

COUNCIL REQUISITIONS

1 INTRODUCTION

- 1.1 Since approval of the 'SEStran 2035 Regional Transport Strategy' (RTS) by Ministers in 2023, SEStran has developed and is delivering an exciting portfolio of regionally significant programmes on behalf of partners.
- 1.2 This progress has been underpinned by partnership working across all local authorities in the SEStran region, and feedback regularly demonstrates the benefits to council officers and local communities of cross-boundary coordination and collaboration. Partners have recognised the added value and additional opportunities provided by SEStran's work and have expressed a real enthusiasm for expanding the portfolio to tackle other regional challenges that also deliver local benefits.
- 1.3 In addition to transformational programmes such as the 'SEStran' regional mass transit network and the Regional Bus Strategy (RBS), SEStran also provides a number of ongoing services to partners, such as the provision and management of a regional real-time passenger information (RTPI) system, and the administration of Thistle Assistance, a nationally recognised scheme to help people with both visible and hidden disabilities to use public transport. These initiatives have recently been supplemented with leadership of the Workforce Mobility Project (WMP), in partnership with the Edinburgh and South East Scotland City Region (the City Region).
- 1.4 These services are being further enhanced with the addition of Podaris, a web-based transport planning, analysis and stakeholder engagement platform has been procured to support transport planning activities across the SEStran partnership area and provide a common environment for scheme development, mapping, analysis and engagement activities. Following requests from partners, we are also considering the introduction of a scheme to help partners to address critical gaps in their internal capabilities and / or capacities e.g. SEStran employing specialists to undertake key roles where individual councils cannot justify the expenditure on permanent staff, or are not able to pay market rates. Shared staff would be recharged to councils at cost, thereby avoiding the significantly marked up rates charged by consultants.
- 1.5 Some of the programmes we are delivering have ringfenced funding (e.g. SEStran and People and Place – see section 2), but most of our work is covered by our Core funding which has reduced massively in real-terms over recent years. Since Covid, we have largely used underspends carried forward from previous years to cover the massive inflationary increases caused by global pressures.
- 1.6 However, looking ahead to 2027/28, we no longer have this ability and require a significant increase in funding in order to address this historical imbalance and to guarantee that we can continue to deliver the RTS. Transport Scotland has made it

clear that RTPs should seek increased funding from member councils and not the Scottish Government.

- 1.7 Local authority budgets continue to be under significant pressure and the timing of this request is not ideal. There is never a good time to seek an increase in funding, but we are confident that the outcomes and benefits of our portfolio continue to represent excellent value for money. We are delivering a range of essential programmes, and partners benefit from the economies of scale presented by the regional delivery model. In addition, there is a significant multiplier effect between councils' annual investment in SEStran, and the amount SEStran invests in each council area in return.
- 1.8 While this represents a significant increase in long-term, sustainable funding from partners, it will enable SEStran to continue to deliver substantial value across south east Scotland. By providing greater certainty and maintaining capacity, the funding will help maximise the economic, social and environmental benefits of regional collaboration, ensuring that the advantages realised to date can be maintained and further developed in the years ahead.
- 1.9 If the model and quantum of funding are not changed, SEStran will no longer have the capacity to provide local authorities with current levels of support and coordination. It will also impact the delivery of regional transport priorities, the effective allocation of funding, coordination of community and behavioural change programmes, and the ability to achieve economies of scale through regional collaboration. It would also weaken the region's collective voice in advocating for the critical role that transport plays in supporting economic growth, investment, connectivity and wider national funding opportunities.

2 STATUTORY REMIT AND CURRENT PROGRAMME PORTFOLIO

- 2.1 Regional Transport Partnerships (RTPs) were established by the Transport (Scotland) Act 2005 (the Act). [Chapter 1 of Part 1 of the Act](#) relates to Regional Transport and any reference to sections of the Act can be accessed via this link.
- 2.2 RTPs are statutory independent bodies corporate, which bring councils together to perform local government functions collectively and strategically over a larger area. SEStran is a partnership of 8 Councils: City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.
- 2.3 SEStran is a 'model 1' RTP, meaning that its primary purpose is to develop an RTS. Although sections 10 and 14 of the Act allow SEStran to formally take on additional roles within the region, these have never actually been used. Despite this, in recent years, SEStran has transformed the way that it and partners work with each other across the region.

