GO
SEStran
South East of Scotland
Transport Partnership

PERFORMANCE & AUDIT COMMITTEE

Dean of Guild Courtroom, City Chambers, Edinburgh, EH1 1YJ
Or Microsoft Teams
Friday 27th February 2026 – 1:00pm

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AGENDA

Gavin King

Secretary to SESTRAN
Head of Democracy, Governance and Resilience
Legal and Assurance Division
The City of Edinburgh Council
Waverley Court 2.1
Edinburgh
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SEStran meetings can be accessed on www.sestran.gov.uk

PERFORMANCE & AUDIT COMMITTEE

**Dean of Guild Court Room, City Chambers
on Friday 21 November 2025
1.00pm**

PRESENT:	Name	Organisation Title
	Councillor Tom Conn	West Lothian Council
	Councillor Derek Glen	Fife Council
	Councillor John McMillan	East Lothian Council
	Simon Hindshaw	Non-Councillor Member
	John Scott	Non-Councillor Member
	Doreen Steele	Non-Councillor Member

IN ATTENDANCE:	Name	Organisation Title
	Brian Butler	SEStran
	Cheryl Fergie	SEStran
	Andrew Ferguson	SEStran
	Keith Fisken	SEStran
	Christopher Gardner	Audit Scotland
	Rebecca Smith	The City of Edinburgh Council
	Michael Melton	SEStran
	Iain Shaw	The City of Edinburgh Council

Action by

A1.   **APPOINTMENT OF CHAIR**

In the absence of the Chair, Councillor John McMillan was appointed to the Chair.

A2.   **ORDER OF BUSINESS**

It was confirmed that item 5(c) Financial Planning Procedures was withdrawn.

A3.   **APOLOGIES**

Apologies were submitted on behalf of Councillor Imrie, Midlothian Council and Councillor Linehan, Scottish Borders Council

A4.   **DECLARATION OF INTERESTS**

None.

A5. **MINUTES**

1) To approve the minute of the Performance and Audit Committee of Friday 12 September 2025 as a correct record; and

2) To note the minute of the Project and Strategy Delivery Oversight Subgroup of Thursday 24 October 2025.

A6. **FINANCE REPORTS**

(a) Indicative Financial Plan 2026/27 to 2028/29

An update on the financial planning being progressed for the 2026/27 revenue budget and an indicative plan for 2027/28 to 2028/29 was presented.

Decision

1) To note the financial planning assumptions for the period 2026/27 to 2028/29;

2) To note that financial planning for 2026/27 to 2028/29 will continue to be developed for approval of a revenue budget by the Partnership at its meeting in March 2026; and

3) To note that the indicative financial plan for 2026/27 to 2028/29 is subject to a number of risks.

(Reference – report by the Treasurer, submitted)

(b) Finance Officer's report

The second update on the financial performance of the Partnership's Core and Projects budgets for 2025/26, in accordance with the Financial Regulations of the Partnership was presented along with an analysis of financial performance to the end of October 2025. It was acknowledged that the Partnership's Core and Projects budgets for 2025/26 were approved by the Partnership on 14th March 2025.

Decision

1) To note the expenditure and income forecast for the Core revenue budget for 2025/26;

2) To note the forecast underspend of £100,000 on the Projects budget. The actual underspend will be confirmed at the

financial year-end and carried forward to 2026/27; and

3) To note the members were invited to the South East Scotland Transport Summit scheduled for the 4th of December.

(Reference – report by the Treasurer, submitted)

A7. **RISK MANAGEMENT FRAMEWORK**

The quarterly update on SEStran's corporate risk register was presented with a focus on key risks including transport governance, funding and cyber security being provided.

Decision

1) To note the contents of the report;

2) To note that the corporate risk register will be presented to the 5 December 2025 Partnership Board for noting;

3) To note that a paper on the risks and opportunities presented by a review into transport governance (R001) will be presented to the Partnership Board on 5 December 2025; and

4) To approve the changes to the Risk Register described in paragraph 4.6 and section 5.0.

(Reference – report by the Business Manager, submitted)

A8. **PROJECTS AND STRATEGY PERFORMANCE REPORT**

An update on the performance of the Partnership's strategy was presented. Reference was made to the Cabinet Secretary's visit to North Edinburgh Arts, 5,000 responses being received for the Regional Bus Strategy consultation, the awarding of a Transport to Health Case for Change piece to Urban Foresight and the commendation of Thistle Assistance at the National Transport Awards.

Decision

To note the contents of this report

(Reference – report by the Programme Manager, submitted)

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PROJECT AND STRATEGY DELIVERY OVERSIGHT SUBGROUP

Virtual Meeting via Microsoft Teams on 30 January 2026, 2.00 pm

PRESENT:	Name	Organisation Title
	Councillor Conn	West Lothian Council
	Alastair Couper	Non-Councillor Member
	John Scott	Non-Councillor Member

IN ATTENDANCE:	Name	Organisation Title
	Michael Melton	SEStran
	Rachael Murphy	SEStran
	Stuart Turnbull	SEStran

Action by

1. **ORDER OF BUSINESS**

   Agreed a revised order at the start of the meetings as per these minutes

2. **APOLOGIES**

   Apologies were submitted on behalf of Simon Hindshaw and Brian Butler. Councillor McMillan sent his apologies during the meeting due to technical issues.

3. **DECLARATION OF INTERESTS**

   None.

4. **MINUTES OF THE SUBGROUP – 24 October 2025**

   Agreed as presented

5. **ACTIONS FROM THE LAST MEETING**

   It was noted that all actions have been completed

9.   **PROJECTS AND STRATEGY RISK REGISTER**

The risk of lack of NHS engagement in the Transport to Healthcare strategy was discussed, and while it was acknowledged that this has improved, specific follow up is needed with NHS Fife who lack a specific contact who can take decisions in this area, and RM is drafting a letter from BB to NHS Fife's CEO to request greater input.

Governance of projects, specifically People and Place was raised to ensure there is sufficient scrutiny of decisions and progress. It was agreed that an additional PaSDOS meeting be held to discuss project governance overall in context of the 26/27 Business Plan, MM to arrange and prepare a discussion paper for this.

MM

Decision

It was agreed to note the contents of the report.

8.   **PROJECTS AND STRATEGY PERFORMANCE REPORT**

The report was presented to the group, with focus drawn to the anticipated £230,000 projects underspend for 25/26 – the reasons for this were set out, including funding availability in 26/27, and that this would be reported to the next Board meeting.

Decision

It was agreed to note the contents of the report.

6.   **PROJECT SESTRANSIT**

ST presented the latest project update alongside the provided paper. Discussion following this focused on the following:

- With cost of implementation so high, how will proposals be delivered? Current plan is to complete the whole project to Strategic Business Case stage, then take projects individually/in smaller groups to Outline Business Case Stage, that way specific areas of work that are quicker, such as bus projects, can progress without being held back waiting for funding for the whole network. A 20-30 year programme will also be developed to support funding discussions.

- How to ensure buy-in from transport operators who have their own future plans? Current focus due to time constraints has been local authorities and Network Rail, but plan for 26/27 is to broaden this out, also need to consider which operators

would provide services that are more focused on regional connectivity rather than local journeys.

- How to ensure the mass transit regional focus doesn't lose sight of local connectivity? It was noted that there was no single solution for the whole region, and some areas would be served well by improving bus connectivity to train stations. It was also noted that this is where the Regional Bus Strategy delivery will tie in with Project SEStransit.

- How to secure buy in from all relevant parties? It was noted that the aim was for buy in throughout, but that the outputs of the Strategic Business Case must make the strongest case for funding so it is likely that they will not include all projects that each partner wants to see delivered.

Decision

It was agreed to note the contents of the report.

7.   **BUSINESS PLAN 2026/27**

RM gave a brief presentation on plans which focused on adopting a programmatic approach with four programmes with clear objectives that will make it easier to communicate SEStran's work to external stakeholders.

10.   **DATE OF NEXT MEETING**

MM to circulate options as per action from item 9.   MM

Budget 2026/27 and Indicative Financial Plan 2027/28 to 2028/29

1. INTRODUCTION

1.1 This report presents an update on the development of a Partnership budget for 2026/27 and an indicative financial plan for 2027/28 to 2028/29.

1.2 The proposed revenue budget for 2026/27 will be presented to the Partnership Board for approval at its meeting on 13th March 2026.

2. MAIN REPORT

Scottish Government Budget 2026-27

2.1 The Scottish Government Draft Budget was presented to Parliament on 13th January 2026. A budget agreement has now been secured.

2.2 It is anticipated that Scottish Government funding to Regional Transport Partnerships (RTPs) for 2026/27 will be unchanged from 2025/26. If available, confirmation of 2026/27 funding will be advised to the Partnership Board on 13th March.

Financial Planning 2026/27 to 2028/29

Core Budget - Transport Scotland Revenue Grant and Council Requisitions

2.3 Section 3 of the Transport (Scotland) Act 2005, as amended by the Section 122 of the Transport (Scotland) Act 2019, requires the constituent councils of a Regional Transport Partnership to meet the estimated net expenses of the Partnership.

2.4 A financial planning report was considered by the Partnership on 5th December 2025. The Partnership noted the financial planning assumptions being progressed for 2026/27 to 2028/29. The proposed budget for 2026/27 continues to assume standstill council requisitions totalling £190,000.

2.5 Financial planning is based on no change in the Transport Scotland revenue grant for 2026/27, with a grant of £743,000 assumed in the financial plan.

2.6 The financial plan makes provision for a pay award of 3.5% to reflect the second year of the agreed pay award for 2025/26 and 2026/27. A 3% pay award is assumed for each of 2027/28 and 2028/29. Proposed employee budgets reflect estimated salary increments and include provision for the additional employee resource which is rechargeable to the People and Place programme.

2.7 The level of employee costs rechargeable to the People and Place programme has been assessed at £255,000 for 2026/27. Inflationary uplifts have been assumed for 2027/28 to 2028/29. This will be subject to ongoing review.

2.8 A contingency provision has been introduced to make a general budgetary allowance for inflationary pressures on non-staff budgets and to provide some flexibility for consideration of HR, learning and development and financial administration system improvements which are under consideration. Updates on the use of this contingency allocation will be reported to the Partnership.

2.9 The Partnership receives interest on cash balances held and an estimate of £25,000 per annum is included in the proposed and indicative budgets.

2.10 It is proposed that project expenditure totalling £165,000 is funded within the Core SEStran budget. This proposed expenditure covers: Regional Bus Action Plan Delivery (£100,000); Sustainable Travel (£10,000); Projects Consultancy (£30,000); and Communications and Marketing (£25,000). Funding in 2026/27 assumes a carry forward of £50,000 from the 2025/26 project budget underspend.

2.11 As reported in the recently approved Financial Planning Procedure, efficiency savings will be identified through the budgeting process. The SEStran management team will review each line of the budget and an efficiency savings target totalling £45,000 has been assumed across the indicative budgets for 2027/28 and 2028/29.

2.12 An analysis of the proposed Core budget for 2026/27 and indicative budgets for 2027/28 to 2028/29 is shown in Appendix 1.

2.13 The 2026/27 Council requisitions, based on the proposed budget, are as follows:

Council	Requisition
Clackmannanshire	£6,052
East Lothian	£13,376
Edinburgh	£61,630
Falkirk	£18,584
Fife	£43,522
Midlothian	£11,599
Scottish Borders	£13,585
West Lothian	£21,652
Total	**£190,000**

2.14 Council requisitions reduced by 5% in 2017/18 from £200,000 to £190,000 and have been unchanged for ten years. Indicative financial planning for 2027/28 and 2028/29 indicates that annual increases in requisition of £10,000 may be required to achieve balanced budgets in 2027/28 and 2028/29. The medium-term financial plan will be subject to ongoing review and development.

People and Place Programme

2.15 In 2025/26, the Partnership was awarded additional funding of £6.356m from Transport Scotland to progress the People and Place Programme (PPP). Final confirmation has yet to be received of Programme funding for 2026/27 and beyond.

Transport Scotland has advised to plan for 2026/27 based on funding being at the same level as 2025/26.

2.16 An update on the People and Place Programme was reported to the last meeting of the Partnership Board on 5th December. The strategy for 2026/27 is one of stability after several years of significant change in this area, allowing projects to bed in and deliver on agreed outcomes.

2.17 The proposed programme allocations for 2026/27 are shown in Appendix 2. Programme Delivery Plan updates will be reported to the Board by the Partnership Programme Manager.

<u>SEStran Budget 2019/20 to 2026/27</u>

2.18 Appendix 3 summarises budgeted expenditure and income since 2019/20.

Risks and Reserves

2.19 In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy and established an unallocated General Fund reserve. Based on 5% of the proposed core budget for 2026/27, an unallocated reserve of £49,000 will be required.

2.20 At 1st April 2025, the Partnership had an unallocated General Fund Reserve of £221,000. Based on the forecast requirement for drawdown of £38,000 during 2025/26, the Partnership's unallocated General Fund Reserve is forecast to be £183,000 at 1st April 2026.

2.21 A risk assessment for 2026/27 is included at Appendix 4. Financial scenario planning is included at Appendix 5.

3   NEXT STEPS

3.1 Following review by the Performance and Audit Committee, the proposed budget for 2026/27 will be presented to the next Partnership Board meeting on 13th March, for approval.

3.2 Development of the proposed revenue budget for 2026/27 will continue to be considered until the meeting of the Partnership Board on 13th March. Any further updates will be reflected in the final report to be presented to the Board.

4   RECOMMENDATIONS

4.1 It is recommended that the Performance and Audit Committee:

4.1.1 note the financial planning assumptions for the Partnership's proposed budget for 2026/27;

4.1.2 note that financial planning for 2026/27 to 2028/29 will continue to be developed for approval of a budget by the Partnership at its meeting on 13th March;

4.1.3 note that the proposed budget is subject to a number of risks. All income and expenditure of the Partnership will continue to be monitored closely with updates reported to each Partnership meeting.

