

PERFORMANCE & AUDIT COMMITTEE

Dean of Guild Courtroom, City Chambers, Edinburgh, EH1 1YJ
Or Microsoft Teams
Friday 12th September 2025 – 1:00pm

AGENDA

Page Nos.

1. **ORDER OF BUSINESS**
2. **APOLOGIES**
3. **DECLARATIONS OF INTEREST**
4. **MINUTES**
 - (a) Performance and Audit Committee – Friday 6th June 2025 **3**
 - (b) Project And Strategy Delivery Oversight Subgroup – Thursday 14th August 2025 **7**
5. **EXTERNAL AUDITOR'S ANNUAL REPORT** – Report by Christopher Gardner (Audit Scotland) **10**
6. **AUDITED ANNUAL ACCOUNTS** – Report by Richard Lloyd-Bithell **33**
7. **COUNCIL REQUISITIONS** – Update by Brian Butler
8. **FINANCIAL PLANNING PROCEDURES** – Update by Brian Butler
9. **HR POLICIES REPORT** – Report by Angela Chambers **99**
10. **RISK MANAGEMENT REPORT** – Report by Angela Chambers **194**
11. **CONTRACTS REGISTER** – Report by Michael Melton **207**
12. **PROJECTS AND STRATEGY PERFORMANCE REPORT** – Report by Michael Melton **210**
13. **DATE OF NEXT MEETING**
The date of the next meeting is **Friday 21st November 2025**

Gavin King
Secretary to SESTRAN
Head of Democracy, Governance and Resilience
Legal and Assurance Division
The City of Edinburgh Council
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PERFORMANCE & AUDIT COMMITTEE

**Virtual Meeting via Microsoft Teams
on Friday 6 June 2025
1.00pm**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Councillor McMillan (Chair)	East Lothian Council
	Councillor Glen	Fife Council
	Councillor Linehan	Scottish Borders Council
	Councillor Jenkinson	The City of Edinburgh Council
	Councillor Conn	West Lothian Council
	Callum Hay	Non-Councillor Member
	Doreen Steele	Non-Councillor Member
	John Scott	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Brian Butler	SEStran
	Jess Carey	SEStran
	Angela Chambers	SEStran
	Cheryl Fergie	SEStran
	Callum Finlayson Cranshaw	Audit Scotland
	Christopher Gardner	Audit Scotland
	Andrew Henderson (Clerk)	The City of Edinburgh Council
	Colin McCurley	The City of Edinburgh Council
	Michael Melton	SEStran
	Rachel Murphy	SEStran
	Iain Shaw	The City of Edinburgh Council
	Karunamuni Nandana Silva	The City of Edinburgh Council

Action by

A1. APPOINTMENT OF CHAIR

Decision

To appoint Councillor McMillan as the Chair for the remainder of the meeting.

A2. ORDER OF BUSINESS

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

A3. APOLOGIES

Apologies were submitted on behalf of Councillor Imrie (Midlothian Council) Callum Hay and Simon Hindshaw

A4. DECLARATION OF INTERESTS

None.

A5. MINUTES

- 1) To approve the minute of the Performance and Audit Committee of Friday 28th February 2025 as a correct record; and
- 2) To note the minute of the Project And Strategy Delivery Oversight Subgroup of Thursday 24 April 2025.

A6. UNAUDITED ANNUAL ACCOUNTS 2024/25 & TREASURY MANAGEMENT REPORT 2024/25

The unaudited Annual Accounts were presented in accordance with the Local Authority Accounts (Scotland) Regulations 2014. The audited Annual Accounts, incorporating the Auditor's report, will be presented to the Performance and Audit Committee and Partnership Board in due course. Thereafter the Treasury Management report 2024/25 was presented in accordance with the CIPFA Code of Practice on Treasury Management in the Public Sector.

Decision

- 1) To note the unaudited Annual Accounts for 2024/25 and refer the Unaudited Accounts to the Partnership Board for review;
- 2) To note the annual Treasury Management report for 2024/25;
- 3) To note the audited Annual Accounts, incorporating the Auditor's report, will be presented to the Performance and Audit Committee and Partnership Board in due course; and
- 4) To note that further explanations in relation to underspends would be presented to the next meeting.

(Reference – report by the Treasurer, submitted)

A7. INTERNAL AUDIT REPORT 2024/2025

An update on the outcomes of the 2024/25 SEStran internal audit of the People and Place Funding Proposals, progress with the completion of actions agreed as part of previous audits was presented. Thereafter officers requested the Committee's input on potential areas for inclusion in the planned 2025/26 audit.

Decision

- 1) To note the outcomes of the 2024/25 internal audit of the SEStran People and Place Funding Proposals, including IA findings and recommendations and agreed management actions and implementation dates
- 2) To note the progress with completion of management actions from previous audits
- 3) To note that members could provide feedback to officers in relation to key risks or any areas of concern that the Committee would like Internal Audit to consider including in the 2025/26 audit plan.

(Reference – report by the Chief Internal Auditor, City of Edinburgh Council, submitted)

A8. RISK MANAGEMENT FRAMEWORK

The quarterly update on SEStran's strategic risk register was presented.

Decision

- 1) To note the contents of the report; and
- 2) To note that a final version of the Risk Register will be referred to the Partnership Board for noting.

(Reference – report by the Business Manager, submitted)

A9. PROJECTS AND STRATEGY PERFORMANCE

The quarter 4 performance for projects and strategy was presented. An update on the future reporting plans as well as performance of the Partnership's strategy and project workstreams in Quarter 4 was provided.

Decision

- 1) To note the contents of the report, and;
- 2) To note that officers would explore ways of reporting HR and Health and Safety Policies to the Committee to ensure that scrutiny was robust.

(Reference – report by the Programme Manager, submitted)

A10. DATE OF NEXT MEETING

Friday 12th September 2025

PROJECT AND STRATEGY DELIVERY OVERSIGHT SUBGROUP

Virtual Meeting via Microsoft Teams on Thursday, 14 August 2025, 10.00 am

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Councillor Conn	West Lothian Council
	Alastair Couper	Non-Councillor Member
	Councillor McMillan (Chair)	East Lothian Council
	John Scott	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Andrew Ferguson	SEStran
	Sandra Lavergne	SEStran
	Michael Melton	SEStran
	Rachael Murphy	SEStran
	Rebecca Smith	SEStran

Action by

1. ORDER OF BUSINESS

As per agenda

2. APOLOGIES

Apologies were submitted on behalf of Simon Hindshaw, Brian Butler, and Kieth Fiskien

3. DECLARATION OF INTERESTS

None.

4. MINUTES OF THE SUBGROUP - 24th April 2025

Agreed as presented

5. PROJECT CLOSE REPORT – GOSESTRAN

A discussion took place around additional lessons learnt that should be taken forward, especially around commercial alternatives that may be available, and to make sure the specific need that a project is fulfilling is set out at the start, as well as clear aims and objectives.

RS to update the lessons learnt sections of the project close report to include: RS

- Be clear on the unique selling point and specific need of any future app/software (or wider project if relevant) development prior to commencing work
- Carry out a full review of commercial alternatives prior to any future app/software (or wider project if relevant) development to identify if there is a gap that is not (and will not) be filled by a commercial product
- For future pilot projects, ensure that the benefit of running them to SEStran is clear, in addition to the benefit to the funder

Decision

It was agreed to note the report subject to the above additions

6. PROJECT CLOSE REPORT – ELECTRIC VEHICLE STRATEGY

There was a discussion around SEStran's role as a facilitator /consultant/project manager, and how best SEStran could build on this work to support future regional working

It was suggested that next steps in this area could be around fleet/bus/larger vehicle charging, which is an area where SEStran have begun to submit funding applications. KF, MM & RS to assess any additional areas of work in this area.

KF, MM,
RS

Decision

It was agreed to note the report

7. PROJECTS AND STRATEGY PERFORMANCE REPORT

It was noted that in future the report should be double checked for the use of acronyms

MM

Transport to Healthcare:

There was a general discussion around wider transport impacts on travel to healthcare and connections with other work (such as the Bus Strategy), the work of other RTPs in this area, and that it was important to clearer point out what is wrong with the transport to healthcare at present.

It was noted that the risk around lack of stakeholder buy in was being well mitigated currently, going about this the right way

It was agreed that the case for change report would be brought to a future PaSDOS meeting once complete to discuss next steps, especially around ensuring political and stakeholder buy in. It was also suggested that, instead of trying to find a holistic solution, it may be preferable initially to find and put in place a small number of solutions to specific problems that would make a big impact.

RM

Thistle Assistance:

It was noted that it was important to focus on engagement with the public and bus operators, and that the link with the SEStran at 20 event and promotion could be explored.

SL/RM

Decision

It was agreed to note the contents of the report.

8. PROJECTS AND STRATEGY RISK REGISTER

There were several points of discussion, especially around the risks of funding delays which have an influence directly on SEStran work and on the connected work of our LAs and wider stakeholders.

It was agreed that a project closure report for VoyagAR would be brought to next Subgroup

KF/RS

The role of PaSDOS in risk management was explored, and it was agreed that this should flow down from the Board review of the corporate risk register, and so the for the first PaSDOS meeting following this a more in depth agenda item on project risk will be included.

MM

Decision

It was agreed to note the contents of the report.

9. DATE OF NEXT MEETING

Provisionally Friday 24th October, 10am. MM to send round date to check availability

MM

Proposed 2024/25 Annual Audit Report

1. Introduction

- 1.1** The Independent Auditor's Annual Report summarises the findings arising from the Partnership's 2024/25 external audit.

2. Main Report

- 2.1** The unaudited Annual Accounts were noted by the Partnership at its meeting on 20th June 2025 and submitted to the appointed external auditor – Audit Scotland.

- 2.2** Audit work on the 2024/25 annual accounts is completed.

- 2.3** The Proposed 2024/25 Annual Audit Report is appended along with the proposed Independent Auditor's Report and Letter of Representation.

- 2.4** The key messages are noted on page three of the Annual Audit Report. The key messages are:

- 2.4.1** all audit opinions stated that the annual accounts were free from material misstatement;

- 2.4.2** Audit Scotland reported one significant finding from the audit relating to the disclosure of assets. All audit adjustments required to correct the financial statements were processed by the Partnership;

- 2.4.3** The Partnership has appropriate arrangements in place for securing financial sustainability, but should consider improving its medium-term plans by extending these to future years.

3 Recommendations

- 3.1** It is recommended that the Performance and Audit Committee note the Proposed Annual Audit Report.

Richard Lloyd-Bithell

Treasurer

5th September 2025

Appendix

1. Proposed 2024/25 Annual Audit Report
2. Proposed Independent Auditor's Report and Letter of Representation

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 as a consequence of this report.
Equalities Implications	There are no equality implications arising as a result of this report.
Climate Change Implications	There are no climate change implications arising as a result of this report.

South East Scotland Transport Partnership

Proposed 2024/25 Annual Audit Report



Prepared for SEStran and the Controller of Audit
September 2025

Contents

Key messages	3
Introduction	4
Audit scope and responsibilities	5
Audit of the annual accounts	7
Financial Sustainability and Best Value audit	14
Appendix 1	17
Appendix 2	20

Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

Key messages

Audit of the annual accounts

- 1 All audit opinions stated that the annual accounts were free from material misstatement.
- 2 We have reported one significant finding from the audit relating to the disclosure of assets. All audit adjustments required to correct the financial statements were processed by the partnership.

Financial Sustainability

- 3 SEStran has appropriate arrangements in place for securing financial sustainability, but should consider improving its medium-term plans by extending these to future years.

Introduction

Purpose of the Annual Audit Report

1. The purpose of this Annual Audit Report is to report the significant matters identified from the 2024/25 audit of South East Scotland Transport Partnership's annual accounts and the wider scope areas specified in the [Code of Audit Practice \(2021\)](#).
2. The Annual Audit Report is addressed to South East Scotland Transport Partnership, hereafter referred to as 'SEStran' or 'the partnership' and the Controller of Audit, and will be published on [Audit Scotland's website](#) in due course.

Appointed auditor and independence

3. Christopher Gardner, of Audit Scotland, has been appointed as external auditor of the body for the period from 2022/23 until 2026/27. As reported in the Annual Audit Plan, the appointed auditor and the audit team are independent of the body in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. There have been no developments since the issue of the Annual Audit Plan that impact on the continued independence of the engagement lead or the rest of the audit team from the body, including no provision of non-audit services.

Acknowledgements

4. We would like to thank the body and its staff, particularly those involved in preparation of the annual accounts, for their cooperation and assistance during the audit. We look forward to working together constructively over the remainder of the five-year audit appointment.

Audit scope and responsibilities

Scope of the audit

5. The audit is performed in accordance with the Code of Audit Practice, including supplementary guidance, International Standards on Auditing (ISA) (UK), and relevant legislation. These set out the requirements for the scope of the audit which includes:

- An audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement.
- An opinion on statutory other information published with the financial statements in the annual accounts, namely the Management Commentary and Annual Governance Statement.
- An opinion on the audited part of the Remuneration Report.
- Concluding on the financial sustainability of the body.
- Reporting on the body's arrangements for securing Best Value.
- Provision of this Annual Audit Report.

Responsibilities and reporting

6. The Code of Audit Practice sets out the respective responsibilities of the body and the auditor. A summary of the key responsibilities is outlined below.

Auditor's responsibilities

7. The responsibilities of auditors in the public sector are established in the Local Government (Scotland) Act 1973. These include providing an independent opinion on the financial statements and other information reported within the annual accounts, and concluding on the body's arrangements in place for the wider scope areas and Best Value.

8. The matters reported in the Annual Audit Report are only those that have been identified by the audit team during normal audit work and may not be all that exist. Communicating these does not absolve the body from its responsibilities outlined below.

9. The Annual Audit Report includes an agreed action plan at [Appendix 1](#) setting out specific recommendations to address matters identified and includes details of the responsible officer and dates for implementation.

The body's responsibilities

10. The body has primary responsibility for ensuring proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety, and regularity that enables it to successfully deliver its objectives. The features of proper financial stewardship include:

- Establishing arrangements to ensure the proper conduct of its affairs.
- Preparation of annual accounts, comprising financial statements that give a true and fair view and other specified information.
- Establishing arrangements for the prevention and detection of fraud, error and irregularities, and bribery and corruption.
- Implementing arrangements to ensure its financial position is soundly based.
- Making arrangements to secure Best Value.
- Establishing an internal audit function.

National and performance audit reporting

11. The Auditor General for Scotland and the Accounts Commission regularly publish national and performance audit reports. These cover a range of matters, many of which may be of interest to the partnership's board. Details of national and performance audit reports published over the last year can be seen in [Appendix 3](#).

Audit of the annual accounts

Main judgements

All audit opinions stated that the annual accounts were free from material misstatement.

We have reported one significant finding from the audit relating to the disclosure of assets. All audit adjustments required to correct the financial statements were processed by the partnership.

Audit opinions on the annual accounts

12. The body's annual accounts were approved by the partnership board on **26 September 2025** and certified by the appointed auditor on the same day. The Independent Auditor's Report is included in the body's annual accounts, and this reports that, in the appointed auditor's opinion, these were free from material misstatement.



Audit timetable

13. The unaudited annual accounts and all working papers were received on 13 June 2025 in accordance with the agreed audit timetable.

Audit Fee

14. The audit fee for the 2024/25 audit was reported in the Annual Audit Plan and was set at £12,800. There have been no developments that impact on planned audit work required, therefore the audit fee reported in the Annual Audit Plan remains unchanged.

Materiality

15. The concept of materiality is applied by auditors in planning and performing an audit, and in evaluating the effect of any uncorrected misstatements on the financial statements or other information reported in the annual accounts.

16. Broadly, the concept of materiality is to determine whether misstatements identified during the audit could reasonably be expected to influence the decisions of users of the annual report and accounts. Auditors set a monetary threshold when determining materiality, although some issues may be considered material by their nature. Therefore, materiality is ultimately a matter of the auditor's professional judgement.

17. Materiality levels for the body were determined at the risk assessment phase of the audit and were reported in the Annual Audit Plan, which also reported the judgements made in determining materiality levels. These were reassessed on receipt of the unaudited annual accounts. Materiality levels were updated and these can be seen in [Exhibit 1](#).

Exhibit 1

2024/25 Materiality levels for SEStran

Materiality	Amount
Materiality – set at 1.5% of gross expenditure	£94,000
Performance materiality – set at 65% of materiality. As outlined in the Annual Audit Plan, this acts as a trigger point. If the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate further audit procedures are required.	£61,000
Reporting threshold – set at 5% of materiality.	£5,000

Source: Audit Scotland

Significant findings and key audit matters

18. ISA (UK) requires auditors to communicate significant findings from the audit to those charged as governance, which for the body is the partnership board.

19. The Code of Audit Practice also requires public sector auditors to communicate key audit matters. These are the matters that, in the auditor's professional judgement, are of most significance to the audit of the financial statements and require most attention when performing the audit.

20. In determining key audit matters, auditors consider:

- Areas of higher or significant risk of material misstatement.
- Areas where significant judgement is required, including accounting estimates that are subject to a high degree of estimation uncertainty.
- Significant events or transactions that occurred during the year.

21. The significant findings and key audit matters to report are outlined in [Exhibit 2](#).

Exhibit 2
Significant findings and key audit matters

Significant findings and key audit matters	Outcome
<p>Derecognition of non-current assets</p> <p>In response to our audit recommendation last year, SEStran management completed a review of the organisation’s physical assets (“non-current assets”) and in March 2025 the partnership board approved a new asset management strategy.</p> <p>This included reviewing the accounting policies, improving the asset register to provide a more direct link to the accounts, ensuring items were tagged, and a physical inspection of assets to assess their condition and existence.</p> <p>The review resulted in the derecognition of a total of 320 assets with a gross book value of £0.476 million which were either obsolete, damaged or previously disposed of. This included such items as older ticket machines and computer equipment.</p> <p>The initial draft of the accounts presented to audit did not contain a disclosure derecognising these assets. Furthermore we found there was a lack of documentation relating to disposal of assets.</p>	<p>It is positive that the partnership has made steps to ensure its records are accurate. As the derecognised assets had reached the end of their useful life and had already been fully depreciated, this had no effect on the balance sheet as their accounting value was effectively nil.</p> <p>However, all disposals of non-current assets, regardless of value, should be subject to oversight and approval. SEStran has a responsibility to ensure that its assets are disposed of in a transparent and sustainable way.</p> <p>The partnership should improve its processes and documentation around the disposal of assets. In addition, given the complex accounting requirements around non-current assets, management should ensure sufficient co-ordination and advice is sought from its finance partners.</p> <p>Recommendation 1</p>

Source: Audit Scotland

22. . In addition to our finding in [Exhibit 2](#) above, we identified two further issues. These were:

- **Awarding of grants** - At the start of the year, SEStran held two panel meetings to approve project awards, one for local authorities and one for other organisations. Our review of expenditure relating to People and Place grants noted that panel meetings for local authorities were not minuted or documented. We found all approvals were made in line with standing orders, however we recommend that all decision panel meetings are documented and recorded.
- **Bank reconciliation** - The partnership operates a bank account primarily for the receipt of funding, while routine financial transactions are administered through the City of Edinburgh's financial ledger system. A reconciliation process takes place at regular intervals to

ensure ledger transactions correctly reflect bank activity. The control environment would be enhanced by incorporating a summary sheet that documents the individual responsible for performing the reconciliation and the date it was completed. Additionally, including a formal statement of reconciliation would provide a clear record of compliance and strengthen the audit trail. This measure ensures that the partnership's accounting records are consistent with the bank's records and supports the timely identification of unauthorised transactions, duplicate payments, or potential misappropriations.

Qualitative aspects of accounting practices

23. ISA (UK) 260 also requires auditors to communicate their view about qualitative aspects of the body's accounting practices, including accounting policies, accounting estimates, and disclosures in the financial statements.

Accounting policies

24. The appropriateness of accounting policies adopted by the body was assessed as part of the audit. These were considered to be appropriate to the circumstances of the body, and there were no significant departures from the accounting policies set out in the Code of Practice on Local Authority Accounting 24/25.

Accounting estimates

25. Accounting estimates are used in number of areas in the body's financial statements, including the valuation of land and buildings assets and the valuation of the pension liability. Audit work considered the process management of the body has in place around making accounting estimates, including the assumptions and data used in making the estimates, and the use of any management experts. Audit work concluded:

- There were no issues with the selection or application of methods, assumptions, and data used to make the accounting estimates, and these were considered to be reasonable.
- There was no evidence of management bias in making the accounting estimates.

Audit adjustments

26. Management of the body processed audit adjustments for all misstatements identified greater than the reporting threshold. As a result, there are no corrected misstatements to report. It is the auditor's responsibility to request that all misstatements greater than the reporting threshold are corrected, even if they are not material.

Significant risks of material misstatement identified in the Annual Audit Plan

27. Audit work has been performed in response to the significant risks of material misstatement identified in the Annual Audit Plan. The outcome of audit work performed is summarised in [Exhibit , \(page 12\)](#).

Exhibit 3**Significant risks of material misstatement to the financial statements**

Risk of material misstatement	Planned audit response	Outcome of audit work
<p>Fraud caused by management override of controls</p> <p>Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.</p>	<p>The audit team will:</p> <ul style="list-style-type: none"> • Evaluate the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries. • Test journals entries, focusing on those that are assessed as higher risk, such as those affecting revenue and expenditure recognition around the year-end. • Evaluate significant transactions outside the normal course of business. • Assess the adequacy of controls in place for identifying and disclosing related party relationships and transactions in the financial statements. • Assess changes to the methods and underlying assumptions used to prepare accounting estimates and assess these for evidence of management bias. 	<p>Audit work performed found:</p> <ul style="list-style-type: none"> • The design of controls over journal processing were appropriate and these were implemented as intended. • No inappropriate or unusual activity relating to the processing of journal entries was identified from discussions with individuals involved in financial reporting. • No significant issues were identified from testing of journal entries. • No significant issues were identified from transactions outside the normal course of business. • The controls in place for identifying and disclosing related party relationships and transactions were adequate. • No significant issues were identified with changes to methods and underlying assumptions used to prepare accounting estimates and there was no evidence of management bias. <p>Conclusion: no evidence of fraud caused by management override of controls.</p>

Risk of material misstatement	Planned audit response	Outcome of audit work
<p>2. Risk of material misstatement caused by fraud in expenditure</p> <p>The Code of Audit Practice expands the consideration of fraud under ISA (UK) 240 to include the risk of fraud over expenditure. There is a risk that expenditure may be materially misstated in the 2024/25 financial statements due to the significant extent and nature of SEStran's project and grant-related expenditure streams .</p>	<p>The audit team will:</p> <ul style="list-style-type: none"> • Test expenditure transactions, focusing on the areas of greatest risk, including grant awards. • Review of budget monitoring reports, focusing on significant budget variances. • Review of arrangements in place to prevent and detect fraud. 	<ul style="list-style-type: none"> • Our testing of expenditure did not identify any instances of fraud. • We reviewed budget monitoring reports that are presented at each committee meeting. We concluded that financial management reporting is accurate and appropriate. <p>Conclusion: We did not identify any instances of fraud.</p>
<p>3. Accounting for non-current assets</p> <p>SEStran owns a significant number of non-current assets which are disclosed on the entity's balance sheet. The measurement, valuation and disclosures of these material balances require significant accounting estimates and judgement. Management is reviewing its processes for recording and managing assets, including undertaking a review of policies and procedures.</p>	<p>The audit team will:</p> <ul style="list-style-type: none"> • Evaluate SEStran's arrangements for the valuation and accounting disclosures of non-current assets. • Review the appropriateness of the key data and assumptions used in the 2024/25 valuation process, and challenge these where required. • Test non-current asset entries to confirm the existence of assets and the completeness of the asset register. 	<ul style="list-style-type: none"> • We evaluated the arrangements for the valuation and disclosure of non-current assets. Our findings and conclusions are contained in Exhibit 2.

Source: Audit Scotland

Prior year recommendations

28. The body has made good progress in implementing the agreed prior year audit recommendations, refer [Appendix 1](#).

Financial Sustainability and Best Value audit

Conclusion

SEStran has appropriate arrangements in place for securing financial sustainability, but should consider improving its medium-term plans by extending these to future years.

Audit approach to wider scope and Best Value

Wider scope

29. The Annual Audit Plan reported the body was considered to be a less complex body for the wider scope audit. Therefore, the wider scope audit does not cover all four wider scope areas and is instead limited to concluding on the financial sustainability of the body.

Best Value

30. Under the Code of Audit Practice, the duty on auditors to consider the arrangements an audited body has in place to secure Best Value applies to audited bodies that fall within section 106 of the Local Government (Scotland) Act 1973, which the body does.

31. Consideration of the arrangements the body has in place to secure Best Value have been carried out alongside the wider scope audit.

Conclusions on Financial Sustainability

32. The audit work performed on the arrangements the body has in place for securing financial sustainability found that these were effective and appropriate. This judgement is evidenced by the partnership:

- making appropriate arrangements to develop medium-term financial plans.
- having effective arrangements in place for identifying risks to financial sustainability over the medium and longer-term, and understanding medium and longer-term demand pressures that could impact on available resources.

33. The partnership receives most of its funding from the Scottish Government via Transport Scotland, and requisitions from constituent council members. It approved its initial 2024/25 budget in March 2024, setting out total revenue expenditure of £1.226 million (2023/24: 1.738 million). Subsequently, SEStran was awarded an additional £5.326 million of funding from Transport Scotland for its People and Place Programme, representing a significant increase in the partnership's activity and overall expenditure. The funding is intended to enable the delivery of projects which would increase rates of active travel (walking, wheeling and cycling). This consisted of an additional £1.9 million of revenue, and £3.412 million capital expenditure.

34. The partnership has reported a net underspend in its core revenue budget of £0.086 million in 2024/25. The core budget relates to the day-to-day running costs of the partnership, such as staff and premises costs. On its projects budget, it incurred costs of £5.197 million, reporting an overall underspend of £0.264 million.

35. Of the actual underspend on projects, the majority (£0.207m) is due to slippage amongst four projects: Regional Bus Strategy (£0.122m), GoSEStran (£0.039m), Go eBike (£0.026m), and Sustainable Travel Awareness (£0.025m). Management reported in June that work was ongoing to ensure the full and realistic allocation of project budgets for 2025/26 with a view to eliminating the underspend. A projects and strategy performance report is produced quarterly and is scrutinised by the board's performance and audit committee.

Funding for People and Place has increased in 2025/26

36. The budget for 2025/26 was agreed in March 2025, setting out total revenue expenditure of £7.426 million. Of this, £6.369 million of funding will be provided for the People and Place Programme, an increase of 20% (£1.043 million) from the previous year.

37. The partnership recognises a risk around future financial sustainability. Assumptions in its financial plan include future pay awards, inflation and reductions in grant funding. The partnership mitigates these risks through budget monitoring, recruitment control and seeking external funding opportunities that align with their purpose. The partnership has an agreed reserves policy which includes a minimum unallocated General Fund reserve based on 5% of the core revenue budget.

Financial planning should consider a longer timeframe

38. SEStran has an indicative financial plan for the year 2026/27 which is based on indicative projects activity, provides for estimated costs and build in scenario planning. Although we have not identified a specific risk to financial sustainability, it is important that the partnership has appropriate financial planning in place to ensure it can achieve its priorities and improve resilience. This is particularly important as the partnership's budget and activity increases.

39. The partnership could improve its financial planning by considering medium-term projections beyond the following financial year, linked to business plan and strategic priorities. As SEStran's financial function is delivered through the City of Edinburgh, further strengthening this strategic link with its finance department may improve coordination, improve financial oversight and support more integrated planning and decision-making.

Recommendation 2

The partnership should improve its financial planning by considering medium-term projections beyond the following financial year, and link this to its business plan and strategic priorities.

Arrangements for achieving Best Value

40. [Ministerial guidance to Accountable Officers](#) for public bodies and the [Scottish Public Finance Manual](#) (SPFM) sets out the accountable officer's duty to ensure that arrangements are in place to secure best value. The guidance sets out the key characteristics of best value and states that compliance with the duty of best value requires public bodies to take a systematic approach to self-evaluation and continuous improvement.

41. Procurement decisions are important to securing best value, and the partnership's governance scheme sets out processes which aim to contribute to the achievement of best value in procuring goods and services. The partnership's risk register also recognises the risk of not being able to achieve best value.

42. SEStran's previous three-year business plan format did consider delivery of best value responsibilities as part of the partnership's 2021-24 business plan strategic 'governance' objective. It will be important for the partnership to consider and demonstrate how it assesses compliance against the Scottish Government's Best Value themes.

Appendix 1

Action plan 2024/25

2024/25 recommendations

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
1. Derecognition of non-current assets SEStran has undertaken a review of its non-current asset register and overall asset strategy. Our audit identified further improvements could be made to provide a robust audit trail for all disposals of non-current assets.	The partnership should improve its processes and documentation around the disposal of assets. In addition, given the complex accounting requirements around non-current assets, management should ensure sufficient co-ordination and advice is sought from its finance partners.	Accepted The Asset Management Policy will be amended to include a requirement for recommendations for the derecognition of specific assets to be approved by the Partnership Director before they can be removed from the asset register. Partnership Director December 2025
2. Financial planning it is important that the partnership has appropriate financial planning in place to ensure it can achieve its priorities and improve resilience. This is particularly important as the partnership's budget and activity increases.	The partnership should improve its financial planning by considering medium-term projections beyond the following financial year, and link this to its business plan and strategic priorities.	Accepted The financial planning horizon will be extended from 2 years to a longer period. The exact details will be agreed internally and submitted to the Partnership Board for approval as part of a new Financial Planning procedure. Finance / Partnership Director December 2025

Follow-up of prior year recommendations

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
<p>1. Accounting for non-current assets</p> <p>Our review of the asset register and corresponding entries in the 2023/24 unaudited accounts found a number of material errors. There is a risk that accounting records for non-current assets are not accurate or adequately maintained.</p>	<p>SEStran should undertake a full review of its asset management procedures, ensuring that the asset register fully reflects the assets in use. The partnership should:</p> <ul style="list-style-type: none"> • Review and update the accounting policy for non-current assets in line with Code requirements. • Improve the asset register to provide a direct link to the disclosures in the accounts. • Ensure that that physical items are appropriately tagged to create a direct link between the register and the asset. • Ensure that impairment reviews are carried out on a regular basis, including physical inspection of assets. • Review the useful life of all assets annually to assess if a change in estimate is required. <p>Agreed action:</p> <p>SEStran will devise an Asset Management Strategy and submit it for approval at the Partnership's Board in March 2025.</p> <p>The strategy, which will address all of the points raised by the auditors, will be fully implemented immediately following approval. However, many of the actions emerging as part of the strategy will be implemented prior to the financial year end.</p> <p>Responsible officer: Partnership Director</p> <p>Target date: Strategy approved by end March 2025 and fully implemented by June 2025</p>	<p>Implemented</p> <p>The partnership has made significant positive steps to ensure its records are accurate. We have made further recommendations in our 2024/25 audit report relating to the derecognition and disposal of assets.</p>

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
<p>2. Improvements to the audit process</p> <p>We experienced a delay to the completion of our audit due to late receipt of documentation. We identified that finance staff are under pressure due to competing priorities.</p>	<p>We recommend that management ensures there is sufficient capacity in finance to support timely responses to audit requests. The partnership and the finance team responsible for compiling the annual accounts, based at City of Edinburgh Council, should work closely together to ensure that the substance of transactions, particularly those involving capital expenditure and assets, is accurately reflected in the accounts.</p> <p>Agreed action:</p> <p>Confirmation on 12 April 2024 of a delay in commencement of the external audit was a contributory factor to the capacity issues experienced during the course of the external audit, with work plans and resource availability already fixed by this date.</p> <p>In light of the issues experienced on the 2023/24 external audit, a review of resource availability will be undertaken in advance of the 2024/25 external audit.</p> <p>Responsible officer: Partnership Director/ Treasurer</p> <p>Target date: 31 March 2025</p>	<p>Implemented</p> <p>SEStran officers and finance team were available for audit queries and evidence was provided promptly.</p> <p>It is important the partnership and the finance team, based at City of Edinburgh Council, continues to work closely together to ensure that the substance of transactions, particularly those involving capital expenditure and assets, is accurately reflected in the accounts.</p>

Appendix 2

Supporting national and performance audit reports

Report name	Date published
Local government budgets 2024/25	15 May 2024
Scotland's colleges 2024	19 September 2024
Integration Joint Boards: Finance and performance 2024	25 July 2024
The National Fraud Initiative in Scotland 2024	15 August 2024
Transformation in councils	1 October 2024
Alcohol and drug services	31 October 2024
Fiscal sustainability and reform in Scotland	21 November 2024
Public service reform in Scotland: how do we turn rhetoric into reality?	26 November 2024
NHS in Scotland 2024: Finance and performance	3 December 2024
Auditing climate change	7 January 2025
Local government in Scotland: Financial bulletin 2023/24	28 January 2025
Transparency, transformation and the sustainability of council services	28 January 2025
Sustainable transport	30 January 2025
A review of Housing Benefit overpayments 2018/19 to 2021/22: A thematic study	20 February 2025
Additional support for learning	27 February 2025
Integration Joint Boards: Finance bulletin 2023/24	6 March 2025
Integration Joint Boards finances continue to be precarious	6 March 2025
General practise: Progress since the 2018 General Medical Services contract	27 March 2025
Council Tax rises in Scotland	28 March 2025

South East Scotland Transport Partnership

Proposed 2024/25 Annual Audit Report



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Performance and Audit Committee

12 September 2025

The South East of Scotland Transport Partnership

Audit of 2024/25 annual accounts

Independent Auditor's Report

1. My audit work on the 2024/25 annual accounts is now substantially complete. Subject to the receipt of a revised set of annual accounts for final review, I anticipate being able to issue unmodified audit opinions in the Independent Auditor's Report on 26 September 2025. The proposed Independent Auditor's Report is attached at [Appendix A](#).

Annual Audit Report

2. Under International Standards on Auditing in the UK (ISA (UK)), I am required to report specific matters identified from the audit of the annual accounts to those charged with governance of The South East of Scotland Transport Partnership (SEStran) in sufficient time to enable appropriate action. For SEStran, those charged with governance is the Performance and Audit Committee. I present for the committee's consideration my draft Annual Audit Report on the 2024/25 audit. The section headed "Significant findings and key audit matters" sets out the issues identified in respect of the annual accounts, including those that I am required to report to you.

3. The Annual Audit Report also sets out conclusions on the wider scope areas that frame public audit as set out in the Code of Audit Practice.

4. The Annual Audit Report will be issued in final form after the audit of the annual accounts has been completed.

Uncorrected misstatements

5. I also report to those charged with governance all uncorrected misstatements in the annual accounts which I have identified during the course of my audit, other than those of a trivial nature, and request that these misstatements be corrected.

6. There are no uncorrected misstatements to report.

Other ISA (UK) matters

7. In presenting this letter and the Annual Audit Report to the Performance and Audit Committee, I seek confirmation from those charged with governance on the following matters:

- if they are aware of any instances of actual, suspected, or alleged fraud,
- if they are aware of any subsequent events that have occurred since the date of the financial statements,

- if they are content that the methods, assumptions, and data used in making accounting estimates in the annual accounts are appropriate,
- if all related party relationships and transactions they are aware of are reflected in the annual accounts, and
- if they are aware of any non-compliance with laws and regulations.

8. Any issues that I have identified from my audit in relation to other ISA (UK) matters that I am required to report to those charged with governance have been reported in the section headed “Other matters to report” in the Annual Audit Report.

Representations from the Section 95 Officer

9. As part of the completion of the audit, I am seeking written representations from the Treasurer, who is the Section 95 Officer, on aspects of the annual accounts, including the judgements and estimates made.

10. A draft letter of representations is attached at [Appendix B](#). This should be signed and returned to me by the Section 95 Officer with the signed annual accounts prior to the Independent Auditor’s Report being signed.

Appendix A: **Proposed** Independent Auditor's Report

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of The South East of Scotland Transport Partnership for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the 2024/25 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the body as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 03 April 2023. my period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard was not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's

ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Treasurer and The South East of Scotland Transport Partnership for the financial statements

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

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

The South East of Scotland Transport Partnership is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the body;
- inquiring of the Treasurer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Treasurer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;

- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

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

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

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report

I have audited the parts of the Remuneration Report described as audited. In my opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

Other information

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

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

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

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

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

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

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Christopher Gardner FCPFA,
Audit Scotland,
4th Floor, The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

Date:

**Appendix B: Letter of Representations (ISA (UK) 580) – TO BE
REPRODUCED ON SESTRAN OR CEC HEADED PAPER, SIGNED BY RLB AS
TREASURER**

Christopher Gardner,
Senior Audit Manager Audit Scotland
4th Floor, The Athenaeum Building
8 Nelson Mandela Place
Glasgow G2 1BT

Dear Christopher,

South East of Scotland Transport Partnership

Annual accounts 2024/25

This representation letter is provided in connection with your audit of the annual report and accounts of South East of Scotland Transport Partnership, hereafter referred to as SEStran, for the year ended 31 March 2025 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view and have been properly prepared, and for expressing other opinions on the Remuneration Report, Management Commentary, and Annual Governance Statement.

I confirm to the best of my knowledge and belief, and having made such enquiries as I considered necessary, the following representations given to you in connection with your audit of SEStran's annual accounts for the year ended 31 March 2025.

