Next Steps**

*On track*

- Further development on the PIP will be undertaken working with stakeholders.
- Publish full new RTS and update website.
- Develop RTS communications and marketing plan.

## 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 a regional bike-sharing programme that aims to increase the visibility of e-bikes and increase access to e-bike use. The first (completed) phase funded through SHARE-North provided shared e-bikes in four community hubs – two in Fife and one each in West Lothian and Falkirk. In the second phase Low Carbon Travel and Transport (LCTT) Fund and Transport Scotland (TS) funding for GO e-Bikes in to two further locations. In addition, a public e-bike hire scheme operated by Bewegen delivered 40 e-bikes across 4 station sites in East Lothian and Midlothian, was launched in April 2021. This phase remains ongoing beyond the LCTT funding period. In 2021, with funds from Transport Scotland, SEStran supported the development of the Cargo Bike Movement hub in Edinburgh, to promote cargo bikes as a fairer, healthier, and carbon-free vehicles for delivery of goods and for individuals and families. Go e-Bike added two e-cargo bikes to the project.

Project Development:

- **Last quarter** Severe Issues

  - Notice of Bankruptcy filed by **Bewegen Technologies Ltd** under Canadian Bankruptcy law and passed to SEStran on **27<sup>th</sup> January 2023**.
  - Bewegen sought to continue the scheme operating through the provision of IT and customer service, a proposal was issued with a deadline of April 27<sup>th</sup>, 2023.
  - Officers liaised with colleagues in HiTrans and Forth Environment Link (FEL) to establish the potential for a joint solution at least on a temporary basis.
  - SEStran took the view that without a suitable operations management in place and the the substantial costs promoted by Bewegen this was not a viable option.
  - Bewegen issued a notice on May 18<sup>th</sup>, 2023, indicating that support of IT to all systems was withdrawn with GO e-Bike to close on 19<sup>th</sup> May.
  - Officers liaised with **Anderson Strathern** upon receipt of all communication with Bewegen and a contract termination notice was issued on May 19<sup>th</sup>, 2023.
  - Discussions have begun with **Velogik**, a mobility company with a presence in Glasgow, with a view to finding a turnkey solution for the IT elements of all schemes and providing operational support to keep the schemes running.
  - SEStran officers meet with Transport Scotland & EST officers to update them on the 6<sup>th</sup> of June.
  
- **Stages achieved** In progress

  - Stage one Community Hubs set up in 2017 and operating in West Lothian, Fife, Scottish Borders and Edinburgh (currently in operation).
  - Workplace employer library trial set up and ran for 6 months in 2017.
  - Additional funding application successful to develop docked stations with Bewegen procured as a supplier.
  - Community docked stations set up and operated for 24 months in East and Midlothian.
  - Contact made with Velogik, discussions ongoing on potential to keep scheme running.
  
- **Next steps** In progress

  - Pursuing a solution to keep scheme in operation while reviewing e-bike strategy in line with RTS objectives.
  - Update Transport Scotland on potential operational models.
  - Continue to liaise with other schemes to explore potential solutions.



## 2.2 Regional Cycle Network Grant Scheme



**Start date:** April 2014

**Initial completion date:** ongoing annual programme

**Expected completion date:** April 2023

**Overall project progress:**

*Complete*

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

▪ **Stages achieved:**

- BioQuarter Active Travel Corridor progressed through additional design phases to mitigate any future tram proposals avoiding abortive works, traffic signal changes were rationalised with CEC teams along the route to maximise effectiveness and cost, public transport teams have discussed several design tweaks to accommodate interactions and any turning manoeuvres.
- CEC will now be looking to take project forward to construction through internal investment plans.

This project fund ended at the close of FY 2022/23 with the equivalent awards being moved into the wider Transport Scotland fund for Active Travel Projects. This section will be removed for future Partnership Board meetings.

## 2.3 Regional Active Travel Development Fund – Transport Scotland



**Start date:** Financial year 2022/23

**Initial completion date:** March 2023

**Expected completion date:** March 2023

**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 2023/24 to Transport Scotland has been awarded up to £467,500 for this sixth year of funding. Projects from prior years in various stages of completion are reported as below.

Project Development:

▪ **Project: SEStran Strategic Network**

*In progress*

▪ **Last quarter:**

- SEStran officers have been preparing relevant briefs for procurement for further design work on the following routes:
  - Falkirk – Polmont**
  - Falkirk - Larbert**
- Additionally, procurement briefs are being prepared to start the concept stage of the following routes:

## Kinghorn - Kirkcaldy Cupar – Guardbridge

### Stages achieved:

- Procurement briefs shared with Local Partners for comment.
- **Next steps:**
- Procure Consultant resource prior to next Board.

- **Project: GO e-Bike**

*In progress*

- **Last quarter:**

- Community groups supported through 2022/23 funding are now making use of the assets provided. Support will be provided to community groups to ensure assets are fully utilised and to further develop the network of hubs. This will include training, knowledge sharing and attending events.
- Further funding has been secured with officers looking to engage further with groups across the region to deliver benefits from e-bike promotion and usage. Work is ongoing to identify key areas to focus further delivery on this project in line with the new RTS .

- **Project: Multimodal Monitoring**

*In progress*

- **Last quarter:**

- VIVACITY have supplied surveyed sites to local partners for the installation of multi-modal monitoring sensors in **Clackmannanshire, Falkirk and West Lothian.**
- SEStran officers are coordinating with local partners for the relevant permissions for installation.

### Stages achieved:

- Sites confirmed for installation of monitoring sensors.
- **Next steps:**
- Sensors installed and operational.

- **Project: Attitudinal Survey**

*Complete*

- **Next steps:**

- A final publication will be compiled by officers for publication taking insights from the two years of results.

## 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 Scotland coordinators. It promotes, encourages, and develops cycle training opportunities across SEStran projects.

*Project Development:*

- In progress
 ▪ **Bikeability Scotland**
  - **Last quarter:**
  - Delivery of Bikeability Scotland across the region for 2022-23 mostly on track to meet or exceed 2021-22 delivery. Two further LAs in the region anticipated to achieve delivery of Bikeability Scotland Level 2 (on-road cycle training) at 100% of their primary schools.
  - Continued to work with LAs to increase delivery rates.
  - **Next steps:**
  - Support will continue with particular focus on areas currently struggling to meet targets, to increase awareness of the programme and availability of trained school staff or third-party delivery.
  - Specific support to LAs to submit Support Plus Funding applications for delivery next academic year. Focus on specific areas over the summer break that are struggling with instructor capacity to identify solutions. Plan for Bikeability Scotland Mentor training and Cycle Trainer course over the summer.
  
- In progress
 ▪ **Adult and Family Cycle Training**
  - **Last quarter:** Grant funding for cycle training providers and organisations who would like to start running cycle training activities and increase capacity fully allocated with a new round opening in June 2023.
  - **Next steps:**
  - Continue to identify opportunities to improve access to cycle training through engagement with partners.

### 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, providing bus timetable information to make bus travel more predictable and reliable in 2010. SEStran has worked with partners to build up a comprehensive network of over 200 maintained screens in 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 develop a new, Regional RTPI System that will improve the information provided in the public facing regional screen network incorporating Lothian Buses information.

Project Development:

- In progress
 ▪ **Last quarter:**
  - PC replacement for the old system has 90% of the PCs delivered now 'live'.
  - New installations of standalone screens purchased via the framework continue to be utilised by Local Authorities.

- Integration of Lothian Buses data – this work has been delayed due to technical issues, further work is being done between Journeo and Lothian buses to identify and fix issues.
- Operator and Local Authority ‘data group’ meeting held to highlight importance of data input to the system and benefits.
- Weekly meetings held with Local Authority partners and projects team.
- **Stages achieved:** Complete
  - System testing was completed, and the system accepted in November 2021.
  - The system is live with bus operator data being integrated into the live system.
  - Training on new content management system completed with local authority representatives.
  - Integration of McGill’s operations from First Bus East after takeover complete.
  - The purchasing framework is being utilised by SEStran and Local Authorities to provide additional Real Time infrastructure for the region.
- **Next steps:** In progress
  - Roll out of new PCs will continue, 180 have been distributed to date from the total of 200.
  - The new regional real time system is being updated with real time data from bus operators. Data integration has significantly improved.
  - Moffat & Williamson to be integrated, currently working with Fife Council to facilitate.
  - Instillation of new signs purchased via framework to continue.
- **NOVUS FX** In progress
  - First round of training complete, addition training will be provided based on future requirements.

### 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 (national) Thistle Assistance Scheme to make using public transport easier for older people and those with disabilities, illness, or mobility issues. SEStran is leading on the development of a new journey planning aspect of the scheme.

Project Development:

- **Last quarter:** In progress
  - Thistle Assistance was promoted in key publications, Enable, Inspire and Possibility magazine with editorial highlighting the new journey planning project.
  - System development for the VoyagAR platform (journey planning and wayfinding tool) was completed.
  - Testing of the system currently underway.
  - SEStran officers provided an update to the Accessible Travel Steering Group Committee in May.
- **Stages achieved:** Complete
  - Journey planning project prototype ready for testing.

- Rebranding of Thistle Assistance including development of promotional material.
- Development of standalone website – [www.thistleassistance.com](http://www.thistleassistance.com)
- Development of transport operator guide.
- **Next steps:** In progress
  - Further public testing of VoyagAR to highlight issues and fixes needed.
  - Develop an awareness survey to gauge engagement and usage.
  - Work with stakeholders on launch of VoyagAR to generate awareness and PR.
  - Update funding application for marketing support with Paths for All.

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 procured Systra to carry out a transport options study for Newburgh, on behalf of SEStran. The 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.

Project Development:

- **Last quarter:** In progress
  - Received feedback and comments from Transport Scotland were reviewed by project team & SYSTRA with responses addressed and final report updated.
  - Updated report to be submitted to Transport Scotland in June.
- **Stages achieved:** Complete
  - Case for Change, Initial Options Appraisal and Detailed Options Appraisal.
- **Next steps:** In progress
  - Arrange workshop with Transport Scotland to discuss comments and define next steps.

3.4 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 £500m Transport Scotland capital fund for the delivery of infrastructure to tackle the impacts of congestion on bus priority and reliability. Bids can be made by partnerships working towards a Bus Service Improvement Partnership (BSIP) status. BSIPs must be collaborative, involving bus operators that provide services in a local authority or BSIP area, and other relevant partners. SEStran has supported five bus alliance groupings to become established and supported the development of bids in the region, namely Forth Valley, Fife, Midlothian, West Lothian and Edinburgh. Funding contributions have been made to bid development costs in four partnerships. Across the region, all bids submitted have now received funding to progress some or all of their proposals. SEStran is now also contributing by providing project management services to Midlothian and Forth Valley Bus Alliance bids.

