

SESTRAN PARTNERSHIP BOARD MEETING
Dean of Guild Room, City Chambers, Edinburgh, EH1 1YJ
Or via Microsoft Teams
10:00am Friday 25th September 2026

09:30 TEA/COFFEE
10:00 PARTNERSHIP BOARD
11:30 BREAK
11:45 PARTNERSHIP BOARD
13:00 LUNCH

AGENDA

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

AGENDA A – POINTS FOR DECISION

GOVERNANCE AND CORPORATE UPDATES

- A1. MINUTES (For Approval)**
- (a) Partnership Board – 19 June 2026 **3**
 - (b) Special Partnership Board – 17 July 2026 **12**
 - (c) Performance and Audit Committee – 11 September 2026 **15**
- A2. FINANCE REPORTS – Reports by Richard Lloyd-Bithell**
- (a) **ANNUAL AUDIT REPORT AND ANNUAL AUDITED ACCOUNTS 2025/26** **19**
 - (b) **FINANCE OFFICER'S REPORT** **95**
- A3. COUNCIL REQUISITIONS – Report by Brian Butler** **102**
- A4. ANNUAL REPORT – Report by Sarah Junik** **135**
- A5. PROGRAMME FOR GOVERNMENT – Report by Brian Butler** **156**

COFFEE BREAK

PROGRAMME AND PROJECTS UPDATE

- A6. PROJECTS REPORT – Report by Ewan Doyle and Michael Melton** **163**

- A7. INTEGRATED REGIONAL EMPLOYABILITY AND SKILLS – Report by Ewan Doyle 172**
- A8. DATE OF NEXT MEETING:**
The date of the next meeting is **10:00 AM FRIDAY 4 DECEMBER 2026**

AGENDA B – POINTS FOR NOTING

- B1. BUSINESS PLAN 2026-2027 – Report by Brian Butler 176**
- B2. SESTRAN CONSULTATION RESPONSE – Report by Rebecca Smith 226**
- B3. CONTRACTS REGISTER – Report by Michael Melton 231**
- B4. RISK MANAGEMENT FRAMEWORK – Report by Angela Chambers 235**
- B5. DELIVERY PROGRAMME PERFORMANCE REPORT – Report by Michael Melton 250**
- B6. SUMMARY OF GRANT AWARDS – Report by Michael Melton 257**
- B7. PUBLIC SECTOR REFORM ACT (2010) – 2025/26 REPORT – Report by Michael Melton 259**
- B8. HR POLICY REVIEW - Report by Angela Chambers 274**
- B9. APPOINTMENT OF INTERIM SECRETARY – Report by Brian Butler 277**

Secretary to SESTRAN
Democracy, Governance and Resilience
Legal and Assurance Division
The City of Edinburgh Council
Waverley Court 2.1
Edinburgh
EH8 8BG

18 September 2026

Telephone: 0131 529 4239 or E-mail: andrew.rose@edinburgh.gov.uk
Agendas and papers for all SEStran meetings can be accessed on www.sestran.gov.uk

SEStran Partnership Board Minutes

10.00am, Friday, 19 June 2026

Dean of Guild Court Room, City Chambers, Edinburgh, and Microsoft Teams

<u>Present</u>	<u>Name</u>	<u>Organisation Title</u>
	Cllr Sally Pattle (Chair)	West Lothian Council
	Cllr Chas Booth	City of Edinburgh Council
	Cllr Jack Caldwell	City of Edinburgh Council
	Cllr Stephen Jenkinson	City of Edinburgh Council
	Cllr Joanna Mowat (substitute for Cllr Neil Cuthbert)	City of Edinburgh Council
	Cllr John McMillan (Vice Chair)	East Lothian Council
	Cllr Paul Garner	Falkirk Council
	Cllr Ian Cameron	Fife Council
	Cllr Derek Glen	Fife Council
	Cllr Russell Imrie (Vice Chair)	Midlothian Council
	Cllr Colin Cassidy	Midlothian Council
	Cllr Tom Conn	West Lothian Council
	Alistair Couper	Non-Councillor Member
	Mailys Garden	Non-Councillor Member
	Callum Hay	Non-Councillor Member
	Simon Hindshaw	Non-Councillor Member
	John Scott	Non-Councillor Member
	Paul White	Non-Councillor Member
	Sally Wyke	Non-Councillor Member

<u>In Attendance</u>	<u>Name</u>	<u>Organisation Title</u>
	Andrew Rose (Clerk)	City of Edinburgh Council
	Jamie Robertson	City of Edinburgh Council
	Tom Stokes	City of Edinburgh Council
	Ian King	East Lothian Council
	John Mitchell	Fife Council
	Anna Herriman	Midlothian Council
	David Maule	West Lothian Council
	Brian Butler	SEStran
	Angela Chambers	SEStran
	Ewan Doyle	SEStran
	Rebecca Duncan	SEStran

Andrew Ferguson	SEStran
Sarah Junik	SEStran
Sandra Lavergne	SEStran
Michael Melton	SEStran
Rachael Murphy	SEStran
Rebecca Smith	SEStran
Alisdair Brown	SEStran
Stuart Turnbull	SEStran

**Apologies
for
Absence**

Name

Organisation Title

Cllr Neil Cuthbert	City of Edinburgh Council
Cllr James Leslie	Fife Council
Cllr Jenny Linehan	Scottish Borders Council
Linda Bamford	Non-Councillor Member
Clara Walker	Non-Councillor Member

1. Order of Business

The Chair welcomed everyone to the meeting, especially new members – both councillor and non-councillor - who were attending for the first time, and indicated that the order of business would be as listed in the circulated agenda.

The Chair also paid tribute to Andrew Ferguson who was leaving SEStran and this would be his last meeting. Andrew had worked with or at SEStran since its inception 21 years ago.

2. Apologies for Absence

The Clerk read out the apologies which had been received as detailed above.

3. Declarations of Interest

Sally Wyke made a transparency statement, in relation to all items of business, by virtue of her role as Chair of Cycling Scotland.

4. Video Presentation

The Board received a video presentation on a PPP Case Study and a verbal contextual introduction by the Programme Manager.

A1. Minutes

Decision

- 1) That the minute of the SEStran Partnership Board of 13 March 2026 be approved as a correct record.
- 2) That the minute of the SEStran Performance and Audit Committee of 5 June 2026 be approved as a correct record.

A2. (a) Unaudited Annual Accounts 2025/26 and Treasury Management

The Board considered a report by the Treasurer presenting the unaudited Annual Accounts in accordance with the Local Authority Accounts (Scotland) Regulations 2014. The Board was reminded that the accounts are subject to audit and that the audited Annual Accounts, incorporating the Auditor's report, will be presented to the Performance and Audit Committee and Partnership Board in due course.

The report also outlined the Treasurer's opinion on the effectiveness of the Partnership's system of internal financial control with his opinion being informed by the work of Internal Audit and managers in the Partnership. It is the Treasurer's opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control system.

Decision

- 1) That the unaudited Annual Accounts for 2025-26 be noted, and
- 2) That the annual Treasury management report for 2025-26 be noted.

(Reference – Report by the Treasurer, submitted)

(b) Revenue Budget 2026/27

The Board considered a report by the Treasurer presenting a proposed revised Partnership budget for 2026-27 with the report outlining the changes impacting the Budget and requiring revision to it.

Decision

- 1) That the proposed revised core budget of £1,053,000 for 2026/27, as detailed at Appendix 1 to the report, be approved.
- 2) That the proposed People and Place, Transport to Employment and Workforce Mobility Project budgets for 2026/27, as detailed in Appendix 2 to the report, be approved, and
- 3) That it be noted that all income and expenditure of the Partnership will continue to be monitored closely with updates reported to each Partnership meeting.

(Reference – Report by the Treasurer, submitted)

A3. PaSDOS and Future Reporting

The Board received a report by the Programme Manager providing an update on discussions around the future role of the Project and Strategy Delivery Oversight Subgroup (PaSDOS) and future reporting resulting from this and the 2026/27 Business Plan, namely that (a) the scrutiny/audit function of existing projects to be passed back to the Performance and Audit Committee, (b) PaSDOS will report to the Board and provide advice and guidance on project delivery alignment with overall strategy, (c) a core role will be to support development of the Business Plan for the next year and evaluation of the previous year's Business Plan, (d) the group will continue to support ongoing project development with meetings focusing on specific projects, (e) the group will set a 'work plan' for the year based on the milestones within the Business Plan, and (f) membership will look to increase to up to seven with an ongoing focus on the right skills mix to support the role of the Committee.