5   BACKGROUND READING/EXTERNAL REFERENCES

5.1   [Indicative Financial Plan 2026/27 to 2028/29](#) – report to the South East of Scotland Transport Partnership 5th December 2025

Richard Lloyd-Bithell
Treasurer
20th February 2026

Appendices	Appendix 1 – Proposed Core Budget 2026/27 and Indicative Budgets 2027/28 to 2028/29
	Appendix 2 – People and Place Programme – Proposed Budget 2026/27
	Appendix 3 – Summary of Revenue Budget 2019/20 – 2026/27
	Appendix 4 - Risk Assessment 2026/27
	Appendix 5 – Scenario Planning 2026/27

Contact   john.connarty@edinburgh.gov.uk

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

Proposed Core Budget 2026/27 and Indicative Financial Plan 2027/28 and 2028/29

	Approved Budget 2025/26	Proposed Budget 2026/27	Indicative Budget 2027/28	Indicative Budget 2028/29
	£0	£0	£0	£0
Employee Costs				
Salaries	564	640	668	691
National Insurance	76	86	91	94
Pension Fund	151	171	178	184
Recharges	(104)	(255)	(270)	(282)
Training, Conferences & Recruitment	10	10	10	10
	697	**652**	**677**	**697**
Premises Costs	**21**	**25**	**25**	**25**
Transport	**5**	**5**	**5**	**5**
Supplies and Services				
Communications & Computing	48	48	48	48
Printing & Office Supplies	7	7	7	7
Insurance	7	9	9	9
Equipment, Materials & Miscellaneous	4	4	4	4
	66	**68**	**68**	**68**
Governance & Support Services				
Finance, Legal Services & HR	38	38	38	38
Clerks Fees	12	12	12	12
External Audit Fees	12	12	12	12
Members Allowances and Expenses	1	1	1	1
Contingency Provision		30	40	50
	63	**93**	**103**	**113**
Interest	**0**	**(25)**	**(25)**	**(25)**
Core Projects				
Regional Bus Action Plan Delivery		100	75	75
Sustainable Travel		10	10	10
Projects Consultancy		30	20	20
Communications and Marketing		25	10	10
2025/26 Projects	81			
	81	**165**	**115**	**115**
Total Gross Expenditure	**933**	**983**	**968**	**998**
Funding				
Scottish Government Grant	(743)	(743)	(743)	(743)
Council Requisitions	(190)	(190)	(200)	(210)
Efficiency Programme			(25)	(45)
Project Budget Underspend 25/26		(50)		
Total Funding	**(933)**	**(983)**	**(968)**	**(998)**

People and Place Programme - Proposed Budget 2026/27 and Indicative Budgets 2027/28 and 2028/29

	Proposed Budget 2026/27	Indicative Budget 2027/28	Indicative Budget 2028/29
Core staff recharge	£255,000	£270,000	£282,000
Project Support Officer	£24,682	£26,163	£27,733
Project Officer	£48,332	£51,232	£54,306
RTPI – System Maintenance	£52,500	£52,500	£52,500
Thistle Assistance	£40,000	£40,000	£40,000
Regional Project Delivery	£142,325	£137,480	£133,319
Local Authority Delivery Support	£745,385	£745,385	£745,385
Regional Priority Investment Fund	£3,018,047	£3,013,201	£3,009,040
Access to Cycles and Cycle Storage	£1,521,967	£1,517,121	£1,512,960
Community Grant Fund	£547,060	£542,215	£538,054
RTPI - System Maintenance contributions	(£12,000)	(£12,000)	(£12,000)
Thistle Assistance - RTP contributions	(£27,500)	(£27,500)	(£27,500)
Scottish Government grant	(£6,355,797)	(£6,355,797)	(£6,355,797)
	£0	£0	£0

Summary of Revenue Budget 2019/20 – 2026/27

	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Core	584	581	663	619	774	901	852	843
Projects	690	1,080	809	907	713	275	205	165
People and Place						5,326	6,369	6,356
Total Expenditure	**1,274**	**1,661**	**1,472**	**1,526**	**1,487**	**6,502**	**7,426**	**7,364**
EU Grants	(82)	(142)	(106)	(210)	(26)	(100)	0	
Other income	(220)	(547)	(394)	(344)	(489)	(143)	(124)	(75)
People and Place						(5,326)	(6,369)	(6,356)
Scottish Government	(782)	(782)	(782)	(782)	(782)	(743)	(743)	(743)
Council Requisition	(190)	(190)	(190)	(190)	(190)	(190)	(190)	(190)
Total Funding	**(1,274)**	**(1,661)**	**(1,472)**	**(1,526)**	**(1,487)**	**(6,502)**	**(7,426)**	**(7,364)**

Risk Description	Existing Controls
Pay awards The indicative budget makes provision for a pay award of 3.5% in 2026/27 to reflect the agreed award.	Alignment with Local Government Pay Policy.
Staff recharges to Projects and People and Place Programme The proposed budget assumes that a level of staff time can be recharged to the People and Place Programme. The budget assumption has been discussed and agreed with the Partnership Director and Programme Manager There is a risk this may not be achievable.	The forecast of employee recharges will be reviewed as part of the ongoing budget development. Expenditure commitments will be reviewed in the event of any forecast shortfall in employee recharges.
Inflation There is a risk that the indicative budget does not adequately cover price inflation and increasing demand for services.	Allowance made for specific known price inflation. Budgets adjusted in line with current cost forecasts. A contingency budget allocation has been introduced to make some provision for price inflation, increasing demand and service developments.
Pension Fund Contributions The value of the Partnership's pension fund was restricted to 'Nil' at 31 March 2025, following proper accounting practice. The actual surplus may lead to a decrease in future employer's pension fund contributions.	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. Projections will be kept under regular review.
Funding Reductions Reduction in funding from Scottish Government and/or council requisitions. There is a risk that current levels of activity / staffing cannot be maintained due to funding constraints and that the Partnership will incur staff release costs.	Ongoing engagement with Transport Scotland and constituent councils. Continue to explore external funding opportunities.

Scenario planning

The principal assumptions underpinning the proposed budget are noted in the table below.

	2026/27	**2027/28**
Staff pay award (all staff; average provision)	3.5%	3%
Employee Recharges to the People and Place Programme	Employee costs can be recharged to the People and Place Programme in 2026/27.	
Office Rental	Per Scottish Government Memorandum of Terms of Occupation Agreement.	
Other contractual commitments	Budget estimates updated when cost commitments are known.	
Transport Scotland core grant funding	Budget estimate updated when funding advised by Transport Scotland.	
People and Place grant funding	Budget estimate updated when funding advised by Scottish Government.	

The factors with the largest impact on the Partnership's income and expenditure at 2026/27 estimated values are noted in the table below.

	At 2026/27 levels, every 1% change would result in following change from core assumptions
People and Place Programme Grant	£63,558
Transport Scotland Core Grant	£7,430
Staff pay award (all staff; average provision)	£8,970
Employee Recharges to People & Place	£2,550
Council Requisitions	£1,900

In seeking to manage changes from core assumptions, the Partnership would:

- In the first instance, seek to identify additional project funding opportunities. The Partnership has a consistent track record of leveraging external funding.

- Review the partnership's costs, with the intention of reducing costs to achieve expenditure within the available funding.

- Where appropriate, discuss funding with Transport Scotland, using the Regional Transport Partnerships Chairs Forum, as required.

- Where appropriate, discuss funding with constituent councils.

ANNUAL TREASURY MANAGEMENT STRATEGY

1   PURPOSE OF REPORT

1.1   The purpose of this report is to propose a Treasury Management Strategy for 2026/27.

2   ANNUAL TREASURY MANAGEMENT STRATEGY

2.1   The Partnership currently 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, 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 and the Partnership in accordance with the former Local Authority (Scotland) Accounts Advisory Committee's (LASAAC) Guidance Note 2 on Interest on Revenue Balances (IoRB). These arrangements were put in place given the existing administration arrangements with the City of Edinburgh Council and the relatively small investment balances which the Partnership has. Although the investment return will be modest, the Partnership will gain security from its counterparty exposure being to the City of Edinburgh Council.

3   RECOMMENDATIONS

It is recommended that the Performance and Audit Committee:

3.1   review the Annual Treasury Management Strategy and

3.2   refers the Strategy to the Partnership Board to approve the continuation of the current arrangement, as outlined in Appendix 1.

Richard Lloyd-Bithell
Treasurer

Appendix   Appendix 1 - Annual Treasury Management Strategy

Contact/tel   John Connarty, Tel: 0131 469 3188
(john.connarty@edinburgh.gov.uk)

Annual Treasury Management Strategy

(a) Treasury Management Policy Statement

1. The Partnership defines its Treasury Management activities as:

    The management of the Partnership's investments, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

2. The Partnership regards the successful identification monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.

3. The Partnership acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive measurement techniques, within the context of effective risk management.

Treasury Management is carried out on behalf of the Partnership by the City of Edinburgh Council. The Partnership therefore adopts the Treasury Management Practices of the City of Edinburgh Council. The Partnership's approach to investment is a low risk one, and its investment arrangements reflect this.

(b) Permitted Investments

The Partnership will maintain its banking arrangement with the City of Edinburgh Council's group of bank accounts. The Partnership has no Investment Properties and makes no loans to third parties. As such the Partnership's only investment / counterparty exposure is to the City of Edinburgh Council.

(c) Prudential Indicators

Whilst the Partnership has a Capital Programme this is funded by grant income and no long term borrowing is required. The indicators relating to debt are therefore not relevant for the Partnership. By virtue of the investment arrangements permitted in (b) above, all of the Partnership's investments are variable rate, and subject to movement in interest rates during the period of the investment.

FINANCE OFFICER'S REPORT

1. INTRODUCTION

1.1 This report presents the third update on the financial performance of the Partnership's Core and Projects budgets for 2025/26, in accordance with the Financial Regulations of the Partnership. This report presents an analysis of financial performance to the end of December 2025.

1.2 The Partnership's Core and Projects budgets for 2025/26 were approved by the Partnership on 14th March 2025.

2. CORE BUDGET

2.1 The Core budget provides for the day-to-day running costs of the Partnership and includes employee costs, premises costs, supplies and services. The approved Core budget is £872,000, including the drawdown of £20,000 from reserves for an ICT equipment refresh, which was approved by the Partnership on 26th September 2025. Details of the Core budget are provided in Appendix 1.

2.2 Cumulative expenditure for the nine months to 31st December 2025 was £688,000. This is within the Core budget resources available for the period.

2.3 Estimates have been updated to reflect current expenditure commitments. It is projected that expenditure for the year will be in line with the approved Core budget.

2.4 As reported previously, the cost of £45,000 to host the Novus FX service will be met through the People and Place programme. Core budget expenditure and recharges have been adjusted to reflect this change.

2.5 Additional employee resources have been required in-year to deliver the approved projects / People and Place programme. This expenditure will be recovered through project / programme recharges.

Projects Budget

2.6 The approved Projects budget is detailed in Appendix 2.

2.7 Cumulative Projects net expenditure for the year to date is £169,000. This is within the Projects budget resources available.

2.8 At its meeting on 26th September 2025, the Partnership approved the allocation of £119,000 from the General Fund Reserve for three projects:
• Data Strategy £50,000
• Multi Modal Interchanges (MMI) £51,000
• SEStran conference £18,000.
These project allocations are shown in column 3 of Appendix 2.

2.9 The approved reserve allocations totalling £101,000 for the Data Strategy and MMI projects are no longer required. Emerging work on SEStransit is likely to change the approach to the Data Strategy and the project has been paused. As reported previously, it is now anticipated that the SEStransit project will include the planned work on MMI. Separate funding will be sought for the next phase of SEStransit so that the work on MMI can be carried out in 2026/27.

2.10 It is currently projected that net expenditure on projects 2025/26 will be £70,000 less than budget.

2.11 An underspend of £33,000 is forecast for the Regional Transport Strategy (RTS) Delivery Plan. This follows a successful bid by City of Edinburgh Council to the Transport Scotland Bus Infrastructure Fund for £250,000. This funding will now meet the cost of the next phase of the RTS Delivery Plan.

2.12 An underspend of £50,000 is forecast for the Freight Strategy Delivery Plan. Work to date has prioritised attempts to secure funding for the freight tram proposal and delivery of the time limited SCOT-ZED (Supporting Careers and Opportunity in Transport – for Zero Emission Diversity in the zero-emission heavy duty vehicle sector) project with University of the West of England. As a result, the strategy work had not been progressed to end of Q3, and the departure of the Senior Partnership Manager means that this work will not be progressed in Q4.

2.13 The provision for Thistle Assistance has been increased by £31,000 in year to balance underspends across several other projects. This has allowed work to be undertaken to increase data collection to support a robust project evaluation planned for 2026/27, as well as an additional marketing campaign that is due to begin imminently.

2.14 Expenditure on both the core and projects budgets will be subject of ongoing review for the remainder of 2025/26. The Partnership's Reserves Policy will be applied when reviewing the year-end outturn.

Cash Flow

2.15 The Partnership maintains its bank account as part of the City of Edinburgh Council's group of bank accounts. Cash balances are managed by the Council and are offset by expenditure incurred by the Council on behalf of the Partnership.

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

Date	Balance due to SEStran(+ve) /due by SEStran (-ve)
	£
30 April 2025	+ 1,813,420
31 May 2025	+ 1,183,977
30 June 2025	+ 278,201
31 July 2025	+ 1,390,623

31 August 2025	+ 562,096
30 September 2025	+ 578,435
31 October 2025	+ 1,138,736
30 November 2025	+ 807,368
31 December 2025	+ 373,870

2.16 Interest is charged/paid on the monthly indebtedness between the Council and the Partnership. Interest will be calculated in March 2026. It is currently forecast that SEStran will receive £25,000 of interest in 2025/26.

2.17 The positive cash balance on 31st December 2025 is attributable to funding received from Scottish Government grants – principally the People and Place programme grant.

Reserves

2.18 The Board's Reserves Policy recommends establishment of an unallocated General Fund Reserve based on a minimum value of 5% (£43,000) of the Partnership's core revenue budget. On 1st April 2025, the Partnership had an unallocated General Fund Reserve of £221,000 - 25% of the core budget.

2.19 Based on latest forecasts within this report, in line with Board decisions, it is anticipated that a reserve drawdown of £38,000 will be required in 2025/26 for ICT refresh and the SEStran conference, with the Partnership's unallocated General Fund Reserve reduced to £183,000 at 31st March 2026.

2.20 An update of Financial Risks for 2025/26 is included at Appendix 3.

3. RECOMMENDATIONS

It is recommended that the Partnership notes:

3.1 the balanced forecast for the Core revenue budget for 2025/26.

3.2 the forecast underspend of £70,000 on the Projects budget. The actual underspend will be confirmed at the financial year-end and carried forward to 2026/27.

Richard Lloyd-Bithell
Treasurer
20 February 2026

Appendix   Appendix 1 – Core Budget Statement as at 31st December 2025

Appendix 2 – Projects Budget as at 31st December 2025

Contact   john.connarty@edinburgh.gov.uk

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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 as a result of this report.