- 2.4 In 2023, SEStran and the City Region signed a Concordat (see Appendix 1) which aligned their transport objectives and committed the organisations to working transparently and collaboratively on all transport projects. A number of major projects have been initiated and managed under the Concordat, including the 'Collaborative Procurement of Electric Vehicle Charging Infrastructure' and the 'SEStran' regional mass transit network. Despite Clackmannanshire and Falkirk Councils not being part of the City Region, they have been and will continue to be fully involved in all SEStran projects.
- 2.5 SEStran is currently working collaboratively with partners to deliver the RTS and the current programme portfolio includes:
- 2.5.1 RTS Delivery Plan (RTSDP): Guided by the objectives of the RTS, the RTSDP will define the medium to long term transport interventions required to maximise the region's economic ambitions. The plan is being developed in close alignment with emerging regional land use planning, ensuring that future transport investment supports the safe, sustainable and efficient movement of people and freight across the region, and provides the foundations for inclusive and sustainable economic growth. All other programmes are derived from themes within the RTSDP.
- 2.5.2 People and Place programme (P&P): We know that car use has a number of significant negative consequences, including emissions that add to climate change, deaths and injuries through road collisions, illness and fatalities caused by pollution, major loss of economic productivity through congestion, and negative impacts on people's physical and mental health and wellbeing. P&P helps to address all of these challenges by supporting delivery partners to encourage people to replace car journeys with active and sustainable travel for daily journeys, with particular emphasis on schools, workplaces, inclusion, accessibility and building local capacity.
- 2.5.3 Regional Bus Action Plan (RBAP): Across the region, more journeys are made by bus than by any other form of public transport, but bus use has been falling consistently for a number of years. Tackling this and encouraging people to use the bus instead of driving will be essential to reducing the negative impacts of car use. The RBS sets out a shared vision to deliver the regular, reliable and affordable bus services that people tell us are essential to persuading them to make the switch. These improved bus services will also allow people in communities across the region to access jobs, education, healthcare and leisure activities. Informed by extensive public feedback, the RBS drives improvements in service quality, fares, ticketing, information and governance, with objectives focused on enhancing connectivity, affordability, and overall service standards.
- 2.5.4 Transport to Health (TtH): Many people across the region are not able to access essential healthcare appointments when and where they need them simply due to a lack of transport options. This can contribute to people becoming increasingly unwell before they receive care, and additional costs and lost capacity for healthcare services through missed appointments. Working closely with health boards and partners, this programme seeks to remove the transport barriers that prevent people

from accessing healthcare, improving health outcomes, enhancing patient experiences, creating operational efficiencies and cost savings across NHS Primary Care activities, and improving integration with other transport services.

- 2.5.5 Transport to Employment (TtE): Many factors contribute to child poverty, which the First Minister of Scotland has pledged to eradicate. These include a lack of transport options for parents to reach the jobs, education or training they need to increase household income. This programme will deliver a number of targeted interventions, in partnership with local authorities and third sector organisations, which aim to reduce child poverty by supporting employment and education opportunities. The programme focuses on increasing employment and training rates, lowering transport costs, and supporting integrated ticketing and bus network enhancements.
- 2.5.6 SEStran: A lack of transport options to get people to jobs, healthcare, education or leisure, and the congestion caused by car use, are both already significant problems throughout much of the region. South east Scotland is the fastest growing part of Scotland, with the 3 fastest growing local authorities, so these problems will become much worse unless we can significantly improve the transport network over the next few years. SEStran is the working name for a Mass Transit programme that will deliver many of the improvements targeted by the RTS. It is committed to providing faster, greener and more reliable transport connections. The initiative will develop integrated, high-capacity and sustainable mobility solutions, enabling seamless travel across the region and improving access to strategic housing, employment, health and education sites.
- 2.6 In addition, SEStran operates a number of regional and national programmes to the benefit of all regional partners.
 - 2.6.1 WMP forms part of the City Region's Employability Programme and has been supporting partners across the region to address transport-related barriers to employment through the use of innovative transport demand data and analytical techniques. Over the past six years, the project has established a robust evidence base and best practice approach that has informed more efficient and effective public transport networks, the introduction of new bus services, the development of strategic transport infrastructure investment plans and the promotion of transport's influence in land use planning and economic development.
 - 2.6.2 The success of the project has attracted national recognition, with Transport Scotland supporting the expansion of the approach as a pilot programme across all Scottish local authorities and RTPs during 2026/27. Since May 2026, the project has been led by SEStran in partnership with the City Region and Scottish Borders Council, ensuring continued regional coordination and delivery.
 - 2.6.3 Thistle Assistance is a nationally recognised scheme to help people with both visible and hidden disabilities to use public transport, and we manage this initiative on behalf of all RTPs across Scotland. The scheme has exceeded all expectations in 2025/26, with usage ballooning from previous levels due to the excellent efforts of the team.

- 2.6.4 We continue to support the rollout of Real-time Passenger Information (RTPI) screens across the region. These play a crucial role in journey planning and in improving the perception of safety when using public transport – because people know exactly when a bus will arrive at their stop.
- 2.7 The SEStran offering to partners is being further enhanced with the addition of a number of new benefits.
 - 2.7.1 SEStran has procured a state-of-the-art transport modelling and stakeholder engagement package which will allow all partners to work on a common platform and will deliver direct savings of between £35k and £45k to all partners who choose to use it.
 - 2.7.2 We are considering the introduction of a shared resourcing model to help partners to address critical gaps in their internal capabilities and / or capacities e.g. SEStran employing specialists to undertake key roles where individual councils cannot justify the expenditure on permanent staff, or are not able to pay market rates. Shared staff would be recharged to councils at cost, thereby avoiding the significantly marked up rates charged by consultants.
 - 2.7.3 Building on the principles and success of the WMP, and the progress being made through the RTSDP and SEStran, the effective collection, management and use of data and intelligence is becoming increasingly important in informing transport decision-making and maximising the value of every pound of public investment. Robust evidence and analysis are essential to identifying priorities, targeting interventions and demonstrating the economic, social and environmental benefits of transport investment.
 - 2.7.4 This has become even more important in light of the Scottish Government's Infrastructure Investment Plan, which requires transport investment proposals to compete alongside projects in sectors such as health, education and social care. Developing a strong evidence base and compelling business cases for transport investment will therefore be critical to ensuring that south east Scotland can secure the funding necessary to support sustainable economic growth, improve connectivity and deliver wider regional and national priorities.
 - 2.7.5 Therefore, the continued role of SEStran as a regional facilitator, coordinator, delivery lead and trusted partner is critical to the future success of transport investment across south east Scotland. By bringing together partners, data, expertise and coordinating regional project delivery, SEStran supports the sharing of best practice, promotes consistent approaches across local authorities, and enables greater collaboration in the collection, analysis and application of regional intelligence. This collective approach strengthens the evidence base for investment decisions, improves

efficiency through shared learning and resources, and enhances the region's ability to secure funding and deliver strategic transport priorities