General

I have fulfilled my responsibilities for the preparation of the 2024/25 annual accounts as set out in your 2024/25 Annual Audit Plan. All the accounting records, documentation, and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by SEStran have been recorded in the accounting records and are properly reflected in the financial statements.

I confirm that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. As you have reported, there are no uncorrected misstatements.

Financial Reporting Framework

The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (2024/25 Code), and the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003, and the Local Authority Accounts (Scotland) Regulations 2014.

6. In accordance with the Local Authority Accounts (Scotland) Regulations 2014, I have ensured that the financial statements give a true and fair view of the financial position of SEStran at 31 March 2025 and the transactions for 2024/25.

Accounting Policies and Estimates

All material accounting policies applied are as shown in the note included in the financial statements. The accounting policies are determined by the 2024/25 Code, where applicable. Where the 2024/25 Code does not specifically apply, I have used judgement in developing and applying an accounting policy that results in information that is relevant and reliable. All accounting policies applied are appropriate to SEStran's circumstances and have been consistently applied.

The methodology, significant assumptions, and data used in making accounting estimates are reasonable, and have been properly reflected and disclosed in the financial statements in accordance with the 2024/25 Code. Judgements made in making estimates have been based on the latest available and reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

Going Concern Basis of Accounting

I have assessed SEStran's ability to continue to use the going concern basis of accounting and have concluded that it is appropriate. I am not aware of any material uncertainties that may cast significant doubt on SEStran's ability to continue to adopt the going concern basis of accounting.

Assets

All assets at 31 March 2025 of which I am aware have been reported in the financial statements.

I carried out an assessment at 31 March 2025 as to whether there is any indication that an asset may be impaired and have recognised any impairment losses identified in the financial statements.

I have provided you with all information of which I am aware regarding any valuation exercises carried out after 31 March 2025.

There are no plans or intentions that are likely to affect the carrying value or classification of the assets recognised in the financial statements.

Owned assets are free from any lien, encumbrance, or charge, except as disclosed in the financial statements.

The pension assumptions made by the actuary in the IAS 19 report for SEStran have been reviewed and I confirm that they are consistent with management's own view.

Liabilities

All liabilities at 31 March 2025 of which I am aware have been reported in the financial statements.

11. Provisions have been recognised in the financial statements for all liabilities of uncertain timing or amount at 31 March 2025 of which I am aware where the conditions specified in IAS 37, as adapted by the 2024/25 Code, have been met.

The accrual recognised in the financial statements for annual leave untaken by 31 March 2025 has been estimated on a reasonable basis.

There are no plans or intentions that are likely to affect the carrying value or classification of the liabilities recognised in the financial statements.

Contingent Liabilities

There are no significant contingent liabilities arising either under formal agreement or through formal undertakings requiring disclosure in the accounts.

Litigation and Claims

All known actual or possible legal claims have been disclosed to you and have been accounted for and disclosed in the financial statements in accordance with the 2024/25 Code.

Fraud

I understand my responsibilities for the design, implementation, and maintenance of internal control to prevent fraud and I believe I have appropriately fulfilled those responsibilities.

I have provided you with all information in relation to:

- my assessment of the risk that the financial statements may be materially misstated as a result of fraud,
- any allegations of fraud or suspected fraud affecting the financial statements, and
- fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

Laws and Regulations

I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Related Party Transactions

All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with IAS 24, as adopted by the 2024/25 Code. I have made available to you the identity of all of SEStran's related parties and all the related party transactions of which I am aware.

Remuneration Report

The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014, and all required information of which I am aware has been provided to you.

Management Commentary

29. I confirm that the Management Commentary has been prepared in accordance with statutory guidance, and the information is consistent with the financial statements.

Corporate Governance

30. I confirm SEStran has undertaken a review of the system of internal control during 2024/25 to establish the extent to which it complies with proper practices set out in *Delivering Good Governance in Local Government: Framework 2016*. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.

31. I confirm that the Annual Governance Statement has been prepared in accordance with the *Delivering Good Governance in Local Government: Framework 2016* and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements, or issues identified, since 31 March 2025 which require to be reflected in the Annual Governance Statement or annual accounts.

Events Subsequent to the Date of the Balance Sheet

All events subsequent to 31 March 2025 for which IAS 10, as adopted by the 2024/25 Code, requires adjustment or disclosure have been adjusted or disclosed.

Yours sincerely

Richard Lloyd-Bithell

Treasurer, SEStran

Date:

Audited Annual Accounts 2024/25

1. Introduction

- 1.1** This report presents the Audited Annual Accounts for the year ended 31st March 2025.

2. Main Report

- 2.1** The unaudited Annual Accounts were noted by the Partnership at its meeting on 20th June 2025.

- 2.2** The Partnership's appointed External Auditor – Audit Scotland has completed work on the 2024/25 annual accounts.

- 2.3** The Audited Annual Accounts for the year ended 31st March 2025 are presented at Appendix 1.

- 2.4** The Proposed Independent Auditor's Report states the financial statements:

- give a true and fair view of the state of affairs of the Partnership as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Code; and;
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

- 2.5** The Audit Opinion is included in the Independent Auditor's report at pages 51 to 53 of the Audited Annual Accounts.

- 2.6** The Partnership Board will consider the Annual Audit Report and the Audited Annual Accounts at its' meeting on 26th September 2025.

3 Recommendations

- 3.1** It is recommended that the Performance and Audit Committee note the audited annual accounts and the Auditor's opinion in the audit certificate.

Richard Lloyd-Bithell
Treasurer
5th September 2025

**Appendix
Contact**

1 – Audited Annual Accounts 2024/25
iain.shaw@edinburgh.gov.uk

Policy Implications	There are no policy implications arising as a result of this report.
Financial Implications	There are no financial implications arising following issue of an unqualified Audit certificate.
Equalities Implications	There are no equality implications arising as a result of this report.
Climate Change Implications	There are no climate change implications arising as a result of this report.

The South East of Scotland Transport Partnership (SESTRAN)

Audited Annual Accounts

2024/2025

The South East of Scotland Transport Partnership (SESTRAN)

CONTENTS

	<u>Page</u>
Management Commentary	2 - 11
Statement of Responsibilities for the Annual Accounts	12
Annual Governance Statement	13 - 15
Remuneration Report	16 - 17
<u>Accounting Statements and Notes to the Annual Accounts:</u>	
Annual Accounts	
<i>1. Movement in Reserves Statement for the year ended 31st March 2025</i>	18
<i>2. Comprehensive Income & Expenditure Statement for the year ended 31st March 2025</i>	19
<i>3. Balance Sheet as at 31st March 2025</i>	20
<i>4. Cash Flow Statement for the year ended 31st March 2025</i>	21
Statement of Accounting Policies	22 - 25
Notes to the Annual Accounts	26 - 50
Independent Auditors Report	51 - 53

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 on 1st December 2005 under the Regional Transport Partnerships (Establishment, Constitution and Membership) (Scotland) Order 2005.

The Partnership's main source of funding is an annual revenue grant from Transport Scotland. Under Section 3 of the Transport (Scotland) Act 2005, the net expenses of SEStran, after allowing for the government grant and any other income, are met by its constituent councils. The constituent councils are City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.

In accordance with Section 122 of the Transport (Scotland) Act 2019, the Partnership has established a General Fund reserve.

3. Corporate Strategy

Regional Transport Partnerships (RTPs) have a statutory remit which includes developing a Regional Transport Strategy (RTS) in partnership with member local authorities and other stakeholders, monitoring and reporting on progress of the strategy's implementation.

The current RTS - SEStran 2035 - was approved by Scottish Ministers in March 2023 and replaces the Regional Transport Strategy 2015 - 2025 Refresh published in July 2015. It addresses the transport problems and issues being experienced in the SEStran region.

The SEStran region covers 8,400km², which is just over 10% of Scotland's landmass. It has 11,672 km of roads and over 870,000 cars. It is hugely diverse and includes areas which fall into every one of the Scottish Government's six-fold urban-rural classification. The total population of the SEStran area was estimated as 1,619,460 in 2024 (National Records of Scotland mid-year population estimate 2024). The majority of the population is concentrated in the centre of the SEStran area with large, sparsely populated rural areas to the north, south, and east particularly the remote rural areas in north and east Fife, Scottish Borders and East Lothian. The greatest concentration of population is within the City of Edinburgh, which accounts for approximately 32% of the total SEStran region population.

The new RTS sits within a policy hierarchy which spans the national, regional and local levels. In particular, the RTS has been developed within the policy framework provided by the National Transport Strategy 2 which was published in February 2020, and set out four strategic priorities, as well as defining a Sustainable Travel Hierarchy. These four priorities and hierarchy have been used to guide the development of this RTS.

The Partnership's Vision Statement is "a South-East of Scotland, fully integrated transport system that will be efficient, connected and safe; create inclusive, prosperous and sustainable places to live, work and visit; be affordable and accessible to all, enabling people to be healthier; and delivering the region's contribution to net zero emissions targets."

The 4 key strategy objectives outlined in the RTS are:

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

Work to deliver the RTS takes various forms including:

- Collaborating with local authority partners to ensure that their Local Transport Strategies, Development Plans and related strategies or policies, all align with the RTS
- Leading on the development of strategies to help partners to tackle transport issues which can be more effectively addressed at a regional level
- Influencing senior stakeholders such as Scottish and UK governments, Transport Scotland, local authority partners, community planning partnerships, other RTPs, NHS, transport operators, and transport users' groups
- Building test cases for, and piloting, innovative solutions to transport problems, particularly where this would not be feasible for individual local authorities
- Seeking innovative funding mechanisms to support the delivery of priority projects
- Supporting on-the-ground delivery of regional projects by working with partners, consultants etc to develop detailed project plans and, where relevant, funding delivery of these plans.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

4. Risks and Uncertainties

The principal risks and uncertainties faced by the Partnership have traditionally fallen into two main categories - financial and transport governance. However, the increasing prevalence of cyber attacks means that cyber security has also been identified as a major risk to the organisation.

Financial Risks

Traditionally, the Partnership has had 4 main sources of funding:

- Annual grant funding from Transport Scotland
- Requisition from each of the eight local authority partners
- Funding for specific projects or activities e.g. Active Travel
- Funding from the European Union for collaborative projects with partners in other EU states.

The annual grant from Transport Scotland remained at the same level for over a decade, but it was reduced by 5% for 2024/25 in line with reductions across the Scottish Government. This reduced level of funding has continued into 2025/26. There is a real risk that there will be further reductions to this grant, which is designed to cover the Partnership's core costs, in 2026/27 and beyond.

SEStran is in regular contact with Transport Scotland to ensure that the scope and impact of the Partnership's work is recognised, valued and that the Scottish Government is aware of the additional benefits the Partnership would deliver if funding is increased.

Council requisitions have reduced by 10% over the last decade. Transport Scotland has encouraged RTPs to increase the requisitions and it is planned to seek an increase of 10% for the 2026/27 financial year. With council budgets already under significant pressure, this increase is likely to meet with significant resistance. In advance of proposing a budget for 2026/27, the Partnership will prepare a case to demonstrate the significant multiplier effect on council requisitions i.e. that, for each council's contribution, each council receives benefits well in excess of the contribution.

Funding for specific projects has accounted for as much as 50% of the Partnership's overall income in recent years. As it not usually announced until part-way through each financial year, it does not form part of the budget process. Due to Scottish Government financial constraints, with the exception of the People and Places Programme, there was no funding for specific projects in 2024/25 and there is unlikely to be much, if any, in 2025/26.

European Union funding ceased entirely during 2023/24, primarily due to the exit of the UK from the EU. There is a more positive outlook though, as UK organisations are eligible to bid for EU Horizon funding. SEStran will work in partnership with other UK and EU organisations to pursue Horizon funding.

The biggest change by far to RTP's funding has resulted from Transport Scotland's Active Travel Transformation Programme. This has resulted in RTPs becoming responsible for the disbursement of all government-funded active travel behaviour change projects within their region since April 2024. Now the 'People and Place Programme', this role was previously undertaken by the third sector.

In 2025/26, the Partnership will receive an additional £6.3m of grant funding for People and Place. Most will be passed through to local authorities or active travel delivery partners whose projects qualify for funding under the new grant standing orders (SOs) and funding processes which have been approved by the Partnership. These SOs and processes were the subject of the 2024/25 Internal Audit, and are being updated to incorporate further improvements to controls.

For 2025/26, certain tightly defined 'sustainable travel' activities are eligible for this 'active travel' funding. These include Real Time Passenger Information systems and signage, Demand Responsive Transport and Mobility Hubs. In addition, the scheme now incorporates funds which were previously directly awarded to community organisations to sustain them through the transition.

The Partnership is also proactively seeking additional sources of funding - particularly from a number of funds aimed at innovation and digital innovation, and had some success, in collaboration with partners, who received c.£0.189m through the Department for Transport's Rural Transport Accelerator to help support one of the Partnership's priority programmes.

Over the past 2 or 3 years, costs have been subject to the highest level of inflation for a generation. Although the situation is improving, there is a real risk that staff salaries and pensions could increase beyond budgeted levels. The Partnership mitigates this risk by:

- Making prudent planning assumptions
- Monitoring income and expenditure on a monthly basis and adjusting expenditure to mitigate against overspend
- Holding an appropriate cash reserve to be used in the event that an overspend cannot be prevented by other controls.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

4. Risks and Uncertainties (*continued*)

Financial Risks

The Partnership's long-term financial sustainability was assessed by the City of Edinburgh Council's Internal Audit team in 2023/24. Apart from recommended changes to financial and budgeting processes, the audit report was very positive. A Financial Planning procedure has been developed to address the issues identified during the audit. The plan includes the implementation of measures such as scenario planning and sensitivity exercises as part of the budgeting process.

Transport Governance

Transport governance refers to the respective roles and responsibilities of Transport Scotland, the 7 Regional Transport Partnerships, 32 local authorities and selected other partners.

Over recent years, there has been much discussion about the need to review transport governance. Successive independent reports have proposed that Transport Scotland should devolve much of its workload to other organisations which, due to better understanding of regional or local requirements, may be better placed to prioritise and deliver projects in their region or local authority area.

This is both a risk and an opportunity to the Partnership. The recent transfer of People and Place responsibilities indicates that Transport Scotland supports a regional approach to the governance of at least some transport functions and that it has a high degree of confidence in RTPs. SEStran is aiming to build on this by actively engaging with Transport Scotland about other matters where it believes it can make a significant positive impact.

In addition, Transport Scotland is planning to review transport governance, resources permitting, in the near future. The joint RTPs, COSLA and SCOTS are likely to form part of a working group reporting to the Cabinet Secretary for Transport.

Although the SEStran and Edinburgh and South East Scotland City Region (CRD) regions are not entirely contiguous (Clackmannanshire and Falkirk are not in the CRD region), as a result of the Concordat agreed by SEStran and the CRD team in 2023, the two organisations work very closely together and the CRD has adopted the RTS as the masterplan for transport in the city region.

The CRD is in discussions with both the Scottish and UK Governments about the next steps for its region. The CRD team is keen to be given more responsibility and powers to ensure that transport infrastructure meets the needs of the region in future years. SEStran fed into and agreed the contents of a letter from the CRD to both governments.

Cyber Security

Public sector entities have increasingly become prime targets for cyber-attacks and data breaches, which can compromise sensitive information and disrupt services.

SEStran has contracted an Information Technology (IT) service company to provide support for all aspects of its IT service including cyber security.

This includes provision of technological defences against such attacks, and staff training to ensure that staff are fully informed about attacks using social engineering or common messaging systems such as email or SMS. phishing, vishing etc. SEStran is subject to an annual Cyber Essentials Plus audit and is fully accredited.

The Partnership also receives daily threat updates and weekly vulnerability emails from the Scottish/National Cyber Security Centre, and a monthly in-person visit by an IT Consultant/Engineer as part of the IT service contract.

5. Results for the Year

The net revenue budget of the Partnership in 2024/25 was £0.972m, funded by an anticipated Scottish Government grant of £0.782m and Council Contributions of £0.190m. Following Partnership Board approval of the 2024/25 revenue budget on 15th March 2024, the Scottish Government advised a grant reduction of £39,000. In summary:

- The Partnership had a Core budget underspend of £125,000. £39,000 of this underspend was required to manage the reduction in Scottish Government grant funding received in 2024/25, resulting in a net Core budget underspend of £86,000.
- After inclusion of carry forward of £0.187m from the 2023/24 Projects budget underspend, the Partnership had a Projects budget underspend of £264,000 in 2024/25. A further £0.084m of Projects expenditure is carried forward to 2025/26 to meet future lease commitments for an electronic bicycle scheme.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Results for the Year (*continued*)

A summary of the 2024/25 financial results is shown in the table below.

	Revised Budget £'000	Earmarked Reserves from 23/24 £'000	Total Available Funding £'000	Outturn £'000	Variance from Total Funding £'000
Core Budget	862	0	862	820	(86)
Core Budget - Interest Received	0	0	0	(44)	
Revenue Projects - Expenditure	6,023	241	6,264	5,191	(264)
Revenue Projects - Income	(5,952)	(54)	(6,006)	(5,197)	
Revenue Projects - Electronic Bicycle Lease	0	106	106	22	(84)
Total Expenditure before Government Grant and Council Contributions	933	293	1,226	792	(434)
Government Grant	(743)	0	(743)	(743)	0
Constituent Council Requisitions	(190)	0	(190)	(190)	0
Total Government Grant and Council Contributions 2024/25	(933)	0	(933)	(933)	0

Core budget

The Core budget provides for the day-to-day running costs of the Partnership and includes employee costs, premises costs and supplies and services. The principal favourable variances on the Core budget arose due to:

- £45,000 of software hosting costs (Novus FX) being recharged to the Projects budget
- £41,000 of employee costs being recharged to the Projects budget
- £44,000 of interest received on revenue balances reflecting the additional cash balances that the Partnership benefited from through the People and Place Programme.

£39,000 of the Core budget underspend was required to manage the reduction in Scottish Government grant funding received in 2024/25, resulting in a net Core budget underspend of £86,000.

Projects budget

The Partnership incurred expenditure of £5.191m on revenue projects and received external grants and contributions of £5.197m. After inclusion of carry forward of £0.187m from the 2023/24 Projects budget underspend, the Partnership had a Projects budget underspend of £264,000 in 2024/25.

A further £0.084m of Projects expenditure is carried forward to 2025/26 to meet future lease commitments for an electronic bicycle scheme.

The principal favourable variances on the Projects revenue budget arose on the following projects:

- £122,000 - Bus Strategy Development
- £34,000 - Mobility as a Service
- £26,000 - GO e-Bike
- £25,000 - Sustainable Travel.

In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy and established an unallocated reserve. At 1st April 2024, the Partnership had an unallocated General Fund Reserve of £135,000. At 31st March 2025, this increased to £221,000. Slippage on project delivery from 2024/25 to 2025/26 will be managed by establishment of an earmarked balance per the Partnership's Reserves Policy.

Treasury Management

The Partnership has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector. 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. For 2024/25, interest of £44,197 was calculated in accordance with the (withdrawn) Local Authority (Scotland) Accounts Advisory Committee's Guidance Note 2 on Interest on Revenue Balances. The role of Treasury Management in the management of financial risks is referenced in Note 25.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Results for the Year (*continued*)

Non Financial Results

During 2024/25, the Partnership progressed work on a number of exciting projects and on the development of strategies essential to facilitate delivery of the RTS.

People and Place

In 2024/25, Transport Scotland set out their new regional approach to funding active travel behaviour change across Scotland, passing funding to each of Scotland's seven RTPs. The programme supports activity that gives people the knowledge, skills and confidence to choose to walk, wheel and cycle more often.

Following this, the Partnership developed the People and Place Plan and through this distributed £5.3m of funding to 18 delivery partners, including the region's eight local authorities.

Schools and young people

This theme focuses in and around schools, and on projects that deliver holistic solutions to create an environment where active travel choices are not only an option, but the most desirable way for young people and families to travel.

The Partnership funded:

- Two regional projects to work intensively with schools to support young people to choose active travel more often
- The WOW project, allowing 49 schools across the region to encourage more children to walk to school
- Six local authorities to deliver a range of cycle storage improvements in their primary and secondary schools
- Six local authorities to provide access to bikes for young people
- Fife Council to purchase 13 adaptive cycles for young people
- A bike library for children to loan bikes for free in Edinburgh.

Accessibility and inclusion

This theme is for projects that create opportunities for everyone to make the choice to travel actively.

The Partnership funded:

- Seven projects to audit street / areas with high pedestrian, wheeling and cycling potential and remove barriers where needed
- The creation of an active travel hub in East Lothian
- Two organisations to deliver walking and cycling activities for their local communities to encourage participation in active travel
- An access to cycles project across the region to support cycle repairs, bike recycling and purchase of new cycles.

Workplaces

The workplace theme is for projects which are focussed in and around places of work (including further and higher education), that make active travel choices a realistic solution for commuting.

The Partnership funded:

- TravelKnowHow Scotland to support employers in the region enable employees to travel by more sustainable modes
- NHS Fife to improve cycle storage facilities and to set-up an e-bike hire scheme for staff
- Midlothian Council's project to encourage staff to walk more with a series of lunchtime led walks and council wide step count challenges
- East Lothian Council to install additional cycle storage facilities for staff.

Capacity and capability building

This theme is for projects that build the knowledge base and delivery capacity and capability of the sector itself (including SEStran, local authorities, the third sector and beyond).

The Partnership funded:

- A strategy officer to work with Falkirk Council to develop a comprehensive behaviour change strategy for active travel
- A shared learning workshop for all local authorities in our region
- The creation of a public dashboard to share information on funding distribution and project delivery.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Non Financial Results (*continued*)

People and Place (*continued*)

Capacity and capability building (*continued*)

The Partnership also:

- Organised a visit for the Cabinet Secretary for Transport to funded projects in Edinburgh
- Worked with partners to create a future delivery plan for People and Place
- Commissioned an evaluation of the 2024/25 People and Place programme delivery.

Go e-Bike

Go e-Bike enables people to access e-bikes and bike share initiatives through a variety of ways, including e-bike trials, bike share initiatives and bike training and bike maintenance training.

e-bike trials

During 2024/25 e-bike trials took place at East Lothian Council, St John's Hospital and Persimmon Homes in West Lothian, and at Skills Development Scotland in Edinburgh. The trials are supported in partnership with West Lothian Bike Library and gives access to a fleet of e-bikes for staff to use for four weeks.

Bike share

During the year, the Partnership began trialling Brompton bike lockers in two locations. The lockers provide access to Brompton's folding bikes, which can be hired for up to 60 days at a time. The bike lockers are at Sheriffhall park and ride in Edinburgh and Queen Margaret University in East Lothian.

Bike training and maintenance

The Partnership provided cycle ride leader training to staff at the Social Bite Village in Edinburgh to support the use of the e-bike fleet with both staff and residents. The Partnership also delivered bike maintenance and cargo bike training to Porty Community Energy to support volunteers with the e-bikes available to loan.

Go SEStran

Go SEStran was a pilot regional journey planning app. It has been designed to prioritise sustainable travel. This approach is often referred to as Mobility as a Service (MaaS). The Partnership received funding from Paths for All to run a pilot to assess the viability of MaaS in the South-East of Scotland and have been working with Tactran, a neighbouring Regional Transport Partnership, who are developing similar pilots in their region.

The Partnership's focus during 2024/25 was to investigate opportunities for the app to offer more to users, including signposting to more payment methods, integrating more features and targeting specific user groups. Alongside this, the Partnership has been developing VoyagAR, an app focused on providing digital support to users. This includes augmented reality providing visuals during the journey, and chat support for carers, friends and family.

Unfortunately, due to uncertain future funding and low user numbers, a decision to end the pilot was taken at the March 2025 meeting of the Partnership Board.

Electric vehicle charging infrastructure

To help support the move to electric vehicles (EVs), the Partnership has been working with seven of the eight local authorities in the region (East Lothian Council is working independently) and Dumfries and Galloway (the SWestrans region) to develop documentation and explore opportunities to regionally procure public EV charging infrastructure. The aim is to create efficiencies by creating a bigger market for suppliers in the final tender process, and to support a joined-up network for the public.

The beginning of the year saw the Partnership putting into place the formal governance structure needed to run the project, along with the procurement of a consultant to develop documentation and support local authorities. The Partnership worked with Transport Scotland to identify the grant available to each local authority and understand the available budget.

The second half of the year was focused on agreeing a lead local authority (City of Edinburgh) and running regular steering group and working group meetings to determine the best route forward.

Real-time passenger information

Reliable real time passenger information is vital if the Partnership is to encourage people to move towards more sustainable travel methods rather than use their car. The Partnership has worked with local authorities and operators in the region to provide real time, and accurate, information for bus users. The screens can also be used to advertise local campaigns and information.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Non Financial Results (*continued*)

Real-time passenger information (*continued*)

A focus for the year has been the integration of live information from Lothian Buses to the network of screens across the region. The Partnership has worked with Journeo to provide training for local authorities so new staff members can report faults, track the status of screens, add imagery and adverts to screens, and track performance.

The Partnership was pleased to be able to use the screens in advance of Storm Eowyn in January 2025 to inform public that no bus or tram services would be running during the region's red weather warning – thus preventing people from unnecessarily exposing themselves to the storm.

Thistle Assistance

Thistle Assistance is an initiative to help people with disabilities to feel safer and more comfortable when using public transport. The free Thistle Assistance card and app are recognised by many public transport operators across Scotland, and the initiative allows people, in an easy and subtle way, to request the extra support they would like. The Partnership manages and operate Thistle Assistance for the whole of Scotland, and on behalf of the other RTPs.

The focus for Thistle Assistance has been to understand how the Thistle Assistance card and app are currently being used and where improvements may be needed. To do this, the Partnership worked with Disability Equality Scotland and distributed a questionnaire to their members. The Partnership also promoted the questionnaire more widely across our own channels. The results of this work will enable the Partnership to improve Thistle Assistance going forward.

The Partnership has also been focusing on marketing Thistle Assistance, working with a media buying agency to advertise to target audiences across a range of digital channels. This has resulted in an unprecedented level of demand for cards, and the work is currently being evaluated to determine whether the benefits to users justify the costs involved.

Transport to Healthcare (TtH)

Getting to and from an appointment at a hospital, at the local doctor's surgery or other healthcare setting can be difficult for many people. The Partnership is working with healthcare partners across the region to better understand the issues and find ways to tackle them. By connecting key stakeholders, the Partnership hopes to enable positive and educational conversations, leading to more joined-up and strategic thinking on this complex subject.

During the first half of the year, the Partnership's focus was on developing relationships with the Partnership's four health boards (Fife, Lothian, Forth Valley and Borders), NHS Assure and the Scottish Ambulance Service. Following this, the Partnership set up a transport to health project group and began meeting regularly to share best practices and discuss current challenges.

During the second half of the year, the Partnership began working with Public Health Scotland to grow engagement and knowledge of the key relationship between transport and health. The Partnership presented work at the Public Health Scotland conference in November 2024 and held a joint stakeholder event in February 2025. This event brought together transport, planning and public health colleagues from across the region to address shared ambitions to improve health, take climate action and reduce inequalities.

Regional Transport Strategy Delivery Plan

The Regional Transport Strategy Delivery Plan provides a mechanism to assess and prioritise regional projects required over the next ten years to realise the ambitions of the Regional Transport Strategy, supporting the economic and net-zero goals of the Regional Prosperity Framework. The Regional Transport Strategy Delivery Plan supports the delivery of a transport network that:

- Takes climate action
- Addresses inequalities and accessibility
- Improves health and wellbeing
- Supports sustainable and inclusive economic growth
- Improves safety and resilience.

The Regional Transport Strategy Delivery Plan complements Strategic Transport Projects Review 2 (STPR2), highlighting projects within and outside the plan that contribute to the Partnership's vision for transport in South East Scotland.

Over the course of the year, the Partnership has been working closely with colleagues from both the Edinburgh and South East of Scotland City Region Deal and local authorities to develop a matrix of regional projects, agree scoring and weighting that brings parity across our eight authorities. Those priorities are now plotted with Power BI and GIS mapping to demonstrate how rich the region is with opportunities.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Non Financial Results (*continued*)

Regional Bus Strategy

The Partnership wants a world-class bus service for the SEStran region. Pre-covid, almost half of residents in the region used a bus at least once a month. The impact of covid saw this reduce drastically, but data shows that bus patronage is building. 2024/25 saw the beginning of the process to shape a bus strategy for the region.

The Partnership has commissioned consultants to develop a regional bus strategy to:

- Explore the current state of the bus network in the SEStran region and develop a problem statement
- Identify gaps caused by the withdrawal of services or by the development of new housing schemes, destinations, etc
- Consider the potential of the bus provisions of the Roads (Scotland) Act 2019 to improve the situation. These include bus service improvement partnerships, municipally owned bus services, bus franchising, and data sharing
- Propose a set of recommendations to address the problem statement.

At the beginning of the year, the Partnership procured consultants Stantec and Systra and engaged the Partnership's local authorities and bus operators in the bus strategy development process. With ongoing engagement from the local authorities, bus operators, Partnership Board and a group from our Integrated Mobility Forum, the Partnership has worked through a Case for Change and consulted on draft strategy policies and actions.

Freight

As set out in the Regional Transport Strategy, the Partnership will support, where appropriate, the development of new or enhanced rail freight services in the SEStran region. The Partnership is currently exploring an innovative idea to incorporate freight on trams in Edinburgh. The Partnership is also looking at how the SEStran region can support improved road freight services with better driver facilities and using non-traditional fuel for HGVs and LGVs as there is a transition to a post carbon transport system.

During the year, the Partnership worked to achieve funding for two proposals:

- Access to goods proposal in partnership with the University of the West of Scotland
- Edinburgh Tram for Freight proposal - part of the wider Freight and Urban System Integration for Optimised Networks (otherwise known as FUSION), which aims to cut average travel delays by 30%, reduce transport energy consumption, and lower greenhouse gas emissions through simulations and pilot programmes.

Unfortunately, due to a very competitive funding market, the Partnership has not yet been successful in securing funds, but will continue to explore opportunities to improve freight transport in our region.

The Partnership is also working with the Forth Green Freeport partners on enhanced freight links between Rosyth and Alloa.

Rail

The rail network has an important role to play in helping people travel sustainably around the South-East of Scotland. The Partnership's work includes exploring how improvements to the rail network can help people travel in a more sustainable way. This can include more direct through-services between locations, reducing the need for interchange on existing routes, and increased frequencies on particular routes or at key times of the day.

The main focus of the Partnership's rail work during 2024/25 has been supporting the Newburgh community in Fife in the quest to get the railway station in the town reinstated, and working with the community in Winchburgh, through their monthly steering group, on the case for a station in the town following substantial house building and development.

Newburgh

During the year, and in response to comments from Transport Scotland, the Partnership completed work to enhance the existing STAG appraisal, including a stakeholder workshop. This has now been submitted to Transport Scotland for review.

Winchburgh

The Winchburgh work is progressing with both the development of the business case and the design of the new station. The Partnership is a member of the steering group, which meets monthly.

6. Future Developments

The Partnership's Business Plan for 2025/26 builds further on the work undertaken in 2024/25 and introduces new projects and approaches to drive forward delivery of the RTS.

Regional Bus Strategy

Work will continue throughout 2025/26, with an Options Appraisal and public consultation exercise, ahead of the complete strategy being published, subject to Board approval, in September 2025. This will be followed by a route map demonstrating how to organise and realise the strategy's suggested actions.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

6. Future Developments (*continued*)

RTS Delivery Plan

Building on the prior year's success, the Partnership will take a decision about the best way to illustrate RTS priorities; whether that be as a prioritised list a multi-year route map of interventions. In either case, the effort will form the basis for funding conversations with stakeholders including the Scottish Government and Transport Scotland.

The Partnership expects to procure external consulting report to undertake this task.

People and Place Plan

To deliver People and Place in 2025/26 and onwards, the Partnership has developed a Delivery Plan that establishes the regional priorities for change, how funding will be prioritised, and how the Partnership will work with local authorities and delivery partners to provide a holistic approach to support broader transport outcomes. SEStran will continue to work with partners to review progress annually, learn lessons from robust monitoring and evaluation, and make changes as required.

In 2025/26, SEStran's People and Place delivery will build on work in 2024/25, as well as incorporating changes to the programme such as including sustainable transport alongside active travel. The programme will:

- Increase the proportion of active and sustainable journeys in the region
- Increase awareness of the benefits of active and sustainable travel to encourage future behaviour change
- Increase the use of active and sustainable travel modes among underrepresented groups in the region who might face additional barriers
- Collaborate with local authorities and third-sector partners to strengthen capacity and capability in active and sustainable travel.

Its focus will be on travel for functional journeys through changed travel habits for leisure may also be supported where this can be demonstrated to contribute to regional health and/or economic development objectives.

The People and Place budget will be split across five funding areas, with the majority of the budget allocated to the Regional Priority Intervention Fund, alongside funding for Local Authorities and community groups.

Travel to Healthcare Strategy

As detailed earlier, lack of travel options is cited as one of the main reasons for people missing healthcare appointments, and this is likely to be worse in rural areas with higher levels of transport poverty. The Mobility and Access Commission produced a series of recommendations to address this in the Transport to Health and Social Care report in 2019.

Since then the Scottish Government's Primary Care team has produced an action plan to tackle this issue, but the plan lacks detail, misses opportunities to capitalise on existing assets, and progress has been, at best, very slow.

Therefore SEStran will establish a programme to develop a TtH strategy in the region. The programme will now build on the network that has been established to build a case for change, outline options appraisal, detailed options appraisal, and final business case.

It is anticipated that an implementation plan will then be developed and mobilised, but as this is beyond the scope of the initial programme, it will be subject to further approval, and is likely to take place between late 2026 and 2028.

Rail Strategy and Freight Strategy

Given the importance of passenger rail to achieve modal shift to more a more sustainable means of travelling by encouraging people to use trains instead of cars for both utility and leisure journeys, it is vital that the SEStran region has a carefully thought out Rail Strategy that supports the enormous scale of development and population growth in the region.

Additionally, freight transport accounts for a significant proportion of the region's carbon emissions. It is important that the Partnership is able to gather data on freight movements into, within and out of the region, and to examine the potential to move it from road to rail, or to move it from HGVs or vans to more sustainable forms of transport such as cargo bikes or trams.

These strategies will form part of a holistic approach to delivering a number of key pillars in the RTS. The emerging strategies on bus, rail, active travel, interchanges / mobility hubs, and freight will be developed in such a way that they form a comprehensive sustainable travel strategy for the region.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

7. Certification

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.

Chair of Partnership Board: SALLY PATTLE _____ Date signed:

Partnership Director: BRIAN BUTLER _____ Date signed:

Treasurer: RICHARD LLOYD-BITHELL, CPFA _____ Date signed:

The South East of Scotland Transport Partnership (SESTRAN)

STATEMENT OF RESPONSIBILITIES FOR THE ANNUAL ACCOUNTS

The Partnership's Responsibilities

The Partnership is required:

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

I confirm that the annual accounts were approved for signature by the South East of Scotland Transport Partnership at its Board meeting on 26th September 2025.

Chair of Partnership

Board:

SALLY PATTLE

_____ Date signed:

The Treasurer's Responsibilities

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

In preparing the Annual Accounts, the Treasurer has:

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

The Treasurer has also:

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

I certify that the Annual Accounts give a true and fair view of the financial position of the Partnership at the reporting date and the transactions of the Partnership for the year ended 31st March 2025.

Treasurer: RICHARD LLOYD-BITHELL, CPFA

_____ Date signed:

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2024/25

1. Scope of Responsibility

The Partnership's Vision Statement is for a South-East of Scotland, fully integrated transport system that will be efficient, connected and safe; create inclusive, prosperous and sustainable places to live, work and visit; be affordable and accessible to all, enabling people to be healthier; and delivering the region's contribution to net zero emissions targets.

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

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

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

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

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

2. The Partnership's Governance Framework

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

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

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

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

The Partnership aims for compliance with Public Sector Equality Duties, including Scottish Specific Duties.

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 2024/25 (*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's Vision Statement is for a South-East of Scotland, fully integrated transport system that will be efficient, connected and safe; create inclusive, prosperous and sustainable places to live, work and visit; be affordable and accessible to all, enabling people to be healthier; and delivering the region's contribution to net zero emissions targets.

The Business Plan outlines the priorities for the coming year, and the Annual Report is published as soon after the end of a financial year as possible, and looks back at the project and strategy work undertaken in that year. Where applicable, key statistics and outcomes are provided in the Annual Report.

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 2024/25 (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. Procurement Procedures

During 2023/24, the Partnership's legal advisers were engaged to review the Partnership's procurement procedures. All the Partnership's Standing Orders were reviewed and strengthened in 2023/24 and 2024/25, including Contract and Grant Standing Orders. Procurement procedures will be subject to ongoing review, with any revisions to procedures and processes requiring Board approval.

6. Internal Audit Opinion

The City of Edinburgh Council Internal Audit Service undertakes one annual review each year to provide assurance over the controls established by the Partnership to mitigate specific key risks. During 2024/25, the Internal Audit Service undertook a review of the internal processes and controls surrounding the development and management of the People and Place Plan grant funding. The objective was to assess the adequacy and effectiveness of the existing control environment and to identify areas for improvement to support sound decision-making and governance. The review provided reasonable assurance that SEStran has a generally sound framework of governance, risk management and control in place to support the administration of People and Place Plan grant funding. While some areas for improvement were identified, particularly related to the design and operational effectiveness of certain key processes, these are not considered to significantly undermine the overall control environment. Addressing them would provide an opportunity to further transparency, financial stewardship, and regulatory compliance.