Core Budget 2025/26 – as at 31st December 2025   **Appendix 1**

	Annual Budget £'000	Period Budget £'000	Period Actual £'000	Annual Forecast £'000	Forecast Variance £'000
Employee Costs					
Salaries	564	423	422	593	29
National Insurance	76	57	56	79	3
Pension Fund	151	113	111	156	5
Project Recharges	(104)	0	0	(116)	(12)
Training & Conferences	8	6	13	15	7
Interviews & Advertising	2	2	0	0	(2)
	697	**601**	**602**	**727**	**30**
Premises Costs					
Office Accommodation	**21**	**15**	**15**	**20**	**(1)**
Transport					
Staff Travel	**5**	**4**	**4**	**6**	**1**
Supplies and Services					
Communications & Computing[1]	68	36	50	61	(7)
Printing, Stationery & General Office Supplies	7	5	3	5	(2)
Insurance	7	7	5	5	(2)
Equipment, Furniture & Materials, Miscellaneous	4	3	3	5	1
	86	**51**	**61**	**76**	**(10)**
Support Services					
Finance	31	0	0	31	0
Legal Services / HR	7	0	1	7	0
Consultancy	0	0	5	5	5
	38	**0**	**6**	**43**	**5**
Corporate & Democratic					
Clerks Fees	12	0	0	12	0
External Audit Fees	12	0	0	12	0
Members Allowances / Expenses	1	1	0	1	0
	25	**1**	**0**	**25**	**0**
Total Expenditure	**872**	**672**	**688**	**897**	**25**
Funding:					
Scottish Government Grant	(662)	(519)	(519)	(662)	0
Council Requisitions	(190)	(190)	(177)	(190)	0
General Reserve Drawdown	(20)	0	0	(20)	0
Interest on Revenue Balances	0	0	0	(25)	(25)
Total Funding	**(872)**	**(709)**	**(696)**	**(897)**	**(25)**
Net Expenditure/ (Income)	**0**	**(37)**	**(8)**	**0**	**0**

[1] Includes £20,000 non-recurring spend for an ICT refresh, funded from reserves, as approved by the Board on 26/9/25.

Projects Budget 2025/26 - as at 31st December 2025   **Appendix 2**

	Approved Budget	Add: Project carry forward from 2024/25	Add: General Reserve Drawdown	Less: Income /Other Grant	Budget Realignment	Net Budget	Annual Forecast	Forecast Variance
Column	1	2	3	4	5	6	7	8
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Projects Approved by Partnership Board 14th March 2025								
Sustainable Travel	20	25		(20)	(15)	**10**	**29**	**19**
RTPI – System Maintenance	25	8		(15)	(8)	**10**	**10**	**0**
RTS Delivery Plan	18	20			17	**55**	**22**	**(33)**
Rail Strategy	0	13				**13**	**13**	**0**
Equalities Access to Healthcare	10	(2)			52	**60**	**50**	**(10)**
Regional Bike Share	10	26			(11)	**25**	**12**	**(13)**
Thistle Assistance	30	6		(24)	(4)	**8**	**39**	**31**
Transport Appraisal	0	5			(5)	**0**	**0**	**0**
Active Travel Network	5	84		(5)		**84**	**84**	**0**
Projects Consultancy	22	3			(5)	**20**	**20**	**0**
Mobility as a Service	0	34			(33)	**1**	**1**	**0**
Bus Strategy Development	40	122		(40)	(51)	**71**	**57**	**(14)**
Regional EV Infrastructure	5	(6)			1	**0**	**0**	**0**
Freight Strategy	20	10		(20)	40	**50**	**0**	**(50)**
People & Places	6,369			(6,369)		**0**	**0**	**0**
Projects Approved by Partnership Board 26th September 2025								
Data Strategy	0		50			**50**	**0**	**(50)**
Multi-Modal Exchanges	0		51			**51**	**0**	**(51)**
Conference SEStran 2025	0		18		22	**40**	**40**	**0**
Use of Reserves	0		(119)			**(119)**	**(18)**	**101**
Total	**6,574**	**348**	**0**	**(6,493)**	**0**	**429**	**359**	**(70)**

Risk Description	Mitigation and Controls
Pay award The revenue budget made provision for a pay award of up to 3% in 2025/26. The Local Government pay award of 4% represents an increase on the budget provision.	The financial impact of the Local Government pay award of 4% is included in the forecast.
Inflation There is a risk that the indicative budget does not adequately cover price inflation and increasing demand for services.	Ongoing monitoring and review of all costs and forecasts during 2025/26.
Delays in payment of grant by external funding bodies Resulting in additional short-term borrowing costs.	Grant claims submitted timeously and in line with conditions of grant award.
Pension Fund Contributions A deficit on the staff pension fund could lead to increases in the employer's pension contribution.	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.
Funding Reductions Reduction in funding from Scottish Government and/or council requisitions. There is a risk that current levels of staffing cannot be maintained due to funding constraints and that the Partnership will incur staff release costs.	Scottish Government grant and Council contributions are confirmed for 2025/26. Recruitment control and additional sources of external funding for activities aligned to the Partnership's objectives to supplement resources.

EXTERNAL AUDIT - ANNUAL AUDIT PLAN 2025-26

1. INTRODUCTION

1.1 This report presents the External Auditor's Annual Audit Plan for 2025-26.

2. MAIN REPORT

2.1 Audit Scotland has been appointed as the Partnership's External Auditor for the period from 2022/23 until 2026/27.

2.2 The Annual Audit Plan for 2025/26 is appended.

3 RECOMMENDATIONS

It is recommended the Performance and Audit Committee:

3.1 review and notes the External Audit Annual Audit Plan;

3.2 refer the External Audit Annual Audit Plan to the Partnership Board meeting of 13 March 2026.

Richard Lloyd-Bithell
Treasurer
20 February 2026

| **Appendix** | Annual Audit Plan 2025/26 |
| **Contact** | iain.shaw@edinburgh.gov.uk |

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

South East Scotland Transport Partnership
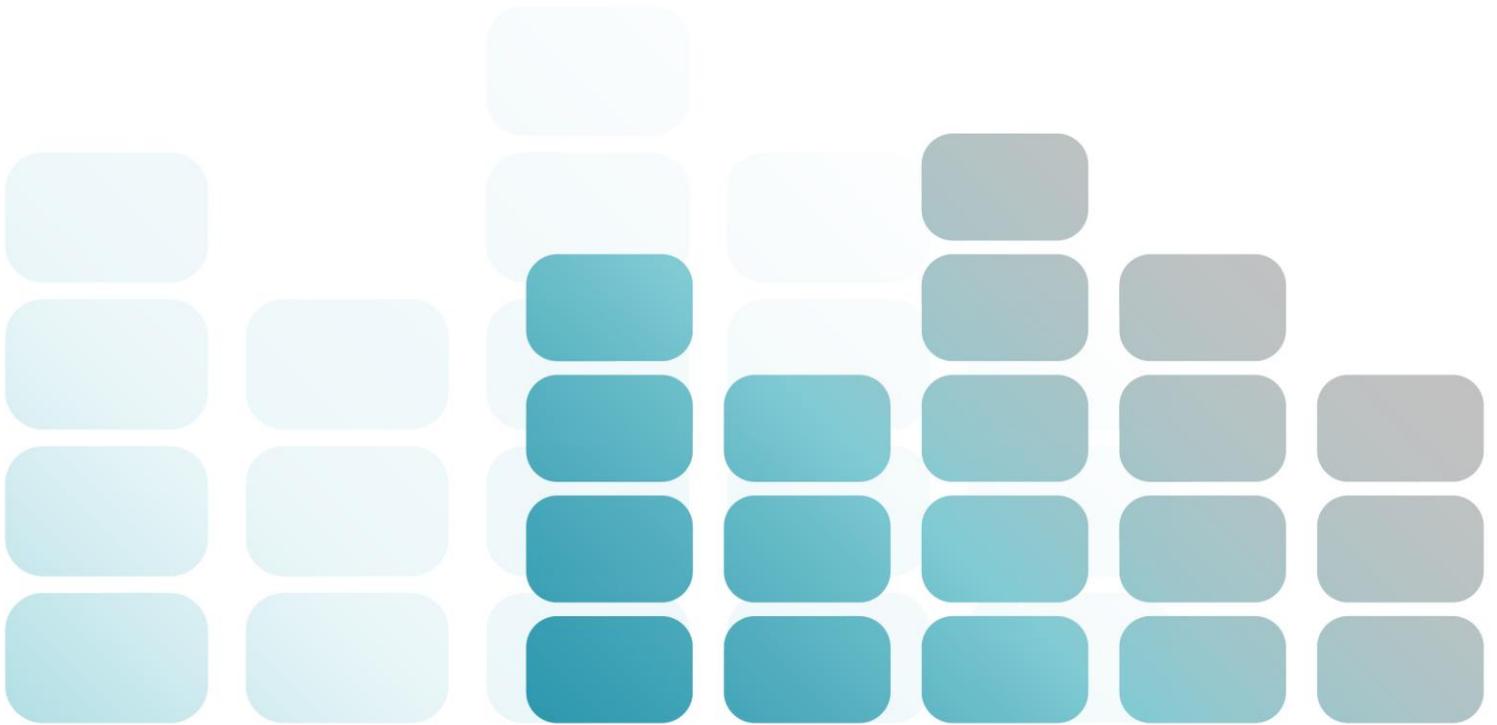
Annual Audit Plan 2025/26

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Accessibility

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

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Purpose of the Annual Audit Plan

1. The purpose of this Annual Audit Plan is to provide an overview of the planned scope and timing of the 2025/26 audit of South East Scotland Transport Partnership's (SEStran) annual report and accounts. It outlines the audit work planned to meet the audit requirements set out in auditing standards and the Code of Audit Practice, including supplementary guidance.

Appointed auditor and independence

2. Christopher Gardner, of Audit Scotland, has been appointed by the Accounts Commission as external auditor of SEStran for the period from 2022/23 until 2026/27. The 2025/26 financial year is therefore the fourth of the five-year audit appointment.

3. The audit team is independent of SEStran in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. This standard imposes stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has robust arrangements in place to ensure compliance with ethical standards. The arrangements are overseen by the Executive Director of Innovation and Quality, who serves as Audit Scotland's Ethics Partner.

4. The Ethical Standard requires auditors to communicate any relationships that may affect the independence and objectivity of the audit team. There are no such relationships pertaining to the audit of SEStran to communicate.

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 (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 the Annual Governance Statement.

- An opinion on the audited part of the Remuneration Report.

- Concluding on the financial sustainability of SEStran and a review of the Annual Governance Statement.

- Reporting on SEStran's arrangements for securing Best Value.

- Provision of an Annual Audit Report setting out significant matters identified from the audit of the annual accounts and the wider scope areas specified in the Code of Audit Practice.

Responsibilities

6. The Code of Audit Practice sets out the respective responsibilities of SEStran 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 SEStran's arrangements in place for the wider scope areas.

SEStran's responsibilities

8. SEStran 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 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.

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Audit of the annual accounts

Introduction

9. The audit of the annual accounts is driven by materiality and the risks of material misstatement in the financial statements, with greater attention being given to the significant risks of material misstatement. This chapter outlines materiality, the significant risks of material misstatement that have been identified, and the impact these have on the planned audit procedures.

Materiality

10. 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.

11. Broadly, the concept of materiality is to determine whether matters identified during the audit could reasonably be expected to influence the decisions of users of the financial statements. 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.

12. The materiality levels determined for the audit of SEStran are outlined in Exhibit 1.

Exhibit 1
2025/26 Materiality levels for SEStran

Materiality	SEStran
Materiality – based on an assessment of the needs of users of the financial statements and the nature of SEStran operations, the benchmark used to determine materiality is gross expenditure based on the audited 2024/25 financial statements. Materiality has been set at 2% of the benchmark.	£124,000
Performance materiality – this acts as a trigger point. If the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate that further audit procedures are required. Using professional judgement, performance materiality has been set at 65% of planning materiality.	£81,000

Materiality	SEStran
Reporting threshold – all misstatements greater than the reporting threshold will be reported.	£6,000

Source: Audit Scotland

Significant risks of material misstatement to the financial statements

13. The risk assessment process draws on the audit team's cumulative knowledge of SEStran, including the nature of its operations and its significant transaction streams, the system of internal control, governance arrangements and processes, and developments that could impact on its financial reporting.

14. Based on the risk assessment process, significant risks of material misstatement to the financial statements have been identified and these are summarised in Exhibit 2, page 8. These are the risks which have the greatest impact on the planned audit approach, and the planned audit procedures in response to the risks are outlined in Exhibit 2.

15. The risk assessment process is an iterative and dynamic process. The assessment of risks set out in this Annual Audit Plan and Exhibit 2 may change as more information and evidence is obtained over the course of the audit. Where such changes occur, these will be reported to SEStran and those charged with governance, where relevant.

Exhibit 2
Significant risks of material misstatement to the financial statements

Risk of material misstatement	Planned audit response
Fraud caused by management override of controls Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.	The audit team will: • 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 journal 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.
Fraud in expenditure recognition 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 2025/26 financial statements due to the significant extent and nature of SEStran's project and grant-related expenditure streams.	The audit team will: • Test expenditure transactions, focusing on 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.

Risk of material misstatement	Planned audit response
Accounting for non-current assets SEStran holds several non-current assets which are disclosed on its balance sheet. The measurement, valuation and related disclosures for these assets involve the use of accounting estimates and professional judgement.	The audit team will: • Evaluate SEStran's arrangements for the valuation and accounting for non-current assets. • Review the appropriateness of the key data and assumptions used in the 2025/26 valuation process and challenge these where required. • Test non-current asset entries to confirm existence of assets and the completeness of the asset register.

Source: Audit Scotland

Key audit matters

16. The Code of Audit Practice requires public sector auditors to communicate key audit matters. Key audit matters are those 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.

17. 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.

18. The matters determined to be key audit matters will be communicated in the Annual Audit Report. Exhibit 2 outlines the significant risks of material misstatement to the financial statements that have been identified, including those that have greatest impact on the planned audit procedures and require most attention when performing the audit.

Wider scope and Best Value

Introduction

19. Reflecting the fact that public money is involved, the Code of Audit Practice requires that public audit is planned and undertaken from a wider perspective than in the private sector. The wider scope audit set out by the Code of Audit Practice broadens the audit of the annual accounts to include consideration of additional aspects or risks in four wider scope areas.

20. Due to the nature and size of SEStran and its limited financial activity, it is considered a less complex body for the wider scope audit. Therefore, the wider scope audit does not consider all four wider scope areas and is instead limited to concluding on the financial sustainability of SEStran.