Decision

- 1) That the proposed changes as set out in Section 2 of the report be approved, and
- 2) That the content of sections 3 and 4 of the report be noted.

(Reference – Report by the Programme Manager, submitted)

A4. Appointments to Performance and Audit Committee

The Board considered a report by the Business Manager seeking nomination for the appointment of a Non-Councillor Member to the Performance and Audit Committee.

The report also advised that Councillor Sanne Dijkstra-Downie has been elected to the Scottish Parliament and, as a result, is no longer able to continue on this Board and in her role as Deputy Chair of the Partnership. The Chairs have considered the current position and agreed that, as the Partnership has discretion over the number of Deputy Chairs appointed, the vacancy will not be filled at this time.

Councillor Booth, seconded by Simon Hindshaw, proposed that Sally Wyke be appointed as a Non-Councillor Member to the Performance and Audit Committee.

Decision

- 1) That Sally Wyke be appointed as a Non-Councillor Member to the Performance and Audit Committee, and
- 2) That it be noted that former Deputy Chair Sanne Dijkstra-Downie had been elected as an MSP and that the Partnership will continue with two serving Deputy Chairs.

(Reference – Report by the Business Manager, submitted)

A5. Partnership Director's Update

The Board received a verbal presentation from the Partnership Director providing an update on a number of matters which he considered were of significant importance or of interest, but particularly in relation to (a) the Partnership's Risk Register, (b) SEStran's position with regard to the ongoing discussions about empowerment of regional partnerships to drive economic growth and (c) the Transport Scotland Review of Regional Transport Partnerships (RTPs) funding, along with transport governance, and (d) Scottish Government proposals for a national flat fare of £2.

In respect to these matters, the Chair indicated that, due to their significance and to ensure that the Board was able to spend sufficient time considering them, a special meeting of the Board was being called for July 2026. The date would be dependent on member availability, and the Business Manager would seek responses from Board members on their availability for dates.

A6. Workforce Mobility Project

The Board received a report by the Senior Partnership Manager which provided an update on the opportunity for SEStran to deliver the Workforce Mobility Project in partnership with the Edinburgh and South East Scotland City Region Deal through the existing Concordat between the two organisations. The Workforce Mobility Project already supports existing regional

activities, and a newly funded pilot will provide data intelligence to Regional Transport Partnerships and Local Authorities across Scotland.

Decided

- 1) That the content of the report and the associated funding position that is further detailed within Agenda item A2(b) Revenue Budget 2026-27 be noted.
- 2) That the action taken by the Partnership Director and Chair of the SEStran Partnership Board, under Standing Order 40, approving the participation of SEStran in the delivery of the Workforce Mobility Project in 2026/27 be noted.
- 3) That the continuation of the Senior Partnership Manager's leadership of the Workforce Mobility Project to deliver the benefits identified in Section 2.4 of the report be approved.
- 4) That the continuation of SEStran partnership delivery of the Workforce Mobility Project beyond March 2027, subject to approval of the Business Case to be submitted to the Scottish Government later in 2026, be endorsed.

(Reference – report by the Senior Partnership Manager, submitted.)

At this point in the meeting, Councillor Pattle left the meeting and Councillor Conn assumed the Chair.

A7. (a) RTS Delivery Plan

The Board considered a report by the Senior Partnership Manager providing an update on work that has taken place since the last report to the Board in September 2025 on delivery of the Regional Transport Strategy Delivery Plan.

Decision

That the contents of the report, and that progress updates will be provided to future meetings, be noted.

(Reference – report by the Senior Partnership Manager, submitted.)

A7. (b) People and Place

The Board considered a report by the Programme Manager providing an update on the People and Place programme, focussing on developments since the last meeting of the Board in March 2026, in particular, that in April 2026, Transport Scotland informed Regional Transport Partnerships of a likely reduction to the revenue allocation of 60% following its internal approval process. This was later confirmed and thereafter communications were made to all local authorities and funded partners on 10 April 2026.

Decision

That the contents of the report, and the changes to the programme made as a result of a reduction in funding, be noted.

(Reference – report by the Programme Manager, submitted.)

A7. (c) Regional Bus Action Plan

The Board received a report by the Projects Officer providing an update on progress of implementation of the Regional Bus Strategy.

Decision

That the progress against implementation of the Regional Bus Strategy be noted.

(Reference – report by the Projects Officer, submitted.)

A7. (d) Transport for Employment

The Board considered a report by the Programme Manager providing an update on progress made on Transport to Employment since the last meeting.

Decision

That the contents of the report, and the changes made to the programme, be noted.

(Reference – report by the Programme, submitted.)

A7. (e) Transport to Health

The Board received a report by the Project Officer reminding the Board that it had been presented at the last meeting of the Board in March 2026 but, due to time constraints, had not been able to be discussed in full.

The report was submitted to this meeting to enable discussion to take place.

Decision

That the findings outlined in the report, and the Case for Change report, be noted.

(Reference – report by the Project Officer, submitted.)

A7. (f) SEStransit

The Board considered a report by the SEStran Consultant summarising key findings from the work completed to date and outline plans for completion of the Strategic Business Case.

The report explained that, subject to the level of funding received from Transport Scotland, all local authorities will be required to contribute a portion of the balance of costs to complete the Strategic Business Case.

Decision

- 1) That the progress of the SEStransit Programme be noted, and
- 2) That it be noted that partner local authorities will be required to make a financial contribution to ensure that the programme continues to the end of the current financial year.

(Reference – report by the SEStran Consultant, submitted.)

A7. Date of Next Meeting

The Board was reminded that its next ordinary meeting would be held on Friday, 25 September 2026 in the Dean of Guild Court Room, Edinburgh City Chambers and online via Microsoft Teams.

The date for the special meeting as detailed in paragraph A6 above, to take place in July 2026, would be notified in due course.

Decision

The Board noted the date of its next ordinary meeting and that a special meeting of the Board would be held in July 2026, with a date to be notified.

B1. SEStran Consultation Responses

The Board considered a report by the Projects Officer providing an update on SEStran's response to consultations between March and June 2026.

Decision

That the content of the report, and its appendices, be noted.

(Reference – Report by the Projects Officer, submitted)

B2. Internal Audit Report 2024/25

The Board considered a report by the Head of Internal Audit at the City of Edinburgh Council reminding the Board that the City of Edinburgh Council Internal Audit team performs one review annually for SEStran, to provide assurance over the controls established to mitigate key risks in a specific area.

The report provided details on the outcomes of the 2025/26 SEStran Internal Audit review of Project Management, and an update on progress with the completion of actions agreed as part of previous audits, and requested input on potential areas for inclusion in the planned 2026/27 audit.

Decision

- 1) That the outcomes of the 2025/26 Internal Audit review of Project Management, including Internal Audit findings and recommendations and agreed management actions and implementation dates, be noted.
- 2) That progress with completion of management actions from previous audits be noted, and
- 3) That it be noted that the Performance and Audit Committee provides input on key risks or any areas of concern that the Committee would like Internal Audit to consider including in the 2026/27 Internal Audit review.

(Reference – Report by the Head of Internal Audit at the City of Edinburgh Council, submitted)

B3. Risk Management Framework

The Board considered a report by the Business Manager providing the quarterly update on SEStran's Corporate Risk Register.

Decision

That the contents of the report be noted.

(Reference – Report by the Business Manager, submitted)

B4. Projects and Strategy Performance

The Board considered a report by the Programme Manager providing an update on the performance of the Partnership's Strategy and Project workstreams in quarter 4 of 2025/26.

Decision

That the contents of the report be noted.

(Reference – Report by the Programme Manager, submitted)

B5. Summary of Awards to People and Place Programme

The Board received a report by the Programme Manager providing details of grant awards for 2026/27, as detailed at appendices 1 to 3 of the report.

Decision

That the contents of the report, and the grant awards contained in appendices 1 – 3 of the report, be noted.

(Reference – Report by the Programme Manager, submitted)

B5. Annual External Audit Plan 2025-26

The Board received a report by the Treasurer presenting the External Auditor's Annual Audit Plan for 2025-26.