Project Development:

- **Last Quarter:** In Progress
  - SEStran remains involved in and supportive of all the Alliances as they work through the STAG appraisal process, supported by consultants. Current activities include development of the Case for Change for each alliance, and consultation on the proposals as they develop.
  - Draft reports for both Forth Valley Bus Alliance (FVBA) and Midlothian Bus Alliance completed in June.
  - Final Midlothian Bus Alliance report to be submitted on the 16<sup>th</sup> of June to Transport Scotland for gateway review.
  - Final FVBA report to be submitted on the 30<sup>th</sup> of June to Transport Scotland for gateway review.
- **Stages achieved:** In Progress
  - Forth Valley Bus Alliance set up and working with STAG appraisal work funding received from Transport Scotland.
  - Midlothian Bus Alliance set up and working with STAG appraisal work funding received from Transport Scotland.
- **Next steps:** In Progress
  - Gateway review to be undertaken by Transport Scotland for both FVBA & Midlothian work, this is scheduled to take 6 weeks and involve workshops with separate project teams.
  - SEStran will continue to work with all Partnerships on proposed governance structures, plans, and schemes, pending the emerging Guidance and regulations from Scottish Government.
  - Engage with Transport Scotland on issues relevant to the emerging BSIPs in the region, including governance arrangements and efficient application of STAG Appraisals.
  - Continue to convene regular region-wide meetings of Alliance project managers, including Tayside Bus Alliance, to discuss matters of common interest, ensuring a consistent approach to the development of bids and sharing best practice.
  - Continue to provide project management services (funded from the Bus Partnership Fund awards) for Midlothian and Forth Valley Bus Alliances.
  - Contribute to match in kind discussions in all the Alliances, to explore potential SEStran contributions in areas such as real time information (RTI), digital tech pilots (MaaS & DRT) and accessibility programmes (Thistle Assistance) that SEStran supports in the region.



**Start date:** March 2022

**Initial completion date:** March 2023

**Expected completion date:** March 2024

**Overall project progress:**

*In progress*

**Project description:** SEStran has worked with a wide range of stakeholders across the South East of Scotland to develop the GO SEStran project, an innovative MaaS and DRT project proposal that was submitted to the Transport Scotland's MaaS Investment Fund Round 2 (MIF2). The GO SEStran project was awarded £212,440 for the development of MaaS, which integrates DRT pilots in the SEStran region over the course of a one-year period, which was due for completion in March 2023. The Go SEStran app was launched in early August 2022 and can be downloaded from Google Play and Apple app store.

GoSEStran is an app that can be consistently updated to integrate various localised modes, for example private bus operators in the area. The app will show you real time information for bus timetables and you can also filter the results to your preference, such as the cheapest option or the lowest emission. SEStran is delivering the project in partnership with three project partners; Fuse Mobility as MaaS providers, East Lothian Council and Tactran.

Project development:

▪ **Last Quarter:**

*In progress*

- The new digital demand responsive transport (DDRT) pilot in East Lothian went live on 6th March 2023, in partnership with The Routing Company and Prentice Coaches.
- The GoSEStran app has over 1400 users on the app and continues to rise due to the help from East Lothian Council with marketing.
- SEStran ran successful open learning network sessions, for any interested party to attend and learn more about the project. These sessions will continue into the next phase.

▪ **Stages achieved:**

*In progress*

- A number of integrations have been completed by Fuse, including local transport modes such as community transport, Bewegen e-bikes and Enterprise Car Club, new DRT services in East Lothian and the Borders and park and ride locations in East Lothian.
- SEStran were successful with a grant from Smarter Choices Smarter Places, so the GoSEStran app (and Tactran Enable pilots) are funded up to March 2024.
- The Prentice/ Routing Company pilot is also fully funded to end March 2024 due to procurement savings.

▪ **Next steps:**

*In Progress*

- SEStran continues to work with Transport Scotland to report on progress and after June 2023, will be invited to join the Transport Scotland MaaS Working Group.
- SEStran, with Ansons Consulting, are creating a report on the GoSEStran pilot so far for Transport Scotland to assess along with the other MaaS Investment Fund pilots.
- Fuse are now carrying out a number of improvements to the app in response to feedback.
- SEStran continue to have conversations with other local authorities include City of Edinburgh Council to explore expanding GoSEStran further across the region. As an initial step taxi providers in Edinburgh and Clackmannanshire are being integrated into the app.

- SEStran, along with Tactran colleagues are to launch the Integrated Mobility Partnership Scotland (IMPS), to share knowledge and experience to other local authorities or public bodies.

## 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.

#### Project Development:

- **Last Quarter:** *Delayed*
  - SEStran has submitted an extension proposal to Transport Scotland for review.
  - SEStran Officers meet with Forth Ports to discuss transport links and freight and received an update from them on Green Free Port business case development.
  - SEStran provided an update on the work to the Freight and Logistics Forum on the 30<sup>th</sup> of May.
- **Stages achieved:** *Delayed*
  - Case for Change approved December 2021.
  - Initial Options Appraisal work is complete.
  - Submitted to Transport Scotland in August 2022 for comments.
- **Next steps:** *Delayed*
  - Begin work on Detailed Options Appraisal (stage 3 of the appraisal) subject to Transport Scotland approval of the extension proposal.

## 5. European-funded Projects

### 5.1 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. The next stage of SURFLOGH will look at combining the first phase outputs based on the project pilots and research. The development site at [Perth West](#) will be used as a location for this work, stage one for Perth West includes a mobility hub unlocking an active travel programme, alongside mobility as a service options and a last mile delivery centre, all connected to a smart energy network. This will be Scotland’s 1st green, city ‘living lab’.

### Project Development:

#### ▪ **Last Quarter:**

*In progress*

- The final conference took place in March in Bremen.
- Due to transport strikes in Germany SEStran officers were unable to attend as flights were cancelled.
- Final report on Perth West has been reviewed by project team with a final draft being produced in June.

#### ▪ **Stages achieved:**

*On track*

- Development of Edinburgh Pilot – ZEDIFY cycle logistics hub.
- Business model framework developed following extensive research with Edinburgh Napier University <https://tinyurl.com/emxdd4ep>.
- City hub case studies for each of the pilots developed.
- Infomercial launched to highlight the Edinburgh Zedify hub and the benefits of a sustainable approach to city logistics.
- Chapter on sustainable logistics published in the Routledge Handbook of Transport Economics.

#### ▪ **Next steps:**

*In progress*

- Finalise Perth West report and present to stakeholders in June.
- Final claim to be compiled and submitted to Henderson Loggie (auditor).
- Final report and claim to be submitted in July.
- Close project.

## 5.2 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 developed a logistic pilot with the University of Edinburgh, which will showcase innovative use of the technology in a transport environment and also to produce a snapshot report on Blockchain use cases and potential in Scotland.

Project Development:

- **Last Quarter:** In progress
  - SEStran Officers attended the final conference in Assen in the Netherlands in April.
- **Stages achieved:** On track
  - GeoPact pilot proof of concept delivered.
  - Research paper written and shared.
  - Project extension approved.
- **Next steps:** In Progress
  - Submit final report and claim.

5.3 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:** In Progress

**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.

Project Development:

- **Last Quarter:** In Progress
  - Completion of Phase One of the project which included the submission of the Action Plan and submission of the best practices; Go Borders DRT trial and Tactran ENABLE Platform.
  - SEStran officers attended the final face to face event in Coimbra, Portugal in May 2023 to share updates on GoSEStran and its policy impact on the new Regional Transport Strategy.
- **Stages achieved:** On track
  - The Action Plan and best practices have helped to ensure the success of the GoSEStran Platform and shaped the work put towards the set-up of the new DRT service in East Lothian.
- **Next steps:** In Progress

- Continued monitoring of the Action plan over the next 12 months
- A small amount of capital funding from the Primaas project can be used towards the next phase of the GoSEStran pilot.

#### 5.4 CONNECT

Interreg North Sea Region



**Start date:** October 2019

**Initial completion date:** March 2022

**Expected completion date:** December 2023

**Overall project progress:**

*In Progress*

**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>

#### Project Development:

##### ▪ **Last Quarter:**

- The final conference took place in March in Hamburg.
- Due to transport strikes in Germany SEStran officers were unable to attend as flights were cancelled.
- Final claim was submitted to Henderson Loggie (Auditor) for review.

*In progress*

##### ▪ **Stages achieved:**

- Draft report on inland waterways complete.

*In progress*

##### ▪ **Next steps:**

- Submit final report and claim and close of project.

*In Progress*

#### 5.5 REGIO-Mob

Interreg Europe, ERDF



**Start date:** April 2016

**Initial completion date:** March 2020

**New start date:** October 2021

**New completion date:** September 2022 (following approval of additional 1 year funding for project activities in relation to Covid-19 impacts)

**Overall project progress:**

*In Progress*

**Project description:** REGIO-Mob aims to promote “learning, sharing of knowledge and transferring best practices between the participating regional and local authorities to design and implement regional mobility plans (or Regional Transport Strategies)”.

The additional REGIO-MOB activities, through a partnership made up of six partners from six European regions (Italy, Poland, Romania, Slovenia, Greece, UK), will allow for an exchange of experiences aimed at learning about the best solutions developed to deal with the Covid-19 crisis and to improve six policy instruments for public transport policies to meet the new needs of planning and guarantee a safer and sustainable mobility.

Project Development:

- **Last quarter:** In Progress
  - Further key learnings were shared across participating regions.
  - Final claim question addressed so that claim can be authorised for payment.
- **Stages achieved** In Progress
  - Exchange of information between the project partners through the Interregional exchange process.
- **Next steps:** In Progress
  - Despite the Regio-Mob project now being complete, SEStran will continue to communicate with the other partners involved and use the knowledge shared to influence any further best practices to help implement the new Regional Transport Strategy.

## 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 took place on the 30<sup>th</sup> of May.
  - Updates given on SEStran projects and a presentation was given to the forum from Richard Start from DTLZ Drone Solutions on innovations within the drone sector.
  - Next meeting November 2023.
- **Equalities and Access to Healthcare Forum**
  - The next forum will take place on Wednesday 28<sup>th</sup> of September. The last forum took place on 31<sup>st</sup> January 2023.
- **Integrated Mobility Forum**
  - The forum took place on Thursday 27<sup>th</sup> of April 2023.
  - The next forum is scheduled for the 5<sup>th</sup> of October 2023.

## National Outcomes Review 2023

### SEStran (South East Scotland Regional Transport Partnership) Response

Thank you for the opportunity to respond to the National Outcomes Review. As our raison d'être is to promote improvements to the transport network and particularly in respect of sustainable transport, this response focuses on those transport outcomes which we believe should be elevated to be considered as National Outcomes.

As Sarah Sharples, Chief Scientific Adviser to the Department of Transport has said<sup>1</sup>, "one of the most valuable aspects of the transport system is that it "allows people to access a healthy way of life, access healthcare, access leisure facilities. It also gives them access to work that gives them a standard of living that enables them to have positive health outcomes. So, you can absolutely think of transport as an enabler."

As an enabler, transport underpins a host of wider policy initiatives and acts as a proxy for progress in a number of areas. For example, during the pandemic and since, levels of patronage on various transport modes have served as a proxy for both economic development and leisure activity as the nation has charted a course of recovery.

