Project SEStransit

1. Introduction

1.1 SEStran is working with partner authorities, the Edinburgh and South East Scotland City Region team (CRD), Transport Scotland and Network Rail to develop a Strategic Business Case (SBC) for an integrated regional transport network.

1.2 The SBC is a synthesis of the Regional Transport Strategy Delivery Plan (RTSDP) and a refreshed Recommendation 12 from Transport Scotland's 2nd Strategic Transport Projects Review.

2. Main Report

2.1 In December 2024 the Board received an overview of the RTSDP.

2.2 It explained the work that has been done to:
- Collate all transport projects planned by partners across the reason
- Work with colleagues across economic development, planning and transport teams in partner councils to assess each project against a wide range of criteria
- Devise a prioritised list of projects for which funding will be sought to undertake appraisals and build business cases

2.3 Since that time, work has continued and further thought given to transport governance matters, such as whether appraisals and analysis should be undertaken by Transport Scotland, as at present, or at a regional level.

2.4 More recently, discussions with TS have clarified that they expect regional partners to lead on work to further develop the business case for STPR2 recommendation 12 – a mass transit system for Edinburgh and the South East of Scotland.

2.5 At a workshop on 23 July 2025, LA partners, the CRD, Transport Scotland and Network Rail considered the interdependencies between these two pieces of work (the RTSDP and STPR2 rec12) and agreed that they should be considered jointly.

2.6 In broad terms, this amounts to adding the following to the Strategic Business Case for STPR2 rec12:
- Clackmannanshire and Falkirk Council areas
- Any strategic sites or significant trip generators not considered in the RTSDP or STPR2 rec12

- Orbital routes and interchanges required to get people to or from the main corridors into and out of Edinburgh, or to make cross-boundary journeys elsewhere around the region
- Data

2.7   A bid for £250,000 was submitted to the Bus Infrastructure Fund to support a review of the SBC, and a grant award letter for the full amount was received in late August 2025. The grant must be spent by the end of March 2026.

2.8   The methodology attached at Appendix 1, which provides a detailed description of the proposed project, was agreed at a follow-up workshop held on 15 September 2025.

2.9   When complete, the revised SBC will be presented to the SEStran Board for approval and also submitted to partners' internal governance processes. The SBC and accompanying report will define the scope, future programme and funding requirements, amongst many other things

2.10   In the meantime, a report will be submitted to the next meeting of PaSDOS so that the resource requirement and impact on the Business Plan for the current year can be scrutinised and assessed.

3.   Recommendations

3.1   It is recommended that the Partnership Board note the contents of this report.

Brian Butler
Partnership Director
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Appendix   1. ESES Regional Connectivity Outline Methodology

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

This note provides an outline methodology to develop the **Strategic and the Socio-Economic dimensions** of a **programme-level Strategic Business Case (SBC) for a regional connectivity investment programme across the South East of Scotland**. This initial work will be developed with funding from the Scottish Government administered by Transport Scotland under the Bus Infrastructure Fund (BIF), available until 31st March 2026.

The programme will adopt a **region-wide approach to connectivity**, with a focus on identifying and addressing the key connectivity problems and barriers experienced across all local authority areas within the SEStran region. The emphasis will be on identifying a coherent, multimodal network that improves access to opportunity, supports inclusive growth and enables sustainable patterns of movement across the region.

Additionally, we will include some **preliminary scoping of the Financial, Commercial and Management** dimensions. However, any substantial work on these dimensions will only take place in financial year 2026/27, subject to additional funding becoming available.

The end product, therefore, is a Programme SBC, which will:

1. Set out the **Case for Investment (CfI)** across the South East of Scotland, i.e., why enhanced regional connectivity is required and what socio-economic outcomes are expected from a coordinated programme of interventions?
2. Identify the strategic corridors, feeder networks and orbital links that can support improved access to key destinations, reduce inequalities and enable modal shift

In line with H.M. Treasury *Green Book* and Transport Scotland's *Guidance on the Development of Business Cases* (broadly reflecting *Green Book* principles), it is essential that this Programme SBC follows a structured and **evidence-based approach**. Following this process is a critical enabler of good governance, value for money and long-term deliverability, providing a credible foundation for future investment decisions.