- 2.8 Work to support implementation of the RTS in the foreseeable future is likely to include programmes on:
- Decarbonisation
 - Freight
 - Rail

3 FUNDING

- 3.1 SEStran is primarily funded through a block grant from Transport Scotland and Council Requisitions (i.e. payments from its partner local authorities). This funding is from hereon referred to as Core funding.
- 3.2 This Core funding has usually been supplemented by additional ring-fenced funding e.g. funding from Transport Scotland for specific active travel or bus projects, European Union (EU) funding for specific research projects and, more recently, funding for active travel behaviour change, bus infrastructure funding (primarily to develop the Strategic Business Case for SEStran) and funding to address transport barriers to eliminating child poverty.
- 3.3 The block grant element of the Core funding is not required by legislation and, having remained at the same level for several years, was reduced by 5% in 2024/25. It has remained at this reduced level in the subsequent 2 financial years.
- 3.4 Rather than calculate the net expenses in the manner intended by the legislation, SEStran has historically aligned its projected expenditure for a given year with its anticipated funding for that year. Over the years, it has become standard practice to refrain from increasing Council Requisitions in recognition of the financial constraints facing constituent councils. The requisitions have been reduced on occasion, and expenditure has been reduced to reflect these reductions in funding.
- 3.5 This means that funding has reduced in absolute terms over the past two decades while costs have increased roughly in line with inflation. The net effect is a significant real-terms reduction in SEStran's spending power over that period.
- 3.6 By attempting to work within reduced budgets, or seeking funding to undertake work that was not directly aligned with partners' aspirations (e.g. EU funding for research projects), SEStran's delivery of the previous RTS slowed noticeably. For example, prior to approval of the current RTS in 2023, the City Region had identified the need for its own Regional Transport Masterplan to ensure that the region would have a transport system that would align with its land use strategy and enable its projected

economic growth. This misalignment of strategies between the SEStran region and City Region was addressed by agreeing the Concordat.

- 3.7 As a consequence of the Covid pandemic, it was not possible to fully spend the projects budget in 2020/21 and an earmarked underspend was carried forward. Although this has reduced since then, each year's annual budget has been supplemented by carrying forward an unspent balance from the previous year.
- 3.8 However, looking ahead from 2026/27, it will not be possible to deliver our programme portfolio without the proposed increase to the Council requisition element of the Core budget.
- 3.9 SEStran is not alone in this predicament. Transport Scotland is currently reviewing RTP funding, and has recently requested medium term financial projections from all RTPs. It is understood that these all show deficits within between 1 and 3 years.

4 THE FUNDING GAP

- 4.1 Appendix 2 shows that, since 2011/12, inflation, according to the Bank of England's Inflation Calculator, has been around 53%. Combined with reductions in absolute funding levels of 5% for the Transport Scotland grant and 16% for Council Requisitions, this has resulted in a reduction to SEStran's real-terms budget of around 60%. To have maintained the same purchasing power as in 2011/12, SEStran would have required funding of £1,536,376 in 2026/27. In reality, funding is £933,000 – a shortfall of £603,376.
- 4.2 The projected variance between the cost of delivering the current programme portfolio in 2027/28 and the assumed level of funding is -£257,335 (see Appendix 3). This is the amount which we require to be funded to continue implementation of the RTS at the current pace.
- 4.3 The requested increase is less than half of the level of funding that would have been available if investment in regional transport had kept pace with inflation. That it hasn't is understandably due to the financial constraints faced by the public sector over the past two decades, and partners are now asked to view the requested increase in relation to the benefits provided by SEStran.
- 4.4 SEStran's current programme and operational portfolios will:
- Actively support economic growth
 - Tackle the negative impacts of car use, which fall disproportionately on people in the most deprived areas.
 - Emissions that add to climate change
 - Deaths and injuries through road collisions

- Illness and fatalities caused by pollution
- Major loss of economic productivity through congestion
- Poor physical and mental health and wellbeing
- Encourage people to replace car journeys with active and sustainable travel for daily journeys, with particular emphasis on schools, workplaces, inclusion, accessibility and building local capacity
- Deliver a mass transit network that will integrate high-capacity and sustainable mobility solutions, enabling seamless travel across the region and improving access to strategic housing, employment, health and education sites.
- Encourage people to use the bus instead of driving in order to reduce the negative impacts of car use
- Remove the transport barriers that prevent people from accessing the healthcare they need, when and where they need it, thereby improving health outcomes for people across the region and delivering operational efficiencies and cost savings across NHS Primary Care activities
- Help to reduce child poverty by providing access to employment and training, lowering transport costs, and supporting integrated ticketing and bus network enhancements
- Ensure that future transport investment supports the safe, sustainable and efficient movement of people and freight across the region, and provides the foundations for inclusive and sustainable economic growth
- Establish south east Scotland as a leader in transport data and intelligence, supporting robust evidence-based decision-making, securing investment and delivering improved outcomes for communities, businesses and the economy.

4.5 Without the additional funding requested, these benefits will have to be pared back or delayed.

5 PROPOSED FUNDING MECHANISM

5.1 It is proposed to address this funding gap by amending the process by which annual funding is agreed. This would ensure that the portfolio of programmes devised by SEStran to implement the RTS will deliver value for money and is aligned with partners' expectations. From this year onwards, the proposed portfolio, costs, assumed non-Council funding levels and requested funding from Council partners for the following financial year, will be presented to the Partnership Board's second quarterly meeting for that financial year, usually the September meeting.