Due to the 2024/25 review being focussed on the key controls in place surrounding the development and management of the People and Place Plan grant funding, an internal audit annual opinion is not given on the Partnership's overall governance arrangements. As the Partnership uses the financial systems of City of Edinburgh Council, assurance is placed on work undertaken by Internal Audit on the City of Edinburgh Council's financial systems.

7. Certification

In compliance with accounting practice, the Treasurer has provided the Partnership Director with a statement on the adequacy and effectiveness of the Partnership's internal financial control system for the year ended 31st March 2025. It is the Treasurer's opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control system.

- 8. From this year's review, there is reasonable assurance that the Local Code of Corporate Governance is operating adequately, with overall compliance by the Partnership with its corporate governance arrangements.
- 9. The Partnership's governance arrangements and systems are confirmed as being operational and current at the date of signing of this Annual Governance Statement.

Chair of Partnership
Board: SALLY PATTLE _____ Date signed:

Partnership Director: BRIAN BUTLER _____ Date signed:

The South East of Scotland Transport Partnership (SESTRAN)

REMUNERATION REPORT

1. Audit of Remuneration Report

The tables at sections 5, 6, 7 and 8 on pages 16 and 17 in the Remuneration Report has been audited by the Partnership's external auditor. The other sections in the Remuneration Report were reviewed by the external auditor to identify material inconsistencies with the financial statements, or is inconsistent with knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

2. 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.

3. 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.

4. 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.

5. Officers Remuneration

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

Remuneration Bands	2024/25	2023/24
£50,000 - £54,999	1	1
£55,000 - £59,999	2	0
£60,000 - £64,999	0	1
£65,000 - £69,999	1	0
£90,000 - £94,999	0	1
£95,000 - £99,999	1	0

6. Senior Employees Remuneration

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

Name and Post Title	Salary, Fees and Allowances £	Total Remuneration 2024/25 £	Total Remuneration 2023/24 £
Brian Butler - Partnership Director	98,712	98,712	92,787
	98,712	98,712	92,787

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.

7. 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	
	2024/25 £	2023/24 £		As at 31 March 2025 £'000	Difference from 31 March 2024 £'000
Brian Butler - Partnership Director	25,923	30,713	Pension	5	3
			Lump Sum	0	0
	25,923	30,713			

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 2024-25 were as follows:

Whole Time Pay	Contribution rate
On earnings up to and including £27,000 (2023/2024 £25,300)	5.50%
On earnings above £27,000 and up to £33,000 (2023/2024 £25,300 to £31,000)	7.25%
On earnings above £33,000 and up to £45,300 (2023/2024 £31,000 to £42,500)	8.50%
On earnings above £45,300 and up to £60,400 (2023/2024 £42,500 to £56,600)	9.50%
On earnings above £60,400 (2023/2024 £56,000)	12.00%

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

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

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

8. Exit Packages

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

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

9. Trade Union (Facility Time Publication Requirements) Regulations 2017

The Partnership is required to report information on facility time made available to employees who are trade union representatives. For 2024/25, no individual spent time during the year on trade union-related activities.

Chair of Partnership
Board: SALLY PATTLE _____ Date signed :
Partnership Director: BRIAN BUTLER _____ Date signed :

The South East of Scotland Transport Partnership (SESTRAN)

MOVEMENT IN RESERVES STATEMENT

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

2023/24 - Previous Year Comparative

Opening Balances at 1 April 2023

Movement in reserves during 2023/24

Surplus or (Deficit) on Provision of Services
Other Comprehensive Expenditure and Income

Total Comprehensive Expenditure and Income

Adjustments between accounting basis & funding basis under regulations (Note 7)

Increase/Decrease in 2023/24

Balance at 31 March 2024 carried forward

Usable Reserves		Unusable Reserves	Total Partnership Reserves
General Fund Balance	Total Usable Reserves		
£'000	£'000	£'000	£'000
208	208	220	428
223	223	0	223
0	0	(48)	(48)
223	223	(48)	175
(3)	(3)	3	0
220	220	(45)	175
428	428	175	603

2024/25 - Current Financial Year

Opening Balances at 1 April 2024

Movement in reserves during 2024/25

Surplus or (Deficit) on Provision of Services
Other Comprehensive Expenditure and Income

Total Comprehensive Expenditure and Income

Adjustments between accounting basis & funding basis under regulations (Note 7)

Increase/Decrease in 2024/25

Balance at 31 March 2025 carried forward

Usable Reserves		Unusable Reserves	Total Partnership Reserves
General Fund Balance	Total Usable Reserves		
£'000	£'000	£'000	£'000
428	428	175	603
107	107	0	107
0	0	(31)	(31)
107	107	(31)	76
34	34	(34)	0
141	141	(65)	76
569	569	110	679

The South East of Scotland Transport Partnership (SESTRAN)

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2024/25

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.

2023/24				2024/25		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Services	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
749	0	749	Core	858	(5)	853
996	(990)	6	Projects	5,213	(5,197)	16
1,745	(990)	755	Cost Of Services	6,071	(5,202)	869
142	(148)	(6)	Financing & Investment Income (Note 9)	165	(208)	(43)
0	(972)	(972)	Taxation and Non-Specific Grant Income (Note 10)	0	(933)	(933)
1,887	(2,110)	(223)	(Surplus) or Deficit on Provision of Services	6,236	(6,343)	(107)
			Other Comprehensive Income and Expenditure			
0	(48)	(48)	Change in Demographic Assumptions	0	(4)	(4)
0	(164)	(164)	Change in Financial Assumptions	0	(474)	(474)
0	(68)	(68)	Changes in the effect of the asset ceiling	466	0	466
369	0	369	Other Experience	0	(28)	(28)
0	(41)	(41)	Return on Assets excluding amounts included in net interest	71	0	71
369	(321)	48	Total Other Comprehensive Income and Expenditure	537	(506)	31
2,256	(2,431)	(175)	Total Comprehensive Income and Expenditure	6,773	(6,849)	(76)

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 2024 £'000		Note	31 March 2025 £'000
189	Property, plant and equipment	11	152
0	Other long-term assets (Pensions)	24	0
189	Long term assets		152
741	Short-term debtors	13	2,212
0	Provision for Bad Debts	14	0
228	Cash and cash equivalents	15	1,327
969	Current assets		3,539
0	Contributions and Grants Received in Advance		0
(555)	Short-term creditors	16	(3,001)
(555)	Current liabilities		(3,001)
0	Property Lease	23	(11)
0	Long-term liabilities		(11)
603	Net assets/ (liabilities)		679
	Financed by:		
428	Usable reserves	17	569
175	Unusable reserves	18	110
603	Total reserves		679

The unaudited Annual Accounts were issued on the 13th June 2025.

The audited Annual Accounts were authorised for issue by Richard Lloyd-Bithell on 19th September 2025

Treasurer: RICHARD LLOYD-BITHELL, CPFA

Date signed: _____

The South East of Scotland Transport Partnership (SESTRAN)

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Partnership during the reporting period. The statement shows how the Partnership generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flow arising from operating activities is a key indicator of the extent to which the operations of the Partnership are funded by way of government grant income, council requisitions and 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 2024 £'000	31 March 2024 £'000		31 March 2025 £'000	31 March 2025 £'000
		OPERATING ACTIVITIES		
(782)		Government Grants	(3,730)	
(190)		Constituent Council Requisitions	(176)	
2		Interest paid/ (received)	(5)	
(1,871)		Other receipts from operating activities	(1,470)	
	(2,841)	Cash inflows generated from operating activities		(5,381)
585		Cash paid to and on behalf of employees	768	
2,121		Cash paid to suppliers of goods and services	3,513	
	2,706	Cash outflows generated from operating activities		4,281
	(135)	Net cash flows from operating activities		(1,100)
		INVESTING ACTIVITIES		
134		Purchase of property, plant and equipment	1	
0		Proceeds from the sale of property, plant and equipment	0	
	134	Net cash flows from investing activities		1
		FINANCING ACTIVITIES		
0		Other receipts from financing activities	0	
	0	Net cash flows from financing activities		0
	(1)	Net (increase)/ decrease in cash and cash equivalents		(1,099)
	227	Cash and cash equivalents at the beginning of the reporting period		228
	228	Cash and cash equivalents at the end of the reporting period (Note 15)		1,327

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Accounting Policies

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

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

1.2 Revenue Expenditure

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

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

1.3 Revenue Income

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

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

1.4 Accruals of Expenditure and Income

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

1.5 Leases

a) Right of Use Assets

Leased-in assets

Leases for assets are classified as Right of Use where the terms of the lease are consistent with International Financial Reporting Standard 16 (IFRS16). All other leases are classified as leases.

The Partnership has identified one leased-in property asset that falls within the definition of a finance lease.

The lease is recognised as a Right of Use asset on the Balance Sheet. Depreciation and an Interest expense is charged to the Comprehensive Income and Expenditure statement over the life of the lease.

Leased-out assets

The Partnership has not identified any leased-out assets that fall under the definition of a Right of Use Asset.

b) Leases

Leased-in assets

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

Leased-out assets

The Partnership has not identified any assets that fall under the definition of a lease.

1.6 Overheads

The cost of service in the Comprehensive Income and Expenditure Statement includes 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.

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 South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.8 Employee Benefits (*continued*)

Pensions (*continued*)

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 lower than £10,000 on individual assets is charged to revenue.

Measurement:

- Assets under construction are initially measured at historic cost, comprising their purchase price and any costs attributable to bringing the assets into use for their intended purpose.
- All other classes of property, plant and equipment are measured at fair value.
Vehicles, plant, furniture and equipment - fair value is the amount equivalent to depreciated historical cost for short life and/or low value assets. For assets with longer lives and/or high values, fair value is the amount that would be paid for the asset in its existing use or depreciated replacement cost for specialised /rarely sold assets where insufficient market based evidence exists.
- Surplus assets - fair value is the price that would be paid for an asset in its highest and best use.

Depreciation

- Depreciation is provided on all property, plant and equipment except assets under construction.
- The Partnership depreciates its non-current assets in the year of acquisition. The Partnership operates a five-year rolling revaluation programme for assets and provides for depreciation on a straight-line basis on the opening book value plus the cost of acquisitions and enhancements during the year over the remaining useful life of the asset.
- The charge to the Comprehensive Income and Expenditure Statement for the year is impacted by changes in asset value during the year arising from enhancements but not revaluation.

De-recognition

- An asset is de-recognised either on its disposal, or where no future economic benefits or service potential are expected from its use or disposal.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.9 Non Current Assets (*continued*)

Intangible Assets

Recognition

- Intangible assets are non-current assets that have no physical substance but are identifiable and controlled by the Partnership and it can be established that there is an economic benefit or service potential associated with the item which will flow to the Partnership. This expenditure is mainly in relation to the purchase of software licenses. Expenditure on the acquisition, creation or enhancement of intangible assets is capitalised on an accruals basis.

Measurement

- Intangible assets are initially measured at cost and included in the Balance Sheet at net historical cost.

Depreciation

- In most cases intangible assets are depreciated over the period of the licence. Where the period of the licence is deemed 'infinite' the software is depreciated based on an assessment of expected useful life.
- Depreciation is calculated using the straight-line basis on the opening book value over the remaining useful life of the asset.

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.

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;

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.12 Reserves (*continued*)

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.

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 HM 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.

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.

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 2025/26 Code where disclosures are required in the 2024/25 financial statements in accordance with the requirements of paragraph 3.3.4.3 of the Code are:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability);
- IFRS 17 Insurance Contracts;
- changes to the measurement of non-investment assets, which include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets.

For the standards introduced by the 2025/26 Code, there is currently no information known on the potential impact that application of the new standards will have on the Partnership's 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;
- Section 37 confirmations (Virgin Media vs NTL Pension Trustees II Limited ruling) - the actuary to Lothian Pension Fund has made no additional allowance for this initial legal judgement from July 2023 due to:
 - > the ruling only applying to the above-named private sector pension scheme;
 - > the legal judgement was subject to appeal and in July 2024, the Court of Appeal dismissed the appeal, with the original ruling standing;
 - > it is unknown whether there would be any potential remedy required to public service schemes;
 - > it is unknown what the impact of any potential remedy would be;
 - > The Department of Works and Pensions is being asked by pension bodies to look at pragmatic solutions where schemes are unable to evidence historic section 37 confirmation.
- Guaranteed Minimum Pension (GMP) equalisation / indexation treatment (Lloyds' ruling). The actuary has allowed for the impact of full GMP indexation in the calculation of the latest funding valuation results. The Employer's 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 disclosure;
- GMP equalisation – historical transfers (Further Lloyd's ruling) - the actuary has advised that this further ruling is unlikely to have a significant impact on the pension obligations of a typical employer. The historic individual member data required to assess the impact is not readily available. As a result, no allowance has been made within the actuary's calculations at the Accounting Date;
- Local Government Pension Scheme (LGPS) - McCloud and Sargeant cases. The actuary has allowed for the McCloud judgement in the calculation of the latest funding valuation results. The Employer's funding valuation results are used as the starting point for the accounting roll forward calculations and therefore an allowance is included in the accounting disclosure;
- 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 previously carried out some approximate analysis across LGPS clients to understand the potential impact of implementing a solution to correct the past underpayment of spouses' benefits. The remedy is still uncertain. It is estimated the potential impact of this to be very small for a typical Fund (c0.1% of obligations). The actuary does not believe it is necessary or appropriate to make an adjustment to account for this at the moment, given the level of additional work and fees that would be involved for the Employer (and indeed the highly approximate nature of applying an unknown remedy);

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (*continued*)

- 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.

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

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

The items in the Partnership's Balance Sheet at 31 March 2025 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%	45
1 year increase in member life expectancy	4%	97
0.1% increase in the Salary Increase Rate	0%	1
0.1% increase in the Pension Increase Rate (CPI)	2%	45

5. EVENTS AFTER THE BALANCE SHEET DATE

The unaudited Annual Accounts were authorised for issue on 13th June 2025. 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 2025, 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 2025 which would materially affect the 2024/25 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 19).

Expenditure and Funding Analysis

	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
	£'000	£'000	£'000
2024/25			
Core	820	33	853
Projects	16	0	16
Net Cost of Services	836	33	869
Other Income and Expenditure			
Government grant	(743)	0	(743)
Constituent council requisitions	(190)	0	(190)
Interest paid/ (received)	(44)	1	(43)
Interest on the effect of the asset ceiling	0	30	30
Net pension interest cost/ (income)	0	(30)	(30)
(Surplus) or deficit on the provision of services	(141)	34	(107)
	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
	£'000	£'000	£'000
2023/24			
Core	734	14	748
Projects	23	(16)	7
Net Cost of Services	757	(2)	755
Other Income and Expenditure			
Government grant	(782)	0	(782)
Constituent council requisitions	(190)	0	(190)
Interest paid/ (received)	(5)	0	(5)
Interest on the effect of the asset ceiling	0	31	31
Net pension interest cost	0	(32)	(32)
(Surplus) or deficit on the provision of services	(220)	(3)	(223)

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
2024/25				
Core	52	(31)	12	33
Projects	0	0	0	0
Net Cost of Services	52	(31)	12	33
Other Income and Expenditure				
Interest paid/ (received)	1	0	0	1
Interest on the effect of the asset ceiling	0	30	0	30
Net pension interest cost/ (received)	0	(30)	0	(30)
(Surplus) or deficit on the provision of services	53	(31)	12	34
	Adjusts. For Capital Purposes £'000	Net Change for Pensions Adjusts. £'000	Other Differences £'000	Total Statutory Adjusts. £'000
2023/24				
Core	58	(47)	3	14
Projects	(16)	0	0	(16)
Net Cost of Services	42	(47)	3	(2)
Other Income and Expenditure				
Interest on the effect of the asset ceiling	0	31	0	31
Net pension interest cost	0	(32)	0	(32)
(Surplus) or deficit on the provision of services	42	(48)	3	(3)

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

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

6. EXPENDITURE AND FUNDING ANALYSIS (*continued*)

6.2 Segmental Analysis of Income included in Expenditure and Funding Analysis

	Core £'000	Projects £'000	Total £'000
2024/25			
Expenditure			
Employee expenses	680	0	680
Other service expenses	145	5,213	5,358
Total Expenditure	825	5,213	6,038
Income			
Income from recharges for services	0	0	0
Government grants and other contributions	(5)	(5,197)	(5,202)
Total Income	(5)	(5,197)	(5,202)
Net Cost of Services	820	16	836

	Core £'000	Projects £'000	Total £'000
2023/24			
Expenditure			
Employee expenses	494	0	494
Other service expenses	240	1,013	1,253
Total Expenditure	734	1,013	1,747
Income			
Government grants and other contributions	0	(990)	(990)
Total Income	0	(990)	(990)
Net Cost of Services	734	23	757

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 2025 £'000	31st March 2024 £'000
Expenditure		
Employee expenses	661	450
Other service expenses	5,352	1,234
Depreciation, amortisation and impairment	58	61
Interest payments	165	142
Total Expenditure	6,236	1,887
Income		
Fees, charges and other service income	0	0
Interest and investment income	(208)	(148)
Income from constituent councils	(190)	(190)
Government grants and other contributions	(5,945)	(1,772)
Total Income	(6,343)	(2,110)
(Surplus) or Deficit on the Provision of Services	(107)	(223)

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.

2024/25	Usable Reserves	Unusable Reserves			
	General Fund Balance	Capital Adjustment Account	Accumulated Absence Account	Pension Reserve	Movement in Unusable Reserve
	£'000	£'000	£'000	£'000	£'000
Adjustments primarily involving the Capital Adjustment Account					
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Charges for depreciation and impairment of non-current assets	58	(58)			(58)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Contributions credited to the CIES that have been applied to capital financing	(5)	5			5
Adjustments primarily involving the Pensions Reserve					
Reversal of items relating to retirement benefits debited or credited to the CIES	111			(111)	(111)
Employer's pension contributions and direct payments to pensioners payable in the year	(142)			142	142
Adjustments primarily involving the Accumulated Absence Account					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	12		(12)		(12)
Total Adjustments	34	(53)	(12)	31	(34)

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.

2023/24	Usable Reserves	Unusable Reserves			
	General Fund Balance	Capital Adjustment Account	Accumulated Absence Account	Pension Reserve	Movement in Unusable Reserve
	£'000	£'000	£'000	£'000	£'000
Adjustments primarily involving the Capital Adjustment Account					
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Charges for depreciation and impairment of non-current assets	61	(61)			(61)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Contributions credited to the CIES that have been applied to capital financing	(19)	19			19
Adjustments primarily involving the Pensions Reserve					
Reversal of items relating to retirement benefits debited or credited to the CIES	74			(74)	(74)
Employer's pension contributions and direct payments to pensioners payable in the year	(122)			122	122
Adjustments primarily involving the Accumulated Absence Account					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	3		(3)		(3)
Total Adjustments	(3)	(42)	(3)	48	3

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

8. TRANSFERS TO/FROM EARMARKED RESERVES

In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy. An earmarked balance will be established to meet slippage on project delivery from 2024/25 to 2025/26.

9. FINANCING AND INVESTMENT INCOME

	2024/25 £'000	2023/24 £'000
Interest income on pension asset/liability	(165)	(143)
Interest Paid/ (Received)	(43)	(5)
Pensions interest cost	135	111
Interest on the effect of the asset ceiling	30	31
	(43)	(6)

10. TAXATION AND NON SPECIFIC GRANT INCOME

	2024/25 £'000	2023/24 £'000
Government Grant	(743)	(782)
Constituent Council Requisitions	(190)	(190)
	(933)	(972)

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 2024/25

Cost or Valuation	Property Lease (Right of Use Asset)	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
At 1st April 2024	0	839	11	850
Additions	21	0	0	21
De-Recognised Assets	0	(476)	0	(476)
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0	0
At 31st March 2025	21	363	11	395

Accumulated Depreciation

At 1st April 2024	0	(661)	0	(661)
Depreciation charge	(5)	(53)	0	(58)
De-Recognised Assets	0	476	0	476
Depreciation written out to the Surplus/Deficit on the Provision of Services		0	0	0
At 31st March 2025	(5)	(238)	0	(243)

Net Book Value

At 31st March 2025	16	125	11	152
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Following approval of the Partnership's Asset Management Strategy on 14th March 2025, assets with Gross Book Value of £0.476m were de-recognised. All the assets were fully depreciated. The assets had all reached the end of their useful operating life.

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 2023/24

Cost or Valuation	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
At 1st April 2023	795	36	831
Additions	19	0	19
Transfers	25	(25)	0
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0
At 31st March 2024	839	11	850
Accumulated Depreciation			
At 1st April 2023	(600)	0	(600)
Depreciation charge	(61)	0	(61)
Depreciation written out to the Surplus/Deficit on the Provision of Services	0	0	0
At 31st March 2024	(661)	0	(661)
Net Book Value			
At 31st March 2024	178	11	189

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 2025, the Partnership had no capital commitments.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

12. FINANCIAL INSTRUMENTS

12.1 Financial Instruments - Classifications

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

Financial Liabilities

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

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

- Trade payables for goods and services received.

Financial Assets

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

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

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

12.2 Financial Instruments - Balances

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

	Current	
	31st March	31st March
	2025	2024
	£'000	£'000
Trade creditors	1,253	567

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

	Current	
	31st March	31st March
	2025	2024
	£'000	£'000
Loans and receivables	3,261	562
Trade debtors	57	121
	3,318	683

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:

	31 March 2025		31 March 2024	
	Carrying	Fair	Carrying	Fair
	Amount	Value	Amount	Value
Financial Liabilities	£'000	£'000	£'000	£'000
Trade creditors	1,253	1,253	567	567
	31 March 2025		31 March 2024	
	Carrying	Fair	Carrying	Fair
	Amount	Value	Amount	Value
Financial Assets	£'000	£'000	£'000	£'000
Loans and receivables	3,261	3,261	562	562
Trade debtors	57	57	121	121
	<u>3,318</u>	<u>3,318</u>	<u>683</u>	<u>683</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 2025 £'000	31st March 2024 £'000
Total expense and income in Surplus or Deficit on the Provision of Services:		
Interest Expense/ (Income)	(43)	(5)

13. DEBTORS

	31st March 2025 £'000	31st March 2024 £'000
Debtors:		
Central government bodies	1,934	340
Other local authorities	109	201
HM Customs and Excise - VAT	30	62
Other entities and individuals	139	138
	<u>2,212</u>	<u>741</u>

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

14. PROVISION FOR BAD DEBTS

	31st March 2025 £'000	31st March 2024 £'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 2025 £'000	31st March 2024 £'000
Bank account	1,327	228
	1,327	228

16. CREDITORS

	31st March 2025 £'000	31st March 2024 £'000
Central government bodies	(92)	(4)
Other local authorities	(2,032)	(25)
Other entities and individuals	(846)	(511)
Employee costs	(26)	(15)
Finance Lease obligations	(5)	0
	(3,001)	(555)

17. USABLE RESERVES

	31st March 2025 £'000	31st March 2024 £'000
17.1 Unallocated General Fund Reserve	221	135
17.2 Earmarked Balance - Project Budget slippage	348	293
	569	428

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

18. UNUSABLE RESERVES

		31st March 2025 £'000	31st March 2024 £'000
18.1	Capital Adjustment Account	136	189
18.2	Pension Reserve	0	0
18.3	Accumulated Absence Account	(26)	(14)
		<hr/>	<hr/>
		110	175
		<hr/>	<hr/>

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.

	2024/25 £'000	2023/24 £'000
Balance at 1st April	189	231
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)	(61)
• Charges for revaluation of non-current assets	0	0
	<hr/>	<hr/>
Net written out amount of the cost of non-current assets consumed in year	131	170
Capital financing applied in the year:		
• Contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	5	19
	<hr/>	<hr/>
Balance at 31st March	136	189
	<hr/>	<hr/>

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)*

18.2 Pension Reserve *(continued)*

	2024/25 £'000	2023/24 £'000
Balance at 1st April	0	0
Remeasurements of the net defined benefit liability	(31)	(48)
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.	(111)	(74)
Employer's pension contributions and direct payments to pensioners payable in the year.	142	122
Balance at 31st March	<u>0</u>	<u>0</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.

	2024/25 £'000	2023/24 £'000
Balance at 1st April	(14)	(11)
Settlement or cancellation of accrual made at the end of the preceding year	14	11
Amounts accrued at the end of the current year	(26)	(14)
Balance at 31st March	<u>(26)</u>	<u>(14)</u>

19. MEMBERS EXPENSES

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

	2024/25 £'000	2023/24 £'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:

	2024/25	RESTATED 2023/24
	£'000	£'000
Fees payable in respect of:		
• external audit services carried out by the appointed auditor for the year	13	15
	<u>13</u>	<u>15</u>

The 2023/24 cost is restated to include additional fees levied by Audit Scotland.

21. GRANT INCOME

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

	2024/25	RESTATED * 2023/24
	£'000	£'000
Credited to Taxation and Non Specific Grant Income		
Scottish Government - Revenue Grant	(782)	(782)
Constituent Council Requisitions (Note 22.3)	(190)	(190)
	<u>(972)</u>	<u>(972)</u>
Credited to Services		
EU Grant - Bling	0	(11)
EU Grant - Connect	0	(13)
EU Grant - Primaas	0	1
EU Grant - Regio Mob	0	2
EU Grant - Surflogh	0	(8)
Contribution - City of Edinburgh Council	0	(2)
Contribution - East Lothian Council	0	(2)
Contribution - Falkirk Council	0	(7)
Contribution - Fife Council	(1)	(3) *
Contribution - Midlothian Council	0	(5) *
Contribution - Scotrail	(5)	(5)
Contribution - Scottish Borders Council	(1)	(2) *
Contribution - Paths for All	(87)	0
Contribution - Stirling Communication Centre	(4)	(4)
Contribution - Scottish Government/ Transport Scotland	(5,084)	(867)
Contribution - The Media Shop	0	(1)
Contribution - West Lothian Council	(1)	(1) *
Contribution - HITRANS	0	(10)
Contribution - NESTRANS	(3)	(6)
Contribution - SPT	(5)	(11)
Contribution - SWESTRANS	(2)	(2)
Contribution - TACTRAN	(7)	(31)
Contribution - ZETRANS	(1)	(1)
	<u>(5,201)</u>	<u>(989) *</u>

* 2023/24 contributions reduced by £0.627m to remove agency income. The restatement reflects the removal of this agency income from the Grant Income credited to services note, in accordance with the Code of Practice and to reflect the audit adjustment applied to the 2023/24 Income and Expenditure Statement.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

22. RELATED PARTIES

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

22.1 Scottish Government

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

22.2 Members

Members of the Partnership have direct control over the Partnership's financial and operating policies. The total of members' expenses paid by the Partnership in 2024-25 is shown in Note 19.

22.3 Other Parties

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

	2024/25 Expenditure	2024/25 Income	2024/25 Debtor/ (Creditor)	2023/24 Net Expenditure	2023/24 Debtor/ (Creditor)
	£'000	£'000	£'000	£'000	£'000
Revenue Expenditure - Support Services					
City of Edinburgh Council - Financial and Clerking Services	42			42	
Falkirk Council - HR Services	0			0	
Revenue Expenditure - Interest on Revenue Balances					
City of Edinburgh Council		(44)		(5)	
Revenue Expenditure - Grants/ Other					
City of Edinburgh Council	825		(919)	0	(25)
Clackmannanshire Council	212		(181)	0	0
East Lothian Council	162		(104)	(2)	2
Falkirk Council	84		(19)	(7)	4
Fife Council	320	(1)	(267)	(3)	137
Midlothian Council	105		(89)	(5)	0
Scottish Borders Council	459	(1)	(198)	(2)	2
Scottish Government/Transport Scotland	105	(5,084)	1,826	(850)	331
West Lothian Council	151	(1)	(152)	(1)	56
	2,423	(5,087)	(103)	(870)	507

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

22. RELATED PARTIES *(continued)*

22.3 Other Parties *(continued)*

	2024/25 Expenditure	2024/25 Income	2024/25 Debtor/ (Creditor)	2023/24 Net Expenditure	2023/24 Debtor/ (Creditor)
	£'000	£'000	£'000	£'000	£'000
Revenue Income - Requisitions					
Clackmannanshire Council		(6)		(6)	
East Lothian Council		(13)		(13)	
City of Edinburgh Council		(61)		(62)	
Falkirk Council		(19)		(19)	
Fife Council		(44)		(44)	
Midlothian Council		(11)		(11)	
Scottish Borders Council		(14)		(13)	
West Lothian Council		(22)		(22)	
		<u>(190)</u>		<u>(190)</u>	
Revenue Income - Agency Income					
Clackmannanshire Council		(2)		0	
Fife Council		(151)		(180)	
Falkirk Council		(52)		0	
Midlothian Council		0		(275)	
Scottish Borders Council		(59)		(59)	
West Lothian Council		0		(46)	
		<u>(264)</u>		<u>(560)</u>	

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

23. LEASES

Right of Use Asset

From 1st April 2024, the Partnership adopted IFRS 16 to recognise right of use assets. As a consequence, the Partnership's lease of office space at Victoria Quay, Edinburgh is included on the Partnership's balance sheet. The Right-of-use asset has been calculated as if IFRS 16 had always applied, but recognised in the year of adoption and not by adjusting prior year figures.

From 8th February 2016 the Partnership took occupancy of office space in Victoria Quay, Edinburgh, under the terms of a Memorandum of Terms of Occupation with the Scottish Government.

The Partnership is permitted to occupy the space until ended by either party giving notice under the terms of the Agreement.

	2024/25 £'000	2023/24 £'000
Office Accommodation - Victoria Quay, Edinburgh		
• Not later than 1 year	5	0
• Over 1 year	11	0
	<u>16</u>	<u>0</u>

Leases

Leases that do not meet the definition of a Right of Use Asset are accounted for as a lease.

On 15th December 2023, the Partnership entered an Agreement with Brompton Bike Hire Limited for the provision of two eight-bay Brompton Hire bicycle docks and sixteen hire bicycles over a period of five years at a total cost of £113,564. The full value of £113,564 was paid in 2023/24. This Agreement does not meet the requirements to be recognised as a Right of Use Asset under IFRS16.

At 31st March 2025, the Partnership has a contract with Ricoh UK Ltd to lease an office printer and a contract with O2 to lease ten SIM cards. As the low value lease exemption has been applied, these contracts are not measured as Right of Use Assets under IFRS16.

The Partnership's expenditure on lease payments during 2024/25 was £24,000 (2023/24 £30,000).

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

	2024/25 £'000	2023/24 £'000
Hire Bicycles, Bicycle Docks, Office Printer, SIM cards.		
• Not later than 1 year	24	41
• Over 1 year	62	84
	<u>86</u>	<u>125</u>

* 2023/24 is restated to reflect recognition of the Brompton Bike Hire Limited Agreement.

24. DEFINED BENEFIT PENSION SCHEMES

24.1 Participation in Pension Schemes

As part of the terms and conditions of employment of its staff, the Partnership makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until the employees retire, the Partnership has a commitment to make the payments that 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 pension scheme. The Partnership and employees pay contributions into the fund, calculated at a level intended to balance the pension 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:

	2024/25 £000	2024/25 £000	2023/24 £000	2023/24 £000
Comprehensive Income and Expenditure Statement				
<i>Cost of services:</i>				
Service cost, comprising:				
Current service costs	111		75	
Past service costs	<u>0</u>	111	<u>0</u>	75
<i>Financing and investment income:</i>				
Net interest expense/ (income)	(30)		(32)	
Interest on the effect of the asset ceiling	<u>30</u>	0	<u>31</u>	(1)
Total post employee benefit charged to the surplus on the provision of services		<u>111</u>		<u>74</u>
<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	71		(41)	
Actuarial gains and (losses) arising on changes in financial assumptions	(474)		(164)	
Actuarial gains and (losses) arising on changes in demographic assumptions	(4)		(48)	
Restriction in Pension Asset	466		(68)	
Other experience	<u>(28)</u>		<u>369</u>	
		<u>31</u>		<u>48</u>
Total post-employment benefits charged to the Comprehensive Income / Expenditure Statement		<u>142</u>		<u>122</u>
Movement in Reserves Statement				
Reversal of net charges made to the surplus on the provision of services for post-employment benefits in accordance with the Code.		<u>(31)</u>		<u>(48)</u>
Actual amount charged against the General Fund Balance for pensions in the year:				
Employer's contributions payable to the scheme		<u>142</u>		<u>122</u>
		<u>142</u>		<u>122</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:

	2024/25 £'000	2023/24 £'000
Fair value of employer assets	3,541	3,363
* Restriction in Pension Asset	(1,106)	(610)
Present value of funded liabilities	(2,435)	(2,753)
Net asset/(liability) arising from defined benefit obligation	0	0

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

	2024/25 £'000	2023/24 £'000
Opening fair value of scheme assets	3,363	2,976
Interest income	165	143
Remeasurement gain / (loss):		
Other Experience	0	143
Return on plan assets, excluding the amount included in the net interest expense	(71)	41
Contributions from employer	142	122
Contributions from employees into the scheme	36	27
Benefits paid	(94)	(89)
Unfunded benefits paid	0	0
Closing fair value of scheme assets	3,541	3,363

Reconciliation of Present Value of the Scheme Liabilities

	2024/25 £'000	2023/24 £'000
Present value of funded liabilities	(2,753)	(2,329)
Present value of unfunded liabilities	0	0
Opening balance at 1st April	(2,753)	(2,329)
Current service cost	(111)	(75)
Interest cost	(135)	(111)
Contributions from employees into the scheme	(36)	(27)
Remeasurement gain / (loss):		
Change in demographic assumptions	4	48
Change in financial assumptions	474	164
Other experience	28	(512)
Past service cost		0
Benefits paid	94	89
Unfunded benefits paid	0	0
Closing balance at 31st March	(2,435)	(2,753)

* International Accounting Standard 19 imposes a limit on the maximum amount of surplus which can be recognised on the balance sheet. This adjustment reduced the value of the Pension Asset to the restricted amount for 2023/24 and 2024/25.

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.

	2024/25		2023/24	
	£'000	%	£'000	%
Equity Securities:				
Consumer *	448.7	12.7	397.2	11.8
Manufacturing *	426.3	12.0	461.9	13.7
Energy and Utilities *	198.1	5.6	182.7	5.4
Financial Institutions *	197.7	5.6	198.0	5.9
Health and Care *	223.9	6.3	217.3	6.5
Information technology *	109.5	3.1	166.7	5.0
Information technology	0.1	0.0	0.0	0.0
Other *	238.6	6.7	206.3	6.1
Sub-total Equity Securities	1,842.9		1,830.1	
Debt Securities:				
Corporate Bonds (investment grade) *	0.0	0.0	54.3	1.6
UK Government *	617.5	17.4	452.1	13.4
Other *	58.1	1.6	58.2	1.7
Sub-total Debt Securities	675.6		564.6	
Private Equity:				
All *	5.4	0.2	17.2	0.5
All	600.4	17.0	13.7	0.4
Sub-total Private Equity	605.8		30.9	
Real Estate:				
UK Property *	0.0	0.0	0.0	0.0
UK Property	133.2	3.8	171.9	5.1
Overseas Property *	0.0	0.0	11.4	0.3
Sub-total Real Estate	133.2		183.3	
Investment Funds and Unit Trusts:				
Equities *	6.2	0.2	0.0	0.0
Bonds *	51.6	1.5	0.0	0.0
Bonds	60.6	1.7	85.5	2.5
Commodities	0.0	0.0	37.3	1.1
Infrastructure *	0.0	0.0	7.6	0.2
Infrastructure	13.7	0.4	499.4	14.8
Other *	29.3	0.8	0.0	0.0
Sub-total Investment Funds and Unit Trusts	161.4		629.8	
Derivatives:				
Foreign Exchange *	0.7	0.0	-0.5	0.0
Sub-total Derivatives	0.7		-0.5	
Cash and Cash Equivalents				
All *	121.4	3.4	124.9	3.7
Sub-total Cash and Cash Equivalents	121.4		124.9	
Total Fair Value of Employer Assets	3,541.0		3,363.1	

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)

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 2025 were those from the beginning of the year (i.e. 31 March 2024) 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 2024 to 31 March 2025 2.8%

	2024/25	2023/24
Mortality assumptions - longevity at 65 for current pensioners:		
• Males	21.9 years	22.0 years
• Females	22.8 years	22.9 years
Mortality assumptions - longevity at 65 for future pensioners:		
• Males	22.1 years	22.2 years
• Females	25.6 years	25.7 years
Pension increase rate	2.75%	2.75%
Salary increase rate (see below)	3.45%	3.45%
Discount rate	5.80%	4.85%

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 2025 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 2026

	Assets £000	Obligations £000	Net (liability) / asset £000	% of pay
Projected current service cost	0	(80)	(80)	(15.9%)
Past service cost including curtailments	0	0	0	
Effect of settlements	0	0	0	
Total Service Cost	0	(80)	(80)	
Interest income on plan assets	208	0	208	
Interest cost on defined benefit obligation	0	(142)	(142)	
Total Net Interest Cost	208	(142)	66	
Total included in Profit or Loss	208	(222)	(14)	

The Partnership's estimated contribution to Lothian Pension Fund for 2025/26 is £136,000.