Decision

- 1) That the External Audit Annual Audit Plan be noted
- 2) That it be noted that the External Audit Annual Audit Plan was considered by the Performance and Audit Committee on 27 February 2026.

(Reference – report by the Treasurer, submitted.)

B6. Asset Management Strategy

The Board received a report by the Projects Officer presenting the Partnership's Asset Management Strategy and Asset Derecognition Form to address the recommendations from the Annual Audit Report 2024-25, specifically that "The partnership should improve its processes and documentation around the disposal of assets."

Decision

- 1) That the External Audit Annual Audit Plan be noted.
- 2) That it be noted that the External Audit Annual Audit Plan was considered by the Performance and Audit Committee on 27 February 2026.

(Reference – report by the Treasurer, submitted.)

SEStran Partnership Board Special Meeting Minute

10.00am, Friday, 17 July 2026

Online via Microsoft Teams

<u>Present</u>	<u>Name</u>	<u>Organisation Title</u>
	Cllr Sally Pattle (Chair)	West Lothian Council
	Cllr Scott Harrison	Clackmannanshire Council
	Cllr Neil Cuthbert	City of Edinburgh Council
	Cllr Jack Caldwell	City of Edinburgh Council
	Cllr Neil Gardiner	City of Edinburgh Council
	Cllr James Leslie	Fife Council
	Cllr Tony Boyle (substituting for Cllr Tom Conn)	West Lothian
	Linda Bamford	Non-Councillor Member
	Mailys Garden	Non-Councillor Member
	Callum Hay	Non-Councillor Member
	John Scott	Non-Councillor Member
	Clara Walker	Non-Councillor Member
	Paul White	Non-Councillor Member
	Sally Wyke	Non-Councillor Member
<u>In Attendance</u>	<u>Name</u>	<u>Organisation Title</u>
	Andrew Rose (Clerk)	City of Edinburgh Council
	Deborah Patton	City of Edinburgh Council
	Jamie Robertson	City of Edinburgh Council
	Ian King	East Lothian Council
	Gary McGregor	Falkirk Council
	Tim McKavanagh	Midlothian Council
	Andrew Macleod	Transport Scotland
	Brian Butler	SEStran
	Alistair Brown	SEStran
	Rebecca Duncan	SEStran
	Sarah Junik	SEStran
	Daniel Moran	SEStran
	Rachel Murphy	SEStran
	Ciara Roddy	SEStran
	Rebecca Smith	SEStran

**Apologies
for
Absence**

Name

Cllr Tom Conn

Organisation Title

West Lothian Council

1. Order of Business

The Chair welcomed everyone to the special meeting and indicated that the order of business would be as listed in the circulated agenda.

2. Apologies for Absence

The Board noted any apologies and substitutions which had been received, as detailed above.

3. Declarations of Interest

Paul White made a transparency statement by virtue as a Director of the Confederation of Passenger Transport (CPT) Scotland.

A1. Proposed SEStran Position on Governance and Regionalisation Discussion

The Board received a report by the Partnership Director seeking an agreed position on the role that SEStran should play to enable and drive delivery of the region's ambitious economic growth targets, and to explore how existing legislation can help to do this at pace. The report advised that agreement to the recommendations contained in it would enable officers to take that position into discussions with the Scottish Government, regional economic partnerships and growth deals, local authorities, and others, reporting back to the Board on a regular basis.

During his presentation, the Partnership Director verbally amended the recommendations contained in the report to now read:-

- 7.1 That the content of the report be noted.
- 7.2 That authority be delegated to the Partnership Director to discuss matters contained in the report with external partners on the basis set out in the report.
- 7.3 That the Partnership Director report back to the Board on the outcomes of those discussions.

Decision

- 1) That the content of the report be noted.
- 2) That authority be delegated to the Partnership Director to discuss matters contained in the report with external partners on the basis set out in the report.

- 3) That the Partnership Director report back to the Board on the outcomes of those discussions.

(Reference – report by the Partnership Director, submitted.)

A2. Bus Fare Cap

The Board received a report by the Strategy Manager setting out the current understanding of the Scottish Government's commitment to introduce a national £2 flat fare cap for single bus journeys. The report also sought approval for the wording of a letter to the Cabinet Secretary.

The Chair informed the Board that any comments Board members may have, if not raised at this meeting, could be sent to officers by no later than the close of business that day, following which an updated version of the letter would be circulated which, subject to agreement by Board members, would then be submitted.

Decision

- 1) That any comments Board members may have on the content of the proposed letter to the Cabinet Secretary should be sent to officers by no later than the close of business that day, following which an updated version of the letter would be circulated which, subject to agreement by Board members, would then be submitted.
- 2) That the SEStran Regional Bus Board develops on the recommendations made in SEStran's regional approach.

(Reference – report by the Strategy Manager, submitted.)

PERFORMANCE AND AUDIT COMMITTEE

Dean of Guild Court Room, City Chambers, Edinburgh
on Friday 11 September 2026
1.00pm

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Councillor Russell Imrie (Chair)	Midlothian Council
	Councillor Tom Conn	West Lothian Council
	Councillor Scott Harrison	Clackmannanshire Council
	Councillor Jenny Linehan	Scottish Borders Council
IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Brian Butler	SEStran
	Michael Melton	SEStran
	Ciarra Roddy	SEStran
	Christopher Gardner	Audit Scotland
	Calum Finlayson	Audit Scotland
	Andrew Rose (Clerk)	The City of Edinburgh Council
	Tom Stokes	The City of Edinburgh Council

1. ORDER OF BUSINESS

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

2. APOLOGIES

Apologies were submitted on behalf of Councillor Glen, Councillor McMillan, Callum Hay, Simon Hindshaw, John Scott and Sally Wyke.

3. DECLARATION OF INTERESTS

There were none.

4. MINUTES

To approve the minute of the Performance and Audit Committee of 5 June 2026.

5. EXTERNAL AUDITOR ANNUAL REPORT 2025-2026

The Committee received a report which summarised the findings of the Independent Auditor's Report for 2025/26 and the findings made in it. The Independent Auditor's Report 2025/26 was attached as Appendix 1 to the report.

Decision

That the proposed Annual Audit Report be noted.

6. FINANCE REPORTS

(a) Audited Annual Accounts 2025/26

The Committee received a report by the Treasurer which presented the Audited Annual Accounts for the year ended 31 March 2026, which was attached as an appendix to the report. The Audited Annual Accounts also contain the Annual Audit Opinion.

Decision

That the Audited Annual Accounts, and the Auditor's Opinion as detailed in the accompanying Audit Certificate, be noted.

(b) Finance Officer's Report

The Committee received a report by the Treasurer providing the first update in 2026/27 of the Partnership's Core and Projects budget, in accordance with the Financial Regulations of the Partnership. The report also presented an analysis of financial performance to the end of July 2026.

Decision

1. That the current forecast underspend on the Core revenue budget of £22,000 be noted.
2. That the latest forecasts for the budgets for the People and Place Programme, the Transport to Employment Programme and the Workforce Mobility project be noted.
3. That the re-alignment of the 2026/27 budget to reflect (a) People and Place Programme - Transport Scotland funding for 2025/26 Q4+1 grants of £416,107, and (b) Transport to Employment Programme - Transport Scotland additional 2026/27 funding of £229,728, be approved.

7. COUNCIL REQUISITIONS

The Committee considered a report by the Partnership Director outlining the portfolio of services which SEStran delivers and how it provides value to stakeholders and partner authorities.

The report commented on the pressures upon the Partnership's budget and available resources and proposed changing the funding mechanism used to determine the level of funding each partner authority would contribute from 2027/28 onwards.

Decision

1. That the proposed methodology for calculating the level of funding to be requested from council partners for the following financial year be endorsed.
2. That it be noted that the Partnership Board will be asked to approve the level of funding to be requested from each council for 2027/28 at its meeting on 25 September.

8. HR POLICIES REPORT

The Committee considered a report by the Business Manager which provided an update on the review of SEStran's employment and governance related policies and seeking approval of the revised Anti-Bribery and Corruption Policy, Anti-Fraud Policy, Public Interest Disclosure (Whistleblowing) Policy and the new Conflict of Interest Policy.