21. Financial sustainability means looking forward over the medium and longer term in planning the services to be delivered and how they will be delivered effectively. This is assessed by considering SEStran's medium to longer-term planning for service delivery. A conclusion on the financial sustainability of SEStran will be reported in the Annual Audit Report.

Best Value

22. 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 SEStran does.

23. Consideration of the arrangements SEStran has in place to secure Best Value will be carried out alongside the wider scope audit, and a conclusion on the arrangements SEStran has in place will be reported in the Annual Audit Report.

Significant wider scope and Best Value risks

24. No significant risks in the wider scope areas or Best Value were identified from the risk assessment process.

Reporting arrangements, timetable and audit fee

Audit outputs

25. The outputs from the 2025/26 audit include:

- This Annual Audit Plan.

- An Independent Auditor's Report to SEStran and the Accounts Commission setting out opinions on the annual accounts.

- An Annual Audit Report to SEStran and the Accounts Commission setting out significant matters identified from the audit of the annual accounts, conclusions from the wider scope and Best Value audit, recommendations, where required, and any good practice identified.

26. The matters to be reported in the outputs will be discussed with SEStran for factual accuracy before they are issued. All outputs from the audit will be published on Audit Scotland's website, apart from the Independent Auditor's Report, which is included in the audited annual accounts.

27. Target dates for the audit outputs are set by the Accounts Commission. In setting the target dates for the audit outputs, consideration is given to the target date for approving the annual accounts, which is 30 September 2026 for local government bodies.

28. The Independent Auditor's Report and Annual Audit Report are planned to be issued by the target date of 30 September 2026.

Audit timetable

29. Achieving the timetable for production of the annual accounts, supported by complete and accurate working papers, is critical to delivery of the audit to agreed target dates. Exhibit includes a timetable for the audit, which has been agreed with management. Agreed target dates will be kept under review as the audit progresses, and any changes required, and their potential impact, will be discussed with SEStran and reported to those charged with governance, where required.

Exhibit 4
2025/26 audit timetable

Audit activity	SEStran target date	Audit team target date	Relevant committee date
Issue of Annual Audit Plan		27 February 2026	27 February 2026
Annual accounts:			
• Consideration of unaudited annual accounts by those charged with governance	5 June 2026		5 June 2026
• Submission of unaudited annual accounts and all working papers to audit team	12 June 2026		
• Audit clearance meeting	1 September 2026	1 September 2026	
• Issue of draft Letter of Representation, proposed Independent Auditor's Report, and proposed Annual Audit Report		2 September 2026	11 September 2026
• Approval by those charged with governance and signing of audited annual accounts	25 September 2026		25 September 2026
• Signing of Independent Auditor's Report and issue of Annual Audit Report		25 September 2026	

Source: Audit Scotland

Audit fee

30. SEStran's audit fee is determined in line with Audit Scotland's fee setting arrangements. The proposed audit fee for the 2025/26 audit is £13,360.

31. In setting the audit fee, it is assumed that SEStran has effective governance arrangements in place and the complete annual accounts will be provided for audit in line with the agreed timetable. The audit fee assumes there will be no significant changes to the planned scope of the audit. Where the audit cannot proceed as planned, for example, due to incomplete or inadequate working papers, the audit fee may need to be increased.

Other matters

Internal audit

32. SEStran is responsible for establishing an internal audit function as part of an effective system of internal control. As part of the audit, the audit team will obtain an understanding of internal audit, including its nature, responsibilities, and activities.

33. While we are not planning to place formal reliance on the work of internal audit in 2025/26, we will review internal audit reports and assess the impact of the findings on our financial statements and wider scope audit responsibilities.

Audit quality

34. Audit Scotland is committed to the consistent delivery of high-quality audit. Audit quality requires ongoing attention and improvement to keep pace with external and internal changes. Details of the arrangements in place for the delivery of high-quality audits is available from the Audit Scotland website.

35. The International Standards on Quality Management (ISQM) applicable to Audit Scotland for 2025/26 audits are:

- ISQM (UK) 1, which deals with an audit organisation's responsibilities to design, implement, and operate a system of quality management (SoQM) for audits. Audit Scotland's SoQM consists of a variety of components, such as governance arrangements and culture to support audit quality, compliance with ethical requirements, ensuring Audit Scotland is dedicated to high-quality audit through engagement performance and resourcing arrangements, and ensuring there are robust quality monitoring arrangements in place. Audit Scotland carries out an annual evaluation of its SoQM and has concluded it complies with this standard.

- ISQM (UK) 2, which sets out arrangements for conducting engagement quality reviews, which are performed by senior management not involved in an audit, to review significant judgements and conclusions reached by the audit team, and the appropriateness of proposed audit opinions on high-risk audits.

36. To monitor quality at an individual audit level, Audit Scotland carries out internal quality reviews on a sample of audits. Additionally, the Institute

of Chartered Accountants of England and Wales (ICAEW) carries out independent quality reviews on a sample of audits.

37. Audit Scotland may periodically seek the views of SEStran on the quality of audit services provided. The audit team would also welcome feedback at any time.

South East Scotland Transport Partnership
Annual Audit Plan 2025/26

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Risk Register

1. INTRODUCTION

1.1 The purpose of this report is to provide the Performance and Audit Committee with a quarterly update on SEStran's corporate 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. KEY NET RISKS

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 R001 1.1 Transport Governance

3.2.1 Transport governance refers to the roles and responsibilities of Transport Scotland, the seven Regional Transport Partnerships (RTPs), 32 local authorities, and other key partners in shaping how transport is managed across Scotland.

3.2.2 Transport Scotland has committed to carrying out a review of transport governance in 2026/27, and this likely to start after May 2026. The review presents an opportunity for SEStran to increase its direct influence and control over the delivery of the Regional Transport Strategy.

3.2.3 At the request of the Performance and Audit Committee, a full paper setting out the risks, opportunities and potential outcomes of the review was presented to the Partnership Board in December 2025. A further update will be presented to the Board meeting on 13 March 2026.

3.2.4 On 28 November 2025, at the State of the City Conference in Glasgow, the First Minister in his speech indicated his administration's intention to introduce enabling legislation to allow regional economic partnerships to seek legal status, unlock new powers, and design delivery models tailored to local priorities. His speech mentioned economic development, planning and skills, but did not mention transport.

3.2.5   However, it is unlikely that Transport will not feature prominently in the discussions, particularly as both Edinburgh and Glasgow growth deals have both made it clear that Transport should be included. As with the review of transport governance, this is both a threat and an opportunity for SEStran, and much work has already been undertaken to explore the possibilities. A report detailing the latest position will be presented to the Partnership Board on 13 March, and a new risk will be added to the risk register in the interim period.

3.3   Funding

3.3.1   For the purposes of financial planning, it is assumed that Transport Scotland's core revenue grant will remain at the reduced 2025/26 level into 2026/27.

3.3.2   Council requisitions are assumed to remain at current levels for 2026/27. While discussions have taken place with constituent authorities regarding potential increases, the proposal to increase requisitions were not taken forward. The risk associated with continued flat rate requisitions reflects the wider financial constraints facing local government and has been reflected in the financial plan.

3.3.3   No allowance has been made for ad hoc or discretionary project funding beyond confirmed commitments. Although the People and Place programme continues to provide significant funding, this funding is ring-fenced, time-limited and restricted in use, and therefore does not mitigate risks associated with core operational costs or wider Regional Transport Strategy delivery.

3.3.4   Late note: Transport Scotland confirmed on 19 February 2026 that additional one-year funding will be made available to Regional Transport Partnerships to help eradicate child poverty. It is likely that SEStran will receive in excess of £2.6m to help remove transport barriers to employment. Given the timing of this announcement, it has not been possible to bring a report to this meeting of the Performance and Audit Committee, but a report will be taken to the Partnership Board meeting on 13 March.

3.3.5   No European Union funding is assumed for 2026/27. Participation in Horizon Europe and similar programmes remains possible but is competitive and uncertain and has therefore not been included in forward financial planning.

3.3.5   Overall, the funding assumptions for 2026/27 adopt a prudent approach, avoiding reliance on unconfirmed income streams. The residual risks arising from funding uncertainty, and their potential impact on service capacity and delivery, are reflected in the Indicative Financial Plan and monitored through the Partnership's financial risk management arrangements.

3.4   Scottish Parliament Election 2026

3.4.1   The upcoming election on 7 May presents both a risk and an opportunity to SEStran. The results could signal a significant shift in transport policy, which could support delivery of the Regional Transport Strategy or make it more challenging.

3.4.2   SEStran released a manifesto at its summit on 4 December 2026, with 3 key themes: bus reform, tackling congestion, and strong regions.

3.4.3   Work will continue both before and after the election to make strong cases for each as part of an integrated approach to delivery of the RTS.

4   OTHER CHANGES TO THE RISK REGISTER

4.1   A number of updates have been made to the Risk Register, and these are highlighted in red on the Register itself.

4.2   Risk R002 2.1: Pay awards being higher than the budgeted 3%. This risk has been closed as the pay awards for 2026/27 have been agreed and provision made.

4.3   Risk R002 2.10: A new risk has been added to the register to consider the risk that employers staff costs may increase due to increases in National Insurance contributions. The gross risk score has been assessed as medium, however, after mitigation measures has been downgraded to low.

5.   RECOMMENDATIONS

5.1   The Committee is asked to comment on the contents of the report, and;

5.2   Note that the corporate risk register will be presented to the 13 March 2026 Partnership Board for noting.

5.3   Note that a paper on the risks and opportunities presented by a review into transport governance (R001) will be presented to the Partnership Board on 13 March 2026.

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

APPENDIX 1

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					
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~~ A new Directorate within TS has been created and an officer has been appointed to lead the transport governance review, which should begin around May 2026. This presents a real opportunity for SEStran, the other RTPs, and local authorities to gain more direct control over delivery of the RTS. The TS review will have a high depndency on the separate SG work on giving regional economic partnerships legal status (see xxx)	4	Probable	4 Major		16 High	**High** **Treat**	Review at end of ~~March~~ May 2026 Partnership Director	Low	Med	⬇
RO01 1.2	Strategic	**Pandemic / Epidemic:** Interruption of normal service/inability to deliver functions. Financial impact of crisis on sources of funding**.**	3	Possible	4 Major	12 Medium	Adhere to Government restrictions, rules or guidance. Regular communication with Transport Scotland and consituent 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.~~ Hybrid Working Policy in place.	3	Possible	3 Moderate		9 Medium	**Medium** **Tolerate**	Review at end of ~~March~~ May 2026 Partnership Director	Low	Med	↔
RO01 1.3	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 is currently hosting meetings with MSP Transport Spokesperson from each scottish political party.~~ A SEStran Manifesto was launched at the SEStran Summit on 4 December. A comms plan targeting MSPs before and after the election is being prepared in conjunction with our public affairs advisers.	3	Possible	4 Major		12 Medium	**Medium** **Tolerate**	Review at end of ~~March~~ Apr 2026 Partnership Director	Low	Med	↔

Ref	Category	Risk	Likelihood		Impact		Score	Rating	Controls / Mitigation	Likelihood		Impact		Score	Rating	Appetite	Action Owner / Date		
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**	~~December 2025~~ June 2026 Partnership Director	Low	Low
R002 2.1	Financial	The approved budget for 2025/26 makes provision for a pay award of up to 3%.	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. 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**	**CLOSED** ~~December 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. 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.	3	Possible	3	Moderate	9	Medium	**Medium** **Tolerate**	~~December 2025~~ May 2026 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, allowances ~~was~~ are 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~~ future financial years, 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**	~~December 2025~~ May 2026 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	Unlikely	3	Moderate	6	Low	**Medium** **Tolerate**	~~December 2025~~ May 2026 Partnership Director	Low	Med

Ref	Category	Risk	Score	Likelihood	Score	Impact	Rating	Level	Controls/Mitigation	Target Score	Target Likelihood	Target Score	Target Impact	Target Rating	Target Level	Action	Review Date / Owner			Trend
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	~~December 2025~~ May 2026 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	~~December 2025~~ May 2026 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	~~December 2025~~ May 2026 Partnership Director	Low	Med	⬌
R002 2.8	Financial	The Partnership may incur additional staff release costs ~~due to~~ if current staffing levels cannot be maintained due to funding constraints ~~and~~	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	~~December 2025~~ May 2026 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	~~December 2025~~ May 2026 Partnership Director	Low	Med	⬇

Ref	Category	Risk	L		I		Score		Mitigation	RL		RI		RS		Response	Review			
R002 2.10	Financial	**Increase in employers on-costs:** Changes to UK Government policy (for example increases in employer National Insurance contributions or other statutory on costs) could lead to higher staffing costs than budgeted, placing pressure on revenue budgets and limiting the Partnership's ability to deliver planned activities.	3	Possible	3	Moderate	9	Medium	Monitor UK Government fiscal announcements and emerging policy changes. Reflect known or anticipated changes in medium term financial planning where possible. Maintain dialogue with constituent councils and finance partners on cost pressures and assumptions. Consider mitigation through budget re profiling or prioritisation if increases materialise.	2	Unlikely	3	Moderate	6	Low	**Low** Review annually or following significant fiscal announcements. **Tolerate**	May 2026 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.	2	Unlikely	3	Moderate	6	Low	**Low** **Tolerate**	Review at end ~~March~~ Dec 2026 Programme Manager	Low	Med	↔
R003 3.1	Reputational	**Reputation:** Regard by the public and stakeholders. Negative or inaccurate media coverage leading to misrepresentation of SEStran position	3	Possible	3	Moderate	9	Medium	Quick response to negative or inaccurate coverage managed by Communications & Marketing Officer, 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 Continue to work closely with regional partners Board members regulary updated on SEStran work successes and issues. Agreed approach to media position set out in Standing Orders.	2	Unlikely	3	Moderate	6	Low	**Low** **Tolerate**	Review at end ~~March~~ Dec 2026 Partnership Director	Low	Med	↔
R003 3.2	Reputational	**Project Management:** Potential insolvency of 3rd party supplier	3	Possible	3	Major	9	Medium	Improved supplier viability checks before award, renewal or modification of contracts or grants now in place. Individual risks and mitigations to be developed for any contract or grant over an agreed threshhold. Where appropriate, Government frameworks will be utilised. Full review of procurement procedures is nearing completion by Legal Advisers. Staff training on new procedures to be developed.	2	Unlikely	3	Moderate	6	Low	**Medium** **Treat**	Review at end ~~March~~ Dec 2026 Programme Manager	Low	Med	⬇