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 2025, the Partnership had no financial assets subject to foreign exchange risk.

The Partnership has no financial liabilities denominated in foreign currencies.

26. AGENCY ARRANGEMENTS

Through a Partnership procurement framework contract, the Partnership makes payment for the supply of Bus Passenger Transport Information system ICT equipment and recovers cost from other bodies. Similarly, the Partnership also makes payments to develop and design active travel routes and recovers cost from other bodies. The Partnership has assessed the nature of these transactions to determine if it is acting as a Principal or Agent. Under the Code an Agent is acting as an intermediary, whereas a Principal is acting on its own behalf. In 2024/25, the Partnership entered into agency arrangements with Clackmannanshire Council, Fife Council, Falkirk Council and Scottish Borders Council. The total income received and expenditure incurred of £0.264m is not included in the Comprehensive Income and Expenditure Statement.

The South East of Scotland Transport Partnership (SESTRAN)

PROPOSED INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of The South East of Scotland Transport Partnership for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the 2024/25 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the body as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 03 April 2023. my period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard was not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

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

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

The South East of Scotland Transport Partnership (SESTRAN)

PROPOSED INDEPENDENT AUDITOR'S REPORT (Contd.)

Responsibilities of the Treasurer and Partnership for the financial statements

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

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

The South East of Scotland Transport Partnership is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the body;
- inquiring of the Treasurer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Treasurer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

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

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

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on other requirements

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

I have audited the parts of the Remuneration Report described as audited. In my opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

The South East of Scotland Transport Partnership (SESTRAN)

PROPOSED INDEPENDENT AUDITOR'S REPORT (Contd.)

Other information

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

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

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

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

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

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

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Christopher Gardner FCPFA

Audit Scotland
4th Floor, The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G1 2BT

Date: _____

Human Resources Policy Review

1. INTRODUCTION

- 1.1 The purpose of this report is to present the Committee with a copy of the proposed Sexual Harassment policy attached as **Appendix 1** to this report and provide an update on the wider annual HR policy review.

2. BACKGROUND

- 2.1 The organisational HR policies have been reviewed by Jenny Simpson, the partnership's HR adviser. HR support services are provided by Falkirk Council through our existing service level agreement. This agreement will be subject to review before May 2026.

3. SEXUAL HARRASSMENT POLICY

- 3.1 The Worker Protection (Amendment of Equality Act 2010) Act 2023, places a legal duty on employers to proactively take reasonable steps to prevent sexual harassment in the workplace.
- 3.2 The Act sets out new responsibilities for employers. This means employers must take preventative measures to protect employees from harassment in the workplace by colleagues and also third parties such as clients and customers.
- 3.3 It also places enhanced accountability on employers as tribunals can increase compensation for affected individuals by up to 25% if a breach is found.
- 3.4 The policy sets out SEStran's commitment to a working environment that is free from sexual harassment. It includes a definition of sexual harassment, including examples of behaviours that may constitute sexual harassment. The policy sets out how an employee can report sexual harassment and how such a report would be handled.
- 3.5 **Equal Opportunities & Dignity at Work Policy** – a minor change has been made to reference the Sexual Harassment Policy.

4. HR POLICY CHANGES

- 4.1 A review of SEStran's policies was carried out and the following policies were identified as requiring revision.
- Flexible Working Policy
 - Family Leave Policy
 - Recruitment Policy

The following is a summary of the changes made to those policies:

4.1.1 **Flexible Working Policy**

Changes have been made in line with the Flexible Working Bill. These include changes to timescales relating to the process and eligibility for applying for flexible working.

Guidance has also been added on making a reasonable adjustment request for employees with disabilities.

4.1.2 **Family Leave Policy**

Changes have been made in line with legislation. These include changes to maternity and adoption

4.1.3 **Recruitment Policy**

Updated guidance is provided on eligibility to work in the UK checks, including changes in how biometric residence permits are treated.

5. FUTURE UPDATES

- 5.1 Members should note that the Anti-Bribery policy and procedures will be reviewed in the near future and any proposed amendments will be subject of a future report to the Committee.

6. RECOMMENDATIONS

It is recommended that the Performance and Audit Committee:

- 6.1 Approves the Sexual Harassment Policy for implementation
- 6.2 Approves the amendments made to the Flexible Working Policy for implementation;
- 6.3 Approves the amendments made to the Family Leave Policy for implementation;
- 6.4 Approves the amendments made to the Recruitment Policy for implementation;
- 6.5 Notes that the Anti-Bribery Policy and Procedures will be subject to a review and any amendments will be brought to this committee for approval.

Angela Chambers
Business Manager
August 2025

Appendices:

- 1 Sexual Harassment Policy
- 2 Flexible Working Policy
- 3 Family Leave Policy
- 4 Recruitment Policy

Policy Implications	As outlined in the report
Financial Implications	None
Equalities Implications	None
Climate Change Implications	None



SEXUAL HARASSMENT POLICY

DOCUMENT VERSION CONTROL

Date	Author	Version	Status	Reason for Change
September 2025	SEStran	1.0	FINAL	Policy Adopted

INTRODUCTION

SEStran is committed to a working environment free from sexual harassment and where everyone is treated with dignity and respect. We will not tolerate sexual harassment. The law requires employers to prevent sexual harassment of their workers. We assess the risks of sexual harassment and take steps to manage risks.

DEFINITION

Sexual harassment is where someone is subjected to unwanted conduct of a sexual nature which has the purpose or effect of violating their dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for them.

Sexual harassment can also occur if someone is treated less favourably because they reject or submit to harassment of a sexual nature.

Sexual harassment can occur:

- **Inside and outside the workplace.** This can include business trips and work-related social events.
- **In person (face-to-face) or via other means.** This includes via email, text or social media and whether it is via our IT systems or equipment or otherwise.
- **During and outside working hours.**

Sexual harassment may be carried out:

- **By someone working for us.** This includes employees, consultants, contractors, casual workers and agency workers.
- **By third parties.** This includes customers, service users, suppliers and visitors to our premises. With a view to preventing sexual harassment by third parties, we will for example, make clear to suppliers that we will not tolerate sexual harassment.
- **Regardless of the gender of the victim or harasser.** A harasser can be the same gender as the victim or a different gender.

A one-off incident can amount to sexual harassment. It does not need to be directed at the alleged victim. It can, for example, be witnessed or overheard. Conduct can still be 'unwanted' if it has been accepted in the past, is acceptable to others, or is common in the working environment.

Sexual harassment can occur if a person:

- intends to cause offence; **or**
- does not intend to cause offence, but this is the **effect** of their conduct – in these cases, in deciding whether there has been sexual harassment, we will consider the alleged victim's perception; whether it is reasonable for the conduct to have the alleged effect; and any other relevant circumstances.

Examples

If it meets the definition above, sexual harassment can include:

- **Unwanted physical contact**, such as patting, pinching, hugging, inappropriate touching and sexual assault.
- **Verbal conduct**, including jokes or 'banter' of a sexual nature (even if not directed at a particular individual); sexual advances; promises in return for sexual favours; spreading sexual rumours.
- **Non-verbal conduct**, including sending emails or texts with material of a sexual nature; posting something of a sexual nature on social media; displaying sexually explicit or suggestive images in the workplace (including computers, desks, mobile phones); sexually-suggestive gestures; whistling / leering; basing a decision about a person (e.g. turning someone down for a promotion) on the fact that they rejected or submitted to sexual advances.

These are examples and other conduct might amount to sexual harassment.

LEGAL LIABILITY AND DISCIPLINARY OFFENCE

Sexual harassment (including by third parties) can result in legal liability for SEStran and the perpetrator.

Sexual harassment by employees can amount to misconduct or gross misconduct and in serious cases may lead to dismissal without notice. This includes sexual harassment:

- at work and work-related events
- against a colleague or other person connected to us outside of work (for example, via social media)
- against anyone outside of work if relevant to the employee's suitability for their role.

Aggravating factors, such as abuse of power over a more junior colleague, may be relevant in deciding what disciplinary action to take.

REPORTING SEXUAL HARASSMENT

Employees are encouraged to report incidents of sexual harassment, including by third parties (such as contractors). Employees making such reports will be protected from victimisation as explained below. Employees can make an anonymous complaint via SEStran's HR Adviser at by emailing hrhelpdesk@falkirk.gov.uk. If such a complaint is made, this will be directed to the Partnership Director, if appropriate, or to the Chairperson of the Board who will be advised on appropriate steps to be taken.

Informal steps

An employee may feel able to tell an alleged harasser that their behavior is not welcome

and that it offends them or makes them uncomfortable. Whether this is appropriate will depend on the circumstances, for example, the nature of the sexual harassment and individuals involved. Employees can use the other reporting options (anonymous reporting or a formal complaint) without first taking informal steps or after they have taken informal steps.

If an employee feels that a matter can be dealt with informally but does not want to speak directly to the individual themselves, they can contact their line manager, the Business Manager or the Partnership Director instead.

If management become aware of an allegation informally, they may still decide that a formal investigation is appropriate.

Formal complaint

If an employee considers that they have been subjected to sexual harassment, they can make a formal complaint in writing:

- In line with the Grievance Procedure.
- The complaint should be sent to the employee's line manager, the Business Manager or the Partnership Director. If none of these options are suitable, it can be sent to SEStran's Human Resources Adviser at hrhelpdesk@falkirk.gov.uk.

The complaint should include as much information as possible, for example: the name of the alleged harasser; nature of the harassment; where and when it took place; any witnesses; any action taken so far.

Non-employees can submit a complaint to the Business Manager or Partnership Director. They will determine the appropriate action in consultation with SEStran's Human Resources Adviser as required.

Other policies

SEStran's Equal Opportunities and Dignity at Work Policy may also be relevant to a sexual harassment complaint. [SEStran Equal Opportunities and Dignity at Work Policy](#)

Criminal allegations

It is open to an employee who has been a victim of physical violence, or any other crime, to contact the police at any time.

Sexual harassment of someone else

An employee may witness or become aware of sexual harassment or victimisation of someone else. This includes sexual harassment of (and by) colleagues, other workers, suppliers and visitors. Employees are encouraged to act in this situation. What is appropriate will depend on the circumstances but might include:

- Intervening if the employee feels able to do so
- Supporting the victim to report it
- Reporting it themselves.
- Co-operating in any investigation.

Any employee reporting sexual harassment of someone else will be protected from victimisation as explained below.

INVESTIGATION/ POTENTIAL OUTCOMES

Formal complaints or sexual harassment will be investigated. An investigation may also be undertaken into some cases, where SEStran become aware of sexual harassment allegations informally.

Complaints against SEStran employees

These will be investigated by an appropriate manager in line with the Disciplinary Policy. Any action taken will be in line with that policy. Sexual harassment can amount to misconduct or gross misconduct, and in serious cases may lead to dismissal without notice.

Complaints against individuals who are not SEStran employees

The appropriate approach will be determined in consultation with SEStran's Human Resources Adviser. This may include investigation.

Potential outcomes may include for example: for service users - warning them about their behaviour or banning them from our premises; or for contractors - notifying their employer or ceasing to work with them.

False information

Anyone making a complaint or giving evidence in support of it will not be subjected to disciplinary action or another detriment simply because a complaint is not upheld. However, disciplinary action may be taken if an employee:

- provides false information as part of an investigation under this policy; **and**
- they do so in bad faith i.e. they know the information is false.

In serious cases, this may amount to gross misconduct leading to dismissal without notice.

Communicating the outcome of the complaint

After the steps above, the decision maker will:

- Arrange a meeting with the complainant to inform them of their decision in relation to the complaint and reasons for this.
- Write to the complainant to confirm that decision and the reasons for it.
- Confirm if action will be taken. In some cases, the complainant may be informed of the nature of any action taken to address their specific complaint and any measures put in place to prevent a similar event happening again. This will not always be possible or appropriate (eg to maintain confidentiality linked to a disciplinary process).

An employee who is dissatisfied with the outcome of their complaint may submit an appeal within five working days. The appeal process in the Grievance Policy will apply.

Ongoing working relationships

Whatever the outcome, SEStran will consider how best to manage ongoing working relationships. This could include, for example, mediation, counselling or training.

Other steps

If sexual harassment or victimisation occurs, SEStran will consider what steps can be taken to prevent it happening again. These may include, for example, updating policies or providing further staff training.

Victimisation

An employee will not be victimised or subjected to any detriment (such as being denied or excluded from opportunities at work) or retaliation for making an allegation (or giving evidence or information as part of an investigation) in good faith. If an employee believes that they have been victimised or subjected to detriment they can raise this under the Grievance Policy.

Victimisation or retaliation by employees can amount to misconduct or gross misconduct, and in serious cases may lead to dismissal without notice.

This policy will be reviewed annually, to take account of developments within SEStran and legislative requirements.



FLEXIBLE WORKING PROCEDURE

DOCUMENT VERSION CONTROL

Date	Author	Version	Status	Reason for Change
May 2009	SEStran	1.0	FINAL	Policy Adopted
July 2016	SEStran	1.1	FINAL	Revised to include flexitime hours recording system
Oct 2017	SEStran	1.2	FINAL	Adoption of version control
Aug 2021	SEStran	1.3	FINAL	Reference to Home Working Policy added
<u>Sept 2025</u>	<u>SEStran</u>	<u>1.4</u>	<u>FINAL</u>	<u>Changes to reflect Flexible Working Bill</u>

INTRODUCTION

SEStranTRAN recognises the importance of helping employees balance their work and home life by offering flexible working arrangements.

Legislation provides employees who meet the eligibility criteria set out below with the right to apply to work flexibly and for this application to be considered.

Scope

This policy encompasses all SEStran employees.

Eligibility

~~Under the terms of the legislation the employee has the right to apply to work flexibly if they meet the following eligibility criteria:~~

- ~~• 26 weeks continuous service with SEStran at the date the application is made.~~
- ~~• Not have made a request to work flexibly during the previous 12 months.~~

Flexible Working Options

~~Examples of flexible working options include: The following section covers the options available to employees in respect of Flexible Working arrangements.~~

Compressed Hours

Compressed hours are a working pattern that reallocates the normal hours of work and the work activity into fewer and longer blocks of time. A full-time employee on this arrangement will normally have their standard hours per week compressed into fewer than five full working patterns that suit service delivery needs. This can include term time working.

Part-time Working

Part-time working is where an employee works fewer hours per day, per week or per year, than those who work full time in the same job. Part-time working hours can be arranged into work patterns that suit service delivery needs. This can include term time working.

Job Share

This involves two employees carrying out the work of a full-time post that would normally be done by one employee. There is no set model for managing time, which may involve working a set number of hours each week or alternative weeks.

Annualised Hours

Annualised hours are where the contracted hours are worked over an entire year rather than per week. Hours of work may be varied, as agreed, in a way that reflects seasonal/operations variations in service delivery over the year.

Eligibility

There is no minimum length of service to make a request.

Employees can make a maximum of two statutory requests in any 12-month period. A statutory request cannot be made if an earlier one is still "in process". A request is "in process" until:

- It is withdrawn
- SEStran issue a decision (although if the employee appeals, the request will be "in process" again until the appeal decision)
- An agreement is reached with the employee regarding the request

Flexitime Scheme

The operation of the Flexitime Scheme must observe the following basic principles:

- The level of service must not be reduced in any way through the operation of the flexible working hours.
- Continuous cover must be made during public opening hours and the Director or a Senior Manager will determine suitable staffing levels.
- Flexitime applies to the day to day operations of the service. Any other working arrangements, for example, overseas trips must be discussed with the relevant line manager.

It is recognised however that the options contained in the policy cannot be made available to all employees. The scope to undertake flexitime is subject to the requirements of services and exclusions. It is an over-riding principle that service provision must not suffer.

Time Recording Arrangements

All employees are required to record their attendance by using the excel flexi sheet manual recording system.

Abuse of the flexitime scheme is regarded as a serious matter and may result in disciplinary action.

Flexible Hours: 7:00am – 7:00pm Monday – Friday

No core time hours

Employees must work a minimum of 4 hours per day. Employees who wish to work out with standard working hours require prior permission from their line manager.

Lunch Period

There is a minimum lunch break of 30 minutes. Appropriate operation cover should be maintained during the lunch period.

Accounting Period

The period over which employees must work their contracted hours, allowing for any carry forward, is 4 weeks.

Contracted Hours: 148 hours per 4 week period

Contracted Weekly Hours: 37 hours

Employees working reduced or increased hours will be required to work four times their weekly contracted hours within each accounting period.

Credit Hours: maximum of 14.48 hours for full time employees can be carried over

Debit Hours: maximum of 7.4 hours for full time employees can be carried over

For employees working reduced or increased hours this will be calculated on a pro-rata basis.

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Flexi-Leave

Up to 2 days flexi leave may be authorised in any one accounting period. Flexi leave may only be used where the hours being carried forward into the next accounting period will not exceed the maximum debit limit. All flexi leave must have prior management approval. Employees should not work additional hours with the sole purpose of building up flexitime.

How to Make a Request

Applications should be made on the attached form and submitted to the Business Manager.

Withdrawing a Request

Employees can withdraw a request at any time by letting us know in writing (this can be by email).

Consultation

The manager may be able to agree to an employee's request in full without consulting with them. Otherwise, they will consult with the employee before reaching a decision. In such circumstances the employee would be invited to a meeting (in person or online) to discuss the request.

If the employee is unable to attend a scheduled meeting, they must let their manager know as soon as possible and confirm the reasons for this. The request will be deemed to be withdrawn if the employee fails to attend both an initial and rescheduled meeting to discuss the request without good reason. In such circumstances the employee would be written to confirming if the request is being treated as withdrawn.

What would be discussed at a meeting would depend on the circumstances, but might include:

- The employee's reasons for requesting flexible working.
- The changes they are looking for.
- Any impact on the employee's terms and conditions.
- Potential benefits or other impacts of SEStran accepting or refusing the request – including for the employee, their work, their colleagues and the business.
- Practical considerations if the request was agreed.

If it may not be possible to agree to the request, it may be appropriate to discuss alternative options and /or a trial period.

Trial periods will not be used in all cases and requests may be agreed or refused without a trial period. After any trial period, the employee would revert to their original working arrangements, other than in respect of any changes it has been agreed will be made on a temporary or permanent basis.

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Agreement to a Flexible Working Request

If a request (or part of it) is agreed, this would be confirmed in writing to the employee. If necessary, this would include written confirmation of any changes to the employee's terms and conditions along with the date from which these will take effect.

Changes to an employee's terms and conditions will be permanent (unless temporary changes have been agreed).

Agreeing alternative arrangements

If an employee's request (or part of it) cannot be agreed, in some cases, agreement may be reached with them on alternative changes to their working arrangements. In this case, written confirmation will be issued to the employee of the agreed changes to their terms and conditions along with the date from which these will take effect.

Changes to terms and conditions will be permanent (unless temporary changes have been agreed).

Refusing a Request

If a request (or part of it) is refused and alternative arrangements cannot be agreed with the employee, the decision will be confirmed in writing, explaining the reasons for this. Any refusal must be for one or more of the following reasons:

- the burden of additional costs
- detrimental effect on ability to meet customer demand
- inability to re-organise work among existing staff
- inability to recruit additional staff
- detrimental impact on quality
- detrimental impact on performance
- insufficiency of work during the periods you propose to work
- planned structural changes.

Advice should be sought from SEStran's Human Resources Adviser where a manager is unsure if their reason for refusal falls within these headings.

Appeals

Any employee whose request (or part of it) has been refused can submit an appeal in writing within 5 working days of receipt of the letter advising of the refusal. The submission must set out the reasons for the appeal and should be sent to the Partnership Director. The appeal will be handled in line with the appeal stage of the if the request is rejected, the employee has the right of appeal through the Grievance Policy & Procedure. The timescales within the policy apply, and their written grievance should be submitted to the Partnership Director within 14 days of receipt of the written response.

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a hearing is arranged within 10 days of receipt of the grievance;

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the employee is advised of the outcome of the appeal decision within 5 days of the hearing.

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To meet statutory requirements, the whole process, including any appeal, must be completed within two months of the statutory request being received unless an extension to this period is agreed with the employee.

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Reasonable adjustment requests from employees with disabilities[†]

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Employees should be encouraged to make any type of request that relates to disability as a reasonable adjustment request. They can do this in writing or can ask their manager to discuss this. Requests must be considered in line with SEStran's legal obligations under the Equality Act 2010. This requires an employer to make reasonable adjustments to remove any disadvantage related to a person's disability.

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The legal obligation to make reasonable adjustments is separate to the legal obligation to consider a request for flexible working.

Advice may be sought from SEStran's Human Resources Adviser on any such requests.

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Flexible Working – Employee's Responsibilities

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While employees have the right to make an application to work flexibly, they also have the responsibility to:

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- apply using the attached proforma well in advance of proposed date;
- ensure that they meet the eligibility criteria;
- indicate the work pattern they wish to adopt;
- highlight the impact on the employer;
- suggest how it can be accommodated;
- come to the meeting prepared to discuss their application in an open and constructive manner;
- be prepared to be flexible to reach an agreement with their manager.

The Request Process

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The process is bound by timescales which must be adhered to unless the manager agrees with the employee to different timescales. These are:

- within 28 days of receipt of the application, the manager should arrange a meeting with the employee to discuss their request. The employee has the right to be accompanied at this meeting. This can be a work colleague or TU representative;
- within 14 days of the meeting, the manager should provide a written response to the employee advising them of their decision;
- if the request is rejected, the employee has the right of appeal through the Grievance Procedure and their written grievance should be submitted to the Partnership Director within 14 days of receipt of the written response;
- a hearing is arranged within 10 days of receipt of the grievance;
- the employee is advised of the outcome of the appeal decision within 5 days of the hearing.

If the manager decides to agree to the request, they should discuss with the employee any arrangements that need to be made to facilitate the change and the expected timescales for this. Any change agreed will be a permanent change to the employee's terms and conditions unless agreed otherwise with them. Confirmation of the change

should be given to the employee in the form of an amendment to their contract. Payroll also should be advised of the change.

Reasons for Refusal

When considering any request on behalf of SESTRAN, the manager should be aware that should they decide to reject the request, the reason must fall under one or more of the following headings:

- burden of additional costs
- inability to meet customer demand
- inability to reorganise work with existing employees
- inability to recruit additional employees
- detrimental impact on quality
- detrimental impact on performance
- insufficiency of work when employee proposes to work
- planned structural changes.

Advice should be sought from SESTRAN's Human Resources Adviser where a manager is unsure if their reason falls within these headings. **Flexitime Scheme**

The operation of the Flexitime Scheme must observe the following basic principles:

- The level of service must not be reduced in any way through the operation of the flexible working hours.
- Continuous cover must be made during public opening hours and the Director or a Senior Manager will determine suitable staffing levels.
- Flexitime applies to the day to day operations of the service. Any other working arrangements, for example, overseas trips must be discussed with the relevant line manager.

It is recognised however that the options contained in the policy cannot be made available to all employees. The scope to undertake flexitime is subject to the requirements of services and exclusions. It is an over-riding principle that service provision must not suffer.

Time Recording Arrangements

All employees are required to record their attendance by using the excel flexi sheet manual recording system.

Abuse of the flexitime scheme is regarded as a serious matter and may result in disciplinary action.

Flexible Hours: 7:00am – 7:00pm Monday – Friday

No core time hours

Employees must work a minimum of 4 hours per day. Employees who wish to work out with standard working hours require prior permission from their line manager.

Lunch Period

There is a minimum lunch break of 30 minutes. Appropriate operation cover should be maintained during the lunch period.

Accounting Period

The period over which employees must work their contracted hours, allowing for any carry forward, is 4 weeks.

Contracted Hours: 148 hours per 4 week period

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Contracted Weekly Hours: 37 hours

Employees working reduced or increased hours will be required to work four times their weekly contracted hours within each accounting period.

Credit Hours: maximum of 14.48 hours for full time employees can be carried over

Debit Hours: maximum of 7.4 hours for full time employees can be carried over

For employees working reduced or increased hours this will be calculated on a pro rata basis.

Flexi Leave

Up to 2 days' flexi leave may be authorised in any one accounting period. Flexi leave may only be used where the hours being carried forward into the next accounting period will not exceed the maximum debit limit. All flexi leave must have prior management approval. Employees should not work additional hours with the sole purpose of building up flexitime.

Review of Procedures

SESTRAN will undertake a review of this document annually. However, either the employer or trades unions may propose amendments at any time, by giving notice in writing to the Partnership Director.

Appendix 1 – Application for flexible working

FURTHER GUIDANCE

Further guidance can be found in the Home Working Policy

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Appendix 1

APPLICATION FOR FLEXIBLE WORKING

This form should be used to make an application to apply for a flexible working option. The details you provide will help your manager to consider your request. You can make up to 2 applications to work flexibly in any 12 month period. You must receive an outcome within 2 months of your application. **Please complete this form and pass it to your manager.**

- If your application is being agreed in full, your manager does not need to meet with you.
- If your manager wishes to discuss your application further or is unable to agree to it in full, they should arrange a consultation meeting with you to discuss your request as soon as possible and within 14 days of receipt of your application. You be accompanied at the meeting.
- Your manager will provide you with a written response to your request advising you of the decision within 14 days of the meeting or 28 days of your application.

Name: _____	Employee Number: _____
Service: _____	Job Title: _____
Manager's Name: _____	Manager's Job Title: _____

Describe your current working pattern

Hours per week: _____
Working Pattern: _____

I am applying for (choose one):

_____	Part time
_____	Annualised hours
_____	Compressed hours

Describe your requested working pattern

Hours per week: _____
Working Pattern: _____
I would like this arrangement to start from: _____

Confirmation of eligibility and other arrangements

I confirm that: _____	
_____	I have not made a request to work flexibly in the past 12 months (if you have, please state the date the application was made)
_____	Date of previous application: _____

Signed _____	_____
Date _____	_____

Record of Decision (Line Manager to complete)

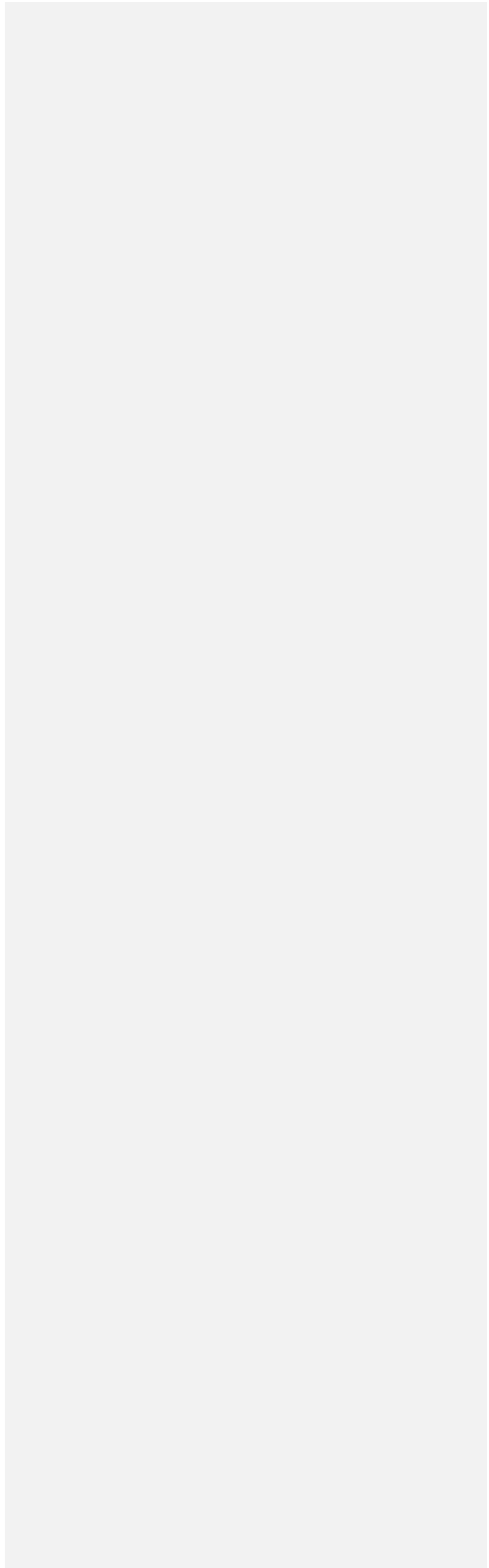
Date of meeting with employee: _____	_____
Date letter sent to employee with outcome (within 14 days of the meeting or 28 days of the application)	_____
_____	_____
<u>Application Accepted</u>	_____
Date new working pattern will start	_____
Date of review (if applicable)	_____

<u>Application Rejected</u>	
<u>Reason for rejection:</u>	<u>You must choose one of the following:</u>
	<u>Burden of additional costs</u>
	<u>Inability to reorganise work with existing employees</u>
	<u>Inability to recruit additional employees</u>
	<u>Detrimental impact on quality</u>
	<u>Detrimental impact on performance</u>
	<u>Detrimental impact to meet customer demand</u>
	<u>Insufficiency of work when employee proposes to work</u>
	<u>Planned structural changes</u>
<u>Name</u>	-
<u>Signature</u>	-
<u>Date</u>	-

Next Steps

Line manager to advise employee of outcome in writing within 14 days of the consultation meeting.

I



Flexi Leave

Up to 2 days flexi leave may be authorised in any one accounting period. Flexi leave may only be used where the hours being carried forward into the next accounting period will not exceed the maximum debit limit. All flexi leave must have prior management approval. Employees should not work additional hours with the sole purpose of building up flexitime.

Review of Procedures

~~SESTRAN will undertake a review of this document annually. However, either the employer or trades unions may propose amendments at any time, by giving notice in writing to the Partnership Director.~~

~~This Policy has been equality impact assessed and no adverse impact has been identified.~~

Appendix 1 – Application for flexible working

FURTHER GUIDANCE

~~Further guidance can be found in the Home Working Policy.~~

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Appendix 1

APPLICATION FOR FLEXIBLE WORKING

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Note to Employee

You can use this form to make an application for flexible working.

It will help your manager to consider your request if you provide as much information as possible. It is important that you complete all the questions as otherwise your application may not be valid. When completing sections 4 & 5, think about what effect your change in working arrangements will have on both the work you do and on your colleagues.

Your manager will have 28 days after the date of your application to initially respond to your request. If the request is granted, you will receive a separate letter outlining the specific arrangements that have been agreed.

Service:

1. Personal details

Name:

Employee No:

Address:

2b. Describe the working pattern you would like to work

2c. I would like this working pattern to commence from:

Date:

3. Reason for application

4. Impact of the new working pattern

I think this change in my working pattern will affect my employer and colleagues as follows:

5. Accommodating the new working pattern

I think the effect on my employer and colleagues can be dealt with as follows:

Employer's Confirmation of Receipt:

Dear:

I confirm I have received your application to work flexibly on: Date

I shall be arranging a meeting with you to discuss your application within 28 days following this date.

From:



FAMILY LEAVE POLICY

Document Version Control

Date	Author	Version	Status	Reason for Change
Jun 2007	SEStran	1.0	FINAL	Policy Adopted
Sept 2015	SEStran	1.1	FINAL	Adapted for compliance with new legislation, related to Shared Parental Leave
Oct 2017	SEStran	1.2	FINAL	Adoption of version control
Sept 2021	SEStran	1.3	FINAL	Adapted for Parental Bereavement Leave
June 2023	SEStran	1.4	FINAL	Update to Adoption and Surrogacy leave entitlement and new guidance on Foster Carers and Approved Kinship Carers
<u>Sept 2025</u>	<u>SEStran</u>	<u>1.5</u>	<u>FINAL</u>	<u>Updated to reflect changes in legislation for maternity or adoption leave, parental leave and neonatal leave</u>

CONTENTS

	Page Number
1. Maternity Leave	3
2. Adoption & Surrogacy Leave	10
3. Maternity & Adoption Support Leave/ Paternity leave	14
4. Parental Leave	177
5. Shared Parental Leave	2149
6. Parental Bereavement Leave	2729
6.7. Neonatal Leave & Pay	31
7.8. Carer's & Dependants' Leave	3295
8.9. Special Leave	308

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INTRODUCTION

SESTRAN aims to recruit and retain high calibre employees and ensure a commitment to equal opportunities.

The following provisions are available for employees in order to assist in the balance of work and family/parental commitments.

1. MATERNITY LEAVE

This section of the policy sets out the rights and responsibilities of employees who are pregnant or have recently given birth and gives details of the arrangements for antenatal care, pregnancy-related illness, and maternity leave and pay.

SESTRAN recognises that, from time to time, employees may have questions or concerns relating to their maternity rights. It is SESTRAN's policy to encourage open discussion with employees to ensure that questions and problems can be resolved as quickly as possible. As the maternity provisions are complex, if an employee becomes pregnant, she should clarify the relevant procedures with the Office Manager or the SESTRAN Human Resources Adviser to ensure that they are followed correctly.

The following definitions are used in this policy:

'Expected week of childbirth' means the week, starting on a Sunday, during which the employee's doctor or midwife expects her to give birth.

'Qualifying week' means the 15th week before the expected week of childbirth.

Notification of pregnancy

On becoming pregnant, an employee should notify her line manager as soon as possible. This is important as there are health and safety considerations for SESTRAN.

By the end of the qualifying week, or as soon as reasonably practicable afterwards, the employee is required to inform SESTRAN in writing of:

- the fact that she is pregnant;
- her expected week of childbirth; and
- the date on which she intends to start her maternity leave.

The employee must also provide a MAT B1 form, which is a certificate from a doctor or midwife confirming the expected week of childbirth. The

form must have either the doctor's name and address or the midwife's name and registration number on it.

The employee is permitted to bring forward her maternity leave start date, provided that she advises SESTRAN in writing at least 28 days before the new start date or, if that is not possible, as soon as reasonably practicable. The employee may also postpone her maternity leave start date, provided that she advises SESTRAN in writing at least 28 days before the original proposed start date or, if that is not possible, as soon as reasonably practicable.

SESTRAN will formally respond in writing to the employee's notification of her leave plans within 28 days, confirming the date on which she is expected to return to work if she takes her full 52-week entitlement to maternity leave.

Time off for antenatal care

Once an employee has advised SESTRAN that she is pregnant, she will be entitled to take reasonable paid time off work to attend antenatal appointments as advised by her doctor, registered midwife or registered health visitor.

In order to be entitled to take time off for antenatal care, the employee is required to produce a certificate from her doctor, registered midwife or registered health visitor, stating that she is pregnant. Except in the case of the first appointment, the employee should also produce evidence of the appointment, such as a medical certificate or appointment card, if requested to do so.

Antenatal care may include relaxation and parent craft classes that the employee's doctor, midwife or health visitor has advised her to attend, in addition to medical examinations.

The employee should endeavour to give her line manager as much notice as possible of antenatal appointments and, wherever possible, try to arrange them as near to the start or end of the working day as possible.

Fathers and partners of pregnant women are entitled to unpaid time off to attend two ante-natal appointments, on production of appropriate evidence of appointments.

Health and safety

SESTRAN has a duty to take care of the health and safety of all employees. We are also required to carry out a risk assessment to assess the workplace risks to women who are pregnant, have recently given birth or are breastfeeding.

SESTRAN will provide the employee with information as to any risks identified in the risk assessment. If the risk assessment reveals that the employee would be exposed to health hazards in carrying out her normal job duties, SESTRAN will take such steps as are reasonably necessary to avoid those risks, such as altering the employee's working conditions. In some cases, this may mean offering the employee suitable alternative work (if available) on terms and conditions that are not substantially less favourable.

If it is not possible for the employee's working conditions to be amended to remove the risks to her health and there is no suitable alternative work available to offer her on a temporary basis, the employee may be suspended from her work on maternity grounds until such time as there are no longer any risks to her health. This may be for the remainder of her pregnancy until the commencement of her maternity leave. If an employee is suspended in these circumstances, her employment will continue during the period of the suspension and it does not in any way affect her statutory or contractual employment and maternity rights. The employee will be entitled to her normal salary and contractual benefits during the period of her suspension, unless she has unreasonably refused an offer of suitable alternative employment.

Sickness absence

If an employee is absent from work during pregnancy owing to sickness, she will receive normal statutory or contractual sick pay in the same manner as she would during any other sickness absence provided that she has not yet begun ordinary maternity leave. If, however, the employee is absent from work due to a pregnancy-related illness after the beginning of the fourth week before her expected week of childbirth, her maternity leave will start automatically.

If the employee is absent from work wholly or partly because of pregnancy during the four weeks before the expected week of childbirth, she must notify SESTRAN in writing of this as soon as reasonably practicable.

Maternity leave

All pregnant employees are entitled to take up to 26 weeks' ordinary maternity leave and up to 26 weeks' additional maternity leave, making a total of 52 weeks. This is regardless of the number of hours they work or their length of service. Additional maternity leave begins on the day after ordinary maternity leave ends.

Ordinary maternity leave can start at any time after the beginning of the 11th week before the employee's expected week of childbirth (unless her child is born prematurely before that date in which case it will start earlier).

Maternity leave will start on whichever date is the earlier of:

- the employee's chosen start date;
- the day after the employee gives birth; or
- the day after any day on which the employee is absent for a pregnancy-related reason in the four weeks before the expected week of childbirth.

If the employee gives birth before her maternity leave was due to start, she must notify SESTRAN in writing of the date of the birth as soon as reasonably practicable.

The law obliges all employees to take a minimum of two weeks of maternity leave immediately after the birth of the child.