5.2 As has been the case with this report, in future years SEStran officers will work closely with Council officers, both collectively and individually, to build the proposal prior to presenting it to the Partnership Board.

- 5.3 If approved by the Board at these meetings, SEStran will write to the relevant lead officer at each partner Council requesting the required level of funding for the following year. When appropriate processes with partner councils have been completed, the full budget and portfolio for the following year will be presented – in the form of the annual Business Plan – to the Board at the fourth quarterly meeting for that year, usually in March.
- 5.4 For 2027/28, the requested funding from each council, based on the 2026/27 pro-rata split of the projected variance between the cost of delivering the current programme portfolio and the assumed level of funding is as follows:

Local Authority	Current Requisition level	Requested increase	Proposed revised Requisition
City of Edinburgh	£61,630	£83,471	£145,101
Clackmannanshire	£6,052	£8,197	£14,249
East Lothian	£13,376	£18,116	£31,492
Falkirk	£18,584	£25,170	£43,754
Fife	£43,522	£58,946	£102,468
Midlothian	£11,599	£15,710	£27,309
Scottish Borders	£13,585	£18,399	£31,984
West Lothian	£21,652	£29,325	£50,977
Total	£190,000	£257,335	£447,335

6 RECOMMENDATIONS

It is recommended that the Performance and Audit Committee:

- 6.1 Endorses the proposed methodology for calculating the level of funding to be requested from council partners for the following financial year
- 6.2 Note that the Partnership Board will be asked to approve the level of funding to be requested from each Council for 2027/28 at its meeting on 25 September.

Brian Butler
Partnership Director
25th August 2026

Appendix 1: Concordat between SEStran and Edinburgh & South East Scotland City Region Partnership
Appendix 2: Impact of annual funding and inflation on real terms budget available to SEStran
Appendix 3: Projected Variance

Policy Implications	There are no direct policy implications of this work although, if the proposal is approved, a strategy will be produced to guide budget development in future years.
Financial Implications	This proposal has significant financial implications. If approved, implementation of the RTS will continue at pace. If rejected, the plan for 2027/28 will require significant rework and delivery of the RTS will inevitably be slowed down.
Equalities Implications	Approval of the proposal will result in faster realisation of positive equalities outcomes. Rejection may mean that some of these benefits are delayed or not realised.
Climate Change Implications	Approval of the proposal will result in faster realisation of our climate change benefits. Rejection may mean that some of these benefits are delayed or not realised.



**Concordat
between
SEStran and
Edinburgh &
South East
Scotland City
Region
Partnership**

December 2025

About SEStran

The South East of Scotland Transport Partnership (SEStran) is the statutory Regional Transport Partnership for the South East of Scotland. SEStran encompasses eight local authorities: City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.

SEStran has the statutory function of producing the [Regional Transport Strategy](#) (RTS) and measuring and monitoring its implementation. It also works with constituent Councils and partner Health Boards who have a duty to perform their functions in such a way as to be in line with the RTS.

Further information on SEStran, including Governance, Key projects, meeting notes, and strategies can be found at <https://sestran.gov.uk/>

About the Edinburgh & South East Scotland City Region Partnership (ESESCR)

The ambitious [ESES](#) City Region Deal identifies collaborative ways that partners will work with the UK and Scottish Governments to deliver transformational change to the city region's economy.

In August 2018, the UK and Scottish Governments committed to jointly investing £600 million through five themes: innovation, skills, transport, housing and culture, and regional partners are committed to adding in excess of £900 million. This represents a Deal now worth £1.5 billion, with a successful track record of delivering regional programmes and projects and associated benefits.

Further information on the Deal and its progress can be found on the [City Region Deal website](#).

About the ESESCR Regional Prosperity Framework

Building on the ESES City Region Deal, a [Regional Prosperity Framework](#) (RPF) was published in September 2021. This is the next phase of the development of the regional economy, building upon the City Region Deal. It is designed to be a single document that helps to shape where public and private investment, could make the best contribution to drive the region forward in a sustainable and inclusive manner. The RPF Delivery Plan was published in March 2023.

The Regional Transport Strategy Delivery Plan is a priority project within the RPF Delivery Plan. It supports delivery of the Regional Transport Strategy and provides clarity on transport investment required to maximise RPF ambitions. As Clackmannanshire and Falkirk are part of SEStran but not the ESES City Region partnership, their individual economic priorities have been incorporated into the transport assessment process.

The RPF and its Delivery Plan and the latest impacts document can be found on the [RPF website](#).

Transport Priorities

The second [Strategic Transport Projects Review](#) (STPR2) is informing the Scottish Government's transport investment programme in Scotland over the 20 years 2022-2042 and it helping to deliver the vision, priorities and outcomes for transport set out in the [National Transport Strategy](#) (NTS2). It is important to note that despite being an ambitious plan for the next 20 years, STPR2 is not a funded plan.

While STPR2 relates to infrastructure across Scotland that is owned and operated by Transport Scotland it does not encompass the significant transport assets and services under local authority control. Therefore, a comprehensive RTS Delivery Plan is needed to complement STPR2, by identifying and prioritising regional transport investment that will directly support the economic, social, healthcare and educational ambitions of the South East of Scotland.

1. Introduction

This Concordat demonstrates the commitment between SEStran and the ESES City Region partnership to work together in support of further integrating economic development, transport and land use planning and delivery in the ESES city region.