Importantly, the Programme SBC – when complete with the Financial, Commercial and Management dimensions – will act as a **strategic gateway**, identifying a sequence of potential individual investment propositions, e.g., specific corridors, enhancements to existing infrastructure, etc. These can then be taken forward, as separate projects under the umbrella of the investment programme, through the next stages of business case development: the Outline Business Case (identifies the 'preferred option') and the Full Business Case (procurement and delivery of the 'preferred option'). This approach allows for a natural flow of projects **from programme-level vision and outcomes to project-level delivery**, ensuring coherence, integration and alignment with regional transport and development strategies.

A key principle underpinning this programme is the recognition that investment in connectivity has the potential to shape long-term land-use patterns, rather than merely responding to them. This marks a shift away from a reactive model – where transport infrastructure follows dispersed, car-dependent development – towards a proactive approach that supports compact, mixed-use and well-connected places.

The Programme SBC will consider several factors that will influence the **Value for Money (i.e., the social and economic outcomes the system may deliver across the region), feasibility and affordability** of the proposed connectivity programme:

- Candidate corridors for enhanced connectivity, including those suitable for high-capacity public transport and those requiring 'feeder' or orbital solutions, which represents a step-change in provision from that currently in place across the South East of Scotland
- The role, hierarchy and integration of different modes – bus, BRT, tram, light rail and heavy rail – including existing networks and infrastructure
- Links to existing demand (and challenges) and growth areas
- The terminus strategy, i.e., will services operate to an interchange point or into town centres?
- 'Systems' considerations such as vehicle types, capacity, frequency and comfort
- Cross-boundary operational governance and delivery models

The tasks proposed below are considered to be deliverable this financial year and will be completed within the allocated funding envelope.

Task 0 – Stakeholder Engagement Plan

We will develop a comprehensive Stakeholder Engagement Plan within the first two weeks following our appointment. This plan will outline the key elements of the Programme SBC that we will be engaging on, specifying with whom and when we will engage.

Whilst a budget allocation has been set aside to facilitate stakeholder engagement, recognising the short timescales involved within this particular workstream, the engagement will primarily focus on the organisations that are part of the governance structure. We will also investigate whether a more focused engagement exercise can be carried out with a few external organisations.

1 Case for Investment

Task 1 – Define the strategic context

Recommendation 12 in STPR2 relates to Edinburgh & South East Scotland Mass Transit – *A mass transit system for the region which would provide more public transport options for cross-boundary travel. The system would focus on key corridors of demand and disadvantaged areas with greatest dependence on public transport.*

However, the work proposed under this Programme SBC goes beyond the scope of Recommendation 12. Rather than starting with a predefined solution (of which mass transit corridors may be a key component), **the Programme SBC will adopt a bottom-up approach**, initially focusing on setting out the socio-economic context, establishing patterns of demand and travel and identifying key connectivity gaps across the whole of the South East of Scotland.

Building up on the extensive work carried out by SEStran and the local authority partners, we propose to carry out a comprehensive review of existing policy documents, strategy, data etc., including:

- SEStran's RTS and associated Delivery Plan
- National Developments in NPF4
- ESES City Region Deal's Strategic Sites Programme
- Local development plans and transport strategies across local authority partners
- Current and future strategic development sites across several sectors
- Travel data (including travel to work) and travel patterns (including a matrix showing travel volumes between discrete areas in the region to capture orbital movement)
- Demographic and socio-economic trends
- Changing operational models (e.g., no peak fares)
- A review of existing and planned infrastructure across the region including the status, impact and data from projects recently delivered or currently underway, e.g., BPRDF, Trams to Newhaven, Workforce Mobility, Levenmouth Rail Link, the trial of 7/7/7 Bus Lanes, WETIP, bus services and fleet improvements and others

This review will allow us to establish **how the strategic context has evolved across the South East of Scotland** since STPR2 was published in 2022. In addition, we will benchmark against other regions to determine at what point does a growing, globally-facing region like the South East of Scotland might outgrow a bus-only solution.

A **Strategic Context Report** will provide a comprehensive summary of the above. Importantly, we will develop a reporting PowerBI dashboard including the combined mapping of strategic development sites, existing transport corridors and infrastructure, areas of deprivation and travel data.