Ordinary maternity leave

During the period of ordinary maternity leave, the employee's contract of employment continues in force and she is entitled to receive all her contractual benefits, except for salary. In particular, any benefits in kind will continue; contractual annual leave entitlement will continue to accrue; and pension contributions will continue to be made provided that the employee is receiving maternity pay (Employee contributions will be based on actual pay, while employer contributions will be based on the salary that the employee would have received had she not gone on maternity leave).

Salary will be replaced by maternity pay if the employee is eligible to receive it, as noted below.

Employees are encouraged to take any outstanding annual leave due to them before the commencement of ordinary maternity leave. Employees are reminded that holiday must be taken in the year that it is earned and therefore if the holiday year is due to end during maternity leave, the employee should take the full year's entitlement before maternity leave.

Additional maternity leave

During the period of additional maternity leave, the employee's contract of employment remains and she is entitled to receive all her contractual benefits, except for salary. Any benefits in kind will continue; contractual annual leave entitlement will continue to accrue.

Payment during additional maternity leave, if the employee is eligible to receive it, will be as noted below.

Pension contributions will continue to be made during the period when the employee is receiving pay but not during any period of unpaid additional maternity leave. [There will be the option to buy back this period on return to work.](#)

Jennysimpson

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could say leave accrued up to point start mat leave and then give carry over to next leave year or add. "If you are unable to take your full holiday entitlement in the relevant holiday year because of your maternity leave, we will allow you to carry any unused entitlement forward to the next holiday year."

Maternity pay

Maternity pay is payable for up to 39 weeks during maternity leave. An employee is entitled to maternity pay if:

- she has been continuously employed by SESTRAN for at least 26 weeks at the end of the qualifying week and she is still employed during that week (previous local authority continuous service is recognised for the purposes of determining maternity leave entitlement);
- her average weekly earnings in the eight weeks up to and including the qualifying week are not less than the lower earnings limit for national insurance contributions, (in which case the employee may be entitled to claim Maternity Allowance from the Benefits Agency). For the purposes of calculating average weekly earnings, any allowances or overtime payments made during the eight week period will be included;
- she is still pregnant 11 weeks before the start of the expected week of childbirth (or has already given birth);
- she provides a MAT B1 form stating her expected week of childbirth; and
- she gives SESTRAN proper notification of her pregnancy in accordance with the rules set out above.

If the employee returns to work following maternity leave maternity pay will be:

- 6 weeks at 90% of the employee's average weekly earnings calculated over the period of eight weeks up to and including the qualifying week
- followed by 12 weeks at half pay, plus SMP at the standard rate, followed by,
- 21 weeks at SMP only.

If the employee becomes eligible for a pay rise between the start of the original calculation period and the end of her maternity leave (whether ordinary maternity leave or additional maternity leave), the maternity pay to which the employee is eligible will be recalculated to take account of the pay rise and appropriate payment made.

Statutory maternity pay is treated as earnings and is therefore subject to PAYE and national insurance deductions.

Payment of SMP cannot start prior to the 11th week before the employee's expected week of childbirth. Statutory maternity pay can start from any day of the week in accordance with the date the employee starts her maternity leave.

Statutory maternity pay is payable whether or not the employee intends to return to work after her maternity leave. If the employee does not

intend to return to work she is not entitled to occupational maternity pay, ie 12 weeks at half pay. If an employee intends to return to work and is accordingly paid occupational maternity pay but subsequently does not return for 3 months at the end of her maternity leave she will be required to repay the occupational element of her maternity pay but not the statutory maternity pay.

Employees who are not entitled to SMP may be entitled to receive maternity allowance payable by the Government.

Contact during maternity leave

Shortly before an employee's maternity leave starts, the employee's manager will discuss the arrangements for her to keep in touch during her leave, should she wish to do so. SESTRAN reserves the right in any event to maintain reasonable contact with the employee from time to time during her maternity leave. This may be to discuss the employee's plans for return to work, to discuss any special arrangements to be made or training to be given to ease her return to work or simply to update her on developments at work during her absence.

Keeping-in-touch days

Except during the first two weeks after childbirth an employee can agree to work for SESTRAN (or to attend training) for up to 10 days during either ordinary maternity leave or additional maternity leave without that work bringing the period of her maternity leave to an end and without loss of a week's SMP. These are known as 'keeping-in-touch' days. Any work carried out on a day shall constitute a day's work for these purposes.

SESTRAN has no right to require the employee to carry out any work, and the employee has no right to undertake any work, during her maternity leave. Any work undertaken, including the amount of salary paid for any work done on keeping-in-touch days, is entirely a matter for agreement between SESTRAN and the employee. Any keeping-in-touch days worked do not extend the period of maternity leave. Once the keeping-in-touch days have been used up, the employee will lose a week's SMP for any week in which she agrees to work for SESTRAN.

Pension contributions will be made in respect of any 'keeping in touch days worked.

Returning to work

Upon notification that they are pregnant the employee will have been formally advised in writing by SESTRAN of the date on which she is expected to return to work if she takes her full 52-week entitlement to maternity leave. The employee is expected to return on this date, unless she notifies SESTRAN otherwise. If she is unable to attend work at the

end of her maternity leave due to sickness or injury, SESTRAN's normal arrangements for sickness absence will apply. In any other case, late return without prior authorisation will be treated as unauthorised absence.

While the employee is under no obligation to do so, it would assist SESTRAN if she confirms as soon as convenient during her maternity leave that she will be returning to work as expected.

If the employee wishes to return to work earlier than the expected return date, she must give SESTRAN at least eight weeks' notice of her date of early return, preferably in writing. If she fails to do so, SESTRAN may postpone her return to such a date as will give SESTRAN eight weeks' notice, provided that this is not later than the expected return date.

If the employee decides not to return to work after maternity leave, she must give notice of resignation as soon as possible and in accordance with the terms of her contract of employment. If the notice period would expire after maternity leave has ended, SESTRAN may require the employee to return to work for the remainder of the notice period.

Rights on and after return to work

On resuming work after ordinary maternity leave, the employee is entitled to return to the same job as she occupied before commencing maternity leave on the same terms and conditions of employment as if she had not been absent.

On resuming work after additional maternity leave, again she is entitled to return to the same job as she occupied before commencing maternity leave on the same terms and conditions of employment as if she had not been absent. However, if it is not reasonably practicable for SESTRAN to allow the employee to return to the same job, the employee may be offered suitable alternative work, on terms and conditions that are no less favourable than would have applied if she had not been absent.

An employee who worked full-time prior to her maternity leave has no automatic right to return to work on a part-time basis or to make other changes to her working patterns. However, all requests for part-time work or other flexible working arrangements will be considered in line with the operational requirements of SESTRAN's business. If an employee would like this option to be considered, she should write to her line manager setting out her proposals as soon as possible in advance of her return date, so that there is adequate time for full consideration of the request. The procedure for dealing with such requests is set out in SESTRAN's flexible working procedure.

2. ADOPTION AND SURROGACY LEAVE

This section of the policy sets out the rights of employees to adoption and surrogacy leave and pay.

Where the policy refers to adoption pay or leave, this includes surrogacy pay and leave unless otherwise stated.

You will be entitled to up to 52 weeks leave regardless of your length of service. If you are entitled to adoption pay, it will start on the day your leave begins.

The leave can start:

- up to 14 days before the date the child starts living with you (UK adoptions)
- when the child arrives in the UK or within 28 days of this date (overseas adoptions)
- the day the child's born or the day after (if you've used a surrogate to have a child)

You must tell us within 28 days if the date of placement (or UK arrival date for overseas adoptions) changes.

Where a couple jointly adopts a child, the couple must choose one person only to take leave under this policy (the adopter). The partner of the adopter may be entitled to adoption support leave, paternity leave or shared parental leave. Only the adopter will receive the entitlements outlined in this section, including leave and pay.

If more than one child is placed as part of the same adoption/surrogacy arrangement, only one period of leave will be granted.

Leave if you're adopting a child from overseas

You must also sign [form SC6](#) if you're adopting from overseas with a partner. This confirms you're not taking paternity leave or pay.

You're fostering for adoption

If you're eligible for adoption pay and leave, you'll receive them from when the child comes to live with you.

Exceptions

You do not qualify for Statutory Adoption Leave or Pay if you:

- arrange a private adoption
- become a special guardian or kinship carer
- adopt a stepchild

- adopt a family member

If you get adoption leave, you can also get paid time off work to attend 5 adoption appointments after you've been matched with a child.

Your manager might need to see evidence of appointments

Adoption Pay

Employees who qualify for adoption leave will also qualify for statutory adoption pay provided that their average weekly earnings are not less than the lower earnings limit for national insurance contributions. If the employee returns to work following adoption leave, adoption pay will be as follows:

- 6 weeks at 90% of earnings (off set against payments by way of SAP); followed by;
- 12 weeks at half pay plus SAP, and
- 21 weeks at SAP only

Adoption pay is treated as earnings and is therefore subject to PAYE and national insurance deductions.

Statutory adoption pay is payable whether or not the employee intends to return to work adoption leave. If the employee does not intend to return to work they are not entitled to occupational adoption pay, ie 12 weeks at half pay. If an employee intends to return to work and is accordingly paid occupational adoption pay but subsequently does not return for 3 months at the end of their adoption leave they will be required to repay the occupational element of their adoption pay but not the statutory adoption pay.

Timing of adoption leave

Adoption leave can start on the day the child is placed for adoption, or on an agreed date up to 14 days earlier.

In order to make administration as easy as possible, the employee should discuss the timing of his/her adoption leave with his/her immediate manager as early as possible.

Notice requirements

In order to be entitled to take adoption leave and receive statutory adoption pay, the employee is required to give SESTRAN written notification of his/her intention to take adoption leave no later than seven days after the date on which notification of the match with the child was provided by the adoption agency. This notification must specify the date the child is expected to be placed with the employee for

adoption and the date the employee intends his/her adoption leave to start.

The employee is permitted to bring forward his/her adoption leave start date, provided that he/she advises SESTRAN in writing at least 28 days before the new start date or, if that is not possible, as soon as reasonably practicable. The employee may also postpone his/her adoption leave start date, provided that he/she advises SESTRAN in writing at least 28 days before the original proposed start date or, if that is not possible, as soon as reasonably practicable. The employee must also provide evidence of entitlement to adoption leave and pay by producing a 'matching certificate' from the adoption agency.

Within 28 days of receiving the employee's notice of intention to take adoption leave, SESTRAN will write to the employee confirming the latest date on which the employee must return to work after adoption leave.

Pre-Adoption Meetings/Training Courses

Where an employee is required to attend the pre-adoption meetings/training courses associated with progressing through the adoption processes, they will be granted half (50%) of this time as special leave and the rest of the time will be made up by the employee through either annual leave or flexi time.

Rights during ordinary adoption leave and additional adoption leave

Ordinary adoption leave

During ordinary adoption leave the employee's contract of employment continues in force and they are entitled to receive all contractual benefits except for salary. In particular, any benefits in kind will continue; contractual annual leave entitlement will continue to accrue; and pension contributions will continue to be made provided that the employee is receiving adoption pay. Employee contributions will be based on actual pay, while employer contributions will be based on the salary that the employee would have received had they not taken adoption leave.

Salary will be replaced by adoption pay as noted above if the employee is eligible to receive it.

Employees are encouraged to take any outstanding holiday due to them before the commencement of adoption leave. Employees are reminded that holiday must be taken in the year that it is earned.

Additional adoption leave

Additional adoption leave begins on the day after ordinary adoption leave ends and lasts for a further 26 weeks. During additional adoption leave the employee's contract of employment remains and they are entitled to receive all contractual benefits, except for salary. Any benefits in kind will continue and contractual annual leave entitlement will continue to accrue.

Payment during additional adoption pay will be as noted previously. Pension contributions will continue to be made during the period when the employee is receiving adoption pay but not during any period of unpaid additional adoption leave.

Contact during adoption leave

SESTRAN reserves the right to maintain reasonable contact with employees during adoption leave. This may be to discuss employees' plans for return to work, to discuss any special arrangements to be made or training to be given to ease their return to work or to update them on developments at work during their absence.

Keeping-in-touch days

Employees can agree to work for SESTRAN (or to attend training) for up to 10 days during their adoption leave without that work bringing their adoption leave to an end and without loss of a week's statutory adoption pay. These are known as 'keeping-in-touch' days. Any work carried out on a day shall constitute a day's work for these purposes

Pension contributions will be made in respect of any 'keeping in touch days' worked.

SESTRAN has no right to require employees to carry out any work and employees have no right to undertake any work during their adoption leave. Any work undertaken, and the amount of salary paid for any work done on keeping-in-touch days, is entirely a matter for agreement between employees and SESTRAN.

Termination of Placement

Where the child or children's placement ends during the adoption period, the adopter will be entitled to remain absent on adoption leave for up to 8 weeks after the end of the placement. In this respect employees are required to advise their manager of this at the earliest opportunity. In the case of an earlier return, notification should be given as noted below.

Returning to work after adoption leave

The employee may return to work at any time during ordinary adoption leave or additional adoption leave, provided that he/she gives the appropriate notification. Alternatively, the employee may take his/her

full period of adoption leave entitlement and return to work at the end of this period. If the employee wishes to return before the full period of adoption leave has elapsed, he/she must give at least eight weeks' notice in writing to SESTRAN of the date on which he/she intends to return.

Failure to return to work by the end of adoption leave will be treated as an unauthorised absence unless the employee is sick and produces a current medical certificate before the end of the adoption leave period.

If the employee decides during adoption leave that he/she does not wish to return to work, he/she should give written notice of resignation to SESTRAN as soon as possible and in accordance with the terms of his/her contract of employment

3. MATERNITY & ADOPTION SUPPORT LEAVE/ PATERNITY LEAVE

Maternity or Adoption Support Leave is designed to help support the mother at or around the time of birth or placement of the child (adoption or surrogacy).

An employee is entitled to this leave if they are:

- The child's father
- The mother's partner (including civil partner) or
- A nominated carer or support partner

And

- Have 41 weeks continuous service during the EWC or placement.

available to all employees, who have a minimum of 26 weeks continuous service at the start of the 15th week before the EWC, or date of placement of a child, and who is a nominated carer.

In the absence of the child's father or mother's partner, the mother can nominate a The nominated carer or support partner who will provide the main support at or around the time of the birth or placement. is the person nominated by the mother or the person taking adoption leave to assist in the care of the child and to provide support to her/him.

Leave consists of up to a maximum of 5 days' paid leave (pro-rated for part-time/part-week workers). The leave may be taken as half working days, full working days or block periods as appropriate and can be must be taken between the 11th week before the EWC and 52 weeks after the birth/placement. within 56 days of the baby's birth.

Application for maternity or adoption support leave should be made to SESTRAN in the same way as that for annual leave and the employee will require to produce for inspection form MATB1, confirming the expected date of childbirth, or matching certificate, confirming the expected date of placement. If the employee is not the father, they will be required to produce a statement from the expectant mother declaring the applicant as the nominated carer/support partner. ——— This will also be the case if the mother

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does not work and is unable to produce a MATB1 certificate.

| In the event of a stillbirth, the five days' maternity support leave will still be available.

Employees will be entitled to return to the same job after maternity or adoption support leave.

NB: Fathers or partners of an expectant mother or partners of adopters are also entitled to an additional week's ordinary paternity leave (see below).

| [Ordinary paternity leave](#)

Ordinary paternity leave

In addition to maternity/ adoption support leave, an employee whose wife, civil partner or partner gives birth to a child, or who is the biological father of the child, is entitled to a further one week's ordinary paternity leave, provided that he or she has 26 weeks' continuous service by the end of the 15th week before the week in which the child is expected.

Ordinary paternity leave is also available to an employee whose spouse, civil partner or partner adopts a child, or where the employee is one of a couple jointly adopting a child, provided that he or she has 26 weeks' continuous service by the end of the week in which notification of the match occurs.

To qualify for ordinary paternity leave, the employee must also have, or expect to have, responsibility for the upbringing of the child and be making the request to help care for the child or to support the child's mother.

Ordinary paternity leave must be taken in a single block of one week within eight weeks of the birth or adoption of the child. If the employee is eligible to receive it, pay during ordinary paternity leave will be at the weekly rate of statutory paternity pay, or at a rate equivalent to 90% of the average weekly earnings, if this figure is less than the weekly rate of statutory paternity pay.

The employee must give SESTRAN 15 weeks' written notice of the date on which the baby is due and the date on which they wish their leave to commence. In an adoption situation, no later than seven days after the adopter is informed of the match, they must inform SESTRAN in writing of the date notification of the adoption occurred, the date on which the child is expected to be placed for adoption, and the date on which they wish their leave to commence. If they subsequently wish to change the timing of their ordinary paternity leave, they must give 28 days' written notice of the new dates. They must also, if so requested, complete and sign a self-certificate declaring that they are entitled to ordinary paternity leave.

Additional paternity leave

~~Eligible employees may take up to 26 weeks' additional paternity leave within the first year of their child's life provided that the mother has returned to work. Additional paternity leave is also available to adoptive parents within the first year after the child's placement for adoption provided that the child's adopter who elected to take adoption leave (the "primary adopter") has returned to work.~~

~~The earliest that additional paternity leave may commence is 20 weeks after the date on which the child is born, or 20 weeks after the date of placement of the child for adoption, and it must end no later than 12 months after that date. Additional paternity leave must be taken as a single block in multiples of complete weeks. The minimum period is two consecutive weeks and the maximum period is 26 weeks.~~

~~To be eligible for additional paternity leave, the employee must satisfy each of the following criteria:~~

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The employee must be the father of the child or married to, the civil partner of, or the partner of, the child's mother; married to, the civil partner of, or the partner of, the primary adopter; and, in the case of a birth child, expect to have the main responsibility for the upbringing of the child (apart from the mother's responsibility); or, in the case of adoption, have been matched with the child for adoption, and in either case be taking the leave to care for the child.

The employee must have a minimum of 26 weeks' continuous service by the end of the 15th week before the week in which the child is expected or by the end of the week in which notification of the match occurs.

The employee must remain in continuous employment until the week before the first week of additional paternity leave.

The mother of the child must be entitled to one or more of maternity leave, statutory maternity pay or maternity allowance or, in the case of adoption, the primary adopter must be entitled to one or both of adoption leave or statutory adoption pay, and the mother or primary adopter must have returned to work.

Where the employee wishes to request additional paternity leave and pay, they must give SESTRAN eight weeks' written notice of the date on which they wish the leave and, if applicable, additional statutory paternity pay to commence. The request must be in writing and must specify, in the case of the birth of a child, the date the child was expected to be born and the actual date of birth or, in the case of an adopted child, the date on which they were notified of having been matched with the child and the date of placement for adoption and, in either case, their name and intended start date and end date of additional paternity leave and statutory paternity pay.

In addition, not less than eight weeks before the proposed start date of additional paternity leave and pay, the employee must submit a written and signed self-certification form and the mother or primary adopter must submit a written and signed declaration form. These forms can be obtained from the Office Manager.

The employee must also, if so requested, produce the name and business address of the mother's or primary adopter's employer and a copy of the child's birth certificate or, in the case of an adopted child, evidence of the name and address of the adoption agency, the date on which the employee was notified of having been matched with the child and the date on which the agency expects to place the child for adoption.

SESTRAN will formally respond in writing to the notification of the employee's additional paternity leave plans within 28 days, confirming the relevant start and end dates of additional paternity leave and pay. If the employee subsequently wishes to change the timing of their additional paternity leave, they must give six weeks' written notice of the new dates.

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FOSTER CARERS AND APPROVED KINSHIP CARERS

We are committed to support any staff member who is a foster carer or approved kinship carer. We will do this, wherever possible, by creating a fostering friendly organisation that offers flexible working arrangements which respond to the needs of all staff who are foster carers or approved kinship carers.

Eligibility

This policy applies to employees who have three months or more employment service and:-

- are applying to become a foster carer
- are an approved foster carer and have a child in placement (or have had a child in placement for 75% of the previous twelve months)
- are an approved kinship carer

Time Off

We will support foster carers and approved kinship carers by giving paid time off per leave year as follows:-

- assessment and training prior to approval as a foster carer - up to three days as a one off pre placement – pro rata for part time
- attendance at panel for approval – one day, pro rata for part time
- child review meetings, annual foster carer review meeting, training – up to five days per year- pro rata for part time.

The line manager will approve the leave on a discretionary basis taking into account individual circumstances of each case and operational requirements of the business. The leave will be considered and approved on a pro rata basis.

The request for time off should outline the reason and the amount of leave required.

Where more than the maximum entitlement of paid leave is requested (as outlined above), the line manager and the staff member should discuss other means available eg annual leave, time off in lieu, parental leave.

4. PARENTAL LEAVE

Parental leave is time off work to care for your child. It is in addition to statutory maternity leave, paternity, adoption and shared parental leave. An employee is entitled to parental leave up to 18 weeks' unpaid parental leave per child if he/she meets one of the following conditions are met:

- They have at least one year's continuous service at the time they would like their parental leave to start
- They are taking the leave to care for a child
- At the time they want to take the leave, they have parental responsibilities in respect of that child
- The child will be He/she is the parent of a child who is under 18five years of age while the leave is being taken.

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- Advance notice is given as set out below (and we do not postpone the leave as set out below)
- They comply with any request from us to produce evidence of their entitlement to parental leave.

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- Employees will normally have parental responsibilities for a child if they are the child's biological mother or father (whether or not they are living with the child) or they are the child's adoptive parent. Other individuals, such as guardians, may have parental responsibilities. In many cases, stepparents and foster parents will not qualify for parental leave as they will not have legal parental responsibilities.

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Amount of Parental Leave Available

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Employees can take up to 18 weeks' parental leave in respect of each individual child. It can be taken up to the child's 18th birthday.

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A maximum of four weeks' parental leave can be taken in respect of any individual child in any year.

Parental leave must be taken in blocks of one whole week or a whole number of weeks, except in the case of disabled children.

In the case of disabled children, leave can be taken as single days or in multiples of one day. A disabled child is a child who is entitled to a disability living allowance, armed forces independence payment or personal independence payment.

Definition of One Week's Leave

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If the employee usually works a fixed number of hours each week, one week's leave will be the length of time they are normally required to work.

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If the number of days worked varies from week to week, one week's leave will be the average working week. This will be calculated by dividing the total number of days normally worked in a year by 52. In the case of single days being taken in respect of a disabled child, one week's entitlement will only be used up when the combined total of shorter periods of leave taken amounts to the one week's leave for the employee.

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Parental Leave Taken with Another Employer

The total entitlement to parental leave is 18 weeks in respect of each individual child, not 18 weeks per employer. Employees who have taken any of their 18 weeks' entitlement with a former employer, or another employer they currently work for, should inform their line manager so that the amount can be taken from their 18 weeks' entitlement and the balance will remain to be taken.

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- He/she has adopted a child under the age of 18 (the right to parental leave lasts for a period of five years from the date of adoption or until the child's 18th birthday, whichever is the sooner).
- He/she has acquired formal parental responsibility for a child who

| is under five years of age.

~~An employee who is the parent or adoptive parent of a child who has been awarded Disability Living Allowance is entitled to up to 18 weeks' unpaid parental leave, which can be taken up to the child's 18th birthday.~~

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~~To qualify for parental leave, employees must have completed at least one year's continuous service with SESTRAN__.~~

Rights during parental leave

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~~Qualifying employees will be entitled to a maximum of 13 weeks' parental leave to be taken up until the child's fifth birthday (unless the child is adopted or disabled – see above).~~ During parental leave the employee will remain employed, although pay and most contractual benefits will be suspended. The right to accrue statutory holiday entitlement will, however, remain in place. Certain other terms of employment will remain in force, ~~as follows~~. During parental leave employees will be entitled to the implied obligation of trust and confidence, and any terms and conditions of employment relating to:

- notice of termination;
- redundancy compensation; and
- disciplinary or grievance procedures.

Employees taking parental leave will be bound by the implied obligation of good faith, and any terms and conditions of employment relating to:

- notice of termination;
- disclosure of confidential information;
- the acceptance of gifts or other benefits; and
- participation in any other business.

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Conditions of leave

~~An employee must, if required comply with any request made by SESTRAN to produce evidence as to his/her entitlement (eg parental responsibility or expected responsibility for the child in question; the child's date of birth or date on which placement for adoption began; where the employee is exercising a right in relation to a disabled child, details of the child's entitlement to Disability Living Allowance).~~

Notice of Intention to Take Parental Leave

The employee must give proper notice of the period of leave that ~~they~~he/she proposes to take. This notice must be given to SESTRAN at least 21 days before the date on which leave is to start and must specify the dates on which the period of leave is to begin and end.

Where the employee is the father of the child in respect of whom the

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leave is to be taken, and he requests parental leave to begin when his child is born, his notice must specify the expected week of childbirth and the duration of the period of leave. The employee must give this notice at least 21 days before the expected week of childbirth. The leave can then start as soon as the baby is born (even if this is earlier or later than expected). The expected week of childbirth is the week, from Sunday to Saturday, in which a doctor or midwife expects the child to be born.

Where the parental leave is in respect of an adopted child and is to begin on the date of the placement, the employee's notice must be given to SESTRAN at least 21 days before the beginning of the week in which the child is to be placed for adoption, or as soon as is reasonably practicable thereafter. It must specify the week in which the placement is expected to occur and the duration of the period of parental leave requested. The leave can then start on the date of the child's placement, regardless of when this actually occurs.

Employees may be asked to provide reasonable evidence of:

- Their responsibility (or expected responsibility) for the child, and
- The child's date of birth or the date on which the adoption placement began.

If employees are asked to provide this evidence, they should not take parental leave until it has been provided to SESTRAN.

SESTRAN may postpone a period of parental leave (other than where parental leave has been requested immediately after childbirth or immediately after placement for adoption) where it is considered business would be unduly disrupted if the employee were to take leave during the period requested. In such a case, the employee will be allowed to take an equivalent period of parental leave beginning no later than six months after the commencement of the period originally requested and not beyond the child's 18th birthday.

SESTRAN will give notice in writing of the postponement stating the reason for it and specifying suggested dates for the employee to take parental leave. Such notice will be given no more than seven days after the employee's notice of their intention to take parental leave.

Return from leave

Employees will be able to return to the same job if they return to work from:

- Parental leave lasting four weeks or less, which was an isolated period of leave; or
- Parental leave lasting four weeks or less, which was the last of two or more consecutive periods of statutory leave which did not include:
 - Any period of parental leave lasting more than four weeks; or

- Any period of statutory leave which when added to any other period of statutory leave (excluding parental leave) taken in relation to the same child means that the total statutory leave taken in relation to that child is more than 26 weeks.

In all other circumstances employees will be able to return to the same job unless this is not reasonably practicable, in which case they will be able to return to another job which is both suitable and appropriate for them to do in the circumstances.

In all cases the employee will be able to return to work on terms and conditions that are not less favourable than those which would have applied if they had not taken parental leave.

child is born, his notice must specify the expected week of childbirth and the duration of the period of leave. The employee must give this notice at least 21 days before the expected week of childbirth.

Where the parental leave is in respect of an adopted child and is to begin on the date of the placement, the employee's notice must be given to SESTRAN at least 21 days before the beginning of the week in which the child is to be placed for adoption, or as soon as is reasonably practicable thereafter. It must specify the week in which the placement is expected to occur and the duration of the period of parental leave requested.

SESTRAN may postpone a period of parental leave (other than where parental leave has been requested immediately after childbirth or immediately after placement for adoption) where it is considered business would be unduly disrupted if the employee were to take leave during the period requested. In such a case, the employee will be allowed to take an equivalent period of parental leave beginning no later than six months after the commencement of the period originally requested. SESTRAN will give notice in writing of the postponement stating the reason for it and specifying suggested dates for the employee to take parental leave. Such notice will be given no more than seven days after the employee's notice of their intention to take parental leave.

Employees may not take parental leave in blocks of less than one week (except in relation to a child who is disabled).

Employees may not take more than four weeks' leave in respect of any individual child in any year. For these purposes a year is the period of 12 months beginning when the employee first becomes entitled to parental leave in respect of the child in question, and each successive period of 12 months beginning on the anniversary of that date.

Return from leave

At the end of parental leave, the employee will be entitled to return to the same job provided that the leave was for a period of four weeks or less (and did not follow on immediately from a period of additional maternity or adoption leave). If the period of parental leave was longer than four weeks (or followed on immediately from a period of additional maternity or adoption leave), then the employee will be entitled to return to the same job or, if that is not practicable, to a similar job that has the same or better status, terms and conditions as the previous job.

5. [SHARED PARENTAL LEAVE (ShPL)]

What is Shared Parental Leave?

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5. SHARED PARENTAL LEAVE (ShPL)

Shared Parental Leave (ShPL) is designed to give parents/adopters more flexibility in how to share the care of their child in the first year following birth or adoption. Eligible employees can share up to 50 weeks' leave, and can decide to be off work at the same time and/or take turns to have periods of leave to look after their child.

This option applies to employees, whether they are the mother or the partner. For an employee to be eligible for shared parental leave, both parents need to meet certain qualifying criteria (as noted below).

If it is the mother who is employed by SEStran, her partner must submit any notifications to take ShPL to their own employer. Similarly, if it is the partner who is employed by SEStran, the mother must submit any notifications to take ShPL to her own employer.

The mother and the partner should ensure that they are each liaising with their own employer to ensure that requests for ShPL are handled as smoothly as possible.

Eligibility for Shared Parental Leave

Who is eligible?

ShPL can only be used by 2 people:

- The mother/adopter, and
- One of the following:
 - The father of the child (in the case of birth) or,
 - The spouse, civil partner or partner of the child's mother/adopter.

Working parents who share the main responsibility for caring for their child are able to opt into the shared parental leave system.

Both parents must share the responsibility for the care of the child at the time of the birth/placement for adoption.

If an employee has 2 or more posts with SEStran they are required to take shared leave in respect of all posts. In the case of the mother, they are required to curtail their maternity leave for all posts.

Eligibility Criteria

For employees to be able to take ShPL, **both** parents must meet certain eligibility requirements.

Maternity Entitlements

The mother of the child must be entitled to maternity leave or (if she is not entitled to maternity leave) to statutory maternity pay or maternity allowance.

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| In addition, she must have curtailed her entitlement to maternity leave (or her

maternity pay or maternity allowance period) before she has taken her full entitlement. See Section 1 to determine eligibility to maternity leave.

Care of the child – the mother must be sharing the main responsibility for the care of the child with the child's father or partner.

Continuity of employment – an employee must meet a continuity of employment test. This means that the employee must have been employed by the same employer for 26 weeks at the end of the 15th week before the expected week of childbirth and remain employed by that employer at the start of the week in which shared parental leave is to be taken.

The continuity of employment test is similar to that for statutory maternity pay and paternity pay. So an employee who is entitled to SMP or SPP is likely to meet the continuity test for shared parental leave (See Section1).

Eligibility for the other parent – “employment and earning test” – the other parent, who must be the partner of the employee (i.e. the mother's/adoption's partner or the child's father – even if the father is not in a relationship with the mother) must satisfy an employment and earnings test and must make a declaration that they meet this test.

The employment and earnings test requires that in the 66 weeks leading up to the week in which the child is due (or in the case of adoption, the date when the adopter is notified of a match), they have worked in the UK for at least 26 weeks and in 13 weeks during the 66 week period they have earned the nationally agreed minimum level and would have paid class 1 national insurance contributions.

Shared Parental Leave Entitlement

Employees are entitled to take up to 50 weeks ShPL during the child's first year. The amount of ShPL which an individual is entitled to will depend on when the mother brings her maternity leave period to an end (i.e. curtails her leave) and the amount of leave that the other parent takes in respect of the child.

The first two weeks following birth are the compulsory maternity leave period and are reserved for the mother. This means that the mother cannot curtail her maternity leave to take ShPL until two weeks after the birth and the maximum period that the parents could take as ShPL is 50 weeks between them (although it will normally be less than this if the mother/adoption has taken leave before the birth or adoption placement).

The mother's partner can begin a period of ShPL at any time from the date of the child's birth if the correct booking notification has been given. **Note:** the partner must ensure that they use up any paternity leave or maternity/adoption support leave prior to taking shared parental leave. If paternity leave is not taken before Shared Parental Leave it will be lost.

Shared Parental Leave Options

It is up to the parents how they share the parental leave – they can take it in turns or take time off together, provided no more than 50 weeks of shared leave is taken in total.

An employee wishing to take ShPL is encouraged to contact their line manager to arrange an informal discussion as early as possible regarding their leave request. A line manager upon receiving a formal request should arrange a meeting with the employee to talk about their intentions and how they currently expect to use their ShPL entitlement. The purpose of any meeting is to discuss the leave proposed and what will happen when the employee is away from work.

Employees have the option to take leave in one continuous block (see Continuous Leave) or as separate blocks of leave (see Discontinuous Leave). Particularly in cases of requests for separate blocks of leave, the employee should discuss this in detail with their line manager to determine if the request can be granted and if necessary discuss other options that would be agreeable to both the employee and SEStran.

A maximum of three requests for leave per pregnancy can normally be made by each parent.

Notice requirements for shared parental leave

The notices that the parents must give to the relevant employer to be able to take ShPL are made up of the following elements. They are

- Curtailment notice (mother only)
- Notice of entitlement and intention
- Booking Notice
- Variation or cancellation Notice

This is explained in more detail below and the relevant forms are available (Appendices 1-4).

Curtailment Notice

Before the mother/adopter or partner can take ShPL, the mother/adopter must return to work before the end of their maternity/adoption leave. This will be done by giving the required eight weeks' notice of her planned return and providing SEStran with a curtailment notice.

A 'maternity/adoption leave curtailment notice' from the **mother/adopter** sets out when they propose to end their maternity/adoption leave (**see Appendix 1**).

The mother/adopter must provide the curtailment notice at the same time as the notice of entitlement and intention (Appendix 2) to take ShPL or a declaration of consent and entitlement signed by the mother confirming that her partner has given his/her employer a notice of entitlement and intention.

Revocation of maternity leave curtailment notice

The curtailment notice can be withdrawn in limited circumstances. The withdrawal of a curtailment notice must be in writing and can be given only if the mother/adopter has not returned to work. The curtailment notice can be withdrawn if:

- it is discovered that neither the mother/adopter nor the partner are entitled to ShPL or statutory shared parental pay and the mother withdraws her curtailment notice within eight weeks of the date on which the notice was given;
- the curtailment notice was given before the birth of the child and the curtailment notice is withdrawn within six weeks of the child's birth; or
- the partner has died.

If a mother and her partner have already started a period of shared leave or agreed a period of shared leave which is due to start within 8 weeks following the revocation, they may be required to be absent from work on unpaid leave for some or all of this period. SEStran is under no obligation to accept an employee back to work with no notice.

Notice of entitlement and intention

This notice is from the employee (whether they are the mother/adopter or partner) giving an initial, non-binding indication of their entitlement to, and intention to take, shared parental leave. This is a one-off notification and is only to inform SEStran of their intention to take shared parental leave (**See Appendix 2**).

A separate notice to book leave is required once an employee wishes to request specific dates of leave).

Adoption or Surrogacy Notice of Entitlement

In addition to the notice of entitlement and intention, adoptive parents must also confirm:

- the date the parents were notified as having been matched with the child;
- the date the child is expected to be placed with the parents; and

- a declaration from the parents and consent to the amount of time the other parent intends to take.

Evidence of eligibility in this case will be copies of documents issued by the adoption agency confirming the date the parents were matched with the child.

For surrogacy arrangements, if the intended parents have applied, or intend to apply, for a 'parental order' then, subject to meeting qualifying conditions, the nominated 'primary' adopter will be entitled to take adoption leave and pay and to end their adoption leave early and move onto ShPL .

Booking Notice

The employee's notice to book shared parental leave, must be in writing and be provided at least eight weeks before the start date of the first period of ShPL to be taken by the employee (**see Appendix 3**). However, the earlier an employee informs SEStran of their intentions, the more likely it is that SEStran will be able to accommodate the employee's wishes, particularly if they want to take periods of discontinuous leave.

Within 14 days of receiving a booking notice from the employee, whether the mother or partner, SEStran can request from the employee:

- a copy of the child's birth certificate (or, if the child has not been born, a copy of the birth certificate within 14 days of the birth - if the birth certificate has yet to be issued after this period, a signed declaration stating the date and location of the child's birth will suffice or a copy of the MATB1); and
- the name and address of the other parent's employer (or a declaration that the other parent has no employer).

The employee has 14 days from the date of the request to send SEStran the required information.

Variation or cancellation of notice of entitlement and intention

The employee can vary or cancel their proposed ShPL dates following the submission of a Booking Notice. They must provide SEStran with a written notice not less than eight weeks before any period of leave varied or cancelled by the notice is due to commence (**see Appendix 4**). The written notice can:

- vary the start date or the end date of any period of ShPL or cancel a request for leave;
- request that a continuous period of leave become discontinuous periods of leave; or
- request that discontinuous periods of leave become a continuous period of leave.

Any indication of leave intended to be taken that the employee provides in a Variation Notice is non-binding, until they provide a Booking Notice in relation to the new period of leave being requested.

Limit on number of requests for leave

The employee can provide a total of up to three Booking Notices per pregnancy (including the original request).

Continuous period of shared parental leave

If the employee submits a Booking Notice requesting one continuous period of leave, they will be entitled to take that period of leave provided they have followed the correct notification process. Discussions should however take place with the employee's line manager prior to any leave requests.