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Risk	Category	Risk	Score	Likelihood	Score	Impact	Total	Rating	Controls / Mitigation	Score	Likelihood	Score	Impact	Total	Rating	Response	Review / Owner	Current	Target	Trend
R005 5.0	External	**Third party Service Level Agreements:** Failure or inadequacy of service	2	Unlikely	2	Minor	4	Low	Service Level Agreements in place for Financial Services, HR and Insurance services. Reviewed annually by senior officers. Subject to independent audit scrutiny.	2	Unlikely	2	Minor	4	Low	Low Tolerate	Review at end ~~March~~ Dec 2026 Business Manager	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 ~~March~~ Dec 2026 Programme Manager	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 ~~March~~ Dec 2026 Programme Manager	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 ~~March~~ Dec 2026 Partnership Director	Low	Low	↔
R007 7.0	Specific Operational	**People and Place Plan:** Funding changes result in programme not continuing regionally beyond 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	Review at end ~~March~~ Apr 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 / review Dec 2026 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.	2 Unlikely	4 Major	8 Medium	**Medium** **Treat**	Ongoing / review Dec 2026 Business Manager	Low	Low
R009 9.0	People	**HR:** Non-compliance with emloyment and/or data privacy laws may result in poor repuation 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~~ May 2026 Partnership Director	Low	Low
R009 9.1	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	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. An ongoing risk remains for future pandemics and future widespread disease or other outbreaks. Measures will be adjusted in accordance with government advice.	2 Unlikely	3 Moderate	6 Low	**Low** **Tolerate**	Review at end ~~March~~ Dec 2026 Partnership Director	Low	Low

Ref	Category	Risk	L		I		Score		Mitigation	L		I		Score		Response	Review			Trend
R009 9.2	People	Inadequate measures in place to facilitate staff health, safety and well-being during working from home arrangements.	3	Possible	4	Major	12	Medium	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. 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.	2	Unlikely	3	Moderate	6	Low	**Low** **Tolerate**	Review at end ~~March~~ Dec 2026 Partnership Director	Low	Low	⬌
R009 9.3	People	Loss of key personnel may lead to inability to deliver strategy, projects and/or operations	3	Possible	3	Moderate	9	Medium	Recruitment Policy in place. Development of existing staff through performance appraisal. Staff training Work programme will be monitored and redistributed as necessary.	3	Possible	2	Minor	6	Low	**Low** **Tolerate**	Review at end ~~March~~ Dec 2026 Partnership Director	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 ~~March~~ Dec 2026 Partnership Director	Low	Low	⬌

Risk Number	Risk Detail	Risk Category	Gross Risk Assessment			Planned Response/Mitigation	Net Risk Assessment			Risk After Mitigation/Appetite for Risk	Date and Owner			
			Probability	Impact	Risk Score		Probability	Impact	Risk Score					
	Restricted ability to undertake RTS re-write: Inadequate senior staff resourcing available due to continued absence of Partnership Director	Strategic	4 Probable	3 Moderate	12 Medium	Resolve absence as soon as possible and appoint external resources as required.	2 Unlikely	2 Minor	4 Low	Partnership Director appointed May 2019. Funds identified for RTS re-write	June 2019 **CLOSED**			
	Accommodation: Occupancy Agreeement with SG due for renewal February 2019. SG may not renew and alternative premises required at market rates.	Financial	3 Possible	3 Moderate	9 Medium	A notice period of 12 months must be served by each party under the current occupancy agreement. Occupancy Agreement renewed until February 2022.	3 Possible	3 Moderate	9 Medium		June 2019 **CLOSED**			
	ECOMM: Agreement to commit to ECOMM on the basis of being cost neutral. Income depends on number of delegates attending conference.	Financial	3 Possible	3 Moderate	9 Medium	SEStran withdrew offer to host ECOMM due to uncertaintiy over Brexit and subsequent impact on attendance at the conference.	3 Possible	2 Minor	6 Low		June 2019 **CLOSED**			
	Following the outcome of the EU Referendum, the Partnership is unable to access EU funding.	Financial	5 Highly Probable	3 Moderate	15 High	The Partnership continues to seek alternative funding sources to progress knowledge exchange/transfer.	4 Probable	3 Moderate	12 Medium	Medium **Tolerate:** Adapt expenditure accordingly Currently involved in 5 EU projects, the completion of which are underwritten by the UK Treasury.	June 2021 **CLOSED**			
	Governance: Succession Planning Business Continuity	Governance	3 Possible	3 Moderate	9 Medium	Governance Scheme contains adequate provision to deal with senior officer absence. Staff structure and Business Continuity Plan in place. Senior Partnership Manager appointed.	2 Unlikely	2 Minor	4 Low	Low **Tolerate**	**CLOSED** Partnership Director			
	Policy Appraisal: Poor Quality Lack of consultation	Strategic	1 Remote	3 Moderate	3 Low	Advised by Government of relevant policy changes and Partnership Director and Officers regularly looking out for further policies and responding accordingly. Consultative forums also enable greater visibility and integration of local policies into regional strategy. Make full use of online consultancy options.	1 Remote	2 Minor	2 Low	**Low.** Partnership staff also continue to monitor their networks for relevant policy discussions. Draft RTS approved for statutory consultation. **Tolerate**	**CLOSED** Partnership Director	Low	Med	⬌
	Regional Transport Strategy: Introduction of new RTS. Delay in approval by ministers. Delayed introduction of the new strategy.	Strategic	3 Possible	2 Minor	6 Low	Regular comms with Transport Scotland at all stages in the development of the RTS.	1 Remote	2 Minor	2 Low	Low **Tolerate**	28 March 2023 Jim Stewart **CLOSED**	Low	Med	⬌
	Newly Appointed Board. Risk of lack of continuity and loss of expertise due to high turnover in members for the new term of office.	Governance	3 Possible	3 Moderate	9 Medium	Ensure that full training and support is provided to the new Board in 2022 to enable strategic decisons to be made. A Regular schedule of meetings of the Succession Planning Committee.	2 Unlikely	2 Minor	4 Low	Low Skills audit will identify future training requirements Option to appoint Board Observers to supplement areas of expertise Partnership Director 1:1 meetings with Board Members **Tolerate**	Ongoing Partnership Director **CLOSED**	Low	Med	⬌
	Other Funding Sources: Reduced access to EU project funding and lack of replacement funding from UK Government	Financial	5 Highly Probable	3 Moderate	15 High	The Partnership has sought to engage in as many relevant EU projects and funds as it can whilst UK authorities are allowed to access these funds. This should mitigate the short-term impact of any EU Exit negotiated and implemented. The Partnership has a proven track record in securing funding for relevant projects from the UK and other partners. It is anticipated that this will continue. Horizon projects being pursued.	5 Highly Probable	2 Minor	10 Medium	**Medium:** The risk remains as there is significant uncertainty around the immediate and medium (3-5year) horizon for access to funds. Other funding applications will be made when available. There has been no confirmation from UK Government on participation in EU funded programmes, like Horizon. Advocate for access to UK replacement funds. Explore further ongoing calls for Horizon programme when available. **Treat**	**CLOSED** Partnership Director	Low	Med	⬇
	Regional Governance Lack of clarity on role of non statutory REP/ESES City Region Deal groupings	Strategic	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**	**CLOSED** Partnership Director	Low	Med	

Close 1.2

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Risk Description and Impacts Table

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

Risk Impact

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

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

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

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

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

<u>Risk Appetite</u>

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

<u>Risk Response</u>

There are four categories of risk response:

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

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

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

Tolerate: where certain risks are accepted

Risk Appetite Target Scores

Risk Description	From	To	Commentary
Strategic	Low	Medium	SEStran has a low to medium appetite in relation to its strategic risks and aims to ensure effective delivery of its commitments in line with agreed timescales. Strategic delivery is monitored through ongoing reporting processes and governance processes.
Financial	Low	Medium	SEStran has a low to medium appetite in relation to financial risk and may be prepared to accept some risk, subject to: · setting and achieving an annual balanced revenue budget, in line with legislative requirements · maintaining an unallocated general reserve fund, in line with legislative requirements The target appetite score for any significant budget overspend will be low. Financial risk is set out in SEStran's Governance Scheme.
Reputational	Low	Medium	SEStran is prepared to tolerate a low to medium level of occasional isolated reputational damage. Media response protocols are set out in the Governance Scheme.
System and Technology	Low	Medium	SEStran has a low to medium appetite in relation to system and technology risk. The risk appetite will vary depending on the nature, significance and criticality of systems used, and the services they support. Risks are managed through ongoing use of inbuilt technology, security controls, encryption, data loss prevention, firewalls and vulnerability scanning, plus a range of security protocols and procedures. SEStran has achieved Cyber Essentials Plus accreditation, however any specific cyber risks will have a target score of low.
Governance	Low	Low	SEStran has a low appetite in relation to governance and decision making. The partnership's governance arrangements are detailed in the Governance Scheme. No officer or member may knowingly take or recommend decisions or actions which breach legislation.
Specific Operational	Low	Medium	SEStran has a low to medium appetite in relation to specific operational risks. The Partnership Director and Management Team are expected to design, implement and maintain appropriate programme, project management and governance controls to manage these risks.
External (Suppliers/contractors/partnerships)	Low	Medium	SEStran has a low to medium appetite in relation to external risks. The appetite will vary depending on the criticality of the service or third-party support. SEStran has an established procurement process, supported by the Contract Standing Orders and use of Public Contract Scotland frameworks.
Legal and Regulatory	Low	Low	SEStran aims to fully comply with all applicable regulatory and legislative requirements. No officer or member may knowingly take or recommend decisions or actions which breach the law.
People	Low	Low	SEStran recognises that accidents can occur because of unknown and/or unplanned events and has an appetite to fully comply with all relevant health and safety requirements to minimise any health and safety risks that could potentially result in loss of life or injury.
New Project Income	Medium	High	SEStran has a medium to high appetite in relation to attracting new projects to enable innovation and attract new funding streams. SEStran has an established procurement process, supported by the Contract Standing Orders and use of Public Contract Scotland frameworks. Financial risk is set out in SEStran's Governance Scheme.

PROJECTS AND STRATEGY PERFORMANCE REPORT

1   INTRODUCTION

1.1   This report updates the Committee on the performance of the Partnership's strategy and project workstreams in Quarter 3 of 2025/26. This report was presented to the Project and Strategy Delivery Oversight Subgroup (PaSDOS) on 30 January 2026.

2   PROJECTS AND STRATEGY Q3 REPORT

2.1   Appendix 1 provides a breakdown of progress of each project within Q3, including against budget and milestones. The risk register and issues log is subject to a separate report on this agenda.

2.2   Most projects are on course to utilise their full budgets by the end of 2025/26. 4 projects are expected to carry an underspend over £5,000 (in addition to those reported to the Board in December):

- Freight Strategy Delivery: Work to date has prioritised freight tram funding and SCOT-ZED delivery and therefore strategy work has not been progressed. The departure of the Senior Partnership Manager means that this work will not be progressed in Q4.
- Regional Bus Strategy: Work package 5 (initial set up of the action plan for the Strategy) is being delivered in a reduced format and a decision on the remainder of this in 2026/27 will be taken in due course, including how much of this can be delivered in house.
- Data Strategy: Ongoing and developing work on the RTS Delivery Plan, SEStransit and workforce mobility resulted in this work being put on hold until there is clearer understanding of how the data strategy will tie into these workstreams.
- Regional Bike Share: Lack of resource at Scotrail meant that it was not possible to progress the install of a locker at Haymarket Station. An alternative site was identified but it will not be coming forward until 2026/27

2.3   Generally, projects are on timeframe. 3 projects have major delays. These are:

- Multi –modal hubs: as reported to the December Board, this work will be included within the SEStransit project and so this work is now paused as a separate work package
- Regional Cycle Network: no budget was allocated to this project as the plan was to carry out work internally, however work has been slower than expected due to issues with data. A funding bid was submitted in Q2 to Innovate UK with a private sector partner to examine an innovative approach to mapping active travel routes, but this was unsuccessful. The plan is to submit a funding proposal to the Transport Scotland Active Travel Infrastructure Fund for 2026/27 to take forward this work with external

support, and fit it within the wider SEStransit work to support multi modal journeys.
- Freight Strategy Delivery: this delay primarily relates to the updating of the strategy. This work has been delayed due to prioritising work on Project SEStransit during Q3, delivery work having to be prioritised on the successful funding bid for SCOT-ZED project, and the departure of the Senior Partnership Manager who led this work

3 projects currently have minor delays, 27% of milestones are currently complete and 8% are delayed, with the remainder on track.

2.4 Some key project and strategy updates over the quarter include:

2.4.1 Thistle Assistance was Highly Commended in the 2025 National Transport awards in London in the Campaign of the year category. A new dashboard has also been developed to better track card and app usage and capture anonymised user data. A 4 week follow up campaign was delivered, resulting in 1,171 new card requests.

2.4.2 For Transport to Health (TtH), Q3 has concentrated on stakeholder engagement. A public consultation was undertaken with around 1500 responses received. Meetings have been held with health boards to take them through the public consultation and focus group outcomes. Meetings have been held with all RTPs on TtH with a further meeting arranged for January 2026.

2.4.3 The *SEStran at 20* event was held in December with representation from across the transport sector and from all our partner local authorities. Feedback from the event has been very positive with 80% of respondents rating it as excellent.

2.4.4 The Regional Bus Strategy was signed off by the SEStran Board on 28 November 2025 and launched at the SEStran at 20 event on 4 December 2026. The strategy has been very well received and the RBS Action Plan will be presented to the Partnership Board on 13 March 2026.

2.4.5 Stantec and Stuart Turnbull were brought on as consultants to progress the work on Project SEStransit. Both contracts are being funded through an award from the Transport Scotland Bus Infrastructure Fund awarded to and managed by the City of Edinburgh Council on behalf of the region. The project was presented to the Edinburgh and South East City Region Deal Directors group and the Forth Green Free Port infrastructure committee for information and engagement. Local authority transport and planning teams continued to meet regularly with SEStran officers and the consulting team to develop the work. This work has been identified in the recent Scottish Budget as part of the Infrastructure Delivery Pipeline – Development Pipeline which shows clear government ambition for future funding of this business case work.

2.4.6 For work on freight, the SCOT-ZED project team is in place and survey design for questionnaires and workshop formats was completed and circulated. SEStran also submitted an unsuccessful bid for funding through the Edinburgh and South East City Region Deal to focus on a freight tram innovation pilot.