It is therefore somewhat surprising to us that currently, there is only one distinct transport outcome contained in the suite of National Outcomes, that of 'journeys by active travel'. We believe that outcome should be retained due to its obvious links to 'living well locally' and positive health outcomes. We also believe a number of other indicators should be elevated to become either National Outcomes or supporting outcomes due to their value in underpinning wider policy initiatives.

The good news is that we don't need to start from scratch, as these indicators are already being collected as part of the National Transport Strategy, NTS2, Delivery Plan<sup>2</sup>. We believe that there is a case to be made for four of these to be elevated to be considered as National Outcomes and a new outcome to be adopted to measure the target of a 20% reduction in car km.

#### **1. Target of 20% Reduction in Car km.**

This is a key target linked to the necessity to reduce car vehicle mileage to help meet Scotland's statutory climate change targets. It has been recognised that although the switch to low emission vehicles is accelerating, it will take a drastic reduction in car vehicle mileage to meet the target.

There is already historic data available from which to measure progress, whether a baseline is taken from before or after the pandemic, as illustrated in the first table in Scottish Transport Statistics 2022<sup>3</sup>. This indicates that there has been a reduction of 12.5% in car traffic over 5 years from 2016/17 to 2021/22.

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<sup>1</sup> <https://eandt.theiet.org/content/articles/2021/10/you-can-absolutely-think-of-transport-as-an-enabler-sara-sharples-chief-scientific-advisor-department-for-transport/>

<sup>2</sup> <https://www.transport.gov.scot/publication/monitoring-and-evaluation-2019-baseline-report-may-2022-national-transport-strategy-nts2/>

<sup>3</sup> <https://www.transport.gov.scot/publication/scottish-transport-statistics-2022/>

This indicator can be monitored at a national level through NTS2 Delivery Plan monitoring, it could also be supported by monitoring a similar indicator through Regional and Local Transport Strategies, providing a measure of longitudinal progress against the target across the country.

## **2. Greenhouse Gas Emissions from Transport**

Transport is now the sector that is generating the most carbon emissions thus contributing to Greenhouse Gas Emissions. It has also been the most stubborn sector in failing to contribute to the national reduction. While the current National Outcome has indicated an overall reduction of 58.7% up to 2020, the reduction on transport emissions has been just 6.25% up to 2019. We believe that transport emissions should be elevated as a supporting indicator to the National Outcome to provide a focus and clarity on the contribution being made by this vitally important but intransigent sector.

## **3. Air Quality**

As the Low Emission Zones, LEZ, are enacted in Scotland's major cities, it is vitally important that the reduction in noxious gases is monitored at a national level to gauge the improvements being made to a reduction in harm and improvements in the quality of life. Since the landmark ruling of the Coroner in the death of Ella Kissi-Debrah<sup>4</sup>, that air pollution was a contributory factor in her death, the importance of reducing air pollution to protect health, particularly of vulnerable people such as children and the elderly, has elevated in importance. The relevant indicators for NOx, PM10 and PM2.5 are already being monitored as part of the NTS2 Delivery Plan, Indicator 4D, and given the major policy intervention by the Scottish Government, Local Authorities and partners including the RTPs, we believe this should be elevated to a National Outcome to track this policy intervention and measure improvements in the environment that impacts vulnerable communities.

## **4. ULEV Registrations**

Supporting the indicators described above, a Transport Decarbonisation Plan has been adopted<sup>5</sup>. A key element of the plan is promoting the switch to low emission and electric vehicles. While recognising that a reduction in road traffic is required overall, as outlined in the first indicator above, the switch to EV's will provide an important policy plank in the response. In launching the recent policy document, 'Fit for the Future: Draft Vision for Scotland's Public Electric Vehicle Charging Network', Cabinet Secretary Michael Matheson stated that, "It is evident that an inflection point in electric vehicle uptake is underway"<sup>6</sup>. Given the importance of the uptake in EV's as the production of petrol and diesel vehicles cease after 2030, we believe this indicator, Indicator 2D, should be elevated to a National Outcome.

## **5. Access to Services**

As the concept of the 20min Neighbourhood has been adopted as a national policy imperative as part of the latest National Planning Framework, NPF4, we believe that access to services and facilities within this timeframe should be adopted as a National Outcome. There is now a suite of indicators monitored by Transport Scotland that provide a useful picture as to how this policy aspiration can be delivered. As the concept of 'living well locally'

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<sup>4</sup> <https://www.judiciary.uk/prevention-of-future-death-reports/ella-kissi-debrah/>

<sup>5</sup> <https://www.transport.gov.scot/publication/decarbonising-the-scottish-transport-sector/>

<sup>6</sup> <https://www.transport.gov.scot/media/51271/a-network-fit-for-the-future-draft-vision-for-scotland-s-public-electric-vehicle-charging-network-revised-march-2022.pdf>

has different connotations in urban and rural areas, these indicators should be broken down so that delivery partners can be apprised of progress against that policy aspiration. There is also an indication of transport poverty, 'By contrast, 5% of data zones could not access public transport within 800m of the population weighted centre'. As more pressure is brought to bear on public transport as a result of rising costs and driver vacancies, elevating Indicator 3A, to a National Outcome would help retain a focus on transport accessibility.

## **Risk Register**

### **1. INTRODUCTION**

- 1.1 The purpose of this report is to provide the Partnership Board with its six-monthly update on SEStran's risk register.
- 1.2 The draft Risk Register was presented to the Performance and Audit Committee at its meeting on 2<sup>nd</sup> June 2023.

### **2. BACKGROUND**

- 2.1 The Performance and Audit Committee, at its meeting in November 2021 approved the [SEStran Risk Management Framework Policy](#). This policy supports the management of the overall risk process within the organisation, including its governance arrangements.
- 2.3 The latest version of the risk register can be found at **Appendix 1** of this report.

### **3. MAIN REPORT**

- 3.1 Key changes made to the register since the last update are as follows:

#### **3.2 R001 (1.0) Strategic - Regional Transport Strategy**

The risk of a delay in approval of the RTS by Ministers has been closed as the document has been formally approved by the Minister for Transport and ratified by the Partnership Board.

#### **R001 (1.1) Strategic - Regional Governance**

The risk has been updated to include new planned response details on RTP joint working provisions and proposals for collaboration with constituent councils.

The risk appetite for this risk is low to medium. All mitigating actions are being taken to manage the risk but it remains high.

#### **R001 (1.2) Strategic - Regional Governance**

This is a new risk detailing the lack of clarity on the role of non-statutory bodies.

The net risk score is medium and whilst the risk appetite is low to medium, mitigating measures will be used to treat the risk.

#### **R002 (2.5) Financial - Sources of Additional Income**

The net risk score for this risk is medium, the risk appetite score is rated as low to medium, however additional actions after mitigation have been inserted to treat the risk, including exploring alternative funding options and lobbying/bidding for additional funding.



**R002 (2.9) Financial – Other Funding Sources**

This risks specifically addresses the lack of access to EU project funding. The net risk score is medium and whilst the risk appetite is low to medium additional measures have been included in the risk after mitigation section to treat the risks. These measures include advocating for access to UK replacement funds.

**R003 (3.2) Reputational – Project Management**

This risk is seeking to address any issues around supplier insolvency. Whilst the net risk score is medium and within the risk appetite range, new mitigating measures have been undertaken to reduce the risk.

**R004 (4.0) Governance – Newly Appointed Board**

This risk is closed as board member induction training has been completed and a skills audit is ongoing which will identify future training needs of the board members.

**R005 (5.1) External - Contract Management**

This risk to address the implications of poor contract management has been updated with new mitigating measures/actions.

**R005 (5.2) External – Grant Funding**

This new risk has been developed to mitigate the consequences of failure to comply with conditions of grant, resulting in funding being withheld or reclaimed. Whilst the risk score is medium and within the risk appetite tolerance range, the risk requires treatment.

**R009 (9.3) People – Loss of Key Personnel**

This is a new risk which identifies the risks to the organisation due to loss of key staff and the actions and measures in place to mitigate those risks.

**4. RECOMMENDATIONS**



4.1 The Board is asked to note the contents of the report.

Angela Chambers  
**Business Manager**  
9 June 2023

**Appendix 1: SEStran Risk Register**

Policy Implications	Policies have been reviewed and updated.
Financial Implications	As highlighted in the register.
Equalities Implications	None
Climate Change Implications	None




Risk Number	Risk Category	Risk Detail	Gross Risk Assessment				Planned Response/Mitigation	Net Risk Assessment				Risk After Mitigation	Date and Owner	Risk Appetite		Action Required				
			Probability	Impact	Risk Score			Probability	Impact	Risk Score				Low	Med					
R001 1.1	Strategic	<b>Regional Governance</b> Transport Scotland review of regional transport governance arrangements could result in changes to functions of RTPs. This could present either a risk or an opportunity to SEStran.	4	Probable	4	Major	16	High	SG has paused the NTS2 WG review of regional governance arrangements, but RTPs are working together to persuade SG to re-start the review. This will include presenting a refreshed business case to Transport Scotland. SEStran will also aim to create a 'coalition of the willing' amongst partner LAs.	4	Probable	4	Major	16	High	High Treat (because mitigations are ongoing)	Ongoing Partnership Director	Low	Med	↓
R001 1.2	Strategic	<b>Regional Governance</b> Lack of clarity on role of non statutory REP/ESES City Region Deal groupings	4	Probable	3	Possible	12	Medium	Joint working group created between SEStran and ESESCRD members to agree working arrangements	3	Possible	3	Possible	9	Medium	Medium Treat	July 2023 Partnership Director	Low	Med	↓
R001 1.3	Strategic	<b>Pandemic / Epidemic:</b> Interruption of normal service/inability to deliver functions. Financial impact of crisis on sources of funding.	3	Possible	4	Major	12	Medium	Adhere to Government restrictions, rules or guidance. Regular communication with Transport Scotland and constituent councils officials to guide any operational changes. Business Continuity Plan. Maintain current functions that can be delivered within working guidance.	3	Possible	3	Moderate	9	Medium	Medium An ongoing risk-remains for future spikes of Covid-19 or other kinds of disease outbreaks Working from home arrangements now tried and tested and effective. <b>Tolerate</b>	Ongoing Partnership Director	Low	Med	↔