Discontinuous periods of shared parental leave

The employee may submit a Booking Notice requesting discontinuous periods of leave. For example, the mother and partner could request a pattern of leave from their respective employers that allows them to alternate childcare responsibilities.

If the employee submits notice requesting discontinuous periods of leave, SEStran, in the two weeks beginning with the date the notice was submitted, can:

- consent to the pattern of leave requested;
- propose an alternative pattern of leave; or
- refuse the pattern of leave requested. If the decision is taken to refuse the leave, the employer must provide clear reasons for this to the employee.

Any response to the employee should be in writing. If agreement is reached within those two weeks, the employee is entitled to take the leave on the dates agreed.

If no agreement has been reached within that two-week discussion period, the employee is entitled to take the leave as one continuous period of leave. In that event, the employee must choose a start date for the leave that is at least eight weeks from the date on which the leave notice was originally submitted. The employee must notify SEStran of that date within five days of the end of the two-week discussion period. If the employee does not choose a start date within five days of the end of the two-week discussion period, the period of continuous leave will start on the date of the first period of leave originally requested.

Alternatively, if SEStran has refused the request or no agreement has been reached during the two-week discussion period, the employee may withdraw

their Booking Notice requesting discontinuous periods of leave. The employee can withdraw this at any time on or before the 15th day after the notice was submitted. A notice for discontinuous leave that has been withdrawn before it is agreed does not count towards the total number of requests for leave that an employee can make (maximum 3 requests).

Shared Parental Pay

Only statutory pay is payable to either party for the duration of the ShPL period.

Statutory shared parental pay is available for eligible parents to share between them while on ShPL. The number of weeks' statutory shared parental pay available to the parents will depend on when the mother has ended her maternity leave and how much statutory maternity pay or maternity allowance the mother/adopter has been paid when her maternity leave or pay period ends.

A total of 39 weeks' statutory pay is available to the mother/adopter. As there is a compulsory maternity leave period of two weeks, this means that a mother who ends her maternity leave at the earliest opportunity could share up to 37 weeks' statutory shared parental pay with her partner (although it will normally be less than this because of the maternity leave that mothers usually take before the birth).

It is up to the parents to identify the period(s) of leave they are taking as shared parental leave in order that the appropriate rate of statutory shared parental pay is paid.

Statutory ShPL is paid for 37 weeks at the **lower** of the statutory prescribed rate or 90% of the relevant parent's normal weekly earnings (subject to the lower earnings limit). The remaining 13 weeks of ShPL are unpaid.

This means that statutory shared parental pay is paid at the statutory level throughout the leave period. Unlike occupational maternity/adoption pay, there is no provision for the first six weeks to be paid at 90% of the parent's actual weekly earnings. This is the case even if the mother returns from maternity leave after only two weeks, during the period where the higher (occupational) level of maternity would be have been available to her.

Eligibility for statutory shared parental pay

For employees to be eligible for statutory shared parental pay, both parents must meet certain eligibility requirements.

- have at least 26 weeks' continuous employment ending with the 15th week before the expected week of childbirth and remains in continuous employment with her employer until the week before any period of shared parental pay that they get;

Or in the case of the partner, have been employed or a self-employed earner during at least 26 of the 66 weeks immediately before the expected week of childbirth.

- have normal weekly earnings for a period of eight weeks ending with the 15th week before the expected week of childbirth/adoption placement of at least the lower earnings limit for national insurance contribution purposes;
- have, at the date of the child's birth, the main responsibility, apart from the partner, for the care of the child;
- is absent from work and intends to care for the child during each week in which they receive statutory shared parental pay; and

The mother must also be entitled to statutory maternity pay in respect of the child, but the maternity/adoption pay period has been curtailed.

Terms and Conditions during shared parental leave

During ShPL, all terms and conditions of the employee's contract except normal pay will continue. Salary will be replaced by statutory shared parental pay if the employee is eligible for it.

This means that, while sums payable by way of salary will cease, all other benefits will remain in place.

Shared Parental Leave in Touch days (SPLIT)

An employee can agree to work for SEStran (or to attend training) for up to 20 days during ShPL without that work bringing the period of his/her ShPL and pay to an end. These are known as "shared-parental-leave-in-touch" (SPLIT) days. These will be in addition to the 10 keeping in touch (KIT) days already available for women on statutory maternity leave (as per paragraph 3.7.1).

SEStran has no right to require employees to carry out any work and employees have no right to undertake any work during their ShPL. Any work undertaken on SPLIT days, is entirely a matter for agreement between employees and SEStran. An employee will be paid the equivalent of their normal pay for time worked on a SPLIT day which will be inclusive of Statutory Shared Parental Pay.

6. PARENTAL BEREAVEMENT LEAVE

Parental bereavement leave is designed to give parents additional leave ~~as a means~~ to provide extra support through their grief following the loss of a child. This leave can be taken by the child's birth parent, adoptive parent, the partner of the child's parent or adoptive parent – anyone with parental responsibility for the child.

This can be taken by all employees, regardless of their length of service. It is also available to parents who suffer a stillbirth after 24 weeks of pregnancy.

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Where an employee is eligible to take parental bereavement leave under this regulation as a result of the death of more than one child, they are entitled to parental bereavement leave in respect of each child.

The statutory right is for parents of children under the age of 18 however, SEStran are flexible on this as we appreciate that the loss of a child is equally as distressing for any parent.

The employee can take one or two weeks' parental bereavement leave. This is in addition to bereavement leave which is available for up to five days (as noted in point 7.8 below). It is not available as individual days and can be taken as

- a single block of two weeks or
- two separate blocks of one week at different times.

This leave can be taken within 56 weeks of the date of the death of the child.

Payment

Under legislation, employees with 26 weeks' continuous service are entitled to two weeks of paid leave at the statutory rate and employees with less than 26 weeks will be entitled to unpaid leave.

SEStran have extended this to allow all employees, including those with less than 26 weeks service, access to their normal pay during the 2 week parental bereavement leave period.

Notification

Employees do not need to provide notice in writing. Informal notification, such as a phone call, is sufficient to take parental bereavement leave.

Within the first 56 days of a child's death, the employee can take the leave straight away. This can begin by the employee letting their line manager know before they would have been due to start work or, if that is not feasible, as soon as possible.

If an employee wishes to take the leave more than 56 days after the child's death, they are required to give one week's notice of their intention to take the leave.

If an employee wishes to cancel parental bereavement leave, they must give notice before the leave starts of at least one week if it is 56 days after the child's death and no later than the first day the leave was due to start if it is within 56 days of the child's death. Bereavement leave which has already started cannot be cancelled.

Right to return

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If an employee requires a flexible return to work following parental bereavement leave, they should discuss this with their line manager.

Employees have the right to return to the same job, in the same location as they had before starting parental bereavement leave. Any changes to their job or location must be in accordance with the normal consultation procedures, and not in any way related to the leave.

If the employee is on a temporary contract, they will not have the right to return to work where their contract would have expired during the leave. They will however be entitled to all other provisions noted above, as long as if relevant eligibility criteria are met.

7. NEONATAL CARE LEAVE & PAY

Neonatal Care Leave applies to parents of babies, born after 6th April 2025, who are admitted into neonatal care up to 28 days old and who have a continuous stay in hospital of 7 full days or longer. These measures allow eligible parents to take up to 12 weeks of leave (and, if eligible, pay) on top of any other leave they may be entitled to, including maternity and paternity leave. Employees are entitled to this right from day one of employment and there is no qualifying service needed.

Qualifying Conditions

Statutory neonatal pay: to qualify for statutory neonatal pay, employees must have at least 26 weeks' continuous employment with SESTRAN up to the end of the 'qualifying week'.

If the employee is already entitled to other statutory parental pay - for example, maternity or paternity pay – the qualifying week is the 15th week before the baby is due. Otherwise, the qualifying week is the week immediately before the baby enters neonatal care.

The employee must also:

- remain employed up to the week before they want the pay to start
- meet the earnings criteria set out at <https://www.gov.uk/neonatal-care-pay-leave/check-eligible>

Slightly different rules apply if:

- the child is born before the relevant week, or
- the employee has between 25 and 26 weeks' continuous service ending with the relevant week.

In such circumstances contact the Business Manager so that further guidance can be obtained.

To be eligible for neonatal care leave, the employee must be either:

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- The child's parent and, at the date of their birth, have (or expect to have) responsibility for their upbringing; or
- At the date of the child's birth, the partner of the child's mother and have (or expect to have) the main responsibility (apart from the mother) for the child's upbringing.

A 'partner' is someone (of the same or a different sex) who lives with the mother in an enduring family relationship but is not their child, parent, grandchild, grandparent, sibling, aunt, uncle, niece or nephew – these include half-blood relationships.

Neonatal leave must be taken to care for the child. This condition does not apply if the child has died since receiving neonatal care. Please see Parental Bereavement Leave.

The employee should not work for SESTRAN during neonatal leave. If they work for another employer during neonatal leave, they will lose their entitlement to statutory neonatal pay unless: (i) the other employer is not liable to pay statutory neonatal pay; and (ii) they worked for them during the 15th week before the expected week of childbirth.

If the employee works for another employer during neonatal leave, and did not work for them during the 15th week before the expected week of childbirth, they must notify SESTRAN in writing (e.g. via email) within 7 days of the first day of that work.

Neonatal Leave

The employee will accrue one week of neonatal leave for each 'qualifying week' in which the child receives neonatal care, up to a maximum of 12 weeks' neonatal leave.

A week will only be a 'qualifying week' if the period of neonatal care:

- starts within 28 days running from the day after the child's birth ('the 28-day period'); and
- lasts for an uninterrupted period of 7 days, with the first qualifying week starting the day after neonatal care starts.

Neonatal leave will not accrue in respect of part-weeks of neonatal care.

If neonatal care starts within the 28-day period and continues, uninterrupted, for a number of weeks, the employee will accrue neonatal leave in respect of each qualifying week, including those that extend beyond the 28-day period.

If neonatal care stops, then restarts, the employee can accrue neonatal leave in respect of each separate period but only if each period independently meets the 'qualifying week' conditions above (including starting within the 28-day period).

Employees should contact the Business Manager to check whether a period of neonatal care is continuous or has been interrupted. Care can be received in different places (as described below) and is not interrupted just because a child is transported between different places where they are receiving neonatal care.

Neonatal Care Definition

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Neonatal care means any of the following:

- Medical care received in a hospital. This includes maternity homes, and clinics or outpatient departments connected to hospitals or maternity homes. The child does not necessarily need to have been admitted to hospital as an inpatient.
- Medical care received in any other place if: (i) the child was an inpatient in hospital and the care is received upon leaving hospital; (ii) the care is under the direction of a consultant; and (iii) the care includes ongoing monitoring by, and visits to the child from, healthcare professionals arranged by the hospital where the child was an inpatient.
- Palliative or end of life care.

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Multiple Births from the Same Pregnancy

In the case of multiple births from the same pregnancy:

- Neonatal leave is only accrued in respect of any individual child whose neonatal care lasts for an uninterrupted period of 7 days (running from the day after neonatal care starts). For example, neonatal leave will not accrue if twins each receive neonatal care for only 5 days.
- Neonatal leave can accrue in respect of more than one child, if they are receiving neonatal care at different times. If they receive neonatal care at the same time, leave can only accrue in respect of one child.
- The maximum neonatal leave available remains at 12 weeks, even if more than one child receives neonatal care.

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Statutory Neonatal Pay

Employees will not be entitled to normal pay during neonatal leave but will be entitled to statutory neonatal pay during any weeks of neonatal leave if they meet the eligibility conditions set out above.

The rate of statutory neonatal pay is the lower of either: (i) 90% of the employee's normal weekly earnings; or (ii) a prescribed rate set by the government each year – contact the Business Manager for the current rate.

SESTRAN will deduct tax and national insurance from neonatal pay. We may also deduct pension contributions.

Statutory neonatal pay will not be due for a week if, during any part of it, the employee is entitled to statutory sick pay. There are some other exceptional circumstances in which it will not be due, and employees will be notified if these arise.

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Tier 1 and Tier 2 – time periods

There are two time periods for neonatal leave:

- Tier 1: runs from the start of neonatal care until 7 days after neonatal care stops.
- Tier 2: covers any other period during which you can take neonatal leave.

In the case of multiple births from the same pregnancy, if more than one child is receiving neonatal care, Tier 1 runs from the first day that any of the children starts receiving neonatal care and ends 7 days after the last child stops receiving it.

When/how can neonatal leave be taken?

Employees can take neonatal leave while a child is receiving neonatal care or later, however:

- The earliest they can start neonatal leave is on 'day 9' of the child's neonatal care – so if neonatal care starts on a Monday, they cannot start neonatal leave until the Tuesday of the following week.
- Leave can start on any day of the week.
- Neonatal leave must be taken within 68 weeks of the child's birth. Any neonatal leave not taken within that time will be lost. In the case of multiple births from the same pregnancy, the 68-week period runs from the first child's birth.
- The leave must be taken in blocks of one or more weeks. It cannot be taken as single days or periods of less than a week.

If neonatal leave is taken:

- During Tier 1: the weeks of leave do not need to be consecutive.
- During Tier 2: the leave must be taken in consecutive weeks i.e. one block. The employee can choose how much of the accrued leave they want to take, and don't need to use it all, but they will lose any leave they do not take in that block and will not be able to take it at a different time.

Neonatal leave is available in addition to other statutory family leave (such as maternity or paternity leave) and taking neonatal leave does not impact on the amount of other leave available.

Employees should not stop any adoption, maternity, paternity or shared parental leave that has already started to take neonatal leave. They can take the neonatal leave after the other leave has ended, even if the child is not receiving neonatal care at that point.

Employees cannot give notice to take neonatal leave during Tier 2 if they know it will be interrupted by other family leave.

If a block of neonatal leave started during Tier 1 and is interrupted by other pre-booked statutory family leave (such as paternity or shared parental leave), the neonatal leave is paused and the employee moves to the other family leave. If the

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other family leave then ends:

- During Tier 1: the employee immediately moves back onto neonatal leave for the remaining duration of the neonatal leave they originally gave notice for (which might not be the full amount of accrued neonatal leave) – they do not need to give any additional notice to take this; or
- During Tier 2: the employee does not need to move straight back onto neonatal leave. They should give notice of when they want to take neonatal leave (as referred to below) and must take the remaining neonatal leave they originally gave notice for consecutively with any other neonatal leave they take.

Process for Taking Neonatal Leave

To take neonatal leave, employees must give us notice of the following:

- Name
- The child's date of birth
- The start and end dates of each period of neonatal care. If neonatal care is ongoing when notice is given, notice, the employee should give the date it ends, as soon as is reasonable after that.
- The date the neonatal leave is to begin
- How many weeks of neonatal leave they plan to take
- Confirmation that they are taking neonatal leave to care for the child
- If this is the first notice of neonatal leave in respect of the child, confirmation that they meet the relationship and responsibility requirements described above.

Guidance on notice requirements is at Appendix 5.

All normal terms and conditions remain in force during neonatal leave except for terms relating to pay.

Any employee pension contributions will be based on the level of pay received during neonatal leave. The employee can seek to make these up. Further information can be sought from the Business Manager.

Any employer pension contributions SESTRAN are due to make during neonatal leave will be based on normal pay.

8. CARER'S and DEPENDANTS' LEAVE

Definitions

A person is a "dependant" for the purposes of carer's leave if they:

- Are a spouse, civil partner, child or parent of the employee.

- Live in the same household as the employee, otherwise than by reason of being the employee's boarder, employee, lodger or tenant, or reasonably rely on the employee to provide or arrange care.

A dependant has a "long-term care need" for these purposes if:

- they have an illness or injury (whether physical or mental) that requires, or is likely to require, care for more than three months.
- they have a disability for the purposes of the Equality Act 2010, or
- they require care for a reason connected with their old age.

Carer's leave is available to all employees of SESTRAN irrespective of length of service, and whether they are part-time or full-time. It is available to deal with family/dependent emergency obligations or where normal care arrangements fall down. Examples when carer's leave may be applicable are:

- to provide assistance when a dependant falls ill, gives birth or is injured or assaulted;
- to make arrangements for the provision of care for an ill or injured dependant;
- because of the unexpected disruption or termination of arrangements for the care of a dependant;
- to deal with an incident that involves their child and occurs unexpectedly whilst the child is at school/other educational establishment.

Unplanned leave (paid)

Unplanned Carer's leave is intended to cover unforeseen matters and should not be used for pre-planned occurrences such as hospital and dental appointments. In these circumstances other options are available such as annual leave or parental leave.

Carer's leave consists of up to a maximum of 5 days' paid leave (pro-rated for part-time/week workers) in any one leave year to deal with emergency obligations. Notwithstanding, when normal care arrangements break down, employees will be expected to make alternative arrangements as soon as possible.

Leave may be taken as half days, single days or block periods.

A dependent is defined as an employee's partner, child (or partner's child), parent (or legal guardian) or someone who lives in the same household as the employee (other than by reason of being his employee, tenant, boarder or lodger).

Planned/Statutory leave (unpaid)

Planned carer's leave is to deal with situations where reasonable advance notice is available. This leave is to cover pre-planned occurrences such as hospital or dental appointments, legal meetings or residential care meetings.

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This leave is unpaid although employees may request annual and flexi leave or for extended periods, parental leave can be requested for childcare issues.

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It is an over-riding principle that service provision will not suffer and, whilst every effort will be made to support employees in relation to pre-planned leave requests, there may be occasions where due to other circumstances, such as office cover or service provisions, requests may be refused. This will be discussed with the employee and alternative options considered.

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Different notice periods apply for statutory carer's leave as noted below:

If statutory leave is being used to provide or arrange care for a dependant with a long-term care need, the employee can request up to one week's unpaid leave (pro rata for part time) in a rolling 12-month period which can be taken as one continuous block of leave, or multiple shorter periods through the year. The minimum period is half a day.

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If an employee wishes to take statutory carer's leave, they will need to give notice which must:

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- specify that they are entitled to take statutory carer's leave
- specify the days on which they want to take carer's leave (and specify if the leave relates to part of a day); and
- be given in advance - the notice period is either at least twice as many days as the period of leave requested or, if longer, 3 days.

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The notice can relate to all or part of the entitlement and does not need to be in writing. The notice requirement could on occasion be waived, provided the employee is otherwise eligible to take carer's leave.

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Statutory carer's leave cannot be declined but may be postponed where all the following apply:

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- SESTRAN reasonably consider that the operation of the business would be unduly disrupted if it allowed the leave during the requested period.
- We allow the employee to take a period of carer's leave of the same duration, within a month of the period initially requested.
- We give the employee written notice within seven days of the initial request (or sooner if possible), setting out the reason for the postponement and the agreed dates on which the leave can be taken.

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Where the leave is in respect of bereavement the provisions for bereavement leave as noted in section 98 will apply. Where a parent has lost a child, see also section 66. [For neonatal care leave see section 7.](#)

In the cases of serious illness, up to 3 months' leave may be granted at the discretion of the Partnership Director. This leave may be paid, unpaid, and in exceptional circumstances unpaid leave may be extended.

Authorisation for carer's leave should be obtained by following the normal procedures for absence notification.

9. SPECIAL LEAVE

Bereavement Leave

SESTRAN has discretion to grant up to 5 working days paid leave where a family member or close friend of an employee dies. In exercising discretion, the following will be taken into account:

- (a) the circumstances which justify leave to attend the funeral;
- (b) the requirement of an employee to make funeral arrangements and/or deal with financial or legal issues which occur immediately around the time of the death; and/or
- (c) the requirement for an employee to travel over long distances (for travel outside the UK absence may be part paid and part unpaid).

REVIEW

This policy will be reviewed annually, to take account of developments within SESTRAN and legislative requirements.

Appendix 1 – Curtailment Notice Form

Appendix 2 – Notice of Entitlement and Intention to Take Shared Parental Leave

Appendix 3 – Shared Parental Leave Booking Notice

Appendix 4 – Notice to Vary a Period of Shared Parental Leave

CURTAILMENT NOTICE

Appendix 1

To be completed by the Mother only.

Please complete and return this form to your manager.

This form is to inform SEStran that you wish your maternity leave/pay to end in order that the person who shares the main responsibility to care for your child can take shared parental leave.

You must give at least 8 weeks' notice of your curtailment date. If you are entitled to maternity leave, the curtailment date must be at least two weeks after the birth of your child.

I wish my maternity/adoption leave to end on:..... (insert date)

Name	
Employee No	
Job Title(s)	
Signature	
Date	

Please note: This form is only notification that you wish to curtail your maternity leave. You are required to complete a Notice of Entitlement and Intention Form. This form can be completed and handed in at the same time as your curtailment notice.

(*) If you have 2 or more jobs either with SEStran (or with SEStran and another employer) you are required to curtail your maternity leave in all posts. Please ensure that all your job titles are noted in this Curtailment Notice

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Appendix 2

Notice of Entitlement and Intention to Take Shared Parental Leave

If you wish to take shared parental leave, then you must submit this form to your manager at least **8 weeks** before the start of the first period of shared parental leave. If you are the mother, you must also complete a curtailment notice confirming you are bringing your maternity leave to an end.

In order to calculate the amount of shared parental leave you are eligible for please complete the following.

Employee Name:	
Employee No:	
Job Title(s):	
Date on which maternity / adoption leave commenced / will commence	

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Declaration:

☐ I confirm that I am the mother/main adopter of the child;

Or

☐ I confirm that I am the partner of the mother/main adopter of the child: And

☐ I confirm that I meet the eligibility criteria for shared parental leave (as per Section 5 of the Policy).

Signed:

Date:

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Note (Mother only): If you have 2 or more jobs either with SEStran (or with SEStran and another employer) you are required to curtail your maternity leave in all posts.

Note (Partner only): If you have 2 or more jobs with SEStran you are required to give notice for shared leave in both posts. If you have one post with SEStran and one with another employer you can decide if you wish to take shared leave from all posts.

(*) You are required to highlight details of all your posts in the Curtailment Notice.

Appendix 3

SHARED PARENTAL LEAVE BOOKING NOTICE

This form should be completed should you wish to book shared parental leave.

You must give at least 8 weeks' notice of any dates in which you wish to take as shared leave.

Name	
Employee No	

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A. Date in which you (or the mother/adopter) has curtailed their maternity leave		
B. Number of weeks maternity or adoption leave taken by the mother/ adopter.	<u>Start Date</u>	<u>End Date</u>
C. Remaining number of weeks of shared parental leave available (52 weeks minus the number of weeks taken according to the above dates) (e.g. 52 – B above)		
D. Maximum number of weeks of shared parental pay available (39 weeks minus the number of weeks taken according to the above dates) (e.g. 39 – B above)		
E. Total number of shared parental leave/pay you intend to take	<u>Shared Parental Pay</u>	<u>Shared Parental Leave</u>
F. Total Number of weeks of Shared parental leave/pay the other parent intends to take.	<u>Shared Parental Pay</u>	<u>Shared Parental Leave</u>

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Requested Shared Parental Leave / Pay Dates

Start date	End date	Number of weeks leave	Number of weeks pay (if applicable)

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Declarations By the Employee

Please confirm your eligibility by ticking the appropriate boxes below and signing the form

- ☐ I am the mother, father or main adopter of the child and will share the care of the child with my partner named below
- ☐ I meet the eligibility criteria for shared parental leave If appropriate:
- ☐ I meet the eligibility criteria for shared parental pay
- ☐ I am the mother or main adopter and have completed the **notice of curtailment of maternity / adoption leave** section and understand that this is **binding** subject to certain conditions outlined in the policy
- ☐ I consent to you retaining and processing the information contained in this form

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Signed: _____ Date: _____

For completion by the Employee's Partner

Name	
Address	
Name and Address of Employer	
National Insurance Number	

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I confirm that I meet the following criteria for eligibility for shared parental leave:

- ☐ I have worked either directly, for an agency or self-employed, for 26 weeks in the 66 weeks leading up to the due date.
- ☐ I have earned above the maternity allowance threshold of £30 a week in 13 of the 66 weeks leading up to the due date.
- ☐ I consent to your employee taking shared parental leave and shared parental pay as detailed above.

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If appropriate:

- ☐ I am the mother / main adopter and confirm I have curtailed my maternity / adoption leave and pay with my employer (or will have done so by the time your employee takes shared parental leave).
- ☐ I consent to you retaining and processing the information contained in this form.

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Signed: _____ Date: _____

Appendix 4

Notice to Vary a Period of Shared Parental Leave

You should complete this form if you wish to vary a previously approved period of shared parental leave.

You must have previously submitted a **Booking Notice for Shared Parental Leave** (Appendix 8) and have had your eligibility for shared parental leave confirmed.

Name	
Employee No: (if employed by SEStran)	
Name of Partner	

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Request to Vary Previously Requested Parental Leave / Pay Dates

Previously Approved Start date	Previously Approved End date	Detail the change you would like to request (Including start and end dates)

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We confirm that we agree to the request as per the variation outlined above.

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Signed: _____ Date: _____
(Employee)

Signed: (Employee's Partner) _____ Date: _____

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Appendix 5

Neonatal Care Leave – Notice Requirements

DURING TIER 1

How much notice?

You must give us notice before you are due to start work on the first day of each week of neonatal leave (or, if this is not reasonably practicable, as soon as is reasonably practicable).

If you give notice on a day when you have already started work, your neonatal leave cannot start until at least the following day. If you need time off work before that, speak to your line manager about your options.

Does it need to be in writing?

You can give notice verbally at first, but if you want to claim statutory neonatal pay, you must follow this up with written notice within 28 days of neonatal leave starting.

Can I withdraw notice?

You cannot return to work part-way through a week of neonatal leave – it must be taken in full weeks.

If you wish to cancel future weeks of neonatal leave that you have given notice of, this will be at our discretion and you should speak to your line manager to discuss the situation.

DURING TIER 2

How much notice?

You must give us notice:

- For one week of leave, no later than 15 days before the first day of leave.
- For two or more consecutive weeks of leave, no later than 28 days before the first day of leave.

In some cases, we may accept shorter notice, but this will be at our discretion.

Does it need to be in writing?

Notice must be in writing.

Can I withdraw notice?

Yes, so long as you give us notice in writing and:

- For one week of leave, no later than 15 days before the first day of leave.
- For two or more consecutive weeks of leave, no later than 28 days before the first day of leave.

If you withdraw your notice to take leave, you can then give notice to take leave on different dates, so long as those meet the other conditions in this policy.

In some cases, we may accept shorter notice of withdrawal, but this will be at our discretion.

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RECRUITMENT POLICY

DOCUMENT VERSION CONTROL

Date	Author	Version	Status	Reason for Change
July 2008	SEStran	1.0	FINAL	Policy Adopted
Oct 2017	SEStran	1.1	FINAL	Adoption of version control
Oct 2021	HR Adviser	1.2	FINAL	Amendments to Eligibility to Work in UK section, guidance added on Asylum & Immigration Act checks and OH screening checks moved to online.
Nov 2021	SEStran	1.2	FINAL	Approved by Performance & Audit Committee
<u>Sept 2025</u>	<u>SEStran</u>	<u>1.3</u>	<u>FINAL</u>	<u>Updated guidance on eligibility to work in UK and biometric residence permits</u>

Introduction

SESTRAN aims at all times to recruit the person who is most suited to the particular job. Recruitment will be solely on the basis of the applicant's abilities and individual merit as measured against the criteria for the job. Qualifications, experience and skills will be assessed at the level that is relevant to the job.

SESTRAN is committed to applying its equal opportunities policy at all stages of recruitment and selection. Shortlisting, interviewing and selection will always be carried out without regard to gender, sexual orientation, marital status, colour, race, nationality, ethnic or national origins, religion or belief, age or trade union membership.

Reasonable adjustments to the recruitment process will be made to ensure that no applicant is disadvantaged because of their disability.

Recruitment process

It is SESTRAN's policy that vacancies will normally be advertised externally in appropriate media as well as being notified to existing employees who will be encouraged to apply for vacant posts if they have the appropriate qualifications, experience and skills.

All posts to be advertised will be agreed in advance by the Partnership Director and, where appropriate, the Partnership Board.

Before beginning to recruit to a post, the person responsible for the process must ensure that there is an up-to-date job description and a clearly drafted person specification. The job description will describe the duties, responsibilities and level of seniority associated with the post, whilst the person specification will describe the type of qualification(s), training, knowledge, experience, skills, aptitudes and competencies required for effective performance of the job.

Application packs to be issued to candidates will include: an application form, equal opportunities monitoring form, job description, copy of advert and SESTRAN information.

Copies of job description and person specification templates are attached at Appendices A and B respectively.

Selection process

The shortlisting process will be undertaken only on the basis of the information provided on each person's application form and with regard to whether or not they meet the essential criteria noted in the person specification and job description.

Candidates will be advised whether or not they are being invited for interview in writing as soon as possible after the closing date. As much notice of interviews

will be given as possible, normally at least 5 working days. If a candidate is unable to attend for interview alternative arrangements will be made if practical.

Reasonable adjustments to the recruitment process will be made to ensure that no applicant is disadvantaged because of any disability they may have.

Interview panels will ensure that the questions they ask job applicants are not in any way discriminatory or unnecessarily intrusive. The interview will focus on the needs of the job and skills needed to perform it effectively, taking account of the information contained in the person specification and job description. A record of every recruitment interview must be made and retained in a confidential basis for a period of six months and thereafter confidentially destroyed. On no account should any job offer be made during or at the end of an interview.

Psychometric testing may be used as part of the recruitment process. Any test used must have been validated in relation to the job, be free of any bias, and be validated, administered, scored and feedback and by a suitably trained person.

All applicants invited for interview must be advised that, if successful at interview, they will be expected to complete an Occupational Health questionnaire.

Once the preferred candidate has been selected, the Occupational Health questionnaire should be sent to the candidate.

If the Occupational Health Adviser has any queries regarding the questionnaire, they may invite the candidate for a medical interview or a medical examination. If the candidate refuses to complete the questionnaire, or attend an Occupational Health interview or examination, this would mean that conditions of the appointment had not been satisfied, and the manager must obtain advice from the Service HR Adviser.

It is SESTRAN's practice to seek the successful candidate's consent to seek two written references and to ask for documentary proof of qualifications.

Information regarding attendance, ill health or disability must not be requested from previous employers prior to interview. However, two appropriate and satisfactory employment references will be required prior to confirming any conditional offer of employment, and the conditional offer letter will advise the candidate that references will be sought at that point. A template offer letter is attached at Appendix C.

On no account should any job offer be made during or at the end of an interview. Offers of employment may only be made on condition that all checks have been received and are satisfactory.

Candidates who have been unsuccessful at interview will normally be advised in writing within two weeks of the interview date.

Eligibility to work in the UK

Under the Immigration, Asylum and Nationality Act 2006, specific documents must be checked and copied to establish that an individual has the right to work in the UK. Please see Appendix D for guidance on steps that must be taken to comply with the Act.

Baseline Personnel Security Standard (BPSS)

BPSS is the minimum standard required to ensure the identity and integrity of an employee with access to official information/systems. It involves a number of checks:

- Identity check;
- Nationality and Immigration Status;
- Employment History (past 3 years);
- Verification of Criminal Record (unspent convictions only);
- References covering previous 3 year period;
- Checks relating to time spent living or working abroad;

Checks relating to gaps in employment history or additional references covering a 3-year period are not mandatory but are considered good practice.

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Induction

All employees will undergo an induction appropriate to the duties of their post. An induction checklist should be used to keep a record of the induction process and retained in the employee's personal file.

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Review

This policy will be reviewed annually, to take account of developments within SESTRAN and legislative requirements.

Appendix A - Job Description Templates

Appendix B - Person Specification Templates

Appendix C - Draft Offer Letter

Appendix D — [Guidance on Eligibility to Work in the UK checks](#) ~~List of documents which should be considered for the purpose of validating eligibility to work in the UK~~

Appendix A

JOB DESCRIPTION

Section A Job definition

Section B Organisational relationship

Section C Key Responsibilities

Section D Knowledge, Skills & Experience

Knowledge

Skills

Experience

Section E Communications and Contacts

Appendix B

PERSON SPECIFICATION

TITLE OF POST:

POSTHOLDER'S ATTRIBUTES	<u>ESSENTIAL</u>	DESIRABLE	TO BE IDENTIFIED BY:
Qualifications/Training			
Special Knowledge			
Circumstances / Personal			
Disposition/Attitude			
Practical and Intellectual Skills			
Experience			

Appendix C

Enquiries to: Chair of Interview Panel
Direct Dial: Extn. No.
Date:

CONFIDENTIAL

Name
Address
Town
Postcode

Dear Name,

Post: {Job Title}

Following a successful interview, the Interview Panel will be making recommendations to the Partnership Director in regard to your appointment, but any recommendation will be subject to satisfactory completion of various pre-employment checks.

This post requires that Occupational Health clearance is obtained. A questionnaire will be emailed to you using our Occupational Health system. Please complete this as quickly as possible. .

References will now also be requested.

It is important that you note that this letter is a conditional offer of appointment, and will only be confirmed after consideration of such pre-employment checks as may be conducted and considered necessary by the SESTRAN. SESTRAN reserves the right not to proceed with an appointment for any reason.

As we are not in a position to confirm a formal offer of employment to you at this stage of the recruitment process you are advised not to hand in your notice to your present employer. Please wait until such time as you receive a letter from SESTRAN formally offering you an appointment.

Yours sincerely,

TITLE

Appendix D

Eligibility to Work in the UK Checks

All internal and external candidates are legally required to evidence that they are allowed to work in the UK.

You must carry out a manual document (in person) check for all external candidates.
You will also need to carry out an online check to establish a right to work for **ALL non-UK** candidates using the GOV.UK toolkit. This toolkit helps you to understand which documents are required to establish their right to work in the UK. They must provide their date of birth and a share code to the recruiting manager who will then be able carry out an online right to work check.
We can no longer accept a biometric residence permit without also doing the online check.

Manual document check

You must **obtain original documents** from either **List A or List B** for a manual right to work check. You can find the list at: Employers' right to work checklist (accessible) - GOV.UK

1. Obtain original versions of one or more of the acceptable documents
 2. Check the documents in the presence of the holder of the documents
- You must **check that the documents are genuine** and that the person presenting them is the employee or prospective employee, the rightful holder and allowed to do the type of work you are offering.

The photographs must be consistent across documents and with the person's appearance:

1. The dates of birth are consistent across documents and with the person's appearance.
2. The expiry dates for time-limited permission to be in the UK are in the future (ie they have not already passed).
3. The work restrictions to confirm if the person is able to work for SEStran and do the type of work you are offering (for students who have limited permission to work during term-times, you must also obtain, copy and retain details of their academic term and vacation times covering the duration of their period of study in the UK for which they will be employed).
4. All documents are genuine, have not been tampered with and belong to the holder.
5. Reasons for any different names across documents (eg marriage certificate, divorce decree, deed poll).

3. Make copies of the documents in a format which cannot later be altered; retain the copies marking the copy 'right to work check undertaken on [Date]'.

You must copy and retain:

- Passports
 - any page with the document expiry date
 - the holder's nationality

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- [date of birth](#)
- [signature](#)
- [leave expiry date](#)
- [biometric details](#)
- [photograph](#)
- [any page containing information indicating the holder has an entitlement to enter or remain in the UK and undertake the work in question](#)
- [- the front cover no longer has to be copied.](#)

- [All other documents](#)

- [eVisa - Individuals need to create a UKVI account at <http://www.gov.uk/evisa> to access their eVisa and generate a share code <http://www.gov.uk/view-prove-immigration-status>](#)

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[Home Office online right to work checking service for non UK candidates](#)

[For those with a biometric residence permit, a biometric residence card or have status issued under the EU settlement scheme, the online right to work check must be used in addition to a manual document check. If a candidate has a biometric residence card \(BRC\) and holds status under the EU Settlement Scheme, then they will not need to take any action other than keeping their UKVI account up to date with their latest passport and contact details. The move to an eVisa will not impact their underlying status.](#)

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1. [Use the Home Office online right to work checking service for an applicant and only employ the person, or continue to employ an existing employee, if the online check confirms they are entitled to do the work in question](#)
2. [Satisfy yourself that any photograph on the online right to work check is of the individual presenting themselves for work; and](#)
3. [Retain a clear copy of the response provided by the online right to work check which should be uploaded to MyView along with the other documents](#)

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[If candidates are not from the UK further information regarding recruitment checks should be obtained from SEStran's Human Resources Adviser.](#)

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[EEA candidates who have made a successful application to the EU Settlement Scheme \(EUSS\) will have been granted their immigration status digitally and can only prove their right to work using the Home Office online checking service.](#)

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[If an EEA citizen has been granted 'Settled Status' by the Home Office, they will have a continuous right to work, in the same way as someone with Indefinite Leave to Enter / Remain status. If an EEA citizen has been granted 'Pre-Settled Status' by the Home Office, they will have a time-limited right to work and you must carry out a follow-up check. The Home Office online service will advise when a follow-up check must be carried out.](#)

[Some cohorts of EEA citizens will not have status under the EUSS. They will evidence their right to work using specified documents if they cannot use the home office online system. These are detailed below:](#)

- [Frontier Worker Permits](#)
- [Service Provider of Switzerland visas](#)
- [Outstanding applications to UK EUSS](#)
- [Outstanding applications to Crown Dependency EUSS](#)
- [EEA citizens with Indefinite Leave to Enter/Remain](#)
- [Points-Based System visas](#)

[If the appropriate evidence has not been provided or if there is any doubt that documents are genuine, a recommendation for or offer of employment should not be made. Advice should be sought from SEStran's Human Resources Adviser before progressing the application.](#)

Where it has been agreed to allow employment through a recruitment agency, it should not be left up to the recruitment agency to undertake these checks. The criminal liability still lies with SEStran as the employer to ensure that these checks have been carried out and are satisfactory. If the worker remains an agency employee, this will be the responsibility of the recruitment agency.