Decision

1. That the outcome of the policy review exercise be noted.
2. That the revised Anti-Bribery and Corruption Policy be approved.
3. That the revised Anti-Fraud Policy be approved.
4. That the Public Interest Disclosure Policy be approved.
5. That the Conflict of Interest Policy be approved.
6. That it be noted that staff awareness and training will be undertaken following these approvals.

9. RISK MANAGEMENT REPORT

The Committee considered a report by the Business Manager providing a quarterly update on SEStran's Corporate Risk Register.

During his presentation, the Partnership Director informed the Committee that the Risk Register was being reviewed and rebuilt.

Decided

1. That it be noted that a revised and updated Risk Register will be presented to the 20 November 2026 Committee meeting.
2. That it be noted that the Corporate Risk register will be presented to the 25 September 2026 Partnership Board for noting.

10. CONTRACTS REGISTER

The Committee considered a report by the Programme Manager presenting the Partnership's Contracts Register for a review in line with a commitment to transparency in procurement, which is considered by the Committee every six months.

Decision

That the Contracts Register, as attached as an appendix to the report, be noted.

11. DELIVERY PROGRAMME PERFORMANCE REPORT

The Committee considered a report by the Programme Manager providing an update of the Partnership's Strategy and Project workstreams for 2026/27, with a focus on Quarter 1.

The Committee discussed the contents of the report, particularly around bus services, their funding and the sustainability of routes.

Decision

That the contents of the report are noted.

12. DATE OF NEXT MEETING

20 November 2026.

2025/26 Annual Audit Report and Audited Annual Accounts 2025/26

1. Introduction

1.1 This report presents the:

1.1.1 The 2025/26 Annual Audit Report by Audit Scotland and

1.1.2 the Audited Annual Accounts for the year ended 31st March 2026.

2. Main Report

2.1 The unaudited Annual Accounts were noted by the Partnership at its meeting on 19th June 2026.

2.2 The Partnership's appointed External Auditor, Audit Scotland, has completed the annual audit. The Annual Audit Report is presented at Appendix 1.

2.3 The Audited Annual Accounts for the year ended 31st March 2026 are presented at Appendix 2.

2.4 The Annual Audit Report states the accompanying financial statements:

- give a true and fair view of the state of affairs of the Partnership as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2025/26 Code; and;
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

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

2.6 The Performance and Audit Committee reviewed the External Auditor's report and the Audited Accounts at its' meeting on 11th September 2026.

3 Recommendations

It is recommended that the Partnership Board:

3.1 note the Annual Audit Report to members of South East of Scotland Transport Partnership and the Controller of Audit;

3.2 authorise the Audited Annual Accounts for signature.

Richard Lloyd-Bithell

Treasurer

18th September 2026

Appendix

1 - Annual Audit Report to members of South East of Scotland Transport Partnership and the Controller of Audit

2 - Audited Annual Accounts 2025/26

Contact

thomas.stokes@edinburgh.gov.uk

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

South East Scotland Transport Partnership

2025/26 Annual Audit Report



Prepared for SEStran and the Controller of Audit
September 2026

Contents

Summary of audit opinions and conclusions	3
Introduction	4
Audit scope, responsibilities, and fee	5
Audit of the annual accounts	7
Financial Sustainability and Best Value audit	13
Appendix 1	16
Appendix 2	19

Accessibility

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

Summary of audit opinions and conclusions

Audit of the annual accounts

- 1 All audit opinions stated that the annual accounts were free from material misstatement.
- 2 There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by SEStran.

Financial Sustainability and Best Value audit

- 3 SEStran has appropriate arrangements in place for securing financial sustainability. It has developed longer-term financial plans and forecasts balanced budgets until 2028/29.
 - 4 The performance information reported within the annual accounts should be improved by developing and reporting a suite of meaningful performance indicators and associated targets.
-

Introduction

Purpose of the Annual Audit Report

1. The purpose of this Annual Audit Report is to report the significant matters identified from the 2025/26 audit of South East Scotland Transport Partnership's annual accounts and the wider scope areas specified in the [Code of Audit Practice \(2021\)](#).
2. The Annual Audit Report is addressed to South East Scotland Transport Partnership, hereafter referred to as 'SEStran' or 'the partnership' and the Controller of Audit, and will be published on [Audit Scotland's website](#) in due course.

Appointed auditor and independence

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

Acknowledgements

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

Audit scope, responsibilities, and fee

Scope of the audit

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

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

Responsibilities and reporting

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 and Best Value.

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

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

The responsibilities of SEStran

10. 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 specified information.
- Establishing arrangements for the prevention and detection of fraud, error and irregularities, and bribery and corruption.
- Implementing arrangements to ensure its financial position is soundly based.
- Making arrangements to secure Best Value.
- Establishing an internal audit function.

Audit Fee

11. The audit fee for the 2025/26 audit was reported in the Annual Audit Plan and was set at £13,360. There have been no developments that impact on planned audit work required, therefore the audit fee reported in the Annual Audit Plan remains unchanged.

National and performance audit reporting

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

Audit of the annual accounts

Main judgements

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

There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by SEStran.

Audit opinions on the annual accounts

13. SEStran's annual accounts were approved by the partnership board on 25 September 2026. The Independent Auditor's Report is included in SEStran's annual accounts, and this reports that, in the appointed auditor's opinion, these were free from material misstatement.



Audit timetable

14. The unaudited annual accounts and all working papers were received on 1 June 2026 in accordance with the agreed audit timetable.

Materiality

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

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

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

Exhibit 1

2025/26 Materiality levels for SEStran

Materiality	Amount
Materiality – set at 2% of gross expenditure	£157,000
Performance materiality – set at 65% of materiality. As outlined in the Annual Audit Plan, this acts as a trigger point. If the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate further audit procedures are required.	£102,000
Reporting threshold – set at 5% of materiality.	£7,000

Source: Audit Scotland

Significant findings and key audit matters

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

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

20. In determining key audit matters, auditors consider:

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

21. There are no significant findings or key audit matters to report. We did, however, identify a number of presentation and accounting adjustments which management agreed to adjust in the accounting statements. These include:

- **Presentation of overall financial performance** – The information within the Management Commentary should provide a clear and accessible picture of financial performance against approved budgets and planned targets. On our recommendation, the management commentary was revised to clearly highlight SEStran's overall net expenditure position.

- **Classification of liability** – Our testing identified that a contribution of £138,000 received in advance had been incorrectly presented on the balance sheet. The balance should have been classified as a short-term creditor. This was corrected in the audited financial statements.
- **Restatement of asset balances** – As part of management's ongoing review of asset records, the prior year figure for derecognised assets was revised from £476,000 to £408,000. We reviewed the supporting evidence and are satisfied the restatement is appropriately reflected in the financial statements.
- **'Holding' account** – The partnership operates a bank account primarily for the receipt of funding, while routine financial transactions eg payments to suppliers are administered through the City of Edinburgh's financial ledger system. As the partnership relies on City of Edinburgh to pay suppliers, there was no straightforward audit trail linking payments from the holding account to individual supplier transactions.

Recommendation 1

We recommend the partnership explores ways to improve the audit trail for payments from its holding account to be able to readily identify supplier details.

Qualitative aspects of accounting practices

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

Accounting policies

23. The appropriateness of accounting policies adopted by SEStran was assessed as part of the audit. These were considered to be appropriate to the circumstances of SEStran, and there were no significant departures from the accounting policies set out in the Code of Practice on Local Authority Accounting 25/26.

Accounting estimates

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

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

Disclosures in the financial statements

25. The adequacy of disclosures in the financial statements was assessed as part of the audit. The quality of disclosures was adequate, with additional levels of detail or clarification identified in areas such as the management commentary and remuneration report.

Audit adjustments

26. Management of the body processed audit adjustments for all misstatements identified greater than the reporting threshold. As a result, there are no uncorrected misstatements to report.

Significant risks of material misstatement identified in the Annual Audit Plan

27. Audit work has been performed in response to the significant risks of material misstatement identified in the Annual Audit Plan. The outcome of audit work performed is summarised in [Exhibit 3, \(page 11\)](#).