2.5 **People and Place**

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2.5.1 The key project progress under the 5 themes (plus access to cycles and the community grant fund) has been as follows:

2.5.2 As part of our **access to cycles** programme, cycle storage schemes across most LAs are well underway and delivery is underway for workplaces, residential and school sites. Midlothian Council have cycle storage being installed in 4 community locations. The Cycle Access Fund run by Cycling UK is continuing to support repair and recycling organisations across the region, with 11 organisations funded through these two strands. The Bike Station Wee Bike Library loaned out 110 bikes to kids and 12 loans of cargo bikes. Transition St Andrews have loaned out 90 bikes to students since the term started.

2.5.3 With **schools and young people**, CEC delivered a school bike maintenance project that has serviced 667 bikes across 46 schools. CEC purchased 10 new bikes to the support the Bike4Ever project in SIMD and ASN schools. The Scottish Cycling Rock up & Ride project has been working with young people in Glenrothes and Dunfermline. Fife pupil support identified 8 young people to be trained as coaches to then support delivery in local primary schools. The Bike Station Kids Bike Life project has delivered 111 sessions with 553 attendances. Follow up surveys have demonstrated a positive impact, with 88% feeling more confident, 15% now cycling to school and 45% cycling more outside of school. The Bike Station Wee Bike Library project has loaned a total of 306 kids bikes. The cargo bike loan scheme has had 21 users, supporting families to replace short car journeys. User feedback shows positive impact, with 47% reporting driving less. FEL has supported a wide range of inclusive, engaging and progressive Active Travel activities at Linlithgow Academy. FEL have also engaged with the wider community through buggy walks organised by Linlithgow Community Development Trust that have seen good attendance and positive feedback. For the FEL schools project, 30 S4 learning centre pupils completed Walk Leader training, 14 pupils completed basic bike maintenance training, and 19 pupils completed the SQA course in Bike maintenance. The WOW programme saw 10,520 pupils recording journeys across the region in Q3. The I-Bike project continues, in CEC delivering bike servicing to 180 young people, in West Lothian 200 pupils took part in scooter sessions and in SBC, road safety skills were delivered to over 200 young people.

2.5.4 Under the **workplaces** theme, Clackmannanshire Council held a Step Count Challenge for staff, with 50 participants recording 10,852,804 steps. Midlothian Council have ordered 2 secure e-bike lockers to enable them to promote the staff e-bike fleet and support staff travel between council sites. Forth Valley College completed and analysed their annual staff and student survey, identifying key barriers on which to focus future interventions. They also supported pop-up active travel hubs and re-introduced a programme of walking and cycling activities.

2.5.5 **Accessibility and inclusion** consists of a range of projects, which includes work in East Lothian, Fife, and SBC continuing with the street audits that were begun in 2024/25. Progress has been made on scheduling and delivery of works, with resurfacing and handrail works carried out. SBC are continuing audits in two towns to develop a pipeline of delivery. Midlothian have started production of materials for their new active travel mascot and have a community event planned for October.

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Midlothian have been promoting the Community Step Count Challenge that will commence in February. FEL Scotland continue their referral project with NHS Rheumatology clinicians, patient feedback continues to be positive. CEC have delivered 13 well attended weekly themed walks that are receiving strong engagement and delivering health benefits. Transition St Andrews delivered 40 public bike maintenance sessions with over 300 attendees. The Connecting Communities in Midlothian and East Lothian continue to engage with local residents to support access to cycling. A case study from the Midlothian project: Growing up in Kurdistan, Goran loved early-morning rides to buy bread for his family. But in Scotland, busy roads, congestion and the daily struggle to find a parking space at Edinburgh's Royal Infirmary made travelling to work by car exhausting. Through Connecting Communities, Goran was able to borrow an e-bike and try cycling to work from his home in Danderhall "Cycling to work takes around 10–15 minutes, whereas before it took longer in the car because of congestion. I feel happier and healthier when I cycle to work. I've also saved money by not taking the car."

2.5.6 Work around **capacity and capability building** has included the delivery of three shared learning events in October. The events brought together local authorities, community groups and third sector partners to share their experiences and learn more about the people and place programme across the region. We are also planning to hold a local authority shared learning event in early February 2026 to share best practice and support planning and collaboration in 2026/27. Following a CyclingUK event in Midlothian, Midlothian Council are piloting the hosting of a new Active Travel Forum. Staff from Midlothian were invited to similar forums in East Lothian, West Lothian and SBC to learn from the different approaches. The behaviour change strategy officer concluded work with Falkirk Council and has progressed work with West Lothian Council.

2.5.7 On **sustainable transport** projects, CEC carried out a Car Club promotion campaign that led to 119 new members and the introduction of 3 new EVs. TravelKnowHow continue to support NHS Lothian with development of their staff travel plan and at Fife College, survey work has been completed and a summary report delivered. In East Lothian, work continues on development of improved signage for 9 journey hubs.

2.5.8 The 15 funded **community projects** are delivering a range of activities across the region, with a good mix of support for walking and cycling initiatives. Walk it continues in the Scottish Borders, with classes delivered in 4 locations for 11 weeks. In Falkirk, Recyke-a-Bike have been working with 3 schools supporting them with bike maintenance and support to deliver learn to ride sessions and Bikeability Scotland training. Bikes for Refugees exceeded its distribution targets, providing refurbished bikes and support to New Scots while generating over 400 volunteer hours— demonstrating both need and community capacity. Porty Community Energy expanded local access to active travel through its bike library, adult cycle confidence lessons, and inclusive initiatives such as Equal Footing Portobello, supporting disabled residents and improving accessibility in local businesses. Meanwhile, Bridgend Farmhouse's Community on the Move continued to strengthen grassroots engagement by refurbishing bikes, running led rides, and delivering tailored cycle coaching for young people and families, including VIP sessions for children with additional support needs. Collectively, these projects show clear increases in participation, confidence and community led delivery, contributing directly to

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sustained behaviour change and widening access to active and sustainable travel across the region.

2.5.9 The processing of Q3 grant claims is underway, currently we are anticipating a slightly lower value compared to the forecasted total claim for this quarter.

3 COMMUNICATIONS AND MARKETING UPDATE

3.1 Communications and marketing achievements include:
- Successful promotion of our transport to health public consultation across all channels, including paid Meta and local media coverage, which helped contribute to 1,500 responses.
- Working with Wheelhouse (a software company) to produce a new dashboard and card ordering system for Thistle Assistance
- A four-week digital ad campaign promoting Thistle Assistance cards – leading to almost 1,200 new card requests.
- Launching our new, digital, version of our vision at the transport summit
- Producing all collateral for the transport summit, including the programme, asks for the Scottish elections and new pull up banner stands.
- Monthly newsletters and blog posts produced and distributed.
- Regular posts on LinkedIn, leading to increased engagement and followers.

4 OTHER AREAS OF WORK

4.1 Monthly attendance at Winchburgh Station Steering Group and South of Scotland EV Steering group. Discussions continue with Transport Scotland around the Newburgh station options appraisal. Both of these stations have been identified in the recent Scottish Budget as part of the Infrastructure Delivery Pipeline – Future Pipeline. Involvement with the City of Edinburgh Community Planning Partnership delivery team on a trial basis, with a project officer spending one day a month as part of the team looking at the development of the Local Outcome Improvement Plan.

5 RECOMMENDATIONS

5.1 The Committee is asked to note the contents of this report

Beth Harley-Jepson
Project Officer
27th February 2026

Appendix 1: 2025/26 Q3 Projects and Strategy Report

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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.

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Budget	Income	Expenditure	SEStran Spend
Original Budget	£70,500.00	£534,500.00	£464,000.00
Current Budget	£33,500.00	£407,974.43	£374,474.43
Current Actual	£0.00	£163,234.72	
Current Remaining	£33,500.00	£244,739.71	
Predicted Future Spend	£33,500.00	£233,262.91	
Predicted total spend	£33,500.00	£396,497.63	£362,997.63
Predicted Variance	£0.00	£11,476.80	£11,476.80

	Count	Current Exp Budget	% Exp Budget
Major Delay	3	£50,000	12.3%
Minor Delay	3	£116,921	28.7%
On Target	8	£241,054	59.1%
Underspend >£5k	4	£181,921	44.6%
Underspend <£5k	1	£40,000	9.8%
On Budget	9	£186,054	45.6%
Overspend <£5k	0	£0	0.0%
Overspend >£5k	0	£0	0.0%
Total	14	£407,974	

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 Remaining	Current Exp Variance
Multi Modal Interchanges	On Budget	↔	Major Delay	↔	£0	£0	£0	£0	£0	£0	£0
Freight Strategy Delivery	Underspend >£5k	↓	Major Delay	↓	£0	£0	£0	£50,000	£50,000	£50,000	£0
Regional Cycle Network	On Budget	↔	Major Delay	↓	£0	£0	£0	£0	£0	£0	£0
RTPI & Ticketing	On Budget	↔	On Target	↔	£9,500	£9,500	£0	£19,500	£19,500	£0	£0
Regional Bus Strategy	Underspend >£5k	↓	Minor Delay	↔	£0	£0	£0	£56,921	£62,843	£25,465	-£5,923
RTS Delivery Plan	On Budget	↔	Minor Delay	↔	£0	£0	£0	£10,000	£9,410	£590	£590
SEStran at Twenty	Underspend <£5k	↓	On Target	↔	£0	£0	£0	£40,000	£35,999	£4,281	£4,001
Rail Strategy	On Budget	↔	On Target	↔	£0	£0	£0	£13,500	£13,500	£13,500	£0
Data Strategy	Underspend >£5k	↓	Minor Delay	↓	£0	£0	£0	£50,000	£50,000	£50,000	£0
Thistle Assistance	On Budget	↑	On Target	↔	£24,000	£24,000	£0	£62,531	£62,214	£32,888	£317
Transport to Health Strategy	On Budget	↔	On Target	↔	£0	£0	£0	£50,523	£50,523	£34,600	£0
Regional Bike Share	Underspend >£5k	↓	On Target	↔	£0	£0	£0	£25,000	£12,509	£21,214	£12,491
Sustainable Travel Awareness	On Budget	↔	On Target	↔	£0	£0	£0	£10,000	£10,000	£5,665	£0
Project Consultancy Support	On Budget	↔	On Target	↔	£0	£0	£0	£20,000	£20,000	£6,536	£0
Total					**£33,500**	**£33,500**	**£0**	**£407,974**	**£396,498**	**£244,740**	**£11,477**

Project Name	Multi Modal Interchanges
Current Exp Budget	£0
Project Code	92096
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	All 8 Local Authorities
Lead Partner	SEStran
Last Updated	15/10/2025

Finance Status
On Budget

Programme Status
Major Delay

Budget	Income	Expenditure	SEStran Spend
Original Budget	£35,000.00	£100,000.00	£65,000.00
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	0	0%
Delayed	0	0%
Overdue	1	50%
Complete	1	50%

Source of Any Income: n/a

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

Milestones

Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Confirm funding route for remaining funding based on SEStransit	31/10/25			Overdue	
Review authorities' preferred sites from RTSDP or LDPs	27/06/25		27/06/25	Complete	31/07/25

Q1 Project Progress and RAG status update

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.

Q1 Objectives & RTS Actions Progress

Q2 Project Progress and RAG status update

As Project SEStransit progresses, we are looking at project overlap. As part of this, the interchange work will be incorporated into the wider SEStranit project which is being financially managed by City of Edinburgh Council as part of BIF. Any gaps remaining can be addressed in 26/27 which will ensure there is no delivery overlap. The funding allocated to this project, £65k, could reallocated in several ways:
Option 1: Shift money into 2526 Stantec work
Option 2: Earmark money for SEStran's portion of 2627 RTSDP work or RBS 2627 work
Option 3: Spend differently in 2526

Q2 Objectives & RTS Actions Progress

Q3 Project Progress and RAG status update

Due to work on SEStransit, Board agreed to place project on hold and look to carry forward budget to support delvery in 26/27

Updates provided as part of SEStransit

Q3 Objectives & RTS Actions Progress

Q4 Project Progress and RAG status update

N/a - updates provided as part of SEStransit

Q4 Objectives & RTS Actions Progress

Project Name	Freight Strategy Delivery
Current Exp Budget	£50,000
Project Code	92090
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
Underspend >£5k
Programme Status
Major Delay

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	3	38%
Delayed	0	0%
Overdue	3	38%
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

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 Stakeholder engagement	30/09/25			Overdue	
Create timeline and route-map	31/12/25			Overdue	
Test pilots identified	31/12/25			Overdue	
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	

Q1 Project Progress and RAG status update

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

Q1 Objectives & RTS Actions Progress

Q2 Project Progress and RAG status update

Funding bid to the Transport Scotland ZE HDV Skills Challenge Fund 2025-26 was succesful - project called SCOT-ZED: Supporting Careers and Opportunity in Transport – for Zero Emission Diversity in the ZE HDV Sector. SEStran will be working with partners Glasgow University and University of West of England to deliver this by March 2026.
Presented Project SEStransit to Green Free port Infrastucture Sub committee - group will explore how to develop plan for GFP to integrate freight

Q2 Objectives & RTS Actions Progress

Q3 Project Progress and RAG status update

SCOT-ZED - project team in place and meeting. Survey design for questionnaires and workshop format complete and being circulated
SEStran officers attanded SCOTFLAG meeting and presented SCOT-ZED project
SEStran participating in a bid via ESESCRD to the UKRI Local Innovation Partnerships Fund to focus on freight tram innovation pilot
Napier University are reviewing internal proposal for research into regional freight

Q3 Objectives & RTS Actions Progress

Q4 Project Progress and RAG status update

Q4 Objectives & RTS Actions Progress

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
Major 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	0	0%
Delayed	5	83%
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
• 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 investment • Review 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	• Develop a uniform approach to mapping cycling infrastructure across the region • Create a shared mapping resource that can be accessed by all Local Authorities • Work with Local Authorities to identify opportunities to support cross boundary connections • Create a story map to highlight the extent of the existing network	• Creation of a baseline map of the existing cycle network • Identify gaps in current mapping data • Support the development of a unified approach to mapping cycle infrastructure • Mapping resource for current and future cycle network across the region

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	18/05/26		Delayed	05/08/25
Complete data collection	31/08/25	03/08/26		Delayed	05/08/25
Complete regional network map	02/01/26	28/09/26		Delayed	05/01/26
Share outcomes with LAs and agree next steps	28/02/26	12/10/26		Delayed	05/01/26
Complete public facing version of map	31/03/26	18/01/27		Delayed	05/01/26

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. Met with Fife Council active travel and networks to agree approach. Engaged with Ewan Doyle about discussing as part of mass transit work. Met with Marked and scheduled meeting with Hitrans to explore potential of tool/data gathering to support this work.	