<p><b>R002</b> 2.0</p>	<p>Financial</p>	<p><b>Financial:</b> Significant deviation from budgeted spend</p>	<p>2</p>	<p>Unlikely</p>	<p>3</p>	<p>Moderate</p>	<p>6</p>	<p>Low</p>	<p>The Financial Rules do not permit spending (whether revenue or capital) to exceed available budget. Budget and spend is monitored on a monthly basis by SEStran officers, using financial information provided by CEC through the Partnership's Financial Services Service Level Agreement with CEC and supported by qualified accounting staff of CEC. Action is taken by Partnership officers to develop alternative savings measures, including options for development of contingency arrangements, if required and subject to approval by the Partnership. The Partnership's Financial Rules require reporting of financial performances to the Partnership Board on a quarterly basis.</p>	<p>1</p>	<p>Remote</p>	<p>2</p>	<p>Minor</p>	<p>2</p>	<p>Low</p>	<p><b>Low</b> Transport (Scotland) Act 2019 includes section on RTPs carrying reserves. <b>Tolerate</b></p>	<p>November 2023 Partnership Director</p>	<p>Low</p>	<p>Med</p>	
<p><b>R002</b> 2.1</p>	<p>Financial</p>	<p>The approved budget for 2023/24 makes provision for a pay award of up to 3%.</p>	<p>5</p>	<p>Highly Probable</p>	<p>3</p>	<p>Moderate</p>	<p>15</p>	<p>High</p>	<p>Prudent planning assumption with ongoing monitoring of public sector pay negotiations.</p>	<p>4</p>	<p>Probable</p>	<p>3</p>	<p>Moderate</p>	<p>12</p>	<p>Medium</p>	<p><b>Medium</b> Ongoing monitoring and review of all costs and forecasts during 2023/24. <b>Tolerate</b></p>	<p>November 2023 Partnership Director</p>	<p>Low</p>	<p>Med</p>	
<p><b>R002</b> 2.2</p>	<p>Financial</p>	<p>Staff recharges - externally funded projects: The approved budget assumes that £4,000 of staff time can be recharged to Projects. There is a risk this may not be achievable.</p>	<p>3</p>	<p>Possible</p>	<p>3</p>	<p>Moderate</p>	<p>9</p>	<p>Medium</p>	<p>Any shortfall in employee cost recharges will be offset by a corresponding reduction in Projects Budget expenditure.</p>	<p>3</p>	<p>Possible</p>	<p>3</p>	<p>Moderate</p>	<p>9</p>	<p>Medium</p>	<p><b>Medium</b> Other funding sources will continue to be pursued. <b>Tolerate</b></p>	<p>November 2023 Partnership Director</p>	<p>Low</p>	<p>Med</p>	
<p><b>R002</b> 2.3</p>	<p>Financial</p>	<p>Inflation: There is a risk that the indicative budget does not adequately cover price inflation and increasing demand for services.</p>	<p>4</p>	<p>Probable</p>	<p>4</p>	<p>Major</p>	<p>16</p>	<p>High</p>	<p>When setting the revenue budget, allowance was made for specific known price inflation. Budgets adjusted in line with current cost forecasts.</p>	<p>4</p>	<p>Probable</p>	<p>3</p>	<p>Moderate</p>	<p>12</p>	<p>Medium</p>	<p><b>Medium</b> Ongoing monitoring and review of all costs and forecasts during 2023/24. <b>Tolerate</b></p>	<p>November 2023 Partnership Director</p>	<p>Low</p>	<p>Med</p>	

R002 2.4	Financial	Delays in payment of external grants results in additional short-term borrowing costs.	3	Possible	3	Moderate	9	Medium	SEStran grant claims for projects are submitted in compliance with grant funding requirements to ensure minimal delay in payment. Ongoing monitoring of cash flow is undertaken to manage exposure to additional short-term borrowing costs.	3	Possible	3	Moderate	9	Medium	Medium Grant submission procedures in place, along with financial planning. <b>Tolerate</b>	November 2023 Partnership Director	Low	Med	↔
R002 2.5	Financial	Sources of additional income to the Partnership may become constrained in the current economic climate and/or due to changes in operating arrangements.	4	Probable	4	Major	16	High	Active Travel funding a high priority for Government with funds consistently available to bid for. Revenue budget for 2023/24 developed to take account of most likely level of external income in 2023/24.	3	Possible	4	Major	12	Medium	Medium Explore alternative funding options Lobby/bid for additional funds <b>Treat</b>	June 2023 Partnership Director	Low	Med	↓
R002 2.6	Financial	Funding reductions: Future reductions in core funding from Scottish Government and/or council requisitions. This could result in difficulty in delivering statutory obligations/duties.	3	Possible	4	Major	12	Medium	The Partnership will continue to source and develop external funding.	3	Possible	4	Major	12	Medium	Medium Manage organisation in accordance with available funding but ability of organisation to deliver RTS objectives will inevitably be dictated by available funding. Engagement/advocating with SG/TS to maintain/increase funding Working with other RTPs to influence SG review of allocation of funding <b>Tolerate</b>	June 2023 Partnership Director	Low	Med	↔
R002 2.7	Financial	The funding position of the staff pension fund could lead to increases in the employers pension contribution	4	Probable	3	Moderate	12	Medium	Following the Lothian Pension Fund Triennial Actuarial Review of 2020, Partnership contribution rates have been advised until 2023/24. Planning assumptions have been updated and included in the revenue budget 2023/24 and indicative budget for 2024/25 reported to the Partnership Board on 17th March 2023.	4	Probable	3	Moderate	12	Medium	Medium <b>Tolerate</b>	November 2023 Partnership Director	Low	Med	↔

R002 2.8	Financial	Current staffing levels cannot be maintained due to funding constraints and the Partnership incurs staff release costs	3	Possible	4	Major	12	Medium	The Partnership continues to seek additional sources of funding for activities aligned to the Partnership's objectives to supplement resources. Recruitment control measures in place. Additional resources can be managed through consultancy as required.	3	Possible	4	Major	12	Medium	Medium Other funding sources will continue to be pursued. <b>Tolerate</b>	Ongoing Partnership Director	Low	Med	↔
R002 2.9	Financial	<b>Other Funding Sources:</b> Reduced access to EU project funding and lack of replacement funding from UK Government	5	Highly Probable	3	Moderate	15	High	The Partnership has sought to engage in as many relevant EU projects and funds as it can whilst UK authorities are allowed to access these funds. This should mitigate the short-term impact of any EU Exit negotiated and implemented. The Partnership has a proven track record in securing funding for relevant projects from the UK and other partners. It is anticipated that this will continue. Horizon projects being pursued.	5	Highly Probable	2	Minor	10	Medium	<b>Medium:</b> The risk remains as there is significant uncertainty around the immediate and medium (3-5year) horizon for access to funds. Other funding applications will be made when available. There has been no confirmation from UK Government on participation in EU funded programmes, like Horizon. Advocate for access to UK replacement funds. Explore further ongoing calls for Horizon programme when available. <b>Treat</b>	Ongoing Partnership Director	Low	Med	↓
R003 3.0	Reputational	<b>Project Management:</b> Project incomplete or of poor quality Late Delivery	2	Unlikely	4	Major	8	Medium	Monthly monitoring and management intervention by the project officer and oversight by the Programmes Manager. Regular monitoring and management/project team meetings provides all across the organisation with a clear view of progress and expenditure against budget.	2	Unlikely	3	Moderate	6	Low	<b>Low</b> Regular reports presented to the Partnership Board, which have been revised to provide focused monitoring template. Weekly projects staff team meeting to be reinstated with Partnership Director in attendance. <b>Tolerate</b>	Ongoing Programmes Manager	Low	Med	↔
R003 3.1	Reputational	<b>Reputation:</b> Regard by the public and stakeholders. Negative or inaccurate media coverage leading to misrepresentation of SEStran position	3	Possible	3	Moderate	9	Medium	Good relationships with media. Quick response to negative or inaccurate coverage. Board members regularly updated on SEStran work successes and issues.  Agreed broad media positions. Availability of Spokesperson - Senior staff only. No unauthorised media statements.	3	Possible	2	Minor	6	Low	<b>Low</b> Partnership staff and Board Members continue to promote and advocate activities via speaking, writing or wider networking Continue to work closely with regional partners <b>Tolerate</b>	Ongoing Partnership Director	Low	Med	↔

R003 3.2	Reputational	<b>Project Management:</b> Potential insolvency of 3rd party supplier	3	4	Major	12	Medium	Improved supplier viability checks before award, renewal or modification of contracts or grants to be introduced by August 2023.  Individual risks and mitigations to be developed for any contract or grant over an agreed threshold.	2	Unlikely	4	Major	8	Medium	<b>Medium</b> Full review of procurement procedures to be carried out by Legal Advisers <b>Treat</b>	Ongoing Senior Project Officer	Low	Med	↓
R005 5.0	External	<b>Third party Service Level Agreements:</b> Failure or inadequacy of service	2	2	Minor	4	Low	Service Level Agreements in place for Financial Services, HR and Insurance services. Reviewed annually by senior officers. Subject to independent audit scrutiny. Action: Progress renewals of SLA's to secure continuity of services	2	Unlikely	2	Minor	4	Low	<b>Low</b> Cross RTP discussion exploring viability of introducing shared services <b>Tolerate</b>	September 2023 Partnership Director	Low	Med	↔
R005 5.1	External	<b>Contract Management:</b> Failure to manage contracts leads to under performance and failure to obtain best value and delivery from contractual relationship.	3	4	Major	12	Medium	Conditions of contract are being reviewed, including Contract Standing Orders and Procurement Strategy  Ensure contract documentation sound and up to date. Apply adequate supervision to the contract.	2	Unlikely	3	Moderate	6	Low	<b>Low</b> Business propriety/credit/analytic criteria to be written in to documentation. Contract management process to be included as part of full procurement review. <b>Tolerate</b>	August 2023 Partnership Director	Low	Med	↔
R005 5.2	External	<b>Grants:</b> Failure to adhere to grant conditions could result in grants being withheld or reclaimed, impacting the Sestran budget	4	4	Major	16	High	Develop processes to ensure that grant conditions are understood before application is submitted, that relevant team members are briefed on grant conditions, and that adequate controls are in place to ensure that all steps and approvals are documented	2	Unlikely	4	Major	8	Medium	<b>Medium</b> <b>Treat</b>	June 2023 Partnership Director	Low	Med	↓
R006 6.0	Legal and Regulatory	<b>Statutory Duties:</b> Failure to adhere to duties described in legislation and related documentation	1	4	Major	4	Low	Board members regularly updated on SEStran work successes and issues. Ongoing liaison with Transport Scotland and relevant governing bodies. Regular liaison with Auditors.	1	Remote	2	Minor	2	Low	<b>Low</b> Regular monitoring and programming of statutory duties is undertaken by the Partnership Director, Senior Partnership Manager and Business Manager. Audited by third parties. <b>Tolerate</b>	Ongoing Partnership Director	Low	Low	↔