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

Risk of material misstatement	Planned audit response	Outcome of audit work
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.	Audit work performed found: • The design and implementation of controls over journal processing were appropriate. • No inappropriate or unusual activity relating to the processing of journal entries was identified from discussions with individuals involved in financial reporting. • No significant issues were identified from testing of journal entries. • No transactions outside the normal course of business were identified. • The controls in place for identifying and disclosing related party relationships and transactions were adequate. • No significant issues were identified with changes to methods and underlying assumptions used to prepare accounting estimates and there was no evidence of management bias. Conclusion: no evidence of fraud caused by management override of controls.

Risk of material misstatement	Planned audit response	Outcome of audit work
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.	Audit work performed found: • No instances of fraud in the expenditure testing. • Financial management reporting is accurate and appropriate from reviewing budget monitoring reports presented at committee meetings. Conclusion: no evidence of fraud in expenditure recognition
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.	Audit work performed found: • Arrangements for the valuation and accounting of non-current assets was appropriate. • Assumptions used in valuation were reasonable. • No issues with the existence of assets or the completeness of the asset register. Conclusion: accounting for non-current assets was appropriate.

Source: Audit Scotland

Prior year recommendations

28. SEStran has made good progress in implementing the agreed prior year audit recommendations. For actions not yet implemented, revised responses and timescales have been agreed with SEStran and are outlined in [Appendix 1](#).

Financial Sustainability and Best Value audit

Conclusion

SEStran has appropriate arrangements in place for securing financial sustainability. It has developed longer-term financial plans and forecasts balanced budgets until 2028/29.

Audit approach to wider scope and Best Value

Wider scope

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

Best Value

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

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

Conclusions on Financial Sustainability

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

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

Conclusions on Financial Sustainability

33. The partnership receives most of its funding from the Scottish Government via Transport Scotland, and requisitions from constituent council members. The budget for 2025/26 was agreed in March 2025, setting out total revenue expenditure of £7.426 million. Of this, £6.369 million of funding was initially budgeted for the People and Place Programme, an increase of 20% (£1.043 million) from the previous year.

34. The partnership has reported a net underspend in its core revenue budget of £0.022 million in 2025/26. The core budget relates to the day-to-day running costs of the partnership, such as staff and premises costs.

35. On its projects budget, it incurred costs of £6.801 million against income of £6.534 million, representing overall net expenditure of £0.267 million.

The partnership has developed longer-term financial plans and forecasts a balanced budget for future years

36. In 2024/25, we recommended that the partnership could improve its financial planning by considering medium-term projections beyond the following financial year, linked to business plan and strategic priorities. As SEStran's financial function is delivered through the City of Edinburgh, further strengthening this strategic link with its finance department may improve coordination, improve financial oversight and support more integrated planning and decision-making.

37. SEStran now has an indicative financial plan for 2027/28 to 2028/29, the most recent of which was presented to the March 2026 board. Total budgeted expenditure for 2026/27 was set at £9.952 million, split by:

- Core plus projects – £1.008 million
- People and Place Programme – £6.356 million
- Transport Employment Programme - £2.588 million

38. SEStran holds an unallocated General Fund reserve of £0.243 million and projects a balanced budget for both 2027/28 and 2028/29. These projections are based on planning assumptions that project funding will continue to support core costs and reflects assumptions around annual pay awards, efficiency savings and increases in constituent council requisitions. The achievement of the projected financial position will require these assumptions to be closely monitored and kept under review.

Arrangements for securing Best Value

39. The [Scottish Government has set out guidance](#) to help public bodies to demonstrate securing Best Value and continuous improvement in their performance. The guidance sets out the key characteristics of best value and to make arrangements to secure continuous improvement in

performance (while maintaining an appropriate balance between quality and cost); and, in making those arrangements and securing that balance, to have regard to economy, efficiency, effectiveness, the equal opportunities requirement and to contribute to the achievement of sustainable development.

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

41. In assessing SEStran's arrangements to secure Best Value, we have drawn on our work on financial sustainability and considered the partnership's arrangements in the context of its size and nature. SEStran has strengthened its approach to longer-term financial planning in response to a recommendation made in our prior year annual audit report, demonstrating a commitment to continuous improvement.

42. To further enhance its ability to evidence Best Value, the partnership should strengthen its performance management framework by developing clear performance measures and targets, and systematically reporting performance against its strategic objectives and areas of activity. The management commentary in the accounts should provide an overview of relevant indicators to demonstrate how its interventions and activity is making a difference.

Recommendation 2

The performance information reported within the annual accounts should be improved by developing and reporting a suite of meaningful performance indicators and associated targets. These should clearly demonstrate progress against the 2035 Regional Transport Strategy and the partnership's strategic priorities.

Appendix 1

Action plan 2025/26

2025/26 recommendations

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
1. Holding Account The partnership operates a bank account primarily for the receipt of funding, while routine financial transactions are administered through the City of Edinburgh Council's financial ledger system. As the partnership relies on City of Edinburgh Council to pay suppliers, there was no straightforward audit trail linking payments from the holding account to individual supplier transactions.	We recommend that the partnership explores ways to improve the audit trail for payments from its holding account to be able to readily identify suppliers.	Accepted We agree to explore ways to improve the audit trail with the City of Edinburgh Council, and where achievable and cost effective, make improvements. Responsible officer – Finance. Agreed date – by 31 December 2026.
2. Performance indicators There is scope to improve the management commentary to provide a clearer overview of performance during the year and be supported by performance indicators including financial and non-financial information.	The performance information reported within the annual accounts should be improved by developing and reporting a suite of meaningful performance indicators and associated targets. These should clearly demonstrate progress against the Regional Transport Strategy and the partnership's strategic priorities.	Accepted As part of the 2027/28 business planning process, SEStran will develop key performance indicators to demonstrate progress against the Regional Transport Strategy and wider strategic priorities. These will be reported on from the 2027/28 year, but retrospective reporting may be possible on some of these for 2026/27 Responsible officer – Partnership Director. Agreed date – 31 March 2027.

Follow-up of prior year recommendations

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
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. Agreed action: 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. Responsible officer: Partnership Director Target date: December 2025	Implemented The partnership has updated their Asset Management Policy and approval of the Partnership Director is now required before an asset can be removed from the asset register. This is evidenced by a signed Asset Derecognition Form for each asset removed from the register.

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
2. Financial planning It is important that the partnership has appropriate financial planning in place to ensure it can achieve its priorities and improve resilience. This is particularly important as the partnership's budget and activity increases.	The partnership should improve its financial planning by considering the medium-term projections beyond the following financial year, and link this to its business plan and strategic priorities. Agreed action: The financial planning horizon will be extended from 2 years to a longer period. The exact details will be agreed internally and submitted to the partnership board for approval as part of a new Financial Planning procedure. Responsible officer: Finance/Partnership Director Target date: December 2025	Implemented An Indicative Financial Plan covering 3 years and an updated Financial Planning Procedure was approved at the December 2025 partnership board meeting.

Appendix 2

Supporting national and performance audit reports

Report name	Date published
Local government budgets 2025/26	22 May 2025
NHS in Scotland: Spotlight on governance	28 May 2025
Delivering for the future: Responding to the workforce challenge	7 August 2025
Flooding in communities: Moving towards flood resilience	28 August 2025
Adult Disability Payment	18 September 2025
Scotland's colleges 2025	2 October 2025
Improving care experience: Delivering The Promise	8 October 2025
Local government performance: Spotlight on culture and leisure services	23 October 2025
Financial sustainability and taxes	13 November 2025
NHS in Scotland 2025: Finance and performance	4 December 2025
Delayed discharges: A symptom of the challenges facing health and social care	8 January 2026
Community health and social care: Performance 2025	8 January 2026
Administration of Scottish income tax 2024/25	16 January 2026
Local Government in Scotland: Financial bulletin 2024/25	29 January 2026
The Scottish Budget 2026/24: Supplement to the Financial bulletin 2024/25	12 February 2026
Integration Joint Boards: Finance bulletin 2024/25	26 February 2026
Annual Assurance and Risks Report: A review of 2024/25 local government audits in Scotland	12 March 2026

South East Scotland Transport Partnership

2025/26 Annual Audit Report



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN
Phone: 0131 625 1500 **Email: info@audit.scot**
www.audit.scot

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

**Audited
Annual Accounts**

2025/2026

The South East of Scotland Transport Partnership (SESTRAN)

CONTENTS

	<u>Page</u>
Management Commentary	2 - 10
Statement of Responsibilities for the Annual Accounts	11
Annual Governance Statement	12 - 15
Remuneration Report	16 - 17
<u>Accounting Statements and Notes to the Annual Accounts:</u>	
Annual Accounts	
1. <i>Movement in Reserves Statement for the year ended 31st March 2026</i>	18
2. <i>Comprehensive Income & Expenditure Statement for the year ended 31st March 2026</i>	19
3. <i>Balance Sheet as at 31st March 2026</i>	20
4. <i>Cash Flow Statement for the year ended 31st March 2026</i>	21
Statement of Accounting Policies	22 - 25
Notes to the Annual Accounts	26 - 50
Independent Auditors Report	51 - 53

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary

1. Basis of Accounts

The Partnership prepares its Annual Accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom. The Code of Practice is based on International Financial Reporting Standards (IFRS).