Task 2 – Problems and opportunities

Building on the work undertaken as part of the RTS Delivery Plan, as well as the outputs of Task 1, we will aim to establish why improved connectivity is required across the South East of Scotland, focusing on several key themes at systems level:

- First, we will identify the current failings and examine what is not working with the current arrangements, e.g., fragmentation, journey times, cross-boundary connectivity, lack of integrated ticketing etc.
- Additionally, we will explore why buses alone are not enough, considering issues like the number of vehicles, slow and complicated networks, lack of permanence and the absence of an urban rail backbone
- We will also investigate the opportunities for using existing heavy rail infrastructure, space availability along wider roads in the network etc.
- We will consider and assess key strategic risks such as funding uncertainty, technological disruption, cross-boundary governance and policy shifts
- We will articulate the opportunities that enhanced connectivity could unlock, framing the investment as a catalyst for wider benefits, i.e., what are the societal and economic outcomes that a truly integrated network would deliver?

Task 3 – Connectivity and demand analysis

We will undertake detailed connectivity work at postcode level to identify spatial disparities in access to key destinations across the South East of Scotland. For example:

- Regional employment centres
- Education hubs
- Healthcare
- Strategic transport nodes
- Shopping centres
- Regional tourism hotspots

By overlaying the outputs of the connectivity analysis with socio-economic and travel data, we will be able to:

1. Identify areas where poor connectivity intersects with deprivation and other socio-economic indicators
2. Identify regional OD movements where there is significant demand for travel and relatively poor public transport connectivity

Task 4 – Establish the strategic framework for regional connectivity

Defining what we mean by a *regional connectivity programme* in the context of the South East of Scotland is a critical decision point in the development of the Programme SBC, and a solid first step toward defining an integrated set of solutions.

To inform this decision point, we will undertake targeted preparatory analysis across several key themes. This analysis will not only help clarify the strategic ambition of the programme but will also lead to the definition of the **critical success factors** – or key parameters – that must be met for any future regional solution to be considered effective, inclusive and deliverable. Our analysis will include:

- **Operational Governance:** We will explore the future governance arrangements required to deliver and manage a truly integrated regional transport system. This will include consideration of cross-boundary coordination, the role of existing transport authorities and potential models for oversight and delivery, particularly in relation to potential mass transit corridors, 'feeder' services and orbital links
- **System Features:** We will assess key technical and operational characteristics of potential solutions including vehicle types, capacity, frequency and comfort
- **Integration:** We will examine how any potential solutions can be integrated with existing and planned transport networks (bus, rail and active travel), as well as land-use. This will include assessing interchange opportunities, land-use patterns and the role of improved connectivity in supporting inclusive growth and sustainable development
- **Functional Geography:** We will analyse the economic geography of the region to understand how improved connectivity can contribute to the development of the South East of Scotland. This will include the identification of the spatial extent of any potential solutions, defining the functional reach of different modes

Task 5 – Case for Investment

The Case for Investment (CfI) is a central component of the Programme SBC and forms the foundation of the Strategic Dimension. It sets out the rationale for intervention, the alignment with strategic objectives and the expected societal and economic outcomes of improved connectivity across the

region. This task will synthetise the outputs of Tasks 1 to 4 into **a coherent and compelling narrative that sets out the case for any future investment**.

We will produce a concise and purposeful CfI with agreed network development principles, covering:

1. **Strategic Rationale**, clearly articulating what it is that we are trying to deliver, i.e., the approach to regional connectivity, the role of different modes and the expected societal and economic outcomes
2. **Vision and Objectives**, developing a statement for improved regional connectivity and defining a set of outcomes-based Transport Planning Objectives (TPOs) aligned with regional priorities
3. **Network Development Principles**, agreeing a set or principles for how the network may evolve, including modal hierarchy and integration, streetscape and routing principles (e.g., roadspace prioritisation, segregation levels, etc) and the role of different radial and orbital corridors
4. **Governance and Delivery Considerations**, providing initial thinking on how partners might come together to deliver an integrated transport system that improves connectivity across the region, exploring potential governance models, delivery mechanisms and timescales

2   Socio-Economic Dimension

Tasks 6 and 7 will form the backbone of the Socio-Economic Dimension of the Programme SBC. Building on the CfI, these tasks will begin to translate the regional vision into spatial and modal priorities.