<p><b>R008</b> 8.0</p>	<p>System and Technology</p>	<p><b>Digital/IT:</b> Server failure Comms failure Website breach Resulting in loss of service to business operations</p>	<p>3</p>	<p>Possible</p>	<p>4</p>	<p>Major</p>	<p>12</p>	<p>Medium</p>	<p>Regular review of the Management Plan for Business Continuity. IT/Website maintained under contract. Both proactively managed by third parties. IT hardware/software/licences upgraded at regular intervals.</p>	<p>3</p>	<p>Possible</p>	<p>2</p>	<p>Minor</p>	<p>6</p>	<p>Low</p>	<p><b>Low</b> Contracted IT consultants deliver IT services. Website contract includes security updates. Robust Information Security Policy in place with regular monitoring reports. GDPR compliant and Cyber Essentials Plus Accreditation maintained. <b>Tolerate</b></p>	<p>Ongoing Business Manager</p>	<p>Low</p>	<p>Med</p>	
<p><b>R009</b> 9.0</p>	<p>People</p>	<p><b>HR:</b> Non-compliance with employment and/or data privacy laws may result in poor reputation as an employer, difficulty in attracting skilled resource and greater probability of litigation and / or financial penalties</p>	<p>3</p>	<p>Possible</p>	<p>3</p>	<p>Moderate</p>	<p>9</p>	<p>Medium</p>	<p>SLA in place until May 2024-with Falkirk Council to provide specialist HR advice as required and is under regular review. Legal advice is provided, when required, through a framework contract, which is in place until August 2024</p>	<p>1</p>	<p>Remote</p>	<p>2</p>	<p>Minor</p>	<p>2</p>	<p>Low</p>	<p><b>Low</b> <b>Tolerate</b></p>	<p>May-2024 Partnership Director</p>	<p>Low</p>	<p>Low</p>	
<p><b>R009</b> 9.1</p>	<p>People</p>	<p>Inadequate measures in place to facilitate staff health, safety and well-being during contingency arrangements or future office arrangements.</p>	<p>3</p>	<p>Possible</p>	<p>4</p>	<p>Major</p>	<p>12</p>	<p>Medium</p>	<p>Regular review of appropriate policies. Carry out appropriate assessments of office equipment and working arrangements, following landlords guidance in relation to access to the office. Risk Management Framework approved by P&amp;A Committee. Liaise with HR Adviser, SG facilities team. Hybrid Working Policy implemented to facilitate transition arrangements to normal working arrangements</p>	<p>3</p>	<p>Possible</p>	<p>3</p>	<p>Moderate</p>	<p>9</p>	<p>Medium</p>	<p><b>Medium</b> An ongoing risk remains for future pandemics and future widespread disease or other outbreaks. Measures will be adjusted in accordance with government advice. <b>Treat</b></p>	<p>Ongoing Partnership Director (Subject to SG advice)</p>	<p>Low</p>	<p>Low</p>	

<p><b>R009</b> 9.2</p>	<p>People</p>	<p>Inadequate measures in place to facilitate staff health, safety and well-being during working from home arrangements.</p>	<p>3</p>	<p>Possible</p>	<p>4</p>	<p>Major</p>	<p>12</p>	<p>Medium</p>	<p>Appropriate policies are reviewed and updated. Risk assessments of staff personal home working arrangements have been completed and will be subject to regular review. Risk Management Framework approved-by P&amp;A Committee. Business Continuity Plan reviewed. Liaise with HR Adviser. Review transition arrangements to normal working arrangements at appropriate time. Hybrid Working Policy will facilitate this.</p>	<p>3</p>	<p>Possible</p>	<p>3</p>	<p>Moderate</p>	<p>9</p>	<p>Medium</p>	<p><b>Medium</b> An ongoing risk remains for future pandemics and future widespread disease or other outbreaks. Measures will be adjusted in accordance with government advice and legislation. <b>Treat</b></p>	<p>Ongoing Partnership Director (Subject to SG advice)</p>	<p>Low</p>	<p>Low</p>	<p>↓</p>
<p><b>R009</b> 9.3</p>	<p>People</p>	<p>Loss of key personnel may lead to inability to deliver strategy and projects.</p>	<p>3</p>	<p>Possible</p>	<p>3</p>	<p>Moderate</p>	<p>9</p>	<p>Medium</p>	<p>Recruitment strategy. Development of existing staff through performance appraisal. Staff training Specialist HR recruitment consultancy</p>	<p>3</p>	<p>Possible</p>	<p>1</p>	<p>Insignificant</p>	<p>3</p>	<p>Low</p>	<p><b>Low</b> Work programme will be monitored and redistributed as necessary. Recruitment exercise has commenced <b>Tolerate</b></p>	<p>September 2023 Partnership Director</p>	<p>Low</p>	<p>Low</p>	<p>↔</p>



Risk Number	Risk Detail	Risk Category	Gross Risk Assessment				Planned Response/Mitigation	Net Risk Assessment				Risk After Mitigation/Appetite for Risk	Date and Owner						
			Probability	Impact	Risk Score			Probability	Impact	Risk Score									
	Restricted ability to undertake RTS re-write: Inadequate senior staff resourcing available due to continued absence of Partnership Director	Strategic	4	Probable	3	Moderate	12	Medium	Resolve absence as soon as possible and appoint external resources as required.	2	Unlikely	2	Minor	4	Low	Partnership Director appointed May 2019. Funds identified for RTS re-write	June 2019 <b>CLOSED</b>		
	Accommodation: Occupancy Agreement with SG due for renewal February 2019. SG may not renew and alternative premises required at market rates.	Financial	3	Possible	3	Moderate	9	Medium	A notice period of 12 months must be served by each party under the current occupancy agreement. Occupancy Agreement renewed until February 2022.	3	Possible	3	Moderate	9	Medium		June 2019 <b>CLOSED</b>		
	ECOMM: Agreement to commit to ECOMM on the basis of being cost neutral. Income depends on number of delegates attending conference.	Financial	3	Possible	3	Moderate	9	Medium	SEStran withdrew offer to host ECOMM due to uncertainty over Brexit and subsequent impact on attendance at the conference.	3	Possible	2	Minor	6	Low		June 2019 <b>CLOSED</b>		
	Following the outcome of the EU Referendum, the Partnership is unable to access EU funding.	Financial	5	Highly Probable	3	Moderate	15	High	The Partnership continues to seek alternative funding sources to progress knowledge exchange/transfer.	4	Probable	3	Moderate	12	Medium	<b>Medium Tolerate:</b> Adapt expenditure accordingly. Currently involved in 5 EU projects, the completion of which are underwritten by the UK Treasury.	June 2021 <b>CLOSED</b>		
	<b>Governance:</b> Succession Planning Business Continuity	Governance	3	Possible	3	Moderate	9	Medium	Governance Scheme contains adequate provision to deal with senior officer absence. Staff structure and Business Continuity Plan in place. Senior Partnership Manager appointed.	2	Unlikely	2	Minor	4	Low	<b>Low Tolerate</b>	<b>CLOSED</b> Partnership Director		
	<b>Policy Appraisal:</b> Poor Quality Lack of consultation	Strategic	1	Remote	3	Moderate	3	Low	Advised by Government of relevant policy changes and Partnership Director and Officers regularly looking out for further policies and responding accordingly. Consultative forums also enable greater visibility and integration of local policies into regional strategy. Make full use of online consultancy options.	1	Remote	2	Minor	2	Low	<b>Low.</b> Partnership staff also continue to monitor their networks for relevant policy discussions. Draft RTS approved for statutory consultation. <b>Tolerate</b>	<b>CLOSED</b> Partnership Director	Low Med	↔
	<b>Regional Transport Strategy:</b> Introduction of new RTS. Delay in approval by ministers. Delayed introduction of the new strategy.	Strategic	3	Possible	2	Minor	6	Low	Regular comms with Transport Scotland at all stages in the development of the RTS.	1	Remote	2	Minor	2	Low	<b>Low Tolerate</b>	28 March 2023 Jim Stewart <b>CLOSED</b>	Low Med	↔
	<b>Newly Appointed Board.</b> Risk of lack of continuity and loss of expertise due to high turnover in members for the new term of office.	Governance	3	Possible	3	Moderate	9	Medium	Ensure that full training and support is provided to the new Board in 2022 to enable strategic decisions to be made. A Regular schedule of meetings of the Succession Planning Committee.	2	Unlikely	2	Minor	4	Low	<b>Low</b> Skills audit will identify future training requirements Option to appoint Board Observers to supplement areas of expertise Partnership Director 1:1 meetings with Board Members <b>Tolerate</b>	Ongoing Partnership Director <b>CLOSED</b>	Low Med	↔

## Risk Description and Impacts Table

Ref	Type of Risk	Description	Impact
R001	Strategic	Inability to design and / or implement a strategic plan or strategy for SEStran.	Lack of clarity regarding future direction and structure of SEStran impacting quality and alignment of strategic decisions
R002	Financial	Inability to perform financial planning; deliver an annual balanced budget; manage cash flows; and confirm ongoing adequacy of reserves	SEStran is unable to continue to deliver in line with strategic objectives; inability to meet financial targets; adverse external audit opinion; adverse reputational consequences
R003	Reputational	Adverse publicity because of decisions taken and / or inappropriate provision of sensitive strategic, commercial and / or operational information to external parties	Significant adverse impact to SEStran's reputation in the public domain
R004	Governance	Inability of management and members to effectively manage and scrutinise performance, and take appropriate strategic, financial and operational decisions	Poor performance is not identified, and decisions are not aligned with strategic direction
R005	External	Inability to effectively manage SEStran's most significant supplier and partnership relationships	Inability to deliver strategy and major projects within budget and achieve best value
R006	Legal / regulatory	Delivery of services and decisions are not aligned with applicable legal and regulatory requirements	Regulatory censure and penalties; legal claims; financial consequences
R007	Specific Operational	Inability to deliver projects and programmes effectively, on time and within budget	Inability to deliver projects; achieve service improvements; and deliver savings targets
R008	System and technology	Potential failure of cyber defences; network security; application security; and physical security and operational arrangements	Inability to use systems to support services; loss of data and information; regulatory and legislative breaches; and reputational consequences
R009	People	Employees and / or citizens suffer unnecessary injury and / or harm	Legal; financial; and reputational consequences
R010	New Project Income	Inability to attract new projects to fill the funding gap left by diminishing EU projects/Brexit	Inadequate funding streams and lack of innovation.

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**Risk Impact**

Likelihood		Severity		Risk Score	
1	Remote	1	Insignificant	1	Low Risk
2	Unlikely	2	Minor	2	
3	Possible	3	Moderate	3	
4	Probable	4	Major	4	
5	Highly Probable	5	Catastrophic	5	
				6	Medium Risk
				8	
				9	
				10	
				12	High Risk
				15	
				16	
				20	
				25	

At Risk
Strategic
Financial
Reputational
System and Technology
Governance
Specific Operational
External
Legal and Regulatory
People
New Project Income

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

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

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

### Risk Appetite

Risk Rating	Net Risk Assessment	Risk Appetite Response
High	15-25	Unacceptable level of risk exposure which requires action to be taken urgently.
Medium	7-14	Acceptable level of risk but one which requires action and active monitoring to ensure risk exposure is reduced
Low	1-6	Acceptable level of risk based on the operation of normal controls. In some cases, it may be acceptable for no mitigating action to be taken.