Q3 Project Progress and RAG status update	Q3 Objectives & RTS Actions Progress
Given other proejct pressures work has not progressed on this as planned to date. Options being considerd for funding for 26/27 to deliver on initial proposals. Follow up meeting held with Marked. Draft business case developed for delivery. Begun work on funding bid for 26/27 to support external resource to progress	

Q4 Project Progress and RAG status update	Q4 Objectives & RTS Actions Progress

Project Name	RTPI & Ticketing
Current Exp Budget	£19,500
Project Code	92019
SEStran Lead	Rebecca Smith
SEStran Manager	Michael Melton
Project Partners	7 Local Authorities plus Stirling Council (ELC partial)
Lead Partner	SEStran
Last Updated	01/05/2026

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	£9,500.00	£19,500.00	£10,000.00
Current Actual	£0.00	£19,500.00	
Current Remaining	£9,500.00	£0.00	
Predicted Future Spend	£9,500.00	£0.00	
Predicted total spend	£9,500.00	£19,500.00	£10,000.00
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: Scotrail and Local Authorities

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

Milestones

Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Contact all organisations with screens offline	30/09/2025		16/09/2025	Complete	16/06/2025
Complete 25/26 audit review of screens	31/03/2026			On Track	16/06/2025
RTPI SEStran Area Meetings with supplier (Quarterly)	31/03/2026			On Track	16/06/2025
Complete asset tagging of screens	31/08/2025	27/02/2026		Delayed	05/01/26
Decide regional software procurement route	30/11/2025	30/01/2026		Delayed	05/01/26
Carry out procurement process for software	30/02/2026			On Track	16/09/2025

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. 70% of locations now have site asset tagged, tags sent to the organisation, or have been flagged as inaccessible.	Increasing engagement with new and existing locations has allowed us to raise the profile of the work. Discussions around creating information 'widgets' which can be installed into the organisation's own equipment offers the opportunity to provide high quality information without the infrastructure. The widget is being developed by the provider and will be tested in Q3.

Q3 Project Progress and RAG status update	Q3 Objectives & RTS Actions Progress
RTPI contract review taking place ahead of March 2026 contract expiry. Identifying routes to procurement including direct award. Working with NHS Lothian to improve screen displays and looking at expansion of the network at all sites.	Continuing to progress 'widget' options to enable easier infomration sharing.

Q4 Project Progress and RAG status update	Q4 Objectives & RTS Actions Progress
Asset tagging to be carried out by officers in Q4.	

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Project Name	Regional Bus Strategy
Current Exp Budget	£56,921
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

Underspend >£5k

Programme Status

Minor Delay

Budget	Income	Expenditure	SEStran Spend
Original Budget	£0.00	£71,000.00	£71,000.00
Current Budget	£0.00	£56,920.84	£56,920.84
Current Actual	£0.00	£31,455.74	
Current Remaining	£0.00	£25,465.10	
Predicted Future Spend	£0.00	£31,387.62	
Predicted total spend	£0.00	£62,843.36	£62,843.36
Predicted Variance	£0.00	-£5,922.52	-£5,922.52

Milestone Status	Count	Percentage
On Track	0	0%
Delayed	0	0%
Overdue	0	0%
Complete	4	100%

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
• 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	To continue strategic progress from 24/25 To engage partners/ public in bus opportunities To build consensus around the best path forward	Worked up options, based on case for change and review of policies. Work Package 3: Appraisal of Delivery Options Work Package 4: Consultation on the Draft Strategy Work Package 5: Finalise Strategy

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 on the bus strategy received strong response rate of over 5000 replies, including 1600 open text responses.	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
Public consultation reporting produced and fedback to by SEStran team Timings for final few months shared with LAs ahead of SE Summit Meetings with LAs and operators ahead of sharing final draft Final draft shared with ops/ LAs/ Bus Users UK Preparing presentation script/ slides/ questions for summit Strategy approved by board Strategy launched at Summit Unspent advertsing budget moved to Thistle Assistance. Likely underspend on budget set aside for Work Package 5 (£25k) as some of this work may be completed internally - discussions ongoing	

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		25/08/25	Complete	09/09/25
Publication of final strategy	30/09/25	04/12/25	04/12/25	Complete	05/01/26

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Project Name	RTS Delivery Plan
Current Exp Budget	£10,000
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	£10,000.00	£10,000.00
Current Actual	£0.00	£9,409.67	
Current Remaining	£0.00	£590.33	
Predicted Future Spend	£0.00	£0.00	
Predicted total spend	£0.00	£9,409.67	£9,409.67
Predicted Variance	£0.00	£590.33	£590.33

Milestone Status	Count	Percentage
On Track	6	60%
Delayed	0	0%
Overdue	3	30%
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
Successful BIF funding has progressed MT theme to develop Project SEStransit Data theme progressing with our work with Arup. Freight progressing via strategy work Decarb unprogressed RCN progressing AT theme Interchanges options need to be agreed	

Q3 Project Progress and RAG status update	Q3 Objectives & RTS Actions Progress
Arup and Stuart Turnbull brought on as consultants to progress the work Next LA workshop planned for 22/11 PID and wider governance challenges under consideration in conjunction with TS Keith Fisken taking lead role from SEStran team Project SEStransit presented to ESESCRD Directors group and Forth Green Free Port infrastructure committee for information and engagement Budget reduced to £10k (from £55k) as reported to PaSDOS and Board due to costs being met from Bus Infrastructure Fund	

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			Overdue	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		Overdue	05/08/25
Complete review of Matrix Analysis and sense check outputs	30/11/25			Overdue	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	92095
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	LAs, TS,
Lead Partner	SEStran
Last Updated	05/08/2025

Finance Status
Underspend <£5k
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	£35,718.55	
Current Remaining	£0.00	£4,281.45	
Predicted Future Spend	£0.00	£280.00	
Predicted total spend	£0.00	£35,998.55	£35,998.55
Predicted Variance	£0.00	£4,001.45	£4,001.45

Milestone Status	Count	Percentage
On Track	1	10%
Delayed	0	0%
Overdue	0	0%
Complete	9	90%

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

Milestones					
Name	Due Date	Revised Date	Completed Date	Status	Last Updated
Three factsheets on specific topics.	31/03/26			On Track	13/10/25
Publish 2024/25 Annual Report.	27/06/25		22/07/25	Complete	05/08/25
Complete vision brief	30/08/25		30/08/25	Complete	05/08/25
Send the Save the Date to key invitees	27/06/25	13/08/25	13/08/25	Complete	05/08/25
Procure designers for vision work	30/08/25		30/08/25	Complete	05/08/25
Book event space for celebration	27/06/25		01/08/25	Complete	05/08/25
Produce manifesto	28/11/25		03/12/25	Complete	19/12/25
Set event agenda	31/10/25		30/10/25	Complete	30/10/25
Send event invites	31/10/25		30/10/25	Complete	11/11/25
Vision and associated collateral complete	07/11/25	14/11/25	14/11/25	Complete	30/10/25

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
TBP brought on Cab sec agreeing to speak Manifesto development diaried in - first draft complete Vision work procured and progressing Event booked and invites sent out. Agenda almost finalised.	

Q3 Project Progress and RAG status update	Q3 Objectives & RTS Actions Progress
The Vision tender evaluation marked and awarded Meetings with successful bid to work through RTS objectives and manifesto asks Work progressing well against this to meet deadline ahead of summit Invites sent across all tiers and responses positive Working through confirming agenda	

Q4 Project Progress and RAG status update	Q4 Objectives & RTS Actions Progress

Project Name	Rail Strategy
Current Exp Budget	£13,500
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	£13,500.00	£13,500.00
Current Actual	£0.00	£0.00	
Current Remaining	£0.00	£13,500.00	
Predicted Future Spend	£0.00	£13,500.00	
Predicted total spend	£0.00	£13,500.00	£13,500.00
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	1	17%
Delayed	0	0%
Overdue	1	17%
Complete	4	67%

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.

More of the region's towns and settlements could be connected to the existing rail network by the provision of new stations. This is particularly important where significant new

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?

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	01/09/25	Complete	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		17/9/25	Complete	17/09/25
Strategy development (draft) - objectives and goals Stakeholder engagement	31/12/25			Overdue	11/10/25
Deliver 3rd meeting of Regioanl Rail Group	31/12/25		10/12/26	Complete	15/01/26
Deliver 4th meeting of Regioanl Rail Group	31/03/26			On Track	

Q1 Project Progress and RAG status update

Review of RTS rail chapters completed with rail operators/ NR
Conversations underway with NR about better data sharing

Q1 Objectives & RTS Actions Progress

Q2 Project Progress and RAG status update

Regional Rail Group met in September
Winchburgh Steering group meet - business case being finalised for submission to TS & ESESCRD
Newburgh rail apprasail with TS for review

Q2 Objectives & RTS Actions Progress

Q3 Project Progress and RAG status update

Project SEStransit presented to ScotRail as an introduction

Q3 Objectives & RTS Actions Progress

Q4 Project Progress and RAG status update

Q4 Objectives & RTS Actions Progress

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Project Name	Data Paper
Current Exp Budget	£50,000
Project Code	92094
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	WFM
Lead Partner	SEStran
Last Updated	30/09/2025

Finance Status
Underspend >£5k
Programme Status
Minor Delay

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	1	11%
Delayed	3	33%
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

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	27/02/26		Delayed	05/08/25
Establish data and mapping gaps list	30/09/25	13/03/26		Delayed	05/08/25
Begin discovery plan drafting	19/12/25	13/03/26		Delayed	05/08/25
Present recommendations paper to board	31/03/26			On Track	05/08/25

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
Outline meeting with Arup and proposal shared with us Comments returned Waiting for second draft proposal	

Q3 Project Progress and RAG status update	Q3 Objectives & RTS Actions Progress
Second draft through from Arup Discussions with Podaris about their tool and how it might be useful to us/ consultants/ partners Spoken to consultants about how they find using Podaris to get wider understanding. All positive. Next step - consider how we bake any such tool into future consultant projects and data conversations with LAs Review Innovate Norway project documents for Assistobe, project group to be formed after internal SEStran approval.	

Q4 Project Progress and RAG status update	Q4 Objectives & RTS Actions Progress

Project Name	Thistle Assistance
Current Exp Budget	£62,531
Project Code	92077
SEStran Lead	Sandra Lavergne
SEStran Manager	Michael Melton
Project Partners	All RTPs
Lead Partner	SEStran
Last Updated	05/01/2026

Finance Status

On Budget

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	£62,531.00	£38,531.00
Current Actual	£0.00	£29,643.50	
Current Remaining	£24,000.00	£32,887.50	
Predicted Future Spend	£24,000.00	£32,570.96	
Predicted total spend	£24,000.00	£62,214.46	£38,214.46
Predicted Variance	£0.00	£316.54	£316.54

Milestone Status	Count	Percentage
On Track	3	15%
Delayed	2	10%
Overdue	0	0%
Complete	15	75%

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
Minor amendments have been made on the card request form based on Lessons learnt. Further development work is currently being undetaken to collect personal information from card requests and app. This will be finalised by the end of October, after which the next campaign will be taking place (from November). Privacy notice being updated. Procurement exercise started to appoint a media agency for future promotional campaigns. Progress on stakeholder engagement: met with TS and all the RTPs for progress update. Transport operators survey distributed.	Update of the privacy policy and amendment on the types of personal data collected in line with data policies will enable: - distribution of future surveys directed at existing users - collection of additional user data Collection and analysis of this information from both card and app usage, will lead to a better understanding of the current audience of the scheme, and potential gaps, as well as use and impact of the scheme in the overall passenger experience. Transport operators survey will provide a more robust baseline on current awareness and engagement with the scheme by the operators.

Q3 Project Progress and RAG status update	Q3 Objectives & RTS Actions Progress
The Thistle Assistance digital campaign was Highly Commended as part of the National Transport Awards 2025. New dashboard and development works on the request a card / app to capture personal data of users were finalised early November. Procurement exercise has been carried out for a media agency (work will include TA campaigns). New digital campaign has been carried out for 4 weeks replicating previous successful campaign. A total of 1,171 cards have been requested. Low uptake on transport operator survey remains low; identified opportunities to work with CPT to increase uptake, which will take place in Jan. Initial chat on card printing and distriburion procurement done.	With the new 'Request a card' / App format allowing for collection of personal information, we will aim to distribute a follow-up survey in Q4, targeting existing users, to better understand usage of the scheme and potential impact on journey experience. This milestone has been pushed to Q4 to allow enough time for people to reflect on usage of the card/app. Results from the transport operator survey will help shape future engagement initiatives to ensure that the scheme is widely known and understood by operators. This is delayed due to a low uptake.

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	05/05/25
Printing brief circulated to 3 potential suppliers	01/06/25		08/05/25	Complete	08/05/25
Printing supplier appointed	30/06/25		09/06/25	Complete	09/06/25
Provide key updates to the Board	20/06/25		20/06/25	Complete	20/06/25
POD laying out plans for 25/26 approved and signed off	30/09/25		01/08/25	Complete	01/08/25
First RTP Thistle Assistance meeting	30/09/25		01/09/25	Complete	01/09/25
Update privacy policy prior to any new marketing initiative	30/09/25		30/09/25	Complete	30/09/25
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	10/11/25	10/11/25	Complete	10/11/25
Plan next digital marketing campaign	30/09/25	31/10/25	30/10/25	Complete	30/10/25
Transport operator survey created and distributed	30/09/25		25/09/25	Complete	25/09/25
App quarterly maintenance Q3	19/12/25		01/10/25	Complete	30/10/25
Results from transport operator survey collected and analysed	19/12/25	31/03/26		Delayed	19/12/25
Digital marketing campaign done	19/12/25		12/12/25	Complete	19/12/25
User survey created and distributed	19/12/25	31/03/26		Delayed	19/12/25
Procurement exercise started to appoint a printer/distributor on a multi-year contract	19/12/25		19/12/25	Complete	19/12/25
App quarterly maintenance Q4	31/03/26		05/01/26	Complete	05/01/26
User survey analysed	31/03/26			On Track	05/01/26
High level project plan for 26/27 based on all data collected and recommendations	31/03/26			On Track	05/01/26
Procurement exercise finalised with a supplier appointed	31/03/26			On Track	05/01/26

Project Name	Transport to Health Strategy
Current Exp Budget	£50,523
Project Code	92062
SEStran Lead	Rachael Murphy
SEStran Manager	Keith Fisken
Project Partners	NHS Boards
Lead Partner	SEStran
Last Updated	19/12/2025

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	£50,522.59	£50,522.59
Current Actual	£0.00	£15,922.24	
Current Remaining	£0.00	£34,600.35	
Predicted Future Spend	£0.00	£34,600.35	
Predicted total spend	£0.00	£50,522.59	£50,522.59
Predicted Variance	£0.00	£0.00	£0.00

Milestone Status	Count	Percentage
On Track	2	15%
Delayed	2	15%
Overdue	0	0%
Complete	9	69%

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

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.