It sets out how both bodies will align their activities to ensure that regional plans can deliver shared outcomes through targeted transport interventions. It also describes how new transport interventions will progress, from strategy to delivery, through the appropriate governance structure(s), depending on the activity.

This approach also supports land use decisions which support [the National Planning Framework 4](#) Vision and Spatial Development Strategy as this will:

- limit dependency on motorised transport;
- encourage increased levels of active travel;
- encourage increased levels public transport patronage;
- maximise the use of existing transport networks;
- facilitate local living and the adoption of 20min neighbourhoods; and
- deliver an infrastructure-first approach to new investment and development.

Effective leadership is also required at all levels of policy and decision making to ensure that economic development and transport investment is well planned and integrated in support of the outcomes of the above approach. SEStran and ESES City Region partners are committed to the following:

- a shared vision for integrating economic development, land-use and transport planning and provision;
- the joint aspirations of inclusive economic growth and climate action;
- areas of joint working (see Section 3); and
- principles of partnership (see Section 4).

SEStran and ESES City Region partners recognise significant benefits in collaborative working between Regional Transport Partnerships. Cross-regional coordination is essential to address shared challenges and deliver programmes or projects that have or would benefit from cross or pan regional co-ordination.

The [assessment of transport governance](#), carried out by Jacobs for Transport Scotland in 2019 favoured an option that gives the regions more authority, as the best way to make positive outcomes to people's lives.

a) Shared Vision for Integrated Economic, Land-Use and Transport Planning and Provision

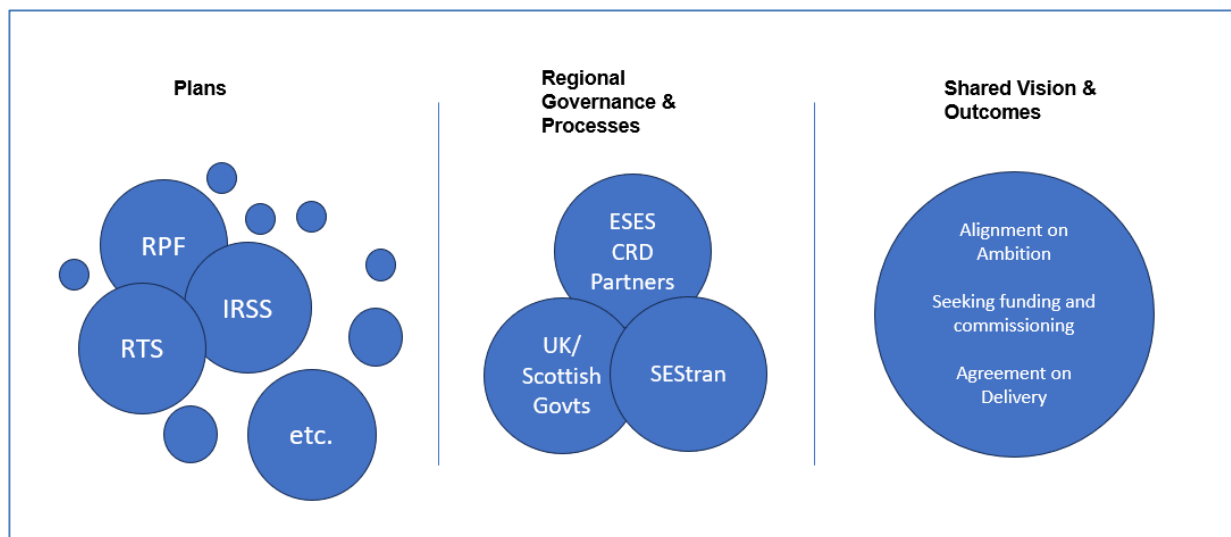
"Through strengthened collaboration, joint working, co-production and engagement, SEStran and ESES City Region partners, in partnership with others, will seek to ensure a robust basis for integrated regional economic development, land-use and transport planning and procurement and, ensuring Edinburgh and South East Scotland fulfils its potential as Scotland's foremost city region."

b) Joint Aims (Why align better?)

Since August 2023, SEStran and ESES City Region partners have been collaborating through established governance structures, strengthening regional partnerships, and optimising resources to drive successful outcomes. Joint working has mostly taken place through two regional projects:

- Development of the RTS Delivery Plan
- Development of a shared approach to regional EV charging procurement to expand the on-street network.

The aim is to better align regional plans and strategies, governance structures and processes to deliver a shared vision and outcomes, and, where possible, appropriate and subject to agreement by all relevant parties, to pool resources and funding for more effective and efficient delivery. Councils will be required to consider individual policy and budgetary implications in line with wider regional ambitions in resourcing programme and project development. This is summarised in the graphic below:



2. Context

a) Governance

Both bodies have different governance structures in place and operate across different geographies. In that context the partnership working enabled by the Concordat is working to maximise positive outcomes:

- The ESES City Region area comprises the administrative boundaries of the City of Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders and West Lothian council areas, which broadly reflect the core of Edinburgh's functional housing and labour market areas;
- The SEStran region covers this same area and also includes Falkirk and Clackmannanshire council areas that have a close functional relationship with one another as well as the wider SEStran area and beyond.

This concordat is a framework for a continued way of working that explains the practicalities of 'why, what, who, where, when and how' we could work together to help align governance, engagement, decision making and delivery of shared ambitions.

Since the concordat was agreed in September 2023, no additional resource requirements have emerged for SEStran or ESES City Region partnership, and no further resources are anticipated in the future. Instead, the concordat aims to optimise the use of existing resources. Should additional resources become available, for instance through successful funding bids, these will be allocated to all relevant partners.