### Risk Response

There are four categories of risk response:

*Terminate:* risk avoidance – where the proposed activity is outwith the current risk appetite level;

*Treat:* risk reduction – where proactive action is taken to reduce the likelihood or impact of an event occurring or limiting the consequences should it occur

*Transfer:* risk transfer – where the liability for the consequences is transferred to an external organisation in full or part (e.g. insurance cover)

*Tolerate:* where certain risks are accepted

Risk Appetite Target Scores

Risk Description	From	To	Commentary
Strategic	Low	Medium	SEStran has a low to medium appetite in relation to its strategic risks and aims to ensure effective delivery of its commitments in line with agreed timescales. Strategic delivery is monitored through ongoing reporting processes and governance processes.
Financial	Low	Medium	SEStran has a low to medium appetite in relation to financial risk and may be prepared to accept some risk, subject to: <ul style="list-style-type: none"> <li>· setting and achieving an annual balanced revenue budget, in line with legislative requirements</li> <li>· maintaining an unallocated general reserve fund, in line with legislative requirements</li> </ul> Financial risk is set out in SEStran's Governance Scheme.
Reputational	Low	Medium	SEStran is prepared to tolerate a low to medium level of occasional isolated reputational damage. Media response protocols are set out in the Governance Scheme.
System and Technology	Low	Medium	SEStran has a low to medium appetite in relation to system and technology risk. The risk appetite will vary depending on the nature, significance and criticality of systems used, and the services they support. Risks are managed through ongoing use of inbuilt technology, security controls, encryption, data loss prevention, firewalls and vulnerability scanning, plus a range of security protocols and procedures. SEStran has achieved Cyber Essentials Plus accreditation.
Governance	Low	Low	SEStran has a low appetite in relation to governance and decision making. The partnership's governance arrangements are detailed in the Governance Scheme. No officer or member may knowingly take or recommend decisions or actions which breach legislation.
Specific Operational	Low	Medium	SEStran has a low to medium appetite in relation to specific operational risks. The Partnership Director and Management Team are expected to design, implement and maintain appropriate programme, project management and governance controls to manage these risks.
External (Suppliers/contractors/partnerships)	Low	Medium	SEStran has a low to medium appetite in relation to external risks. The appetite will vary depending on the criticality of the service or third-party support. SEStran has an established procurement process, supported by the Contract Standing Orders and use of Public Contract Scotland frameworks.
Legal and Regulatory	Low	Low	SEStran aims to fully comply with all applicable regulatory and legislative requirements. No officer or member may knowingly take or recommend decisions or actions which breach the law.
People	Low	Low	SEStran recognises that accidents can occur because of unknown and/or unplanned events and has an appetite to fully comply with all relevant health and safety requirements to minimise any health and safety risks that could potentially result in loss of life or injury.
New Project Income	Medium	High	SEStran has a medium to high appetite in relation to attracting new projects to enable innovation and attract new funding streams. SEStran has an established procurement process, supported by the Contract Standing Orders and use of Public Contract Scotland frameworks. Financial risk is set out in SEStran's Governance Scheme.

## **HR Policy Review**

### **1. INTRODUCTION**

- 1.1 The purpose of this report is to provide the Partnership Board with a copy of the Family Leave Policy for noting.
- 1.2 The Performance and Audit Committee approved the revised policy at its meeting on the 2<sup>nd</sup> June 2023

### **2. HR POLICY REVIEW**

- 2.1 An annual review of the HR policies by SEStran's HR Adviser has commenced and will continue over summer.

Due to updated government guidance on UK and overseas adoption and fostering for adoption, the Family Leave Policy has been identified as requiring revision and the following is a summary of the changes made:

- Leave entitlement has been updated to up to 52 weeks, regardless of length of service
- Reference to adoption pay or leave now includes surrogacy pay and leave unless otherwise stated
- Inclusion of adopting a child from overseas and fostering for adoption
- New guidance added for Foster Carers and Approved Kinship Carers which provides support to staff in the form of flexible working arrangements and time off for eligible staff

- 2.2 A copy of the draft tracked change policy can be found here:

<https://sestran.gov.uk/wp-content/uploads/2023/05/2023-06-02-Item-8-Family-Leave-Policy.pdf>

### **3. RECOMMENDATIONS**

It is recommended that the Partnership:

- 3.1 Notes the amendments to the Family Leave Policy which were approved by Performance and Audit Committee for implementation.

Angela Chambers  
**Business Manager**  
26 May 2023

Policy Implications	As outlined in the report
Financial Implications	Additional paid leave provided to eligible staff
Equalities Implications	None
Climate Change Implications	None



INTEGRATED MOBILITY FORUM  
10:00AM THURSDAY 27<sup>TH</sup> APRIL 2023

**Present:**

Cllr Sally Pattle	West Lothian Council
Brian Butler	SEStran
Beth Harley-Jepson	SEStran
Hattie James	SEStran
Keith Fisker	SEStran
Nikki Both	SEStran
Peter Jackson	SEStran
Tom Flanagan	SEStran
Kevin Collins	Falkirk Council
Ewan Doyle	Scottish Borders Council
Sarah Elliott	Stagecoach Buses
Cllr Russell Imrie	Midlothian Council
Gary Bell	Paths for All
Ben Ritchie	Lothian Buses
Cllr Dianne Alexander	Midlothian Council
Madeleine Bell	Midlothian Council
Rachael Murphy	CoMoUK
Cllr Tom Conn	West Lothian Council
Gordon Brown	West Lothian Council
Cllr Robin Lawson	Fife Council
Tony McRae	Fife Council
Mark Craske	NHS Forth Valley
Mark Speed	Tactran
George Callaghan	Falkirk Council
Ewan Tait	Scotrail
Andrew MacLeod	City of Edinburgh Council
Cllr Danny Aston	City of Edinburgh Council
Rebecca Taylor	Scottish Government
Ross Prentice	Prentice Coaches
Paul White	CPT UK
Carlos Soto	Sustrans
Doreen Steele	NCM
John Scott	McGill Buses
Cllr Derek Glen	Fife Council
Greg McDougall	City of Edinburgh Council
Ruth White	City of Edinburgh Council
Cllr Ruaridh Bennett	East Lothian Council

**Apologies:**

Cllr Jane Cox	Scottish Borders Council
Linda Bamford	NCM
George Lowder	Transport for Edinburgh
Gillian Bathgate	Midlothian Council



Cllr Jule Bandel  
 Cllr Jenny Linehan  
 Cllr Marie-Clair Munro  
 Christopher Cox  
 Susan Keenlyside  
 Chris Milne  
 Cllr Margaret Anslow  
 Cllr John McMillan  
 Siobhan Eke  
 Iain Sneddon  
 Katharine Brough  
 Cllr Denis Coyne  
 Emma Crowther

City of Edinburgh Council  
 Scottish Borders Council  
 City of Edinburgh Council  
 Falkirk Council  
 Fife Council  
 East Lothian Council  
 Falkirk Council  
 East Lothian Council  
 Mobility Ways  
 NHS Lothian  
 Cycling Scotland  
 Clackmannanshire Council  
 Edinburgh University

Ref.		Actions
<b>1.</b>	<b>Welcome and Introductions</b>	
	Councillor Pattle welcomed everyone to the meeting and introductions were made. Apologies were noted as above.	
<b>2.</b>	<b>Minutes of IMF - 6<sup>th</sup> October 2022</b>	
	The minutes of the last meeting were approved.	
<b>3.</b>	<b>Terms of Reference</b>	
	<p>SP explained that the current Terms of Reference written in 2018 when the Integrated Mobility Forum was formed now require a refresh. SP explained that parts of the current Terms of Reference are no longer relevant and suggested that a short-term working group be set up to update the Terms of Reference. SP will then report back at the next IMF meeting in October with the updated Terms of Reference. Anyone who would like to be part of this working group should contact Brian Butler (<a href="mailto:brian.butler@sestran.gov.uk">brian.butler@sestran.gov.uk</a>) or Nikki Boath (<a href="mailto:nikki.boath@sestran.gov.uk">nikki.boath@sestran.gov.uk</a>).</p> <p>Cllr Conn and Ewan Doyle confirmed that they would like to be part of the working group.</p>	<b>TC/ED</b>
<b>4.</b>	<b>RTS – Next Steps</b>	
	<p>BB explained that the RTS was signed off by the Transport Minister in March 2023. BB highlighted that SEStran are now in the process of devising a communications and engagement plan. This plan will enable SEStran to work closely with partners to deliver the RTS. BB explained the keys steps in the process which include 2 statutory obligations. These are a Strategic Environmental Assessment undertaken by the consultants who supported SEStran with the development of the RTS and secondly advertising the RTS in The Scotsman. The RTS will also be widely circulated to stakeholders. BB highlighted that the stakeholder engagement plan was vital and outlined “big ticket” items such as Bus initiatives, Active</p>	

	<p>Travel, MaaS (Mobility as a Service), DRT (Demand Responsive Transport) and Rail Freight.</p> <p>BB explained that SEStran are developing GIS showing all current transport projects within the region. This will enable SEStran to work with stakeholders to identify gaps and prioritise key transport issues.</p> <p>BB also explained that SEStran will work with partners to explore the viability of establishing pooled resources to help resource-poor councils deliver critical projects. BB highlighted that this item will be discussed at the next Chief Officers' Liaison Group in May.</p> <p>BB mentioned that SEStran are planning to create a Centre of Excellence which would involve working with other Regional Transport Partnerships looking at national level strategies.</p> <p>The final step is monitoring and reporting of the RTS and the short term focus will be on establishing the best ways to measure outcomes.</p> <p>BB commented that he will send out the final version of RTS to all Forum members following this meeting.</p> <p>Cllr Conn asked if other partners could let him know about any Community Transport initiatives in their areas, particularly with regard to replacing discontinued bus services. A discussion followed regarding Community Transport issues and Cllr Pattle highlighted the Midlothian Bus Study <a href="https://midlothianbpf.consultation.ai/">https://midlothianbpf.consultation.ai/</a>. BB mentioned that the SEStran Partnership Board Meeting in June will be a bus related meeting, and also committed to raising Cllr Conn's question with the other Regional Transport Partnerships.</p> <p>RM suggested including David Kelly of Community Transport Association to Forum list.</p> <p>RM also highlighted that a piece of DRT research is to be published shortly with a follow up event in a couple of weeks. RM will invite HJ to the event and forward the research to both HJ &amp; BB.</p>	<p><b>BB</b></p> <p><b>All</b></p> <p><b>BB</b></p> <p><b>NB</b></p> <p><b>RM</b></p>
<b>5.</b>	<b>GO SEStran (DRT MaaS) and VoyagAR</b>	
	<p>HJ explained that there are approx 1200 people using the GO SESEtran app and that 85% of those journeys have been classed as sustainable. HJ also mentioned that there is an app evaluation being done and encouraged anyone who had used the app to provide feedback. The link is <a href="https://www.surveymonkey.co.uk/r/GoSEStran2023">https://www.surveymonkey.co.uk/r/GoSEStran2023</a></p>	<p><b>All</b></p>