2. Statutory Background

The South East of Scotland Transport Partnership (SESTRAN) was established on 1st December 2005 under the Regional Transport Partnerships (Establishment, Constitution and Membership) (Scotland) Order 2005.

The Partnership's main source of funding is an annual revenue grant from Transport Scotland. Under Section 3 of the Transport (Scotland) Act 2005, the net expenses of SEStran, after allowing for the government grant and any other income, are met by its constituent councils. The constituent councils are City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian. In accordance with Section 122 of the Transport (Scotland) Act 2019, the Partnership has established a General Fund reserve.

3. Corporate Strategy

Regional Transport Partnerships (RTPs) have a statutory remit which includes developing a Regional Transport Strategy (RTS) in partnership with member local authorities and other stakeholders, monitoring and reporting on progress of the strategy's implementation. The current RTS - SEStran 2035 - was approved by Scottish Ministers in March 2023 and replaces the Regional Transport Strategy 2015 - 2025 Refresh published in July 2015. It addresses the transport problems and issues being experienced in the SEStran region.

The SEStran region covers 8,400km², which is just over 10% of Scotland's landmass. It has 11,821 km of roads and over 870,000 cars. It is hugely diverse and includes areas which fall into every one of the Scottish Government's six-fold urban-rural classification. The total population of the SEStran area was estimated as 1,619,460 in 2024 (National Records of Scotland mid-year population estimate 2024). Drivers in our region covered 3,201 million km in 2025.

The majority of the population is concentrated in the centre of the SEStran area with large, sparsely populated rural areas to the north, south, and east particularly the remote rural areas in north and east Fife, Scottish Borders and East Lothian. The greatest concentration of population is within the City of Edinburgh, which accounts for approximately 32% of the total SEStran region population.

The new RTS sits within a policy hierarchy which spans the national, regional and local levels. In particular, the RTS has been developed within the policy framework provided by the National Transport Strategy 2 which was published in February 2020, and set out four strategic priorities, as well as defining a Sustainable Travel Hierarchy. These four priorities and hierarchy have been used to guide the development of this RTS. The Partnership's Vision Statement is "a South-East of Scotland, fully integrated transport system that will be efficient, connected and safe; create inclusive, prosperous and sustainable places to live, work and visit; be affordable and accessible to all, enabling people to be healthier; and delivering the region's contribution to net zero emissions targets."

The 4 key strategy objectives outlined in the RTS are:

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

Work to deliver the RTS takes various forms including:

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

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

3. Corporate Strategy (*continued*)

The Corporate Strategy for 2026/27 will include a focus on transport governance and the regionalisation of key public sector activities including economic growth, land use planning and transport. These discussions are described in detail in the Risks and opportunities section of this report.

4. Risks and Opportunities

The principal risks and uncertainties faced by the Partnership in recent years have traditionally fallen into two main categories - financial and transport governance.

Financial Risks and Opportunities

In recent years, the Partnership has had 3 main sources of funding:

- Annual grant funding from Transport Scotland
- Ringfenced funding for specific projects or activities e.g. People and Place (active travel behaviour change)
- A requisition from each of the eight local authority partners

Annual grant funding from Transport Scotland

The annual grant from Transport Scotland remained at the same level since at least 2011/12, but, in 2024/25, it was reduced by 5% in line with reductions across the Scottish Government. This reduced level of funding from Transport Scotland continued into 2025/26 and will remain at this level in 2026/27. In absolute terms, Council requisitions have reduced by 15% over the same period. Taken together, funding from Transport Scotland and our Council partners has reduced by 7% over the last 15 years. There remains a real risk that there will be further reductions to our core grant, which is designed to cover the Partnership's core costs, in 2027/28 and beyond.

In addition, Transport Scotland is currently reviewing future core funding for RTPs. This could impact on our funding but it is currently unclear to what extent or whether any change will be positive or negative.

Ringfenced project funding

In 2025/26, the Partnership received an additional £6.45m of grant funding for the People and Place active travel behaviour change programme. This funding is ringfenced and most was passed through to local authorities and active travel delivery partners whose projects qualified for funding under the grant standing orders (SOs) and funding processes which have been approved by the Partnership.

People and Place funding for 2026/27 has been reduced by £1.2m, reflecting revenue pressures facing the Scottish Government. This reduction does not have a significant impact on SEStran, but does impact our ability to deliver this important aspect of the Regional Transport Strategy.

RTPs have also been awarded around £10m in 2026/27 to tackle transport barriers to reducing child poverty. SEStran will receive £2.8m of this Transport to Employment funding and we are working with our partner local authorities to help low income families with children to access paid employment or training opportunities. This funding has only been confirmed for one year, but all RTPs will aim to make a strong case that it should be continued in future if improvements in access are to be maintained beyond this year.

Council requisitions

Transport Scotland has encouraged RTPs to increase Council requisitions and we had planned to seek an increase of 10% for the 2026/27 financial year. However, this was postponed and it is now anticipated that, at the September 2026 meeting of our Partnership Board, we will submit a paper proposing an updated mechanism for agreeing funding of future workstreams. We are hopeful that this will provide a greater degree of certainty about future funding.

Mitigations are in place both to reduce the probability and impact of these risks, and to respond to them if they become issues. Primary amongst these are:

- Influencing central and local government partners by building strong cases for further investment in SEStran
- Making prudent planning assumptions
- Monitoring income and expenditure on a monthly basis and adjusting expenditure to mitigate against any forecast overspends
- Holding an appropriate cash reserve to be used in the event that an overspend cannot be prevented by other controls.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

Transport Governance

Transport Scotland is planning to review transport governance in 2026/27, and discussions on strengthening Regional Economic Partnerships will take place in 2026 with legislation earmarked for 2027/28. In addition, Transport Scotland will be absorbed into the Scottish Government, although the exact timeframe is uncertain, which will also impact on transport governance.

These initiatives present both a risk and an opportunity to SEStran.

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

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

The recent transfer of People and Place responsibilities, and subsequent award of Transport to Employment funding to RTPs demonstrates that Transport Scotland supports a regional approach to the governance of at least some transport functions. SEStran is aiming to build on this by actively engaging with Transport Scotland about other matters where it believes it can make a significant positive impact.

The Scottish Government has also committed to strengthening the ability of regional partnerships to drive economic growth. Although not explicitly mentioned to date, transport will form a key part of these discussions since it is a key enabler of land use planning and economic growth.

The government is currently consulting on models and the powers required to support this change, and all RTPs including SEStran will be part of this process. We are currently developing a 'gold standard' model for how transport would be improved in the SEStran region, for presentation to our Partnership Board, at its June meeting. This will then form the basis of our input into discussions on regionalisation.

5. Results for the Year

The Partnership's financial performance is presented in the Comprehensive Income and Expenditure Statement, which can be seen on page 19. An Expenditure and Funding Analysis has been provided to reconcile the Partnership's financial performance between Funding and Accounting Basis. The Expenditure and Funding Analysis can be found in Note 6.

The outturn position for the Partnership's 2025/26 financial results on a funding basis compared to budget is summarised in the table below.