The geographies and governance structures of both bodies can be found at these links:

- Edinburgh and South East Scotland City Region: <https://esescityregiondeal.org.uk/about-us>
- SEStran <https://sestran.gov.uk/about-us/>

b) Strengths

Edinburgh and South East Scotland City Region Partnership

Scope: The governance structure for the Edinburgh and South East Scotland City Region partnership is well-established and addresses a broad range of interconnected, place-based themes, including Innovation, Employability and Skills, Transport, Culture, and Housing. It fosters collaboration across these areas to achieve collective outcomes.

Representation: The existing governance structure ensures that the right stakeholders are involved at every level, providing a solid foundation for collaboration, engagement, and effective delivery. It enables alignment with national, regional, and local policy priorities, addressing a wide range of issues.

Since the Deal's signing in 2018, local authorities and key stakeholders, including Government agencies, have successfully worked together to deliver projects across the Deal's five themes. One of these themes, Transport, is overseen by the Transport Appraisal Board (TAB), which includes representatives from local authorities, SEStran, the HE/FE sector, and Transport Scotland. The Deal's governance structure reflects a broad range of stakeholder interests and ambitions, providing a strong platform for a unified regional voice. Importantly, while collaboration is central, the sovereignty of each local authority, along with other public, private, and third sector organisations, remains intact. The success of this framework lies in how these parties engage and collaborate, allowing for aligned yet autonomous decision-making across all bodies involved.

Adaptability: The structure is broad and flexible enough to adapt to both an expanded scope of planned activities and the rapid emergence of new challenges. Two key examples within the transport theme, developed by the TAB, illustrate this adaptability: the delivery of the Bus Priority Rapid Deployment Fund in 2020, the successful coordination of a bid for the Bus Partnership Fund in 2021 and Bus Infrastructure Fund in 2024

Long-Term: This structure serves as a direct channel to both the UK and Scottish Governments for Deal-related activities through to the Deal's conclusion in 2033, and further supports the delivery of the Regional Prosperity Framework extending to 2041

South East of Scotland Transport Partnership (SEStran)

The SEStran 2035 [Regional Transport Strategy](#) (RTS) was approved by Ministers in March 2023, providing a strategic framework for transport in the southeast of Scotland area covered by the eight partner local authorities. SEStran is now collaborating with partners to implement the RTS and is currently developing an RTS Delivery Plan with ESES City Region partners. This plan aims to:

- Align local transport strategies with the Regional Transport Strategy,
- Prioritise regional schemes that support economic ambition,
- Connect strategies and plans across local authority boundaries, and

- Pilot innovative solutions.

SEStran are leveraging their strengths to develop a range of strategies and initiatives to support its partners in delivering the RTS. These include:

- A regional bus strategy, incorporating mass rapid transit and demand responsive transport (DRT);
- A regional EV charging strategy, which includes market analysis following the dissolution of ChargePlace Scotland,
- A regional freight study
- The development and rollout of a regional, and eventually national, journey planning app, integrating DRT,
- The establishment of a shared resource forum.

As a Regional Transport Partnership, SEStran is ideally positioned to incubate and test innovative approaches in both urban and rural transport settings, such as Mobility as a Service (MaaS), DRT, and sustainable logistics pilots.

As the statutory body for regional transport planning and delivery, SEStran has a direct reporting relationship with the Scottish Government via Transport Scotland. and to the UK Government via the Department for Transport on UK transport policy initiatives and regulations.

3. Complementary Working

a) Commitments

SEStran and ESES City Region partners are committed to the following in seeking to deliver the Shared Vision:

1. Regular dialogue to understand each other's policy, planning, strategy, and delivery perspectives.
2. Delivery of projects through the appropriate governance models (SEStran or City Region Deal), while taking every opportunity for collaborative delivery to maximise the efficiency and effectiveness of existing structures/forums.
3. Working closely and collaboratively on policy, planning, strategy research, analysis issues which are of strategic importance to both.
4. An open exchange of information during joint working, respecting any confidentiality required by either party.
5. Developing a set of desired outcomes from the planning process as it relates to integrated land-use and transport planning and provision for the city region.
6. Building on current and previous studies, plans and strategies to identify future economic development, land-use and transport integration solutions for the city region, in partnership with UK Government, Scottish Government, Transport Scotland and other key agencies as required.
7. Identifying policies, actions and interventions which are based on a joint understanding of the development requirements of the city region which support the visions of the relevant economic strategies, the emerging Regional Spatial Strategy and RTS.
8. Undertaking mutually beneficial joint economic development, transport and land-use modelling, research and analysis, and transport network modelling which will inform future planning and policy decisions in the city region.
9. Where appropriate and agreed, jointly lobby external organisations on matters of mutual interest in respect of economic development, transport and related legislative and governance arrangements at a regional dimension.

b) Delivery (How?)

To establish a coordinated regional approach, where planning, transport, and housing align with the Regional Prosperity Framework and Regional Transport Strategy in terms of content, direction, and governance, a clear process is defined for implementing related transport interventions.

However, whenever appropriate, a blended delivery approach is being used to maximise the strengths of each governance model. This approach: enables access to regional knowledge and decision-making; streamlines delivery; enhances regional opportunities; and ensures unified engagement with both governments. The RTS Delivery Plan is an excellent example of this working in practice.

c) Projects for Collaborative Activity

The joint development of a Regional Transport Strategy Delivery Plan is the current priority area of focus for collaboration between the ESES City Region partnership and SEStran. This will set out a clear portfolio of regional programmes and projects and the approach to their funding and delivery.