	<p>HJ explained that funding has been secured via Smarter Choices for Smarter Places until March 2024 for SEStran and Tactran who share the same platform for their apps. The further development of the app is currently in early stages. HJ mentioned that this may include eticketing and links to Thistle Assistance Card and VoyagAR.</p> <p>HJ informed the group that Tactran and SEStran have created a collaborative group called Integrated Mobility Partnership Scotland (IMPS). This group is open to other RTPs, local authorities or third parties who are looking to develop MaaS apps within their region.</p> <p>HJ mentioned that a new DRT service called Pingo in partnership with Prentice Coaches and The Routing Company has been launched, and runs between Haddington Community Hospital and Humbie, Tranent and villages on these routes. HJ highlighted that this service has been integrated into the GO-SEStran app. HJ also highlighted that Pingo is also the service run within Scottish Borders Council area.</p> <p>VoyagAR update – SEStran are looking to launch an app which would enable door to door journey planning for people with mobility challenges. The aim is to make travelling by public transport more accessible to all. HJ explained that although testing is still in the early stages, it is hoped that the VoyagAR app will be included within the GO-SEStran app.</p>	
<b>6.</b>	<b>GO E-Bike – Next Steps</b>	
	<p>BHJ provided an update on GO E-Bike scheme which has been running in East Lothian and Midlothian. BHJ explained that Bewegen are no longer willing to operate the scheme which will impact the various schemes in Scotland. BHJ explained that SEStran have been in discussions with Bewegen to try and resolve the issues however this has not been possible. BHJ mentioned that SEStran are meeting with East Lothian and Midlothian to discuss the scheme and identifying ways to close the sites down.</p> <p>BHJ explained that the allocated spend for this scheme has been redistributed to other existing community-based GO E-bike projects across the region.</p> <p>A discussion followed regarding Bewegen’s reasons for no longer operating the scheme. BB explained that there is a combination of factors which include lack of income from ridership, bike vandalism and loss of bikes.</p>	

	<p>There was a further discussion regarding alternative bike schemes including dockless bikes. RM provided a link to a bike share report:  <a href="https://www.como.org.uk/shared-bikes/overview-and-benefits">https://www.como.org.uk/shared-bikes/overview-and-benefits</a></p> <p>BB highlighted that SEStran will now need to review their e-bike strategy.</p> <p>SP requested an e-bike update be brought to the IMF meeting in October.</p>	<b>BHJ</b>
<b>7.</b>	<b>Bus Partnership and RTPi</b>	
	<p>RTPi has been running for a number of years. The data provision and tracking buses in real time is improving. SEStran are continuing to invest with local authority partners to install updated screens across the region. CEC are also in the process of replacing their old bus tracker screens. There are 4 screens being installed in strategic sites within Midlothian over the coming months. KF highlighted that the big part of the work is data management. This means working with operators to ensure the right data is provided. KF explained the need to work with local authority partners using the software system which SEStran helped fund, to update local authority services and input them into the system. KF mentioned that if anyone would like to provide suggestions for new sites to contact him (<a href="mailto:keith.fisken@sestran.gov.uk">keith.fisken@sestran.gov.uk</a>).</p> <p>RI asked if all operators information will be included on the system. KF confirmed smaller operators are being integrated into the system.</p> <p>DA enquired if any screens were going to be located in supermarkets and mentioned Tesco Midlothian site. DA also asked if older screens could be reused in outlying areas. KF said that site surveys are being undertaken in Penicuik, Bonnyrigg and Dalkeith. KF will include the Tesco site as an option too. KF confirmed that the old screens will cease to work and will be removed and recycled and the poles can be reused.</p> <p>TC enquired about the possibility of installing a screen in public house. KF asked TC to provide him with the landlord details.</p>	<b>KF</b>       <b>TC</b>
<b>8.</b>	<b>AOCB</b>	
	<p>RT asked if there was any data available about the number of people travelling from Shawfair to work at the Royal Infirmary. RT also asked if there are other connectivity improvements that could be made for those working at Royal Infirmary. RI explained both Edinburgh and Midlothian have an Active Travel Programme. RI explained that developer contributions will go towards providing infrastructure and highlighted that</p>	

	this is programmed in and will enable people to cycle from Shawfair to RI.	
<b>9.</b>	<b>Next Meeting</b>	
a)	<p>Topics/priorities for next meeting –</p> <p>TM asked if Integrated Ticketing on Public Transport services could be included as a topic at the next meeting.</p>	
b)	Date of Next Meeting – 5 <sup>th</sup> October 2023	



**Remote Chief Officer Liaison Group Meeting  
14:00 Wednesday 24<sup>th</sup> May 2023  
Microsoft Teams**

**Present:**

<b>Brian Butler (Chair)(BB)</b>	<b>SEStran</b>
Nikki Boath (NB)	SEStran
Peter Jackson (PJ)	SEStran
Andrew Ferguson (AF)	SEStran
Hattie James (HJ)	SEStran
Tom Flanagan (TF)	SEStran
Keith Fiske (KF)	SEStran
Peter Forsyth (PF)	East Lothian Council
Susan Keenlyside (SK)	Fife Council
Lesley Deans (LD)	Clackmannanshire Council
Chris Cox (CC)	Falkirk Council
Robbie Beattie (RB)	Midlothian Council
Graeme Johnstone (GJ)	Scottish Borders Council
Scott Prentice (SP)	Scotrail
Desmond Bradley (DB)	Scotrail

**Apologies:**

Gordon Brown	West Lothian Council
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Ref.		Actions
<b>1.</b>	<b>Welcome and Apologies for Absence</b>	
	The Chair welcomed the Officers to the meeting and apologies were noted as above.	
<b>2.</b>	<b>Minutes and Matters Arising</b>	
	The minutes from Monday 27 <sup>th</sup> February 2023 were agreed as a correct record.	
<b>3.</b>	<b>Financial Reports</b>	
	BB provided the update in Iain Shaw's absence.  BB explained that the provisional outturn is in line with the forecast which was reported to the Partnership Board in March 2023. There was project slippage of £159,000 however this will be carried over to 2023/24 and BB highlighted that the majority of the slippage is committed to projects for 2023/24. BB explained that	

	<p>the slippage is due to the fact that the finalised accounts were only approved at Partnership Board in September 2022. BB said that SEStran will plan to spend the £159k, without commitment, until this has been confirmed at the Partnership Board in September 2023.</p> <p>BB also explained that there is a core underspend of £18,000. This is because SEStran were able to recharge more staff costs to projects than had been budgeted.</p>	
<b>4.</b>	<b>Regional Transport Strategy Next Steps</b>	
	<p>BB explained that the RTS was signed off by the Transport Minister in March 2023. BB explained the keys steps in the process which include 2 statutory obligations. These are a Strategic Environmental Assessment undertaken by the consultants who supported SEStran with the development of the RTS and secondly advertising the RTS in The Scotsman within the next 2 weeks. The RTS will also be widely circulated to partners and stakeholders and will also be published on SEStran's website.</p> <p>BB commented that he will send out the final version of RTS to all members of this group following this meeting.</p> <p>BB said that the implementation of RTS will be done by working with partners in relation to a wide range of activities and initiatives. BB highlighted that he would like to be able to start conversations with this group to deliver the RTS. BB provided an outline of the next steps:</p> <ul style="list-style-type: none"> <li>• Work with partners to align local and regional strategies in line with the RTS</li> <li>• Prioritise regional schemes – eg. Strategic Regional Network</li> <li>• Link partners' plans &amp; strategies eg EV charging</li> <li>• Continue to test new and innovative ideas – eg DRT, Maas, Micro Cargo Hubs and improvement of last mile deliveries.</li> </ul> <p>BB also explained that SEStran will work with partners to explore the viability of establishing pooled resources to help resource-poor councils deliver critical projects.</p> <p>BB mentioned that SEStran are considering creating a Centre of Excellence which would involve working with other Regional Transport Partnerships looking at national level strategies eg replacement of Charge Place Scotland (although TS now have plans for this).</p> <p>The final step is monitoring and reporting of the RTS and the short term focus will be on establishing the best ways to measure outcomes eg 20% reduction in car kilometres.</p>	<b>BB</b>

	<p>BB mentioned that the SEStran Partnership Board Meeting in June will be a bus related meeting. BB explained that the papers presented will cover national context, issues facing buses, current initiatives in place across the country and the legislation.</p> <p>BB said that the slide pack from today's meeting will be circulated.</p> <p>BB highlighted that he would like these meetings to be a 2-way process and suggested 2 options:</p> <ol style="list-style-type: none"> <li>1. SEStran work with each individual authority between meetings to enable individuals to present initiatives within their area at these meetings.</li> <li>2. Each authority could provide an update from their area at the quarterly meetings.</li> </ol> <p>BB encouraged the group to provide feedback on these suggestions.</p> <p>GJ mentioned that a regular update of the Maas Transit project would be beneficial. BB confirmed that this will be included in future Chief Officer meetings.</p>	<b>BB/NB</b>
<b>5.</b>	<b>Programmed Investment Plan</b>	
	<p>HJ outlined the background and next steps.</p> <p>HJ explained that S82 consultants were appointed to gather structured data from lead stakeholders which included the 8 local authorities in SEStran area as well as Sustrans and Transport Scotland. S82 then created a multi criteria assessment (MCA) which listed all the projects. Following this MCA, 14 stakeholders were interviewed and 640 projects were identified with 276 being deemed regional projects. These were further broken down to 188 actual projects with the remaining 88 being reports or studies.</p> <p>These 188 projects were then assessed against a range of transport policies including the new RTS objectives and mobility themes as well as NTS and STAG criteria.</p> <p>HJ pointed out the regional projects are predominantly active travel, public transport and multi modal based projects. These projects are all being mapped using GIS. The consultants are developing 2 GIS case studies to illustrate how the tool can be used to identify gaps in the network. HJ highlighted that 2 case studies are</p> <ul style="list-style-type: none"> <li>• Rail access to strategic housing sites</li> <li>• Active travel links to hospitals in the area</li> </ul> <p>HJ outlined the next steps as follows:</p>	



	<ul style="list-style-type: none"> <li>• SEStran will arrange an in-person workshop with S82 which will allow a deeper understanding of the GIS tool</li> <li>• Gaps were identified due to budget information not being available for many projects. SEStran will speak to relevant lead stakeholders to close these gaps.</li> <li>• Further identify strategic gaps in the network</li> <li>• Prioritising high scoring and improving low scoring regional projects</li> <li>• Identify how to update NCA &amp; GIS regularly and how to share the information with local authorities.</li> </ul>	
<b>6.</b>	<b>GO-SEStran</b>	
	<p>AF outlined the pilot currently taking place in East Lothian Council. AF highlighted that there are approx 1400 people using the GO SEStran app and that 94% of those journeys have been classed as sustainable.</p> <p>AF also outlined the procurement process, licence, service design, joint working and the issue of aggregation for setting up DDRT. AF explained the scope for long term growth and highlighted the issues.</p> <p>AF mentioned that a collaborative group called Integrated Mobility Partnership Scotland (IMPS) has been set up. This group is open to other RTPs, local authorities or third parties who are looking to develop MaaS apps within their region.</p> <p>BB highlighted that ComoUK are planning to set up a cohort to lobby Transport Scotland regarding DRT and invites to a seminar in July should be sent to everyone by ComoUK. If anyone does not get an invite, please contact Brian Butler.</p>	<b>All</b>
<b>7.</b>	<b>A Regional Approach to EV Strategies: Discussion Paper</b>	
	<p>TF outlined the purpose of the discussion paper and explained the potential for efficiencies is by working collaboratively across the region in relation to EV charging strategies and in particular infrastructure, procurement and promotion of take up.</p> <p>TF mentioned the £80k grant that has been allocated to each local authority and asked the group if they have started the process of putting together proposals to deliver the strategy.</p> <p>TF explained that SEStran will work with partners in SEStran area to assess trajectory across the region.</p> <p>TF highlighted that there is a GB Energy Policy consultation and encouraged the group to provide feedback before it closes on 2<sup>nd</sup> August 2023.</p>	