	Revised Budget 2025/26 £'000	Outturn 2025/26 £'000	Overspend/ (Underspend) £'000
Core	856	864	8
Net Cost of Projects	77	267	190
Net Cost of Services	933	1,131	198
Government Grant	(743)	(743)	0
Constituent Council Requisitions	(190)	(190)	0
Interest paid / (received)	0	(30)	(30)
Sources of funding total	(933)	(963)	(30)
Transfer (to) / from Reserves	0	168	168

The outturn for the year shows an overall overspend of £0.168m, mainly comprising of spend on approved project budgets which were slipped into 2025-26. Consequently:

- £0.190m has been transferred from the earmarked portion of the General Fund Reserve associated with project slippage.
- The project slippage earmarked balance has reduced from £0.348m to £0.158m.
- £0.022m has been transferred to the unallocated General Fund Reserve increasing the reserve from £0.221m to £0.243m.

More information on the usable reserves can be found in Note 16.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Results for the Year (*continued*)

Core budget

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

- £37,000 of additional employee costs being recharged to the Projects budget
- £30,000 of interest received on revenue balances reflecting the additional cash balances that the Partnership benefited from through the People and Place Programme.

The principal adverse variances which arose on the Core budget were:

- employee costs (£33,000)
- IT device refresh (£11,000)

resulting in a net Core budget underspend of £22,000.

Projects budget

In 2025-26 the Partnership incurred expenditure of £6.801m on revenue projects and received external grants and contributions of £6.534m resulting in net expenditure of £0.267m.

- £0.190m was transferred from the earmarked Project Budget slippage reserve to manage the overspend
- £0.158 of earmarked reserve is carried forward into 2026-27 to cover project slippage from 2025-26 including £0.061m to meet future lease commitments for an electronic bicycle scheme.

Reserves

In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy and established an unallocated reserve. At 1st April 2025, the Partnership had an unallocated General Fund Reserve of £221,000. At 31st March 2026, this increased to £243,000. Slippage on project delivery from 2025/26 to 2026/27 will be managed by establishment of an earmarked balance per the Partnership's Reserves Policy.

Treasury Management

The Partnership has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector. The Partnership maintains its bank account as part of the City of Edinburgh Council's group of bank accounts. Any cash balance is effectively lent to the Council and is offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Partnership. Interest is given on month end net indebtedness between the Council and the Partnership. For 2025/26, interest of £30,248 was calculated in accordance with the (withdrawn) Local Authority (Scotland) Accounts Advisory Committee's Guidance Note 2 on Interest on Revenue Balances. The role of Treasury Management in the management of financial risks is referenced in Note 24. In line with the CIPFA Code of Practice, an annual Treasury Management report is submitted to the Partnership at the end of each financial year.

Non Financial Results

During 2025/26, the Partnership progressed work on a number of exciting projects and on the development of strategies essential to facilitate delivery of the RTS.

Regional Transport Strategy Delivery Plan

The Regional Transport Strategy is the guiding light for everything required to improve transport across our region. Its Delivery Plan provides a mechanism to assess and prioritise regional projects required over the next ten years to realise the ambitions of the Regional Transport Strategy. The Regional Transport Strategy Delivery Plan supports the delivery of a transport network that:

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

The Regional Transport Strategy Delivery Plan complements Strategic Transport Projects Review 2 (STPR2), highlighting projects within and outside the plan that contribute to the Partnership's vision for transport in South East Scotland. Over the course of 2025/26, the Partnership worked with transport, planning and economic development colleagues from both the Edinburgh and South East of Scotland City Region Deal and other partner local authorities to develop a matrix of regional projects. They agreed scoring and weighting that brings parity across our eight authorities.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Results for the Year (*continued*)

Regional Transport Strategy Delivery Plan (*continued*)

These priorities were split into 6 key themes:

- Decarbonisation
- Digital
- Freight
- Active Travel
- Mass Transit
- Interchanges

One of these themes, Mass Transit, has now been formed into the SEStransit Programme which is described below.

SEStransit

A key theme from the RTS Delivery Plan, SEStransit is a transformational, once-in-a-generation opportunity to reshape how people move across South East Scotland. It will deliver a faster, greener and more reliable regional transport system - one that matches the scale of our economic ambition, supports inclusive economic growth, and enables tens of thousands more people to travel sustainably every day.

At its heart, SEStransit imagines a region where buses, trains, trams and other shared modes operate not as fragmented services but as a single, fully integrated, high-capacity mobility system, supported by seamless interchanges, smart ticketing, real-time information and world-class digital tools. This is a bold step toward creating a regional network that is coherent, coordinated and futureproof - a system where passengers can move effortlessly between modes, access employment, housing, healthcare and education sites, and rely on a transport network that works for every community. In doing so, it will accelerate decarbonisation and reduce congestion, expand opportunity and strengthen the resilience, wellbeing and economic opportunity of communities across the region.

SEStransit will provide the robust evidence, modelling and delivery pathways required to unlock major investment, drive regional cohesion and support Scotland's climate, modal shift and economic priorities.

In 2025/26 work was undertaken to develop a Strategic Business Case, which will be completed in autumn 2027. When this Business Case has been approved, we will move to an Outline Options appraisal which will identify a number of potential solutions to each of the challenges identified.

People and Place

The People & Place Programme is a region-shaping initiative designed to reshape how communities move, connect and thrive. In 2025/26 we funded over 100 project across the region, delivering multi million pound targeted investment in the local authorities, third sector delivery partners, and community groups that support making active and sustainable travel not just possible, but the preferred choice for everyday journeys. By empowering schools, workplaces, communities and local authorities, the programme drives a fundamental shift away from car dependency and towards healthier, fairer and cleaner daily journeys for everyone.

At its core, this programme unlocks real behaviour change at scale - removing barriers to access, widening participation, and embedding the skills, systems and confidence needed to create lasting change. It results in expanded access to cycles across the region, increasing active journeys to schools through projects such as walking buses and cycle training, supporting increased use of public transport through provision of mobility hubs and enhanced bus stop information, and working with community groups to deliver change at a local level to achieve regional impact.

Coordinated at a regional level to achieve maximum impact through concentrated investment, it advances inclusion, enhances accessibility, and strengthens local capability, while supporting the shift to net zero and Scotland's wider climate, health and economic ambitions.

Specifically, the programme aims to:

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

The results for 2025/26 are currently being evaluated and will be reported to the Partnership Board in June 2026. It is anticipated that the evaluation report will demonstrate that we have built on the very positive evaluation of the programme's first year 2024/25.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Results for the Year (*continued*)

Transport to Health (TtH)

Getting to and from an appointment at a hospital, at the local doctor's surgery or other healthcare setting can be difficult for many people. The result of not getting appropriate treatment where and when it is needed can be poorer health outcomes which impact people and the NHS.

The Partnership is working with healthcare partners across the region to better understand the barriers to healthcare and to find ways to tackle them.

During 2025/26 we conducted a Literature Review and developed a Case for Change, both of which were approved by the Partnership Board. These demonstrated that there are significant barriers to healthcare, which disproportionately affect older people, and those living in rural or deprived areas.

As well as worse health outcomes for individuals, these barriers increase costs to the NHS and reduce economic activity rates which are a key component of productivity and economic growth.

Therefore tackling these barriers will result in significant returns elsewhere in the economy.

Regional Bus Strategy

In November 2025 the Partnership Board approved the development of a world-class bus service for the SEStran region. Pre-covid, almost half of residents in the region used a bus at least once a month. The impact of covid saw this reduce drastically, and many operators have had to reduce the number and frequency of services they offer due to falling patronage and increased costs.

Buses remained by far the most commonly form of public transport in 2024-25, with 73% of public transport journeys made by bus. Reduced service provision disproportionately affects deprived areas and impacts people's ability to access employment, education and healthcare. This means that there is an impact on the economy, education levels, and poverty.

As a result, SEStran began developing a Regional Bus Strategy in 2024/25. The strategy was launched in December 2025 and the associated Action Plan kicks off in May 2026 when the Programme Board meets for the first time.

Grounded in our 2025/26 consultation that heard from thousands of voices from across our communities and driven by a clear vision for affordable, reliable, inclusive mobility, this programme will reshape how the region moves - strengthening opportunities, reducing inequalities, and positioning public transport as the natural first choice for everyday travel.

We are building a system that delivers consistently, connects communities fairly, and competes confidently with private car travel. Our work will unlock faster and more dependable journeys through targeted bus priority measures; simplified and integrated fares and ticketing; moving toward a clear and trusted network identity; and ensuring all users benefit from high-quality information, infrastructure, and customer experience.