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Certificate of Sponsorship – Note before interview if this will be required

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SEStran will be able to apply to sponsor skilled migrants in specific situations. If a Certificate of Sponsorship is required, the recruiting manager must contact SEStran's Human Resources Advisor before any offer of employment is made. This process can take a number of weeks and there is no guarantee that sponsorship will be granted.

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Following recruitment of employees from outwith the UK, the manager has specific responsibility under the regulations to monitor and conduct annual checks to ensure continued right to remain and work in the UK. Failure to carry out these checks may result in a fine.

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How to conduct a right to work check – The 3 Step Check

All internal and external candidates are legally required to evidence that they are allowed to work in the UK.

You must know your employee's right to work

You may conduct a manual document check or perform an online check to establish a right to work. If applicants are not from the UK you can use the toolkit at <https://www.gov.uk/legal-right-work-uk> to confirm whether they have the right to work in the UK.

You must keep a record of which document(s) have been checked.

Home Office online right to work checking service:

For those with a biometric residence permit, a biometric residence card or have status issued under the EU settlement scheme, the online right to work check can be used <https://www.gov.uk/view-right-to-work>

There are three basic steps to conducting an online right to work check:

1. Use the Home Office online right to work checking service for an applicant and only employ the person, or continue to employ an existing employee, if the online check confirms they are entitled to do the work in question;
2. Satisfy yourself that any photograph on the online right to work check is of the individual presenting themselves for work; and
3. Retain a clear copy of the response provided by the online right to work check (storing that response securely, electronically or in hardcopy) for the duration of employment and for two years afterwards.

Manual document check:

Step 1	Step 2: Check	Step 3: Copy
---------------	----------------------	---------------------

You must obtain original documents from either List A or List B (see below) for a manual right to work check.	You must check that the documents are genuine and that the person presenting them is the prospective employee or employee, the rightful holder and allowed to do the type of work you are offering.	You must make a clear copy of each document in a format which cannot later be altered, and retain the copy securely, electronically or in hardcopy. You must also retain a secure record of the date on which you made the check.
<p>List A You have a continuous statutory excuse for the full duration of that person's employment with you. You do not have to carry out any repeat right to work checks on this person.</p> <p>List B (Part 1) You have a time-limited statutory excuse which expires when the person's permission to be in the UK</p>	<p>The photographs must be consistent across documents and with the person's appearance</p> <ol style="list-style-type: none"> 1. The dates of birth are consistent across documents and with the person's appearance 2. The expiry dates for time-limited permission to be in the UK are in the future (ie they have not already passed) 3. The work restrictions to confirm if the person is able to work for Sestran and do the type of work you are 	<p>You must copy and retain:</p> <ol style="list-style-type: none"> 1) Passports: any page with the document expiry date, the holder's nationality, date of birth, signature, leave expiry date, biometric details, photograph and any page containing information indicating the holder has an entitlement to enter or remain in the UK and undertake the work in
<p>expires. You must carry out a follow-up check when the document evidencing their permission to work expires.</p> <p>List B (Part 2) You have a time-limited statutory excuse which expires 6 months from the date specified in the Positive Verification Notice. You must carry out a follow-up check when this notice expires.</p>	<p>offering (for students who have limited permission to work during term times, you must also obtain, copy and retain details of their academic term and vacation times covering the duration of their period of study in the UK for which they will be employed).</p> <ol style="list-style-type: none"> 4. All documents are genuine, have not been tampered with and belong to the holder 5. Reasons for any different names across documents (eg marriage certificate, divorce decree, deed poll). Supporting documents should also be photocopied and a copy retained. 	<p>question (the front cover no longer has to be copied).</p> <ol style="list-style-type: none"> 2) All other documents: the document in full, including both sides of a Biometric Residence Permit. You must retain the copy or copies securely for not less than two years after the employment has come to an end.

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Lists of acceptable documents for manual right to work checks from 1 July 2021

LIST A - Documents which confirm that you have an on-going right to work in the UK – ONE document only is required

1. A passport (current or expired) showing the holder, or a person named in the passport as the child of the holder, is a British citizen or a citizen of the UK and Colonies having the right of abode in the UK
2. A passport or passport card (current or expired) showing that the holder is a national of the Republic of Ireland.
3. A current document issued by the Home Office to a family member of an EEA or Swiss citizen, and which indicates that the holder is permitted to stay in the United Kingdom indefinitely.
4. A document issued by the Bailiwick of Jersey, the Bailiwick of Guernsey or the Isle of Man, which has been verified as valid by the Home Office Employer Checking Service, showing that the holder has been granted unlimited leave to enter or remain under Appendix EU to the Jersey Immigration Rules, Appendix EU to the Immigration (Bailiwick of Guernsey) Rules 2008 or Appendix EU to the Isle of Man Immigration Rules.
5. A **current** Bio-metric Immigration document (Biometric Residence Permit) issued by the Home Office to the holder indicating that the person named is allowed to stay indefinitely in the UK or has no time limit on their stay in the UK.
6. A **current** passport endorsed to show that the holder is exempt from immigration control, is allowed to stay indefinitely in the UK, has the right of abode in the UK, or have no time limit on their stay in the UK.
7. A **current** Immigration Status Document issued by the Home Office to the holder with an endorsement indicating the named person is allowed to stay indefinitely in the UK, or has no time limit on their stay in the UK, **together with** an official document giving the person's permanent National Insurance number and their name issued by a Government agency or a previous employer.
8. A birth or adoption certificate issued in the UK, **together with** an official document giving the person's permanent National Insurance number and their name issued by a Government agency or a previous employer.
9. A birth or adoption certificate issued in the Channel Islands, the Isle of Man or Ireland, **together with** an official document giving the person's permanent National Insurance number and their name issued by a Government agency or a previous employer.
10. A certificate of registration or naturalisation as a British citizen, together with an official document giving the person's permanent National Insurance number and their name issued by a Government agency or a previous employer.

LIST B (Group 1) - Documents which confirm that you have a time limited right to work in the UK – ONE document only is required

1. A current passport endorsed to show that the holder is allowed to stay in the UK and is currently allowed to do the type of work in question.
2. A current Biometric Immigration Document (Biometric Residence Permit) issued by the Home Office to the holder which indicates that the named person can currently stay in the UK and is allowed to do the work in question.
3. A current document issued by the Home Office to a family member of an EEA or Swiss citizen, and which indicates that the holder is permitted to stay in the United Kingdom for a time limited period and to do the type of work in question.
4. A document issued by the Bailiwick of Jersey, the Bailiwick of Guernsey or the Isle of Man, which has been verified as valid by the Home Office Employer Checking Service, showing that the holder has been

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granted limited leave to enter or remain under Appendix EU to the Jersey Immigration Rules, Appendix EU to the Immigration (Bailiwick of Guernsey) Rules 2008 or Appendix EU to the Isle of Man Immigration Rules.

5. A document issued by the Bailiwick of Jersey or the Bailiwick of Guernsey, which has been verified as valid by the Home Office Employer Checking Service, showing that the holder has made an application for leave to enter or remain under Appendix EU to the Jersey Immigration Rules or Appendix EU to the Immigration (Bailiwick of Guernsey) Rules 2008, on or before 30 June 2021.

6. A frontier worker permit issued under regulation 8 of the Citizens' Rights (Frontier Workers) (EU Exit) Regulations 2020.

7. A current Immigration Status Document containing a photograph issued by the Home Office to the holder with a valid endorsement indicating that the named person may stay in the UK, and is allowed to do the type of work in question, together with an official document giving the person's permanent National Insurance number and their name issued by a Government agency or a previous employer.

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LIST B (Group 2) – Documents which confirm that you have a time limited right to work in the UK but where TWO documents are required. Documents where a time limited statutory excuse last for 6 months.

1. A document issued by the Home Office showing that the holder has made an application for leave to enter or remain under Appendix EU to the immigration rules on or before 30 June 2021 together with a Positive Verification Notice from the Home Office Employer Checking Service.

2.

3. A document issued by the Bailiwick of Jersey or the Bailiwick of Guernsey showing that the holder has made an application for leave to enter or remain under Appendix EU to the Jersey Immigration Rules or Appendix EU to the Immigration (Bailiwick of Guernsey) Rules 2008 on or before 30 June 2021 together with a Positive Verification Notice from the Home Office Employer Checking Service.

4. An Application Registration Card issued by the Home Office stating that the holder is permitted to take the employment in question, together with a Positive Verification Notice from the Home Office Employer Checking Service.

5. A Positive Verification Notice issued by the Home Office Employer Checking Service to the employer or prospective employer which indicates that the named person may stay in the UK and is permitted to do the work in question.

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Right to work checks for EEA citizens from 1 July 2021

From 1 July 2021, EEA citizens and their family members require immigration status in the UK. They can no longer rely on an EEA passport or national identity card, which only confirms their nationality, to prove their right to work. They will be required to provide evidence of lawful immigration status in the UK, in the same way as other foreign nationals. Irish citizens continue to have unrestricted access to work in the UK. From 1 July 2021, they can prove their right to work using their Irish passport or Irish passport card, or their Irish birth or adoption certificate together with an official document giving the person's permanent National Insurance number and their name issued by a government agency or a previous employer. Irish citizens can also apply for a frontier worker permit, this permit can be issued digitally or as a physical permit, so they may choose to prove their right to work using the Home Office online right to work service or present their physical permit if they have one.

How EEA citizens will prove their right to work from 1 July 2021

From 1 July 2021, the majority of EEA citizens will prove their right to work using the Home Office online right to work service. Those who have made a successful application to the EU Settlement Scheme (EUSS) will have been granted their

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immigration status digitally and can only prove their right to work using Home Office online service 'prove your right to work to an employer' available on GOV.UK:-
<https://www.gov.uk/prove-right-to-work>.

To prove their right to work from 1 July 2021, individuals will provide you with a share code and their date of birth which will enable you to check their Home Office immigration status via the online service available on GOV.UK:-
<https://www.gov.uk/view-right-to-work>.

You will obtain a statutory excuse against liability for a civil penalty if you carry out the check using the online service as set out in this guidance.

If an EEA citizen has been granted 'Settled Status' by the Home Office, they will have a continuous right to work, in the same way as someone with Indefinite Leave to Enter / Remain status. If an EEA citizen has been granted 'Pre-Settled Status' by the Home Office, they will have a time-limited right to work and you must carry out a follow-up check. The Home Office online service will advise when a follow-up check must be carried out.

Exceptions to the Home Office online service when proving right to work

As of 1 July, there will be some cohorts of EEA citizens who will not have status under the EUSS. They will evidence their right to work using specified documents if they cannot use the home office online system. These are detailed below:

- Frontier Worker Permits
 - Service Provider of Switzerland visas
 - Outstanding applications to UK EUSS
 - Outstanding applications to Crown Dependency EUSS
 - EEA citizens with Indefinite Leave to Enter/Remain
 - Points Based System visas
-

Risk Register

1. INTRODUCTION

- 1.1 The purpose of this report is to provide the Performance and Audit Committee with its quarterly update on SEStran's strategic risk register.

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 This report focuses on the 3 main current strategic risks, based on the total risk scores shown in the strategic risk register, which is included as an appendix to the report. These risks have not changed since the report to the P&A Committee meeting on 6 June 2025.

3.2 A Potential Change to Transport Governance

Transport governance defines the roles and responsibilities of Transport Scotland, the seven Regional Transport Partnerships (RTPs), 32 local authorities, and selected partners in shaping Scotland's transport landscape.

Recent discussions and independent reports have consistently advocated for Transport Scotland to delegate more of its workload to organisations better positioned to address regional and local priorities. These entities, with their deeper understanding of specific transport needs, may be better equipped to prioritise and deliver projects effectively within their respective areas.

For the Partnership, this shift presents both challenges and opportunities. The recent transfer of People and Place responsibilities underscores Transport Scotland's support for a regional approach to certain transport functions, reflecting its confidence in RTPs. Building on this momentum, SEStran is actively engaging with Transport Scotland to explore additional areas where it can contribute meaningfully. However, as new governance arrangements take shape, there is a risk that RTPs' influence could be diluted, potentially limiting their ability to drive regional transport priorities effectively.

Furthermore, Transport Scotland intends to review transport governance in the near future, subject to resource availability. RTPs, along with

COSLA and SCOTS, are expected to participate in a working group that will report to the Cabinet Secretary for Transport.

3.3 Funding Reductions

Transport Scotland's annual grant remained unchanged for over a decade before being reduced by 5% in 2024/25, reflecting wider Scottish Government budget cuts. This reduced funding level has continued into 2025/26, with a real risk of further reductions in 2026/27 and beyond, potentially affecting the Partnership's core operational costs.

SEStran maintains ongoing engagement with Transport Scotland to ensure its work is recognised and valued. Efforts focus on demonstrating the broader impact SEStran could achieve with increased funding.

Council requisitions have declined by 10% over the past decade. In response, Transport Scotland has encouraged RTPs to seek increases. No decision has been made on the approach to 2026/27, but a separate update to this meeting explores the possibility of submitting a report to the December meeting of the Partnership Board in December this year seeking an increase to Council Requisitions.

Project funding has historically accounted for up to 50% of SEStran's total income but is typically announced mid-financial year, excluding it from budget planning. Due to ongoing fiscal pressures, no such funding was allocated in 2024/25, and availability remains unlikely for 2025/26.

European Union funding ceased entirely in 2023/24 following the UK's exit from the EU. However, UK organisations remain eligible to bid for Horizon Europe funding. SEStran is actively collaborating with UK and EU partners to explore these opportunities.

3.4 Cyber Security

Public sector entities are increasingly being targeted by cyber-attacks and data breaches, posing risks to sensitive information and service continuity.

To support its cybersecurity defences, SEStran's Information Technology (IT) service provider oversees all aspects of IT support, including cyber protection. This includes implementing technological defences against attacks and delivering staff training to enhance awareness of social engineering tactics and threats via common communication channels such as email, SMS, phishing, and vishing.

SEStran undergoes an annual **Cyber Essentials Plus** audit, maintaining full accreditation. Additionally, it receives daily threat intelligence updates and weekly vulnerability assessments from the Scottish and National Cyber Security Centres. As part of its IT service contract, SEStran also benefits from monthly in-person consultations with an IT consultant or engineer to ensure ongoing security enhancements.

4. RECOMMENDATIONS

- 4.1 The Committee is asked to comment on the contents of the report, and;
- 4.2 To note that a final version of the Risk Register will be referred to the Partnership Board for noting;


Angela Chambers
Business Manager

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	Regional Governance 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	The joint RTPs have submitted a refreshed Develop to Deliver report to TS and COSLA in 2024. TS currently are looking for resource to restart the review of regional governance. Discussions being held with TS on review of regional governance. Response to consultation on Regional Economic Partnerships provides another opportunity to shape debate on RTP roles going forward. Continue to input as SEStran as well as through Joint RTPs	4	Probable	4	Major	16	High	High Treat	Review at end of September 2025 Partnership Director	Low	Med	↓
R001 1.2	Strategic	Regional Governance Lack of clarity on role of non statutory REP/ESES City Region Deal groupings	4	Probable	3	Possible	12	Medium	A Concordat has been established and is functioning effectively between SEStran and the ESESCRD. This agreement commits both parties to collaborate openly and transparently to support land use planning and economic growth across the region. The benefits of this partnership are already evident, with the regional electric vehicle charging strategy and the RTS Delivery Plan development being two key examples. The Partnership will continue to work with partners and stakeholders at Scottish and UK government levels to promote the benefits of regional partnership delivery. Response to REP consultation (see above) will assist building partnerships at regional level.	2	Unlikely	3	Moderate	9	Medium	Medium Tolerate	Review at end of Dec 2025 Partnership Director	Low	Med	↔

R001 1.3	Strategic	Pandemic / Epidemic: Interruption of normal service/inability to deliver functions. Financial impact of crisis on sources of funding. Could we not close this risk for now? Arguably covered now by 9.1	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. Ensure that all staff are trained on the Business Continuity Plan, and that it is reviewed regularly. Maintain current functions that can be delivered within working guidance. Working from home arrangements now tried, tested and effective.	3	Possible	3	Moderate	9	Medium	Medium Tolerate	Review at end of September 2025 Partnership Director	Low Med	↔
R001 1.4	Strategic	Political/Govt Change There is a risk that a change in government could lead to changes to RTPs/Regional Governance	3	Possible	4	Major	12	Medium	Continued engagement with all political parties and agencies. Partnership Director to offer meetings with MSP Transport Spokesperson from each scottish political party.	3	Possible	3	Moderate	9	Medium	Medium Tolerate	Review at end of September 2025 Partnership Director	Low Med	↔
R002 2.0	Financial	Financial: Significant deviation from budgeted spend	2	Unlikely	3	Moderate	6	Low	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. Transport (Scotland) Act 2019 includes section on RTPs carrying reserves.	1	Remote	2	Minor	2	Low	Low Tolerate	September 2025 Partnership Director	Low Med	↔




R002 2.1	Financial	The approved budget for 2025/26 makes provision for a pay award of up to 3%. Superseded?	5	Highly Probable	3	Moderate	15	High	Prudent planning assumption with ongoing monitoring of public sector pay negotiations. Ongoing monitoring and review of all costs and forecasts during 2025/26. Costs will be aligned with COSLA pay offer. As the 2025/26 pay award of 4% is higher than the 3% budgeted provision, forecasts for 2025/26 have been reviewed to identify measures to mitigate the additional cost of £7,600.	2	Unlikely	3	Moderate	6	Low	Medium Tolerate	September 2025 Partnership Director	Low Med	
R002 2.2	Financial	Staff recharges - externally funded projects: The approved budget assumes that £149,000 of staff time can be recharged to Projects. There is a risk this may not be achievable.	3	Possible	3	Moderate	9	Medium	Any shortfall in employee cost recharges will be offset by a corresponding reduction in Projects Budget expenditure. Other funding sources will continue to be pursued.	3	Possible	3	Moderate	9	Medium	Medium Tolerate	September 2025 Partnership Director	Low Med	
R002 2.3	Financial	Inflation: There is a risk that the indicative budget does not adequately cover price inflation and increasing demand for services.	4	Probable	4	Major	16	High	When setting the revenue budget, allowance was made for specific known price inflation. Budgets adjusted in line with current cost forecasts. Ongoing monitoring and review of all costs and forecasts during 2025/26. In preparing estimates for 2026/27 and beyond, the Partnership will review all cost estimates to determine if it will be necessary to make a case to increase council contributions.	3	Possible	3	Moderate	9	Medium	Medium Tolerate	September 2025 Partnership Director	Low Med	
R002 2.4	Financial	Delays in payment of external grants results in additional short-term borrowing costs.	3	Possible	3	Moderate	9		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. Grant submission procedures in place, along with financial planning.	3	Possible	3	Moderate	9	Medium	Medium Tolerate	September 2025 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	Revenue budget for-2025/26 developed to take account of most likely level of external income. Continue to explore alternative funding options Lobby/bid for additional funds	3	Possible	4	Major	12	Medium	Medium Treat	September 2025 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. 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/constituent councils to maintain/increase funding Working with other RTPs to influence SG review of allocation of funding	3	Possible	4	Major	12	Medium	Medium Tolerate	September 2025 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 Lothian Pension Fund's Triennial Actuarial Review in 2023, Partnership employer pension fund contribution rates are now confirmed at 26.8% until 31 March 2027. Financial planning assumptions have been updated and included in the revenue budget for 2025/26 and indicative budget for 2026/27 approved by the Partnership Board on 14th March 2025.	4	Probable	3	Moderate	12	Medium	Medium Tolerate	September 2025 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. People and Place Programme has increased financial flexibilty.	2	Unlikely	4	Major	8	Medium	Medium Tolerate	September 2025 Partnership Director	Low	Med	↔

R002 2.9	Financial	Funding/Grant Awards: The timing of some funding applications and grant awards do not align with the financial year, resulting in an inability to spend allocated funding within prescribed timescales	4	Probable	3	Moderate	12	Medium	As part of the ongoing business planning process the Partnership will continue to develop and introduce where appropriate a number of suitable on the shelf schemes. All potential schemes will be subject to detailed impact assessments to ensure impacts on the Partnership's core activities are minimised or mitigated. Regular budget monitoring and reports to the Partnership Board.	3	Possible	3	Moderate	9	Medium	Medium Treat	September 2025 Partnership Director	Low	Med	↓
R003 3.0	Reputational	Project Management: Project incomplete or of poor quality Late Delivery	3	Possible	4	Major	12	Medium	All project progress reported to the Projects Team monthly and the Project and Strategy Delivery Oversight Subgroup quarterly. Minutes of PaSDOS and the full project report are also taken to P&A Committee quarterly for additional oversight. Management action taken as required. Project and Strategy Delivery Oversight Subgroup of the P&A Committee set up with quarterly meetings planned for 25/26 to support P&A with its role in scrutinising project delivery.	2	Unlikely	3	Moderate	6	Low	Low Tolerate	Review at end September 2025 March 2026 Programme Manager	Low	Med	↔

<div>R003</div> <div>3.1</div>	Reputational	<div>Reputation:</div> <div>Regard by the public and stakeholders.</div> <div>Negative or inaccurate media coverage leading to misrepresentation of SEStran position</div>	3	Possible	3	Moderate	9	Medium	<div>Quick response to negative or inaccurate coverage managed by Communications & Marketing Officer,</div> <div>Proactive profile and reputation management via social media, website and press releases. Partnership staff and Board Members continue to promote and advocate activities via speaking, writing or wider networking</div> <div>Continue to work closely with regional partners</div> <div>Board members regularly updated on SEStran work successes and issues.</div> <div>Agreed approach to media position set out in Standing Orders.</div>	2	Unlikely	3	Moderate	6	Low	<div>Low</div> <div>Tolerate</div>	<div>Review end of September 2025</div> <div>Partnership Director</div>	Low	Med	↔
<div>R003</div> <div>3.2</div>	Reputational	<div>Project Management:</div> <div>Potential insolvency of 3rd party supplier</div>	3	Possible	4	Major	12	Medium	<div>Improved supplier viability checks before award, renewal or modification of contracts or grants now in place.</div> <div>Individual risks and mitigations to be developed for any contract or grant over an agreed threshold.</div> <div>Where appropriate, Government frameworks will be utilised.</div> <div>Full review of procurement procedures to be carried out by is nearing completion by Legal Advisers. Staff training on new procedures to be developed.</div>	2	Unlikely	4	Major	8	Medium	<div>Medium</div> <div>Treat</div>	<div>Review at end of September 2025</div> <div>Partnership Director</div>	Low	Med	↓
<div>R005</div> <div>5.0</div>	External	<div>Third party Service Level Agreements:</div> <div>Failure or inadequacy of service</div>	2	Unlikely	2	Minor	4	Low	<div>Service Level Agreements in place for Financial Services, HR and Insurance services. Reviewed annually by senior officers. Subject to independent audit scrutiny.</div>	2	Unlikely	2	Minor	4	Low	<div>Low</div> <div>Tolerate</div>	<div>Review at end of 2025</div> <div>Partnership Director</div>	Low	Med	↔

R005 5.1	External	Contract Management: Failure to manage contracts leads to under performance and failure to obtain best value and delivery from contractual relationship.	3	Possible	4	Major	12	Medium	Conditions of contract reviewed, including Contract Standing Orders. This work will shape a new Procurement Strategy and Manual which is being developed by Anderson Strathern. Ensure contract documentation sound and up to date. Ensure contracts are adequately managed. Business propriety/credit/analytic criteria to be written in to documentation. Contract management process to be included as part of full procurement review.	2	Unlikely	3	Moderate	6	Low	Low Tolerate	Review at end of September 2025 Partnership Director	Low Med	↔
R005 5.2	External	Grants: Failure to adhere to grant conditions could result in grants being withheld or reclaimed, impacting the SEStran budget	4	Probable	4	Major	16	High	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. Grant standing orders? Also refer to risk 2.9. Successful management of risk 5.2, reduces likelihood of risk 2.9	2	Unlikely	4	Major	8	Medium	Medium Treat	Review at end of September 2025 Partnership Director	Low Med	↓
R006 6.0	Legal and Regulatory	Statutory Duties: Failure to adhere to duties described in legislation and related documentation	3	Possible	4	Major	12	Medium	Regular monitoring and programming of statutory duties is undertaken by the Partnership Director, Senior Partnership Manager and Business Manager. Audited by third parties. Officers to carry out a review of compliance with Public Sector Equality Duty. Horizon scanning of consultations which may lead to new statutory responsibilities.	2	Unlikely	4	Major	8	Medium	Treat	Review at end September 2025 Partnership Director	Low Low	↔
R007 7.0	Specific Operational	People and Place Plan: Funding changes result in programme not continuing regionally beyond 2025/26-2026/27	3	Possible	3	Moderate	9	Medium	Engage regularly with Transport Scotland. Ensure outcomes and outputs from the programme delivery are captured to evidence efficacy of regional approach. With the election in early 2026, the impact of this on P&P is unknown and so likelihood of this has been upgraded to possible despite the mitigations.	3	Possible	3	Moderate	9	Medium	Low Tolerate	September 2025- March 2026 Programme Manager	Low Med	↔

R008 8.0	System and Technology	Digital/IT: Server failure Comms failure Website breach Resulting in loss of service to business operations	3	Possible	4	Major	12	Medium	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. 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.	1	Remote	4	Major	4	Low	Low Tolerate	Ongoing Business Manager	Low Med	
R008 8.1	System and Technology	Cyber Security: Public sector entities are prime targets for cyberattacks and data breaches, which can compromise sensitive information and disrupt services.	3	Possible	4	Major	12	Medium	Annual Cyber Essentials Plus audit and accreditation awarded. In receipt of daily threats and weekly vulnerability emails from the Scottish/National Cyber Security Centre. Regular Staff training and exercises. Monthly in person visit by IT Consultant/Engineer under contracted services provision.	3	Possible	3	Moderate	9	Medium	Medium Treat	Review Sept Dec 2025 Business Manager	Low Med	
R009 9.0	People	HR: 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	3	Possible	3	Moderate	9	Medium	SLA in place until May 2026 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 2027	1	Remote	3	Moderate	3	Low	Low Tolerate	Review at end March 2026 Partnership Director	Low Low	

<div>R009</div> <div>9.1</div>	People	Inadequate measures in place to facilitate staff health, safety and well-being during contingency arrangements or future office arrangements.	3	Possible	4	Major	12	Medium	<div>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&A Committee. Liaise with HR Adviser, SG facilities team. Hybrid Working Policy implemented to facilitate transition arrangements to normal working arrangements.</div> <div>An ongoing risk remains for future pandemics and future widespread disease or other outbreaks. Measures will be adjusted in accordance with government advice.</div>	2	Unlikely	3	Moderate	6	Low	<div>Low</div> <div>Tolerate</div>	<div>Review at end September-2025</div> <div>Partnership Director (Subject to SG advice)</div>	Low	Low	↔
<div>R009</div> <div>9.2</div>	People	Inadequate measures in place to facilitate staff health, safety and well-being during working from home arrangements.	3	Possible	4	Major	12	Medium	<div>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&A Committee. Business Continuity Plan reviewed. Liaise with HR Adviser. Review transition arrangements to normal working arrangements at appropriate time. Hybrid Working Policy implemented and working well.</div> <div>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.</div>	2	Unlikely	3	Moderate	6	Low	<div>Low</div> <div>Tolerate</div>	<div>Review at end September-2025</div> <div>Partnership Director (Subject to SG advice)</div>	Low	Low	↔
<div>R009</div> <div>9.3</div>	People	Loss of key personnel may lead to inability to deliver strategy, projects and/or operations	3	Possible	3	Moderate	9	Medium	<div>Recruitment Policy in place. Development of existing staff through performance appraisal. Staff training</div> <div>Work programme will be monitored and redistributed as necessary.</div>	3	Possible	1	Insignificant	3	Low	<div>Low</div> <div>Tolerate</div>	<div>Review at end September-2025</div> <div>Partnership Director</div>	Low	Low	↔

R009 9.4	People	Climate Change Staff are unable to access the office more frequently due to increase in adverse weather events.	3	Possible	3	Moderate	9	Medium	Home working policy in place and procedures for inability to access the office outlined in the SEStran Business Continuity Plan (Jan 2024). Train team in BCP, and review regularly.	3	Possible	2	Minor	6	Low	Low Tolerate	Review at end September-2025 Partnership Director	Low	Low	↔
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CONTRACT REGISTER

1 INTRODUCTION

- 1.1 This report presents the Partnership's contract register to the Committee for review in line with a commitment to transparency in procurement.

2 REPORTING REQUIREMENTS

- 2.1 As per the Contract Standing Orders, the Partnership Director will arrange for all contracts accepted with an estimated value exceeding £50,000 (or such lower amount as agreed with the Partnership Director) to be publicly displayed on the Partnership's externally facing website. This will be in the form of a Register of Contracts awarded and will contain the following information:

- the date the contract was awarded;
- the name of the contractor(s) the contract has been awarded to;
- the subject matter of the contract;
- the estimated value of the contract;
- the start date of the contract;
- the end date of the contract (excluding contract extensions). If the date is not provided, a description of the circumstances when the contract will end; and
- the duration of any contract extension periods.

Information can be withheld if disclosing information would: impede law enforcement; be contrary to public interest; prejudice commercial interests of any person; or prejudice fair competition between suppliers.

- 2.2 In addition to this, the Performance and Audit Committee has the following powers that relate to procurement:
- To scrutinise any matter relating to the Partnership having regard to the Partnership's responsibility for Best Value and continuous improvement.
 - Reviewing with management the adequacy of the following matters:-
 - internal control systems;
 - policies and practices to ensure compliance with relevant statutes, directions, guidance and policies;
 - financial information presented to the Partnership;
 - risk assessment arrangements and procedures.

3 CONTRACT REGISTER

- 3.1 An extract from the contract register showing all contracts that are currently live, or have been live in the 6 months since the register was last reviewed by this Committee on 28th February 2025, and are over the value of £50,000 is shown at Appendix 1.
- 3.2 There are 9 contracts on the register, to a total value of £1,509,676, which are the same 9 contracts as were on list in February 2025. Members should note that some of these contracts, and in turn their costs, run over multiple years. Of these contracts,

4 came to an end on 31st March 2025, and an additional 1 has since concluded, leaving only 4 of these contracts still live.

- 3.3 All contracts noted on the contract register have been awarded in line with SEStran's Contract Standing Orders.

4 RECOMMENDATIONS

- 4.1 The Committee is asked to review and note the Contract Register as attached at Appendix 1

Michael Melton
Programme Manager
12th September 2025

Appendix 1: SEStran Contract Register Extract

Policy Implications	There is no policy implication arising from this report.
Financial Implications	There is no financial implication arising from this report.
Equalities Implications	There are no adverse equalities implications arising from this report.
Climate Change Implications	There are no negative climate change implications arising from this report.

Date Awarded	SEStran Contract Ref	Name of contractor	Subject matter	Est Contract Value (exc VAT)	Contract Start Date	Contract End Date	If no end date, now will the contract end	Duration of any extensions
01/04/2022	SEStran Novus FX Contract	Trapeze	RPTI	£147,400.00	01/04/2022	31/03/2025		4 months
11/11/2022	SEStran-22/23-04P	Vivacity	Multi-modal Transport Monitoring Sensors/Cameras	£213,614.00	11/11/2022	31/05/2029		
02/03/2023	SEStran-22/23-01A	One StopIT	IT services	£95,984.16	02/03/2023	02/03/2027		
10/05/2023	SEStran-23/24-01P	Ember (Fuse until 19/2/24)	Go SEStran - Delivery of Enable platform services.	£216,110.00	01/07/2023	31/03/2025		12 months
21/06/2023	SEStran-23/24-02P EV Positioning Statement & Strategy	Urban Foresight	Electric Vehicle Strategy - Consultancy Support	£50,000.00	21/06/2023	31/03/2024		12 months
08/08/2023	SEStran 24/25 - SEStran Strategic Network - Stages 1-2	Arup	SEStran Strategic Network - Consultancy Design Support	£484,249.08	08/08/2023	31/01/2027		
15/12/2023	SEStran 23/34 03P	Brompton Bike Hire Ltd	Folding bike hire stations	£113,564.00	15/12/2023	15/12/2028		
02/02/2024	Regional Bus Strategy SEStran/RBS/Systra01	Systra	Regional Bus Strategy- Consultancy support	£126,923.09	02/02/2024	n/a	On completion of Regional Bus Strategy	
31/05/2024	SEStran 24/25 - 01P	Jacobs	People and Place - Consultancy support	£61,831.80	31/05/2024	31/03/2025		

PROJECTS AND STRATEGY PERFORMANCE REPORT

1 INTRODUCTION

- 1.1 This report, as previously presented to the Project and Strategy Oversight Subgroup (PaSDOS) updates the Committee on the performance of the Partnership's strategy and project workstreams in Quarter 1 of 25/26.

2 PROJECTS AND STRATEGY Q1 REPORT

- 2.1 Appendix 1 gives a breakdown of progress of each project within Q1, including against budget and milestones. Unlike in previous versions of this report, the risk register and issues log has not been included, and was separately reported to PaSDOS.
- 2.2 Generally, projects are on timeframe. 4 projects currently have minor delays, and 1 project is reporting a small projected overspend. 25% of milestones are currently complete and 7% are delayed, with the remainder on track.
- 2.3 Some key project and strategy updates over the quarter include:
- A 6-week promotional campaign was carried out for Thistle Assistance concluding in April. The campaign has been extremely successful and has contributed to increasing awareness of the scheme as well as increasing its uptake; it saw a total of 3,376 cards requested (up 2,477%) and 1,784 apps downloaded (up 5,147%).
 - The Transport to Health engagement plan and literature review were completed and published. The literature review has been well received and was presented to our Shared Learning Network and the SEStran Board. Transport Scotland have also included it in their report to the National Transport Strategy 2 Board.
 - Preparations for the *SEStran at 20* event have progressed, with a provisional date set and a draft agenda in development.
 - The feedback from operators, authorities and other stakeholders to our regional bus strategy draft policies was assessed for feasibility and a tightened list of survey questions produced for the public consultation exercise that commenced in July.

2.4 People and Place

The key project progress under the 5 themes (plus access to cycles and the community grant fund) has been as follows:

- As part of our **access to cycles** programme, cycle storage schemes across most LAs have begun gathering details of sites to be delivered this year. City of Edinburgh Council's secure residential cycle parking scheme has been successfully handed over to a new supplier following a tender process in 24/25. Clackmannanshire Council have set up their e-Bike library for council staff to use for work journeys – in the first week of the scheme 2 of the 6

bikes have already been used. The Wee Bike Library in Edinburgh have added 105 bikes in the quarter which have all been loaned out, plus 4 cargo bikes, of which 3 are now on loan. The Cycle Access Fund run by Cycling UK has been starting up again for 25/26, with 20 applications approved so far and application assessments ongoing. The FEL Scotland e-Bike Library has sustained high levels of engagement in Q1 with 107 rentals - 54% of respondents used their loan to cycle to work; 59% said they used the e-Bike in place of a car/van

- With **schools and young people**, Fife Council purchased 210 new bike helmets to go with new and existing Bikeability fleet. The Bike Station in Edinburgh delivered 44 cycling sessions in schools (242 attendances), 7 adult cycling workshops (8 attendances), 11 Maintenance sessions (47 attendances), 1 Dr Bike at Tynecastle High School. From the hands up surveys carried out: 100% enjoyed the sessions, and 83% said they're more confident cycling. Sustrans' I Bike delivery was continued as per 24/25 up to the end of the school term in all funded schools, with a wide range of activity across the region. During the 2025 Big Walk and Wheel (24th March – 4th April) SEStran schools achieved: 137,639 total journeys in 101 participating schools - 104,579 were walked/wheeled, 15,058 cycled, and 16,254 scooted.
- Under the **workplaces** theme, 32 teams of East Lothian Council staff (approx. 160 individuals/3.5% of the workforce) participated in Paths for All Step Count Challenge. Following issues with e-Bike storage in council premises, Midlothian Council are in discussions with insurance for the introduction of a locker that stores and charges the batteries. Travel Know How have completed onboarding with NHS Fife and Fife College, and have continued work from 24/25 with an NHS Lothian staff survey, as well as having discussions with Scottish Enterprise about other sites. Greener Kirkcaldy's work with NHS Fife at Victoria Hospital has had a very positive start to 25/26 with good engagement from NHS Staff for eBike rentals and from both NHS Staff and members of the public for community-based activities in the Kirkcaldy and Dunfermline areas.
- **Accessibility and inclusion** has a range of projects, which includes work in East Lothian, Fife, and the Scottish Borders continuing with the street audits that were begun in 24/25 to develop packages of works for delivery this year, including surfacing, dropped kerbs, tactile paving, bollard and guardrail improvements. Midlothian are progressing the final naming and design of their active travel mascot for production to start. FEL have had a positive first meeting with NHS Rheumatology clinicians, and referrals have spiked through May and June. GPS trackers have been installed in each of these bikes to understand how and when e-Bikes are used and the information will be shared with the clinical team who are hoping to develop the project beyond its current scale and secure multiyear funding for a larger study.
- Work around **capacity and capability building** has included our shared learning event with Local Authority partners at the end of April - this gave the opportunity to look back at 24/25 delivery and look ahead to 25/26, as well as taking some time to think about monitoring and evaluation for 25/26 projects.