	<p>LD informed the group that Clacks &amp; Forth Valley received a grant for £60k last year. Forth Valley are currently developing their EV strategy and the draft should be ready by the end of June. Falkirk &amp; Clacks are going into partnership to develop a concession model. LD also mentioned that they are looking to employ an officer from the Sft funding who will be involved in running the EV strategy.</p> <p>SK requested to see EV strategies from other councils and is keen to work with other councils in the region.</p>	<b>All</b>
<b>8.</b>	<b>Active Travel 2024/2025</b>	
	<p>PJ explained that there is an increase in Active Travel funding for 2024/25. PJ provided the background and explained that the focus has shifted to a regional vision of how the connected network would look. PJ further explained this approach was based on outcomes rather than output.</p> <p>PJ explained that SEStran used a single provider – ARUP who in 2019/20 undertook a desktop review, conducted site audits and engaged with various stakeholders. Through this process, a strategic network was developed with the purpose of producing a pipeline of routes across the region which could be phased into delivery as funding became available.</p> <p>PJ outlined the multi criteria assessment and highlighted the additional benefits from socio-economic factors.</p> <p>PJ explained the work programme from years 1-3.</p> <p>PJ outlined the stages of the new arrangements for project funding applications. PJ highlighted the funding output from Active Travel Transformation Fund (ATTF) set for this year with a number of authorities having received funding. PJ posed the question of how SEStran can support partners with multi-year projects using the strategic network to take things forward. PJ also mentioned that SEStran have looked again at the multi criteria assessment and have reassessed some of the routes from 2019. This reassessment has been done by investigating to see if there is data available to support routes being rephased and changing the ordering of them. SEStran may look at doing this for the wider route network.</p> <p>BB highlighted that Transport Scotland are going to prioritise schemes which form part of a designed and approved network and expressed the importance of working in collaboration with local authority partners.</p>	

<b>9.</b>	<b>Freight Update</b>	
	Due to time restrictions, this item was not presented. It will be the first item on the Agenda for next Chief Officers meeting on 23 <sup>rd</sup> August 2023.	
<b>10.</b>	<b>Scotrail Update</b>	
	<p>SP provided an update on rail performance in terms of demand recovery. The main points for noting:</p> <ul style="list-style-type: none"> <li>• Revenue and journeys levels during peak travel times are lower now than before the pandemic</li> <li>• Off peak travel is growing</li> <li>• 1.5 million journeys less than before the pandemic</li> <li>• Loss of a large amount of commuters</li> </ul> <p>DB provided an update on Integration. DB explained that Scotrail is improving the information flow and communication with bus operators across Scotland. The aim is to share information as early as possible. DB confirmed that May 2023 timetable changes were advised to bus operators and local authorities in March 2023 and going forward, future timetable changes will be communicated.</p> <p>GJ enquired if the 6-month pilot scheme about to be launched which will remove peak travel fare will be extended if it proves to be successful. SP explained that the scope of the trial as well as the roles and responsibilities of the different parties involved are still being finalised.</p> <p>PF asked if there will be capacity to accommodate more passengers with the 20% car km reduction initiative. SP explained that the decarbonisation programme where two thirds of the fleet will be replaced will enable Scotrail to accommodate more passengers.</p> <p>LD requested the equivalent figures for Clackmannanshire and Stirling. KF will forward relevant slides to LD.</p> <p>RB asked if there was a daily chart to show peak and trough hours. SP will forward this information to RB.</p> <p>RB enquired about train station car parking. SP confirmed that Scotrail had produced a Car Parking Strategy prior to the pandemic. SP also explained that Sustainable Access to Stations strategy has been developed. The aim is to increase access by sustainable modes.</p>	
<b>11.</b>	<b>AOCB</b>	
	There was no AOCB.	
<b>12.</b>	<b>Date of Next Meeting</b>	
	The proposed date of the next meeting is scheduled for 2:00pm on Wednesday 23 <sup>rd</sup> August 2023.	



**Logistics & Freight Forum**  
**Tuesday 30<sup>th</sup> May 2023, 1.30pm**  
**Microsoft Office Teams**

**In Attendance:**

Cllr Colin Davidson (Chair) (CD)	Fife Council
Brian Butler (BB)	SEStran
Keith Fisker (KF)	SEStran
Nikki Boath (NB)	SEStran
Cllr Dianne Alexander (DA)	Midlothian Council
Ian Budd (IB)	Friends of the Far North
Cllr Jenny Linehan (JL)	Scottish Borders Council
Douglas Norris (DN)	CILT UK
Jonathan Cowie (JC)	Edinburgh Napier University
Richard Stark (RS)	DTLX Drone Solutions
Frank Roach (FR)	Hitrans
Ian Buchanan (IB)	City of Edinburgh Council
Kevin Collins (KC)	Falkirk Council
Ewan Doyle (ED)	Scottish Borders Council
Cllr Robin Lawson (RL)	Fife Council
Simon Hindshaw (SW)	NCM
Jo Edmenson (JE)	P D Ports
Jenny Ritchie (JR)	Stantec
Emma Gilmour (EG)	Fife Council
Jane Findlay (JF)	Fife Council
Jim May (JM)	Transport Scotland
Paul Davison (PD)	AECOM
Greg McDougall (GM)	City of Edinburgh Council
Cllr Derek Glen (DG)	Fife Council
Cllr Danny Aston (DAston)	City of Edinburgh Council
Cllr Russell Imrie	Midlothian Council

**Apologies:**

Lynne Mason	RHA
Cllr Sally Pattle	West Lothian Council
Kenny Williamson	Forth Ports
James Ledgerwood	Scotrail
Lawrence Marshall	Capital Rail Action Group
Mark Richardson	Ristol Consulting Ltd
Cllr Ruaridh Bennett	East Lothian Council

Ref.		Actions
1.	<b>Welcome and Introductions</b>	
	The Chair welcomed members to the meeting and apologies were noted as above.	
2.	<b>GO Forth Freight Study Update</b>	
	<p>KF provided an update on the Freight Study. KF outlined the background and objectives of the study as well as the links to EU projects and investment from Scottish Government and SURFLOGH.</p> <p>KF outlined the approach which included investigating existing freight movements and the barriers facing multi modal freight. KF highlighted that a key element is understanding local, regional and national trends in freight flow. KF explained that SEStran are assessing current rail freight and opportunities to improve and maximise existing infrastructure.</p> <p>KF explained the link to Perth West through development of freight gateways. KF mentioned working with Forth Ports has been key and has contributed to their pitch for Green Freeport.</p> <p>KF also outlined the requirement for change, scope for change and requirement for intervention. KF outlined the next steps which are:</p> <ul style="list-style-type: none"> <li>• Proposal with Transport Scotland for extension</li> <li>• Look at Green Free Port opportunities.</li> <li>• Explore cross border partnership opportunities with Transport for the Northeast</li> <li>• Use business cases to develop trials</li> </ul> <p>There was a discussion regarding the freight study. The key points raised by Forum members for noting are:</p> <ul style="list-style-type: none"> <li>• Converting companies from road to rail or road to sea – KF explained that there is existing rail infrastructure and this can be developed further. SEStran are investigating how to connect business opportunities to the infrastructure.</li> <li>• HGV decarbonisation – KF explained that alternative fuels are part of the study.</li> <li>• IB highlighted the issue of waste being moved from Inverness to Dunbar via road and asked about the possibility of providing a siding to allow the removal of waste via rail. KF invited FR to provide an update at the next Forum in November in relation to waste flows. KF to contact FR to discuss. CD &amp; BB will also raise this query at the RTP Meeting next week.</li> <li>• LEZ – the impact it will have on freight industry.</li> </ul>	

	<p>CD suggested inviting Diageo's Global Freight Director to the next meeting to present Diageo's future freight strategy, including their carbon footprint challenges and increased cost of freight.</p> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Waste Flows - KF to contact FR to discuss.</li> <li>• Waste Flows - CD &amp; BB will also raise this query at the RTP Meeting next week.</li> <li>• Send invitation to Diageo about presenting at next meeting</li> </ul>	<p>KF</p> <p>CD/BB</p> <p>KF</p>
<b>3.</b>	<b>Perth West Sustainable Logistics Hub</b>	
	<p>KF explained that in collaboration with the EU project SURFLOGH and Napier University, this project has focussed over the last 12-18 months on building a business case study for investment in developing sustainable freight solutions in and around the city of Perth. KF highlighted that the end goal is to enable urban logistics to decarbonise, operate commercially and evolve to improve the environment and create skills and jobs.</p> <p>KF outlined the research and explained the various challenges that have resulted from the research. KF also provided possible solutions to these challenges.</p>	
<b>4.</b>	<b>Innovation with Drone Deliveries (DTLX Drone Solutions)</b>	
	<p>RS gave a presentation on drone solutions and highlighted that his company's focus is to bring Beyond Visual Line of Sight drone flight to the United Kingdom. RS highlighted that currently drones are limited to Visual Line of Sight.</p> <p>RS explained the logistics market is focussed on middle and last mile deliveries. RS indicated companies who are using drones of various sizes to provide deliveries. RS highlighted the amount of time saved by using drones rather than road deliveries in particular to the more rural areas of Scotland.</p> <p>RS outlined the flight ranges.</p> <p>RS explained that it is more cost effective to use a drone to provide rural medical supplies and middle mile island deliveries. RS also highlighted that drones cost less to build and maintain compared to roads and rail.</p> <p>Actions:</p> <ul style="list-style-type: none"> <li>• KF to send DLTX slides to forum members</li> </ul>	<p>KF</p>
<b>5.</b>	<b>Future Work Streams</b>	
	<p>KF mentioned that if anyone has any ideas for topics for the next L&amp;F Forum to contact him – <a href="mailto:keith.fisken@sestran.gov.uk">keith.fisken@sestran.gov.uk</a></p>	<p>ALL</p>

	<b>Date of next meeting</b>	
	The date of the next meeting is Tuesday 21 <sup>st</sup> November 2023 at 1.30pm.	