Q1 Objectives & RTS Actions Progress

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 Health Boards 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

Meetings held with Borders, Lothian, Fife.
Further meeting required for Fife and FV.
Positive feedback from Fife.
Further data collected by DES in August 2025 on disable people's experiences to access healthcare services; data can be compared to an initial survey distributed in 2019.

Q2 Objectives & RTS Actions Progress

The C4C will focus on addressing partially or fully the identified research gaps from the Literature Review.

Q3 Project Progress and RAG status update

C4C tender exercise finalised with Urban Foresight appointed. Public and stakeholder engagement will be taking place in Q3.
Meeting with HBs to take them through public consultation/ focus group working
Public consultation questions and comms materials confirmed
1429 responses as of 10/11
Held second meeting of all RTPs on TtH and agreed to meet again in Jan and consider what if any more structured collab we might want to take on in 26/27
Opportunities to present our work at key meetings will be assessed in Q4 instead of Q3, as well as the review of the Learning Network.
Unspent advertsing budget moved to Thistle Assistance

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	01/12/25	01/12/25	Complete	19/12/25
Webinar for equalities/ other stakeholders?	30/09/25	31/03/26		Delayed	19/12/25
Pursue work on Case for Change (how to identify potential solutions?)	19/12/25		19/12/25	Complete	19/12/25
Pursue engagement via Learning network	19/12/25		19/12/25	Complete	19/12/25
Review effectiveness of Learning network and identify potential improvements	19/12/25	31/03/26		Delayed	19/12/25
Presentation draft Case for Change at Q4 Board	31/03/26			On Track	19/12/25
Identify key actions for 26/27	31/03/26			On Track	19/12/25

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

Underspend >£5k

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	£3,786.02	
Current Remaining	£0.00	£21,213.98	
Predicted Future Spend	£0.00	£8,722.98	
Predicted total spend	£0.00	£12,509.00	£12,509.00
Predicted Variance	£0.00	£12,491.00	£12,491.00

Milestone Status	Count	Percentage
On Track	2	40%
Delayed	3	60%
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
• Identify locations where implementation of shared mobility solutions could be beneficial and reduce the level of 'forced' car ownership • Expand the provision of bike-sharing initiatives across the region	• Installation of a Brompton cycle hire unit and provision of 8 hire bikes in Haymarket Station or alternative site • Increase awareness and access to e-bikes as an option for commuting to work through three e-bike employer trials • Increase access to e-bikes to the public through supporting training and e-bike loans for community groups • Carry out promotion of existing Brompton lockers at QMU and Sherrifhall P&R	• More people are enabled to choose cycling as a trasnport mode • More people have the opportuniy to trial an e-bike and choose to switch to cycling for more of their journeys

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	31/03/26		Delayed	11/11/25
Support training sessions for e-bike groups	31/03/26			On Track	
Collect case studies from e-bike loans	30/09/25	31/03/26		Delayed	11/11/25
Carry out promotion of existing Brompton lockers	01/09/25	31/03/26		Delayed	11/11/25

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
Engaged with Midlothian and East Lothian about potential locations for Brompton locker. E-bikes surplus to requirement moved to LCDT in Linlithgow to support local hires.	

Q3 Project Progress and RAG status update	Q3 Objectives & RTS Actions Progress
Meeting held with QMU to promote Brompton lockers on site. Dunbar Station identified as potential site for Brompton locker as alternative to Haymarket. E-bikes relocated from Walkerburn to Melrose and West Lothian. Blog in newsletter to promote the e-bike employer trial. Review of budget required as any install of Brompton bike hire at Dunbar will not be until 26/27. Approx £12.5k tfrom Haymaket locker unlikely to be spent this year due to delays - will no longer go ahead	Supported addition of e-bikes to Melrose fleet and provided servicing for bikes and small e-bike to West Lothian to meet demand for this size.

Q4 Project Progress and RAG status update	Q4 Objectives & RTS Actions Progress

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ASSET MANAGEMENT STRATEGY

1 INTRODUCTION

1.1 This report presents an update to the Partnership's Asset Management Strategy and Asset Derecognition Form to the Committee for approval in line with organisational procedures and to address the recommendations from the Annual Audit Report 2024-25.

2 BACKGROUND

2.1 Effective asset management plays a critical role in achieving SEStran's business objectives and ensuring the organisation's long-term sustainability. The SEStran Asset Management Strategy outlines SEStran's approach to managing assets throughout their lifecycle, from acquisition to disposal, in alignment with our organisational goals and regulatory requirements.

As per Appendix 1, the Audit Scotland Annual Audit Report 2024-25, presented to the Partnership Board Meeting on 26th September 2025, provided the below recommendation following a review of non-current SEStran assets:

"The partnership should improve its processes and documentation around the disposal of assets."

The following action was agreed as a result of this recommendation:

"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."

2.2 In order to address this action, the Asset Management Strategy has been updated to include guidance on the procedure for the disposal of assets and an asset derecognition form has been drafted alongside this. These actions address the recommendations from the report including the requirement for approval by the Partnership Director.

2.3 The following proposed guidance has been added to the SEStran Asset Management Strategy paragraph 6:

Asset Derecognition Procedure

As per the Accounting Policy at paragraph 4.3, 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.

For an asset to be derecognised an asset derecognition form must be completed and submitted to the Partnership Director for approval. Once the Partnership

Director has approved, the form should then be passed to finance for approval. Only once an asset derecognition form has been signed off by the Partnership Director and finance can the asset be removed from the Asset Register.

3   RECOMMENDATIONS

3.1   The Committee is asked to review and approve the update to the SEStran Asset Management Strategy and the associated process to approve derecognition of assets through the Asset Derecognition Form.

Beth Harley-Jepson
Project Officer

Appendix
1. Extract from Audit Scotland Annual Audit Report 2024-25
2. SEStran Asset Management Strategy v 0.2
3. SEStran Asset Derecognition Form

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.

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

ASSET MANAGEMENT STRATEGY

Document Version Control

Date	Author	Version	Status	Reason for Change
March 2025	SEStran	0.1	DRAFT	For approval by Partnership Board.
March 2025	SEStran	1.0	FINAL	Approved by Partnership Board
February 2026	SEStran	1.1	DRAFT	Addition of asset derecognition guidance

1   Introduction

1.1   Effective asset management plays a critical role in achieving SEStran's business objectives and ensuring the organisation's long-term sustainability. This strategy outlines SEStran's approach to managing assets throughout their lifecycle, from acquisition to disposal, in alignment with our organisational goals and regulatory requirements.

2   Definition of an Asset

2.1   An asset is a resource with economic value that is owned or controlled by an organisation with the expectation that it will provide a future benefit. SEStran's assets fall into three broad categories.

2.1.1   **Property, plant and equipment** – tangible assets (i.e. assets with physical substance) that are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and expected to be used during more than one (accounting) period. The Partnership currently holds electronic bicycles and Ticketer equipment, ICT equipment and electronic screens, which support the real time bus passenger information (RTPi) system.

2.1.2   **Leases** – a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for the lease term.

2.1.3   **Intangible asset** – an identifiable non-monetary asset without physical substance, which is controlled by the Partnership as a result of past events, and from which future economic benefits or service potential are expected to flow. The most common class of intangible assets in local authorities is computer software.

3   Asset Register

3.1   Any asset that is procured must immediately be added to the Asset Register. This is a detailed record that lists all of the assets held by SEStran. It serves as a comprehensive inventory of the assets, providing essential information about each asset to help manage and track them effectively. It includes the following details:

3.1.1   **Asset Number:** Every asset on the Asset Register should be assigned a unique identification number, in sequence from the most recent previously procured asset. Where practical, a sticker showing the Asset Number should be securely attached to the asset. In cases where this is not practical, a note should be added to the Asset Register detailing why this is the case.

3.1.2 **Serial Number:** The manufacturer's serial number for an individual asset should be recorded on the Asset Register to aid identification.

3.1.3 **Asset Category:** Each asset should be assigned to a general category in order that assets can be grouped with those of a similar type e.g. eBikes, RTPI screens. In order to prevent a proliferation of Asset Categories, new categories must be agreed by the Partnership Director.

3.1.4 **Asset Location:** The location of the asset should be clearly recorded. For example, a general location such as railway station is unlikely to be specific enough to allow it to be identified quickly in an asset check undertaken by a new member of staff. In cases like this, a more specific direction such as 'above concourse on platform 14' may be more appropriate.

3.1.5 **Date of Addition:** This should be the date when ownership of the asset is passed to SEStran, usually the date on which a supplier's invoice is paid.

3.1.6 **Cost:** This is the financial cost to SEStran when the asset is procured.

3.1.7 **Useful Life:** For accounting purposes, the useful life of an asset must be estimated when it is procured. This is essential in order to determine depreciation and net book value.

3.1.8 **Estimated to be Fully Written Down:** This is a function of 'Date of Addition' and 'Useful Life' and, for asset management planning purposes, can be used as a guide for when an asset may require to be replaced.

3.1.9 **Net Book Value:** This is the value of the asset after application of depreciation and any impairment adjustment. It will also reflect any revaluation of the asset.

4 Accounting Policy

4.1 The Accounting Policy is presented in the table in paragraph 4.3 below.

4.2 The Partnership is required to adopt International Financial Reporting Standard 16 Leases (IFRS 16), when preparing the Annual Accounts for 2024/25. Any further update to Accounting Policies required for adoption of IFRS16 will be reported to the Partnership when the unaudited Annual Accounts are presented in June 2025.

4.3 **Accounting Policy**

Tangible Assets

Plant and equipment is categorised into the following classes:
- Vehicles, plant, furniture 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, other than assets under construction.
- The Partnership depreciates its non-current assets in the year of acquisition. The Partnership will operate 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.

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.

5   Annual Asset review

5.1   Annual Asset Impairment Review: As part of the annual, end-of- financial-year asset review process, SEStran will undertake an impairment review to establish the condition and value of all assets, and whether the remaining useful life and / or book value require to be adjusted.

This does not necessarily mean that each individual asset will be inspected. It may be that the value of assets in a given asset category is reducing more quickly than originally assumed, so adjustments may have to be made to remaining useful life and / or net book value.

5.2   **Asset Impairment at other times:** the Asset Register should be updated immediately to reflect changes to the condition or operation of an asset

e.g. if an asset is no longer operable and cannot be repaired, the Asset Register should be updated.

5.3   Assets must be physically (or otherwise) checked prior to the end of each financial year, in order to ensure that the asset values reported in the financial statements are accurate and provide a true and fair view of the Partnership's financial position.

5.4   A snapshot should be taken of the Asset Register on the final day of a financial year, and columns added to show the date on which the asset was checked, the member of staff who checked the asset, and any relevant notes regarding its condition, operation etc.

5.5   For many assets, such as eBikes, this will require each individual asset to be checked by locating the asset and taking any photographs necessary to show its unique Asset Number.

5.6   For other Asset Categories, such as RTPI PCs and screens, it may be possible to remotely check whether the equipment is in operation.

5.7 It should be remembered at all times that evidence that the asset was checked and was operable at that time must be good enough to satisfy an audit at a later date.

6 Asset Derecognition Procedure

6.1 As per the Accounting Policy at section 4.3, 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.

6.2 For an asset to be derecognised an asset derecognition form must be completed and submitted to the Partnership Director for approval. Once the Partnership Director has approved, the form should then be passed to finance for approval. Only once an asset derecognition form has been signed off by the Partnership Director and finance can the asset be removed from the Asset Register.

7 Strategy Review

7.1 This document requires to be reviewed within a three-year period of previous approval by the Partnership Director and Principal Accountant.

SEStran Asset Derecognition Form

This form is used to record the disposal of a SEStran asset and ensure compliance with organisational procedures. This is in line with SEStran's Asset Management Strategy which states assets should be de-recognised either on its disposal, or where no future economic benefits or service potential are expected from its use or disposal.

1: Asset Details

Asset Description: _____

Access ID/ Serial Number (attached in separate document for more than one asset): _____

Category (Bikes/ RTPI/ IT equipment): Choose an item.

Location: _____

Current Book Value: _____

2: Reason for being de-recognised

☐ Obsolete

☐ Damaged Beyond Repair

☐ Surplus to Requirements

☐ Other (please specify): _____

3: Disposal Method

☐ Recycling / Disposal

☐ Donation / Transfer

Vendor / Recipient Name: _____

Supporting Documentation Attached: ☐ Yes ☐ No

4: Compliance & Approvals

Data Securely Wiped / Sanitised (for IT assets): ☐ Yes ☐ N/A

Partnership Director Approval:

Name: _____

Signature: _____

Date: _____

Finance Approval:

Name: _____

Signature: _____

Date: _____

5: Disposal Confirmation

Date of Disposal: _____

Disposal Certificate / Receipt Attached: ☐ Yes ☐ No

Once this form has been completed, the document should be saved in PDF format and saved in SharePoint (Corporate > Asset Register). The asset should then be removed from the asset register as it has been de-recognised.

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. The contract register is brought to the committee for review every 6 months.

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 12th September 2025, and are over the value of £50,000 is shown at Appendix 1.

3.2   There are 6 contracts on the register, to a total value of £1,181,734, all of which are currently live. Members should note that some of these contracts, and in turn their

costs, run over multiple years. All of these contracts were on the register when it was last reported. One contract, Novus FX for Real Time Passenger Information, was on the previous report but is now noted with its extension to 31/3/2026 – an error on the previous report had its end date as 31/3/2025.

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
27th February 2026

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 at award (exc	Contract Start Date	Contract End Date at a	If no end date, how will the contract end	Duration of any variations
11/11/2022	SEStran-22/23-04P	Vivacity	Multi-modal Transport Monitoring Sensors/Cameras	£213,614.00	11/11/2022	31/05/2029		
01/04/2022	SEStran Novus FX Contract	Trapeze	Real Time Passenger Information	£147,400.00	01/04/2022	31/03/2026		1 year
02/03/2023	SEStran-22/23-01A	One Stop IT	IT services	£95,984.16	02/03/2023	02/03/2027		
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	
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		