Both parties recognise that the benefits of this collaboration extend beyond the SEStran area. The specific roles and responsibilities of SEStran and ESES City Region partnership for delivering these initiatives will be determined on a case-by-case basis. Decisions will consider the nature of each project, the required skill sets, available resources, and the most effective governance structure to achieve the desired outcomes efficiently.

Table 1 shows the activities that are currently being taken forward through the Concordat, and Table 2 shows the potential areas for future collaboration.

Table 1: Current Collaborative Projects

Geography	Programme (example)	Interventions	Role of SEStran	Role of ESES CR/TAB
Across SEStran Region	Electric Vehicle Charging Point Provision	Shared procurement to deliver economies of scale to scale up and secure better buying power in delivery.	Coordinate regional delivery, reporting to LA & SEStran Governance	Participation in delivery coordination. Reporting to CRD governance
	Regional Transport Strategy Delivery Plan	Clear vision and pipeline of projects to deliver the ambition of RPF and RTS	Joint coordinator, delivery lead	Joint coordinator, delivery lead
	SEStran	Regional approach to cross boundary connectivity building on STPR2 recommendations	Joint coordinator, delivery lead	Joint coordinator, delivery lead

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Table 2: Opportunities for Future Collaboration

Geography	Programme (example)	Interventions	Role of SEStran	Role of ESES CR/TAB
Local Intervention	Local road improvements		No role	No role
	Local road improvements Cross boundary		Stakeholder and coordination	Is it delivered through CRD? Could be a TAB project?*
	Active Travel/cross boundary		Stakeholder and coordination	Is it delivered through CRD? Could be a TAB project?*
	Low Emission Zones	Assess regional impacts on rest of network and services.	Stakeholder and coordination of partnership mitigation	Stakeholder if it affects existing projects
	WETIP		Stakeholder and coordination	CRD project with TAB
Within SEStran Region (some but not all local authorities)	Green Free Port	A number of programmes or projects that have or would benefit from cross regional co-ordination	Stakeholder in emerging Transport Group. Contribution to business case development. Links with SEStran study and freight improvements	Stakeholder and RPF alignment and RTS Delivery Plan

Across all SEStran Region	Integrated Ticketing/app	Regional and national delivery and policy development	Coordination & delivery. Stakeholder in policy development	Stakeholder in delivery and policy development
	Freight improvements	Consolidation centres, improved driver facilities, cargo bikes, EV charging points	Merged planning & delivery SEStran	Merged planning & possible delivery with SEStran
	MaaS & RTPI	Consolidation of travel information, ticket booking and payment. Passenger information and confidence	Coordination & delivery	Stakeholder
	Accessibility	Network assessable for all. Physical access and digital access (including telephony)	Stakeholder, coordinator, delivery	Stakeholder, coordinator, delivery
	Data Collaboration	Remove data silos and share data for informed decision making	Stakeholder, coordination of partnership, delivery	Stakeholder, coordination of partnership, delivery
Beyond SEStran region	Trunk Road Investment	Coordinated lobbying through multiple Deal governance structures on transport (and other) issues could be very impactful in that context	Stakeholder	Stakeholder, facilitator

	High Speed Rail		Sponsor development, develop case for change stakeholder/ coordinator	Sponsor development, develop case for change stakeholder/ coordinator
	New rail corridors		Stakeholder/ coordinator	Stakeholder
	Rail Station Development		Sponsor development, develop case for change stakeholder/ coordinator	Sponsor development, develop case for change stakeholder/ coordinator
	Airport		Stakeholder	Stakeholder
	Ferry		Stakeholder	Stakeholder
	Drones	Drone regulation and corridors. Need to input into process and lobby for development in Scotland	Stakeholder/ coordinator	Stakeholder/ coordinator
	AI/Automated Vehicles	Regulation and corridors. Need to input into process and lobby for development in Scotland	Stakeholder/ coordinator	Stakeholder
	Alternative fuels	Hydrogen, EV, e-fuels etc development and testing	Stakeholder/ coordinator	Stakeholder

**TAB's remit initially only covered CRD projects, which are already defined and signed up to. However the remit has been expanded in the current Terms of Reference (see Appendix 1) that state: To assess and agree upon the optimal transport interventions to meeting the objectives of the City Region Deal; and to do so within the context of extant and emerging policies and strategies at national, regional, and local levels. The Terms of Reference are reviewed on an annual basis, with the next update due in November 2024.*

4. Principles of Partnership

In support of the Shared Vision and Areas of Joint Working SEStran and ESESCRD are committing to the following:

1. SEStran will continue to be represented at the ESESCRD Transport Appraisal Board while local authority representatives on the City Region Directors' Group will be responsible for delivery of agreed outcomes of the SEStran Chief Officers' Group. To ensure strong links and effective communication between both bodies, the Partnership Director of SEStran will continue to sit on the City Region Deal Directors'

Group.
2. SEStran will continue to work with ESES City Region partners to develop the Regional Transport Strategy Delivery Plan that will form the basis for future regional transport proposals and help identifying funding and delivery models.
3. Communications will continue to be undertaken in an open and transparent manner, with mutual professional respect.

5. Review

This Concordat will be reviewed annually alongside the Terms of Reference for the Transport Appraisal Board.