Task 6 – Define and agree priority investment areas

We will define and agree the priority areas for improved connectivity across the South East of Scotland, forming the spatial and operational basis of the future regional network. Prioritisation will be guided by a combination of:

- **Existing and Planned Infrastructure**, considering the role of existing rail infrastructure and corridors, and other transport-related development across the region and nationally
- **High-Volume Corridors**, identifying corridors with significant existing or projected demand
- **Supporting networks and modal hierarchy**, serving and complementing the fastest and highest capacity services
- **Stakeholder Views**, including the bus operators' views in relation market dynamics, operational constraints and commercial viability of different systems
- **Development and Land-Use**, linking to existing and future strategic development sites across several sectors, e.g., employment, housing, education, healthcare etc.
- **Socio-Economic**, prioritising corridors serving areas of deprivation and deliver on equity outcomes

Task 7 – Set out the strategic approach to network development

In parallel to the identification of priority investment areas, we will establish a strategic framework for network development. The aim is to provide a coherent, regionally integrated approach that is not overly-process heavy and balances ambition with deliverability. Key components will include:

- **Prioritisation Methodology**, developing a transparent, evidence-based and comprehensive methodology for prioritising radial and orbital corridors
- **Edge Strategy**, defining how areas at the edge of the core functional geography will connect into the regional network including 'feeder' and orbital movement, P&R and interchange and active travel
- **Commercial and Operational Integration**, exploring how to deliver an integrated network that delivers the expected outcomes while making commercial sense for operators, considering aspects such as the potential for franchising or partnership models, ticketing and fare integration, service standards and branding
- **Terminus Strategy**, assessing whether any future services should terminate at interchange points or extend into town centres, balancing operational efficiency with accessibility. As part of this, we will consider whether a framework similar to Edinburgh's Circulation Plan is needed for towns such as Livingston, Musselburgh or Dalkeith, thus supporting integration and modal shift
- **Modal Hierarchy**, establishing a clear hierarchy of modes based on corridor characteristics, demand and strategic role

Task 8 – Scoping of remainder of the Programme Strategic Business Case Recognising

that it will not be possible to complete all components of the Programmatic SBC within this timeframe we will scope out the remaining tasks and associated timescales required to complete the Programme SBC.

3 Programme

The following programme provides an indicative timeline for the completion of the tasks outlined above.

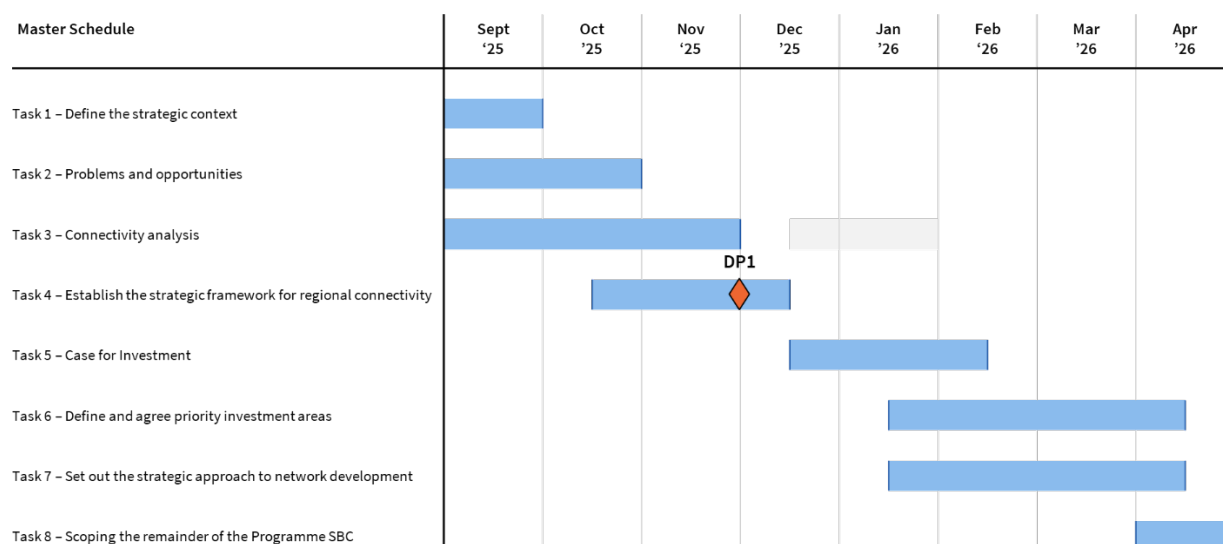| Master Schedule	Sept '25	Oct '25	Nov '25	Dec '25	Jan '26	Feb '26	Mar '26	Apr '26

Figure 3-1 Indicative timeline for financial year 2025/26