There were 17 attendees with all 8 LAs represented - 15 completed a feedback survey and of those 67% thought the event was excellent, and 33% felt it was good, with 93% finding the content relevant. The initial version of the Falkirk Behaviour Change Strategy drafted and submitted for feedback. The community readiness survey questions for this were drawn up and interviews with community representatives were conducted and each community scored using the Community Readiness model. The Programme Evaluation report for 24/25 has been finalised and will be published late July / early August. One of the recommendations suggests developing standardised data collection tools and templates to better assess the programme's impact against outcomes and so we've been working to develop a M&E guidance to allow funded organisations to follow a more structured and standardised monitoring approach.

- On **sustainable transport** projects, Clackmannanshire Council have progressed discussions to provide a bus service to Falkirk Community Hospital. The Clackmannanshire Eye Health Transport Scheme initiative will collaborate with NHS Forth Valley to establish a one day per week service to FCH from Clackmannanshire, for patients who cannot access this service using public transport. East Lothian Council have installed 300 bus stop QR codes to access real time Traveline information for specific bus stops. Locations for the CoMoUK pop up mobility hub have been agreed and they are liaising with local groups to plan events in first stop in Granton.
- Our 15 **community projects** have been commencing, with a common theme across most projects of preparing for delivery and liaising with partners prior to delivery beginning fully in Q2. SCORE Scotland have had a good start to their project, with Dr Bikes, led walks and cycles, and cycle training for women and children being well attended. Porty Community Energy's bike library remains well-used, with 131 loans in three months, including cargo and electric bikes, and they have recruited a summer worker to promote cycling and lead outreach at local festivals. Walk It in the Scottish Borders delivered indoor walking classes across four locations over 12 weeks as well as taster sessions in care homes and community events, including a session for 63 attendees at a Borders Wheels celebration. Bikes for Refugees distributed 126 bikes to refugees/asylum seekers. The eBikes for Borderers project had positive feedback were participants praised the project's accessibility, health benefits, and environmental impact which underscored the value of free access, social benefits, and the opportunity to trial e-bikes before committing to purchase.

2.5 The processing of Q1 grant claims is mostly completed, with the overall claim amount largely aligning with forecasts.

3 COMMUNICATIONS AND MARKETING UPDATE

3.1 Communications and marketing achievements include:

- Monthly newsletters and blog posts produced and distributed
- Regular posts on LinkedIn, leading to increased engagement and followers. This included a weekly 'spotlight on' series to introduce our team.
- Our Thistle Assistance digital campaign continued leading to 3,376 cards being requested (up 2,477%) and 1,784 downloads of the app (up 5,147%).
- Our Thistle Assistance digital awareness campaign being shortlisted for Campaign of the Year in the National Transport Awards.
- Three factsheets produced on our work: SEStran in numbers, buses and Thistle Assistance.
- Beginning our SEStran at 20 work, including creating a celebratory version of our logo.
- Promoting our transport to health literature review.
- Updating the home page of our website and create new pages for different areas of our work.
- Writing our 2024/25 Annual Report.

4 OTHER AREAS OF WORK

4.1 Monthly attendance at Winchburgh Station Steering Group and South of Scotland EV Steering group. Attended the Falkirk and Clackmannanshire community planning partnerships.

4.2 Responded to the following consultations:

- SFRS Statutory Consultation; Scottish Fire & Rescue Service Strategic Plan 2025-28
- CEC Supplementary Guidance (SG) on Developer Contributions and Infrastructure Delivery
- City of Edinburgh Council City Plan 2040
- A Just Transition for Transport Scottish Government
- Community Wealth Building Bill Scotland
- Climate change duties - draft statutory guidance for public bodies: consultation

5 RECOMMENDATIONS

5.1 The Committee is asked to discuss and note the contents of this report

Michael Melton

Programme Manager

12th September 2025

Appendix 1: 25/26 Q1 Projects and Strategy Report

Policy Implications	Outlined project work contributes to the objectives identified within the SEStran Regional Transport Strategy.
Financial Implications	All project work is delivered 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 the creation of, or support for more sustainable transport options.

Budget	Income	Expenditure	SEStran Spend
Original Budget	£70,500.00	£534,500.00	£464,000.00
Current Budget	£70,500.00	£539,550.00	£469,050.00
Current Actual	£0.00	£21,470.29	
Current Remaining	£70,500.00	£518,079.71	
Predicted Future Spend	£70,500.00	£512,679.71	
Predicted total spend	£70,500.00	£534,150.00	£463,650.00
Predicted Variance	£0.00	£5,400.00	£5,400.00

	Count	Current Exp Budget	% Exp Budget
Major Delay	0	£0	0.0%
Minor Delay	4	£226,000	41.9%
On Target	10	£313,550	58.1%
Underspend >£5k	0	£0	0.0%
Underspend <£5k	0	£0	0.0%
On Budget	13	£502,500	93.1%
Overspend <£5k	1	£37,050	6.9%
Overspend >£5k	0	£0	0.0%
Total	14	£539,550	

Projects Programme and Financial Summary										
Project	Finance Status	Change Since Last Quarter	Programme Status	Change Since Last Quarter	Current Inc Budget	Current Inc Prediction	Current Inc Variance	Current Exp Budget	Current Exp Prediction	Current Exp Variance
Multi Modal Interchanges	On Budget		Minor Delay		£35,000	£35,000	£0	£100,000	£100,000	£0
Freight Strategy Delivery	On Budget		On Target		£0	£0	£0	£50,000	£50,000	£0
Regional Cycle Network	On Budget		Minor Delay		£0	£0	£0	£0	£0	£0
RTPI & Ticketing	On Budget		On Target		£11,500	£11,500	£0	£21,500	£21,500	£0
Regional Bus Strategy	On Budget		Minor Delay		£0	£0	£0	£71,000	£71,000	£0
RTS Delivery Plan	On Budget		Minor Delay		£0	£0	£0	£55,000	£55,000	£0
SEStran at Twenty	On Budget		On Target		£0	£0	£0	£40,000	£34,600	£5,400
Rail Strategy	On Budget		On Target		£0	£0	£0	£0	£0	£0
Data Strategy	On Budget		On Target		£0	£0	£0	£50,000	£50,000	£0
Thistle Assistance	Overspend <£5k		On Target		£24,000	£24,000	£0	£37,050	£37,050	£0
Transport to Health Strategy	On Budget		On Target		£0	£0	£0	£60,000	£60,000	£0
Regional Bike Share	On Budget		On Target		£0	£0	£0	£25,000	£25,000	£0
Sustainable Travel Awareness	On Budget		On Target		£0	£0	£0	£10,000	£10,000	£0
Project Consultancy Support	On Budget		On Target		£0	£0	£0	£20,000	£20,000	£0
Total					£70,500	£70,500	£0	£539,550	£534,150	£5,400

Project Name	Multi Modal Interchanges
Current Exp Budget	£100,000
Project Code	
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fiskén
Project Partners	All 8 Local Authorities
Lead Partner	SEStran
Last Updated	31/07/2025

Finance Status
On Budget
Programme Status
Minor Delay

Budget	Income	Expenditure	SEStran Spend
Original Budget	£35,000.00	£100,000.00	£65,000.00
Current Budget	£35,000.00	£100,000.00	£65,000.00
Current Actual	£0.00	£0.00	
Current Remaining	£35,000.00	£100,000.00	
Predicted Future Spend	£35,000.00	£100,000.00	
Predicted total spend	£35,000.00	£100,000.00	£65,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	6	86%
Delayed	0	0%
Overdue	0	0%
Complete	1	14%

Source of Any Income: People and Place grant
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Project Summary		
Working in line with the Regional Bus Strategy, and strategies developed in 2020, this study will develop recommendations for hub sites in the SEStran region. This will be further developed in Q3 based on the outcomes of the bus strategy and once we have located counters to collect data at key sites.		
RTS Actions	Project Objectives	Project Outcomes
•Deliver the eight pilot multi-modal mobility hubs as defined in the SEStran Mobility Hub study	Deliver improved integration Understand local demands for multi-modal hubs and the most appropriate solutions Work with partners to ensure best practice	Refreshed interchange strategy Understanding of the current landscape Awareness of local authority interchange work
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
The project has been stalled by being included in the Bus Infrastructure Funding bid, taken forward by CEC on behalf of the bus alliance. Nonetheless, we have completed the brief, so it's ready to go as soon as we know the quantum of funding available. All future milestones may need to be adjusted once the funding position is clearer. Happily, we will most likely receive the public consultation of the bus strategy before much more progress is achieved, and that should help us understand public priorities.		
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Complete procurement to appoint consultant	27/08/25			On Track	
Review authorities' preferred sites from RTSDP or LDPs	27/06/25		27/06/25	Complete	31/07/25
Assess Bus Strategy outcomes and feed these into Interchange Study	30/09/25			On Track	
Meet with partners to understand other mobility hub work and how it interacts with the regional picture	19/12/25			On Track	
Update board on consultants' findings	19/12/25			On Track	
Map out regional progress and next steps for 26/28	31/03/26			On Track	
Review hub opportunities available via PPP funding	31/03/26			On Track	

Project Name	Freight Strategy Delivery
Current Exp Budget	£50,000
Project Code	
SEStran Lead	Keith Fisken
SEStran Manager	Keith Fisken
Project Partners	Falkirk, CEC, Fife, MoD, Forth Ports
Lead Partner	SEStran
Last Updated	01/08/2025

Finance Status
On Budget
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£50,000.00	£50,000.00
Current Budget	£0.00	£50,000.00	£50,000.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£50,000.00	
Predicted Future Spend	£0.00	£50,000.00	
Predicted total spend	£0.00	£50,000.00	£50,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	6	75%
Delayed	0	0%
Overdue	0	0%
Complete	2	25%

Source of Any Income: n/a

Project Summary		
By continuing our work on freight, we will build local authority capacity and knowledge.		
We expect our role to become more one of support and promotion, but will stay responsive to opportunities as they arise.		
RTS Actions	Project Objectives	Project Outcomes
Work with partners to identify, through the further development of the SEStran Freight Strategy, locations where gauge clearances should be increased to enable new and enhanced rail freight services to operate in the region Further develop proposals for new rail freight services, including a potential multi-user freight train running from Grangemouth Explore innovative approaches to movement of freight, tram, passenger trains, drones etc.	Improved local authority awareness and capability - Freight included in LDPs & LTS Freight strategy refresh	Updated regional freight strategy Inform Forth Green Free Port transport plan - supporting Alloa to Rosyth corridor Business case development for test projects
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
Review of pre-existing work and outline plan for future work drafted Funding bids entered and results awaited Freight appearing as ket theme of RTSDP work, so planning of freight specific workshop underway Met with Green Freeport infrastructure group & MoD to discuss potentail transport options		
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Strategy planning and research: review current strategy	30/06/25		29/06/25	Complete	01/08/25
Review Logistics and freight forum - explore how it can be more effective	30/06/25		29/06/25	Complete	01/08/25
Strategy development (draft) - objectives and goals	30/09/25			On Track	
Stakeholder engagement				On Track	
Create timeline and route-map	31/12/25			On Track	
Test pilots identified	31/12/25			On Track	
Funding exploration	31/03/26			On Track	
Develop business cases where appropriate	31/03/26			On Track	
Finalise strategy and publish	31/03/26			On Track	

Project Name	Regional Cycle Network
Current Exp Budget	£0
Project Code	92082
SEStran Lead	Beth Harley-Jepson
SEStran Manager	Michael Melton
Project Partners	All 8 Local Authorities
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
Minor Delay

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£0.00	£0.00
Current Budget	£0.00	£0.00	£0.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£0.00	
Predicted Future Spend	£0.00	£0.00	
Predicted total spend	£0.00	£0.00	£0.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	3	50%
Delayed	2	33%
Overdue	0	0%
Complete	1	17%
Source of Any Income: n/a		

Project Summary		
Mapping of the regional cycle network to provide and single source of information on existing infrastructure and future plans. The project will involve the collation of data form Local Authorities and help identify gaps in the current and proposed network and support Local Authorities to work collaboratively on connecting cross boundary routes. This will not involve the design/delivery of infrastructure projects.		
RTS Actions	Project Objectives	Project Outcomes
<ul style="list-style-type: none">Progress the delivery of the SEStran Strategic Network and broader cross boundary networks with partners.Develop further phases of this network to ensure a long-term pipeline of investmentReview destinations served by the active travel network to identify gaps and locations where cross-boundary schemes may be required to ensure an integrated, high quality network exists	<ul style="list-style-type: none">Develop a uniform approach to mapping cycling infrastructure across the regionCreate a shared mapping resource that can be accessed by all Local AuthoritiesWork with Local Authorities to identify opportunities to support cross boundary connectionsCreate a story map to highlight the extent of the existing network	<ul style="list-style-type: none">Creation of a baseline map of the existing cycle networkIdentify gaps in current mapping dataSupport the development of a unified approach to mapping cycle infrastructureMapping resource for current and future cycle network across the region
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
Held meeting with CEC to discuss development of a Regional Cycle Network and developing a consistent approach to mapping of infrastructure.		Identified a preferred uniform approach to mapping infrastructure that aligns with Sustrans approach.
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Propose to take to the RTSDP grouping to secure senior buy-in to the approach.		
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Complete review of data gathered in 24/25 as part of P&P	31/05/25		28/07/25	Complete	05/08/25
Meet with each LA to refine scope of works	30/06/25	31/10/25		Delayed	05/08/25
Complete data collection	31/08/25	30/09/25		Delayed	05/08/25
Complete regional network map	02/01/26			On Track	
Share outcomes with LAs and agree next steps	28/02/26			On Track	
Complete public facing version of map	31/03/26			On Track	

Project Name	RTPI & Ticketing
Current Exp Budget	£21,500
Project Code	92019
SEStran Lead	Rebecca Smith
SEStran Manager	Keith Fisken
Project Partners	7 Local Authorities plus Stirling Council (not inc ELC)
Lead Partner	SEStran
Last Updated	31/07/2025

Finance Status
On Budget
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£11,500.00	£21,500.00	£10,000.00
Current Budget	£11,500.00	£21,500.00	£10,000.00
Current Actual	£0.00	£0.00	
Current Remaining	£11,500.00	£21,500.00	
Predicted Future Spend	£11,500.00	£21,500.00	
Predicted total spend	£11,500.00	£21,500.00	£10,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	4	100%
Delayed	0	0%
Overdue	0	0%
Complete	0	0%

Source of Any Income: Scotrail and Local Authorities
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Project Summary		
SEStran currently work on two projects supporting real time passenger information available across the region: 1. Purchase and maintenance of around 160 indoor RTPI PCs and screens placed in public buildings (hospitals, Council buildings etc.) 2. A framework which enables LAs to purchase and maintain RTPI screens for the regional bus network as well as using the Novus FX system to update information timetables and services		
RTS Actions	Project Objectives	Project Outcomes
• Introduce Real Time Passenger Information for public transport services through mobile applications, stations and stops and across all parts of the region Deliver integrated ticketing systems, potentially incorporating far capping, which can be used across all modes of public transport and operators, taking into account the digital provision differences in urban and rural areas	• To increase the real time public transport information available across the region To improve the quality of information available via RTPI and app platforms across the region To champion for ticketing options which supports accessible multi-mode journeys	• More screens being online for users of the public transport network Information being trusted by the public as reliable and up-to-date Encourage smart ticketing to be trialled and improved across the region Link with other RTPs/ LAs to increase economies of scale for RTPI infrastructure and customer support
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
Asset register tagging progress - EL screens tagged and issues raised with provider Journeo - on track Meeting with Journeo to monitor SLA and screen issues Added new requested locations for indoor screens to list (from RM's Transport to Health work)		3 screens back online to provide RTPI information in various public sector buildings - screens online now at 56%
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Meetings with new locations - charity sector and NHS sites. Potential for digital widget to be set up to provide PT information without the PC and screen infrastructure.		
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Contact all organisations with screens offline	30/09/25			On Track	16/06/2025
Complete 25/26 audit review of screens	31/03/26			On Track	16/06/2025
RTPI SEStran Area Meetings with supplier (Quarterly)	31/03/26			On Track	16/06/2025
Complete asset tagging of screens	31/08/25			On Track	31/07/2025

Project Name	Regional Bus Strategy
Current Exp Budget	£71,000
Project Code	92087
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	All 8 Local Authorities
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
Minor Delay

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£71,000.00	£71,000.00
Current Budget	£0.00	£71,000.00	£71,000.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£71,000.00	
Predicted Future Spend	£0.00	£71,000.00	
Predicted total spend	£0.00	£71,000.00	£71,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	1	25%
Delayed	1	25%
Overdue	0	0%
Complete	2	50%

Source of Any Income: n/a

Project Summary		
The RTS sees the bus network at the heart of the region’s public transport system, building alongside the National Transport Strategy (NTS2). Almost half (47%) of residents across the South East of Scotland used a bus service at least once a month in 2019 and patronage is building back. At SEStran’s June Partnership Board Meeting, the Towards a World Class Bus Service paper begun the process of shaping a Regional Bus Strategy for the South East of Scotland.		
RTS Actions	Project Objectives	Project Outcomes
<ul style="list-style-type: none">• Undertake a Regional Bus Connectivity study for non-Edinburgh travel to identify settlement pairs where travel demand is high and bus services are poor, as a means to promoting new routes and connectivity (in partnership with other policies)• Undertake a Regional Bus Priority study which will identify regional, cross-boundary, quality bus corridors and key bus priority interventions to reduce bus journey times and improve bus journey time reliability where Edinburgh is likely to be a focus• Deliver the bus priority interventions funded by Transport Scotland’s Bus Partnership Fund and subsequently identified by the Regional Bus Priority study• 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 within an integrated strategy to enhance the bus network	<p>To continue strategic progress from 24/25</p> <p>To engage partners/ public in bus opportunities</p> <p>To build consensus around the best path forward</p>	<p>Worked up options, based on case for change and review of policies.</p> <p>Work Package 3: Appraisal of Delivery Options</p> <p>Work Package 4: Consultation on the Draft Strategy</p> <p>Work Package 5: Finalise Strategy</p>
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
Whilst progress and engagement have been strong, members of the board, including the chair, have suggested that pushing the completion date of the strategy out would allow more review time after the public consultation. As such, milestones have been adjusted.		SEStran staff reviewed the draft policies which had been considered by the board/ working group from Integrated Mobility Forum/ operators and local authorities. The policies had been ranked against their reception with these audiences, as well as their deliverability. A shorter list of questions is being compiled to form the public consultation.
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
The public consultation has been published and is receiving significant attention. To boost engagement, we have advertised on Facebook and Instagram, produced a press release and comms pack and video content for LinkedIn. After two days, 360 people have filled in the survey.		The consultation is underway with specific comms for each LA in hope of regional equity Reception has been enthused and should provide a strong basis from which to launch the strategy.
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Completion of Work Package 3 (Appraisal of Delivery Options)	27/06/25		12/05/25	Complete	05/08/25
Completion of Work Package 4 (Public Consultation Questions on the Draft Strategy)	27/06/25		18/07/25	Complete	05/08/25
Public consultation closes	25/08/25			On Track	05/08/25
Publication of final strategy	30/09/25	04/12/25		Delayed	05/08/25

Project Name	RTS Delivery Plan
Current Exp Budget	£55,000
Project Code	92042
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	All 8 Local Authorities
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
Minor Delay

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£55,000.00	£55,000.00
Current Budget	£0.00	£55,000.00	£55,000.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£55,000.00	
Predicted Future Spend	£0.00	£55,000.00	
Predicted total spend	£0.00	£55,000.00	£55,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	8	80%
Delayed	1	10%
Overdue	0	0%
Complete	1	10%

Source of Any Income: n/a

Project Summary		
Building on the ESESCRD and SEStran Concordat, this delivery plan will highlight projects Local Authorities want to develop that exemplify the themes and objectives of the RTS. By identifying these opportunities, we can make best use of CRD and SEStran efforts and actively pursue funding for these.		
RTS Actions	Project Objectives	Project Outcomes
Partner councils work with SEStran through the statutory planning processes to implement RTS policies with regards to major developments	Identifies strategically important infrastructure and integration projects Identify priority projects to be delivered in the next 10 years. Identify priority projects to be developed further. Monitoring & Evaluation Plan Maintenance of an up-to-date matrix of projects in the region	Up to date and useful tool with local authorities project proposals GIS mapping to view projects on boundaries and their potential link-ups PowerBI tool, to quickly assess projects against chosen criteria like RTS or RPF them
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
Progress on the delivery plan has been stalled whilst SEStran and City Region Deal seek clarity on the STPR2 Delivery Plan commitments as any changes to the priorities identified in STPR2 will need to be assessed and priorities through the RTS Delivery Plan matrix before the project can move to the next stage.		Progress on the delivery plan has been stalled whilst SEStran and City Region Deal seek clarity on the STPR2 Delivery Plan commitments as any changes to the priorities identified in STPR2 will need to be assessed and priorities through the RTS Delivery Plan matrix before the project can move to the next stage.
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Complete assessment projects that were not included in STPR2	30/08/25			On Track	05/08/25
Complete first draft consultancy scope	31/03/25		07/01/25	Complete	05/08/25
Determine procurement route	30/06/25	31/08/25		Delayed	05/08/25
Complete review of Matrix Analysis and sense check outputs	30/11/25			On Track	05/08/25
Complete assessments and recommend appropriate development route for each projects	31/03/26			On Track	05/08/25
Complete assessment of the cost of project development and provide overall estimate	31/03/26			On Track	05/08/25
Finalise Monitoring & Evaluation Criteria	31/03/26			On Track	05/08/25
Finalise Funding Strategy	31/03/26			On Track	05/08/25
Finalise delivery programme	31/03/26			On Track	05/08/25
Steering Group Gateway Review	31/03/26			On Track	05/08/25

Project Name	SEStran at Twenty
Current Exp Budget	£40,000
Project Code	
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	LAs, TS,
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£40,000.00	£40,000.00
Current Budget	£0.00	£40,000.00	£40,000.00
Current Actual	£0.00	£5,400.00	
Current Remaining	£0.00	£34,600.00	
Predicted Future Spend	£0.00	£29,200.00	
Predicted total spend	£0.00	£34,600.00	£34,600.00
Predicted Variance	£0.00	£5,400.00	£5,400.00

Milestone Status	Count	Percentage
On Track	3	50%
Delayed	1	17%
Overdue	0	0%
Complete	2	33%

Source of Any Income: n/a

Project Summary		
Having been founded in 2005, RTPs have existed for two decades, an anniversary that should be celebrated.		
We plan to celebrate this milestone with events and a re-publication of the RTS vision.		
RTS Actions	Project Objectives	Project Outcomes
N/A	To celebrate the milestone of our RTS To engage stakeholders and make new connections Display the vision that guides our RTS in a more engaging way	Event series, perhaps linked to board meetings Final, major event Rich picture version of RTS vision
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
We have produced three newsletters, blog posts, factsheets. The annual report is nearly complete A provisional date has been sent for a celebration event (Dec 4 2025) Chair have been updated on suggested agenda SEStran at 20 Teams backgrounds created		
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Three factsheets on specific topics.	31/03/26			On Track	05/08/25
Publish 2024/25 Annual Report.	27/06/25		22/07/25	Complete	05/08/25
Complete vision brief	30/08/25			On Track	05/08/25
Send the Save the Date to key invitees	27/06/25	13/08/25		Delayed	05/08/25
Procure designers for vision work	30/08/25			On Track	05/08/25
Book event space for celebration	27/06/25		01/08/25	Complete	05/08/25

Project Name	Rail Strategy
Current Exp Budget	£0
Project Code	92047
SEStran Lead	Keith Fisken
SEStran Manager	Keith Fisken
Project Partners	tbc
Lead Partner	tbc
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£0.00	£0.00
Current Budget	£0.00	£0.00	£0.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£0.00	
Predicted Future Spend	£0.00	£0.00	
Predicted total spend	£0.00	£0.00	£0.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	4	67%
Delayed	1	17%
Overdue	0	0%
Complete	1	17%

Source of Any Income: n/a

Project Summary		
The rail network (comprising ‘conventional’ heavy rail and light rail/tram) plays a key role linking up the region, as well as providing connectivity to external locations. The region has benefitted from the construction of the Borders Railway which opened in September 2015., Levenmouth rail line and Reston & East Liston stations in 2024.		
RTS Actions	Project Objectives	Project Outcomes
Work with Transport Scotland and Network Rail to deliver new rail infrastructure in the region, where appraisal and business case development has demonstrated its merits Opportunities should be explored with partners to introduce new services, including more direct links across the region, national boundaries and cross-city connections	Improved strategic engagement with key stakeholders	Regional agreement on approach to rail List of supported fundable projects Improved integration with other modes Long term - new infrastructure?
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
Review of RTS rail chapters completed with rail operators/ NR Conversations underway with NR about better data sharing		
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Deliver 1st meeting of the Regional rail group	30/06/25	30/08/25		Delayed	05/08/25
Strategy planning and research	30/06/25		06/07/25	Complete	05/08/25
Deliver 2nd meeting of Regional Rail Group	30/09/25			On Track	
Strategy development (draft) - objectives and goals	31/12/25			On Track	
Stakeholder engagement					
Deliver 3rd meeting of Regioant Rail Group	31/12/25			On Track	
Deliver 4th meeting of Regioant Rail Group	31/03/26			On Track	

Project Name	Data Paper
Current Exp Budget	£50,000
Project Code	
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	WFM
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£50,000.00	£50,000.00
Current Budget	£0.00	£50,000.00	£50,000.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£50,000.00	
Predicted Future Spend	£0.00	£50,000.00	
Predicted total spend	£0.00	£50,000.00	£50,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	4	44%
Delayed	0	0%
Overdue	0	0%
Complete	5	56%

Source of Any Income: n/a

Project Summary		
We will build an understanding of how our local authorities, other RTPs, Transport Scotland, and partner organisations like ESESCRD think about mapping and data challenges and opportunities.		
RTS Actions	Project Objectives	Project Outcomes
Drawing on the findings of the monitoring reports, revisit the RTS when the post-pandemic picture has stabilised to determine any policy adjustments required to reflect the ‘new normal’ circumstances	To understand what partner organisations do around mapping and data To build internal skill set on GIS, and associated data/ mapping products To consider what we can learn from open data sources and how it could impact our work.	Discovery Paper on Data and Mapping Inventory of data and mapping resources and capacity within the organisation
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
We are meeting the milestones attached to this project, and are now working in Miro to understand more about what we already have access to/ would need to pay for.		We have: - compiled a list of questions to answer - contacted Transport Scotland about their data strategy - begun data Miro board for organisation -met with UT's leads on data - begun analysis of RCN
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Meet with Transport Scotland to understand their emerging data strategy's methodology	27/06/25		30/04/25	Complete	05/08/25
Compile data and mapping capacity list	27/06/25		30/05/25	Complete	05/08/25
Complete list of questions to form basis of paper	27/06/25		30/05/25	Complete	05/08/25
Meet UrbanTide's to discuss their work in this area	27/06/25		27/06/25	Complete	05/08/25
Complete evaluation of RCN as active project already using mapping	27/06/25		20/06/25	Complete	05/08/25
Undertake audit of local authorities' mapping and data policies	30/09/25			On Track	05/08/25
Establish data and mapping gaps list	30/09/25			On Track	05/08/25
Begin discovery plan drafting	19/12/25			On Track	05/08/25
Present recommendations paper to board	31/03/26			On Track	05/08/25

Project Name	Thistle Assistance
Current Exp Budget	£37,050
Project Code	92077
SEStran Lead	Sandra Lavergne
SEStran Manager	Michael Melton
Project Partners	All RTPs
Lead Partner	SEStran
Last Updated	01/08/2025

Finance Status
Overspend <£5k
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£24,000.00	£32,000.00	£8,000.00
Current Budget	£24,000.00	£37,050.00	£13,050.00
Current Actual	£0.00	£11,422.29	
Current Remaining	£24,000.00	£25,627.71	
Predicted Future Spend	£24,000.00	£25,627.71	
Predicted total spend	£24,000.00	£37,050.00	£13,050.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	14	70%
Delayed	0	0%
Overdue	0	0%
Complete	6	30%

Source of Any Income: Other RTPs

Project Summary		
Thistle Assistance (card and app) is a national scheme that provides support to users that may face additional barriers to access public transport. It eases the communication between users and transport staff to make the experience more accessible and enjoyable.		
RTS Actions	Project Objectives	Project Outcomes
Deliver improved public transport information in a variety of formats, supported by appropriate wayfinding infrastructure on the transport network,	Increase distribution of the Thistle Assistance programme Raise awareness of the scheme nationally and locally Increase engagement with transport providers	Improve the journey experience in public transport for people with disabilities and mobility challenges. Improve feeling of safety for people with disability and mobility challenges when taking public transport. Contribute to making public transport seen as more accessible by people with disability and mobility challenges, Thistle Assistance embedded into transport providers' staff induction and training programme.
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
The digital campaign delivered with Republic of Media ran for 6 weeks and was completed at the end of April 2025. The learning will help shape the next campaign, which is aimed to be delivered from September/October for 2 to 3 months, budget dependent. This campaign has been shortlisted as part of the National Transport Awards in the Campaign of the year category. Winners will be announced in October 2025. 5,000 cards / leaflets were ordered from current supplier to meet high demand during promotional campaign. All RTPs have been contacted to share highlights of 24/25. Meeting held with TS on 28/05/2025 to discuss progress to date. Printing and card distribution supplier appointed.		The digital campaign has been extremely successful and has contributed to increasing awareness of the scheme as well as increasing its uptake; it saw a total of 3,376 cards requested (up 2,477%) requested and 1,784 apps downloaded (up 5,147%). The project plan has been revised based on the lessons learned from the campaign and previous initiatives.
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Meeting held with Age Scotland to discuss potential opportunity for them to promote the scheme. Card request form amended based on Lessons learnt. Meeting with all RTPs to be held in Aug/Sept to discuss current plans and potential further financial investments.		
Q3 Objectives & RTS Actions Progress		
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
App quarterly maintenance Q1	30/06/25		05/05/25	Complete	30/07/25
Printing brief circulated to 3 potential suppliers	01/06/25		08/05/25	Complete	30/07/25
Printing supplier appointed	30/06/25		09/06/25	Complete	30/07/25
Provide key updates to the Board	20/06/25		20/06/25	Complete	30/07/25
POD laying out plans for 25/26 approved and signed off	30/09/25		01/08/25	Complete	30/07/25
First RTP Thistle Assistance meeting	30/09/25			On Track	30/07/25
Update privacy policy prior to any new marketing initiative	30/09/25			On Track	30/07/25
App quarterly maintenance Q2	30/09/25		03/07/25	Complete	30/07/25
Update card request form prior to any new marketing initiative	30/09/25			On Track	30/07/25
Plan next digital marketing campaign	30/09/25			On Track	30/07/25
Transport operator survey created and distributed	30/09/25			On Track	30/07/25
App quarterly maintenance Q3	19/12/25			On Track	30/07/25
Results from transport operator survey collected and analysed	19/12/25			On Track	30/07/25
Digital marketing campaign done	19/12/25			On Track	30/07/25
User survey created and distributed	19/12/25			On Track	30/07/25
Procurement exercise started to appoint a printer/distributor on a multi-year contract	19/12/25			On Track	30/07/25
App quarterly maintenance Q4	31/03/26			On Track	30/07/25
User survey analysed	31/03/26			On Track	30/07/25
High level project plan for 26/27 based on all data collected and recommendations	31/03/26			On Track	30/07/25
Procurement exercise finalised with a supplier appointed	31/03/26			On Track	30/07/25

Project Name	Transport to Health Strategy
Current Exp Budget	£60,000
Project Code	92062
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	NHS Boards
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£60,000.00	£60,000.00
Current Budget	£0.00	£60,000.00	£60,000.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£60,000.00	
Predicted Future Spend	£0.00	£60,000.00	
Predicted total spend	£0.00	£60,000.00	£60,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	7	54%
Delayed	0	0%
Overdue	0	0%
Complete	6	46%

Source of Any Income: n/a

Project Summary		
We started engagement with our region's four Health Boards and established a learning network creating a space for sharing knowledge and experience. Building on this, we've co-hosted an event with Public Health Scotland on Health and Sustainable Transport. Given the importance of this work, and many complex aspects, we have opted to develop a strategy for the region on Transport to Health.		
RTS Actions	Project Objectives	Project Outcomes
Support the delivery of bus services and infrastructure measures which ensure access to healthcare for all	Reduce barriers on access to health services in the region Continue collaborative work with key stakeholders in the health sector and beyond Integrate TtH into other areas of work led by SEStran	Gain a better understanding of existing projects / available data in the TtH sector in the region and beyond Try and assess the overall current spend in TtH and how to maximise impact Develop a case for change Maintain regular contacts and engagement with Health Boards and key stakeholders
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress
We are progressing well against delivery of the strategy. Challenges remain around health board capacity to engage with the work. As such, we are going in person to meet each board over the summer months to review the PID and TOR documents with them and understand any challenges specific to their geographies or partners.		Engagement Plan and Literature Review completed and published. We have produced a first draft of our PID and TOR documents for internal review These have been shared with the healthboards for their comment. We have presented the Literature Review to our Shared Learning Network and our board, taking note of suggested structure for future strategy production. TS have included it in their reporting on the NTS2
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Sign off Lit Review	27/06/25		28/04/25	Complete	05/08/25
Sign off Engagement Plan	27/06/25		28/04/25	Complete	05/08/25
1st Draft PID	27/06/25		26/05/25	Complete	05/08/25
1st Draft TOR	27/06/25		26/05/25	Complete	05/08/25
Present docs to HBs	27/06/25		02/06/25	Complete	05/08/25
Work with DES to rerun TtH survey	27/06/25		20/06/25	Complete	05/08/25
Identify other key stakeholders	30/09/25			On Track	
Webinar for equalities/ other stakeholders?	30/09/25			On Track	
Pursue work on Case for Change (how to identify potential solutions?)	19/12/25			On Track	
Pursue engagement via Learning network	19/12/25			On Track	
Review effectiveness of Learning network and identify potential improvements	19/12/25			On Track	
Presentation draft Case for Change at Q4 Board	31/03/26			On Track	
Identify key actions for 26/27	31/03/26			On Track	

Project Name	Regional Bike Share
Current Exp Budget	£25,000
Project Code	92076
SEStran Lead	Beth Harley-Jepson
SEStran Manager	Michael Melton
Project Partners	Local cycling organisations
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
On Budget
Programme Status
On Target

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£25,000.00	£25,000.00
Current Budget	£0.00	£25,000.00	£25,000.00
Current Actual	£0.00	£2,488.00	
Current Remaining	£0.00	£22,512.00	
Predicted Future Spend	£0.00	£22,512.00	
Predicted total spend	£0.00	£25,000.00	£25,000.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	4	80%
Delayed	1	20%
Overdue	0	0%
Complete	0	0%

Source of Any Income: n/a

Project Summary			
This project will support access to cycles in the region by promoting opportunities for public bike share, connecting up existing community bike share projects and supporting the delivery of access to cycles projects. This project will continue to provide support to the existing go e-bike project locations where SEStran has assets. This will include support with training, maintenance and networking across the region. The e-bike employer trial will be continued, focusing on NHS sites in tandem with work through TravelKnowHow.			
RTS Actions	Project Objectives		Project Outcomes
<ul style="list-style-type: none">Identify locations where implementation of shared mobility solutions could be beneficial and reduce the level of 'forced' car ownershipExpand the provision of bike-sharing initiatives across the region	<ul style="list-style-type: none">Installation of a Brompton cycle hire unit and provision of 8 hire bikes in Haymarket Station or alternative siteIncrease awareness and access to e-bikes as an option for commuting to work through three e-bike employer trialsIncrease access to e-bikes to the public through supporting training and e-bike loans for community groupsCarry out promotion of existing Brompton lockers at QMU and Sherrifhall P&R		<ul style="list-style-type: none">More people are enabled to choose cycling as a trasnport modeMore people have the opportuniy to trial an e-bike and choose to switch to cycling for more of their journeys
Q1 Project Progress and RAG status update		Q1 Objectives & RTS Actions Progress	
Employer trial has started in St Johns hospital for a 4 week period. Future locations are being explored in Midlothian and Edinburgh. We have several times attempted to receive confirmation from Scotrail about placement of a Brompton locker at Haymarket without receiving a response. If reponse not recieved by end of August, will explore whether there are any viable alternative locations.		Continuation of trial at St Johns, engaging 20+ staff members in utilising an e-bike for commuting journeys. Engaged with QMU to organise promotion of Brompton locker to students returning/starting in September. Ongoing support to existing community groups to engage in training.	
Q2 Project Progress and RAG status update		Q2 Objectives & RTS Actions Progress	
Q3 Project Progress and RAG status update		Q3 Objectives & RTS Actions Progress	
Q4 Project Progress and RAG status update		Q4 Objectives & RTS Actions Progress	

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Complete three employer e-bike trials at NHS sites	31/03/26			On Track	
Secure confirmation of Brompton locker location	30/06/25	31/08/25		Delayed	05/08/25
Support training sessions for e-bike groups	31/03/26			On Track	
Collect case studies from e-bike loans	30/09/25			On Track	
Carry out promotion of existing Brompton lockers	01/09/25			On Track	