Appendix 2: Impact of annual funding and inflation on real terms budget available to SEStran

	Financial Year start	Financial Year end	Council Requisitions	Government Grant	Total	CPI index (ons)	CPI Year	Total inflation since 2011/12	Required Requisition / Grant to match inflation	Shortfall in budget to match inflation	% Real Terms Budget Reduction since 2011-12
0	2026	2027	£190,000	£743,000	£933,000	142.50	2026	52.6%	£1,536,376	£603,376	59.9%
1	2025	2026	£190,000	£743,000	£933,000	138.40	2025	48.2%	£1,492,171	£559,171	55.5%
2	2024	2025	£190,000	£743,000	£933,000	133.90	2024	43.4%	£1,443,654	£510,654	50.8%
3	2023	2024	£190,000	£743,000	£933,000	130.50	2023	39.7%	£1,406,997	£473,997	47.3%
4	2022	2023	£190,000	£782,000	£972,000	127.00	2022	30.3%	£1,312,119	£380,119	38.7%
5	2021	2022	£190,000	£782,000	£972,000	116.60	2021	19.5%	£1,203,225	£231,225	23.0%
6	2020	2021	£190,000	£782,000	£972,000	108.70	2020	16.4%	£1,171,958	£199,958	19.9%
7	2019	2020	£190,000	£782,000	£972,000	107.80	2019	15.4%	£1,162,255	£190,255	18.9%
8	2018	2019	£150,000	£782,000	£932,000	105.70	2018	13.4%	£1,141,770	£209,770	20.8%
9	2017	2018	£174,000	£782,000	£956,000	103.40	2017	10.7%	£1,114,816	£158,816	15.8%
10	2016	2017	£151,000	£782,000	£933,000	100.70	2016	7.8%	£1,085,706	£152,706	15.2%
11	2015	2016	£113,000	£782,000	£895,000	100.00	2015	7.1%	£1,078,158	£115,158	18.2%
12	2014	2015	£171,000	£782,000	£953,000	100.00	2014	7.1%	£1,078,158	£125,158	12.4%
13	2013	2014	£186,000	£782,000	£968,000	98.50	2013	5.5%	£1,061,986	£93,986	9.3%
14	2012	2013	£200,000	£782,000	£982,000	96.10	2012	2.9%	£1,036,110	£54,110	5.4%
15	2011	2012	£225,000	£782,000	£1,007,000	93.40	2011	0.0%	£1,007,000	£0	0.0%

Year	Index Value
2009	60.0
2010	89.4
2011	93.4
2012	96.1
2013	98.5
2014	100.0
2015	100.0
2016	100.7
2017	103.4
2018	105.9
2019	107.8
2020	108.7
2021	111.6
2022	121.7
2023	130.5
2024	133.9
2025	138.4

	2027/28	2028/29	2029/30
Employee Costs	£961,120	£1,018,478	£1,079,269
Premises Costs	£25,750	£26,523	£27,318
Transport	£5,150	£5,305	£5,464
Supplies and Services	£82,400	£84,872	£87,418
Support Services	£39,140	£40,314	£41,524
Corporate & Democratic Services	£25,750	£26,523	£27,318
Interest	-£20,000	-£20,000	-£20,000
Total Gross Expenditure	£1,119,310	£1,182,014	£1,248,310
Income to Core			
Scottish Government Grant	£743,000	£743,000	£743,000
Council Requisitions	£190,000	£190,000	£190,000
Projects Staff Recharges	£250,000	£265,000	£280,900
Total Income to Core	£1,183,000	£1,198,000	£1,213,900
Transferred to Projects Budget	£63,690	£15,986	-£34,410

Project Budget	2027/28	2028/29	2029/30
Previous Year Underspend	£14,867		
Transfer from core	£63,690	£15,986	-£34,410
Projects Income	£78,557	£15,986	-£34,410
Cross Project Costs			
Podaris	£45,000	£46,350	£47,741
Innovation, Research & Partnerships	£50,000	£50,000	£50,000
Contingency	£14,060	£14,257	£14,460
Projects Consultancy	£20,600	£21,218	£21,855
Comms and Marketing	£25,000	£25,000	£25,000
Regional Bus Action Plan			
Project Delivery	£80,000	£80,000	£80,000
People and Place			
Core staff recharge	£250,000	£265,000	£280,900
Project Officers	£94,837	£100,527	£106,559
RTPI – System & Support	£102,485	£105,560	£108,728
Thistle Assistance	£40,000	£40,000	£40,001
Project Delivery	£4,665,216	£4,641,760	£4,616,979
Other Income	-£5,152,538	-£5,152,847	-£5,153,165
Transport to Health			
Project Officer	£51,232	£54,306	£57,564
Project Delivery	£50,000	£50,000	£50,000
RTS DP			
Project Delivery	£175,000	£175,000	
Other Income	-£175,000	-£175,000	
Projects Expenditure	£335,892	£341,131	£346,619
Project Exp exc Income	£5,663,430	£5,668,978	£5,499,784
Total Budget Variance	-£257,335	-£325,145	-£381,029

Increase in Requisitions Required to balance	2.35	2.71	3.01
Council Requisitions - revised pop split	2027/28	2028/29	2029/30
City of Edinburgh	£145,108	£167,105	£185,233
Clackmannanshire	£14,094	£16,230	£17,991
East Lothian	£31,803	£36,624	£40,597
Falkirk	£43,756	£50,389	£55,855
Fife	£102,130	£117,612	£130,371
Midlothian	£27,415	£31,571	£34,995
Scottish Borders	£31,896	£36,731	£40,716
West Lothian	£51,132	£58,883	£65,271
Total	£447,335	£515,145	£571,029