Thistle Assistance and Realtime Passenger Information (RTPI)

Thistle Assistance provides support to people who find using public transport challenging, and we manage this initiative on behalf of all RTPs across Scotland. The scheme has exceeded all expectations in 2025/26, with usage ballooning from previous levels due to the excellent efforts of the team. We continue to support the rollout of RTPI screens across the region. These play a crucial role in journey planning and in improving the perception of safety when using public transport – because people know exactly when a bus will arrive at their stop.

The Team

The entire SEStran team is involved in developing and delivering the Business Plan. Team members' skills and experience are recognised and they are encouraged to take ownership of any activities or projects in which they are involved. This empowers them to drive the organisation's workplan, subject to approval of the Business Plan.

From 2026/27, SEStran will reintroduce an annual review and development process to ensure that team members receive the development and training required to support delivery of our programme portfolio and to enhance their skill base in line with their future career aspirations provided that these are in line with organisational objectives.

Equalities

Improving equality of opportunity is a key focus for SEStran. No particular group of people should be disadvantaged by transport barriers that do not exist for others. We already have robust processes in place, including compliance with Public Sector Equality Duties and the publication of an Equalities and Mainstreaming report. However during 2026/27 we will provide staff training on Inclusive Transport and implement an enhanced Integrated Impact Assessment process.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

5. Results for the Year (*continued*)

Tackling the Negative Impacts of Transport

As has been previously outlined, transport is an essential enabler of economic growth and land use planning, and for linking people with employment, education, healthcare, leisure and with each other.

However, it can also have serious negative impacts which fall disproportionately on the people in the most deprived areas, and who are responsible for much less of the impacts than people in less deprived neighbourhoods.

The Regional Transport Strategy tackles all of these challenges, which include:

- Deaths and serious injuries due to traffic collisions
- Illness and deaths due to pollution
- An increase in global warming due to the emission of greenhouse gases
- Reduction in economic productivity due to congestion
- Loss of greenspace to roads and car parks
- Communities ruptured and connectivity reduced by busy roads

6. Future Developments

The Partnership's Business Plan for 2026/27 builds further on the work undertaken in 2025/26. It identifies seven priority workstreams, including five continuing programmes:

- Regional Transport Strategy Delivery Plan
- SEStran
- People and Place
- Transport to Health
- Regional Bus Strategy Delivery Plan

And two new programmes:

- Travel to Employment
- Workforce Mobility

All supported by a number of cross-cutting initiatives including:

- Thistle Assistance
- Realtime Passenger Information
- Digital

Regional Transport Strategy Delivery Plan

Work on two of the six themes in the Delivery Plan, Mass Transit (SEStran) and Active Travel (People and Place), is progressing well and plans for 2026/27 are described below. Further work will be done on other elements of the Delivery Plan, primarily on the Digital and Interchanges themes, both of which are required to support SEStran.

SEStran

At the time of writing we are waiting on Transport Scotland to confirm funding through the Bus Infrastructure Fund for the next phase of the programme. This will allow us to complete all elements of the Strategic and Outline Business Cases during 2026/27 (exact timescales to be confirmed).

The programme has access to additional funding from the Local Growth Fund via the Edinburgh and South East Scotland City Region and it is likely that we will seek funding from all programme partners. They have been advised of this likelihood, but the exact amounts cannot be confirmed until Transport Scotland have confirmed whether and how much funding we will receive. This additional funding means that we can continue work ahead of Transport Scotland confirmation.

People and Place Plan

The Partnership developed a Delivery Plan that establishes the medium to long term regional priorities for change, how funding will be prioritised, and how the Partnership will work with local authorities and delivery partners to provide a holistic approach to support broader transport outcomes. SEStran will continue to work with partners to review progress annually, learn lessons from robust monitoring and evaluation, and make changes as required.

The £1.2m reduction in revenue funding described earlier will impact partners' ability to drive behaviour change. They have worked with us to adjust their plans and timetables and we will still make measurable inroads in 2026/27.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (*continued*)

6. Future Developments (*continued*)

Transport to Health

We are aiming to develop an Outline Business Case and, possibly, a Detailed Business Case in 2026/27. Planning is currently underway and, until finalised, timescales remain indicative. However the tender documents for consultancy support for the Outline Business Case have been drafted and the tender should be initiated late in Q1 of 2026/27. Our aim is to move to implementation of preferred solutions in Q4 2026/27 or Q1 2027/28.

Regional Bus Strategy Delivery Plan

The Bus Programme Board meets for the first time in May 2026, and will take ownership of the Action Plan arising from the Bus Strategy.

The Board will agree the Programme Initiation Document which will outline the programme vision, objectives, benefits, scope, resources, cost, risks, issues, success criteria, measures etc.

It will prioritise the various actions to ensure that the programme quickly gains credibility by delivering quick wins, and then using their skills and experience to ensure that the programme schedule and timescales take full cognisance of dependencies and constraints so that actions are scheduled in an appropriate order.

Transport to Employment

Directly supporting the First Minister's key priority for government of reducing child poverty, the Transport to Employment programme is a targeted, outcomes-driven intervention designed to break the link between low income, poor transport access, and child poverty. It will increase household incomes for parents across the region by enabling access to fair, well paid employment and training, while simultaneously reducing the financial burden of travel that can make work unaffordable or unsustainable.

Rather than operating in isolation, the programme maximises the impact of the Regional Transport Strategy by accelerating and shaping its delivery through a child-poverty lens. Every improvement to public and sustainable transport - whether reduced journey times, simpler networks, or lower fares - strengthens access to work and training and reduces reliance on private car ownership. This programme ensures those benefits are intentionally directed towards parents and communities most in need.

A core ambition is to turn short-term funding into long-term change. The programme will build regional capacity, deepen partnerships with Local Employability Partnerships, local authorities, NHS boards, and operators, and pilot scalable interventions that can be sustained beyond 2026/27. A strong emphasis on monitoring, evaluation, and learning will ensure that successful approaches are evidenced, refined, and ready for future expansion.

SEStran has been awarded £2.8m and will work with local authorities and third sector partners to deliver on four strategic areas: supporting journeys to further education and training opportunities; improving transport access to large and strategically important workplaces, including healthcare sites; addressing the unique challenges of rural access to work and further education; and delivering targeted fare interventions that reduce travel costs for parents who currently fall outside existing concessionary schemes. Together, these actions will unlock opportunity, improve financial resilience, and support families to move sustainably out of child poverty.

Specifically, the programme aims to:

- Reduce current levels of child poverty by improving the availability of transport options for parents to access employment and training
- Reduce current levels of child poverty by increasing household incomes for families by reducing transport costs to employment and training
- Reduce current levels of child poverty by supporting access to NHS sites as one of the region's major employers and to support access to health services to reduce health inequalities that impact on ability to work
- Make best use of the one year funding to build capacity in future years to deliver further action to reduce child poverty

Workforce Mobility Project

The Workforce Mobility Project is part of the Edinburgh and South East Scotland City Region Deal. This innovative project is the first of its kind within a regional growth deal, spanning employability and transport themes to overcome travel barriers and acknowledge the fundamental role transport plays in supporting employment, training, and education. The project aims to work across sectors to improve communication, collaboration, data usage and long-term planning to improve the effectiveness of local and regional transport to support the ambitions of the Integrated Regional Employability Skills Programme, the Regional Prosperity Framework and the Regional Transport Strategy.

The South East of Scotland Transport Partnership (SESTRAN)

Management Commentary (continued)

6. Future Developments (continued)

Workforce Mobility Project (continued)

The Workforce Mobility Project Manager has moved to SEStran as Senior Partnership Manager and, in order to maintain consistency, will continue to provide leadership to the project.

In addition, SEStran has secured additional funding from Transport Scotland to undertake a national pilot whereby RTPs and local authorities throughout Scotland will have free access to project tools and consultancy.

Monitoring and Reporting

Progress on every piece of work – programmes and strategies – is reported to the Board on a quarterly basis. These reports include milestones, costs, risks, issues and benefits amongst a range of other factors. However it can be difficult to measure progress against the type of income we typically aim to deliver e.g. removal of transport barriers to accessing healthcare or eradicating child poverty.

A key focus of work in 2026/27 will be the development of a suite of key performance indicators to demonstrate the difference we are making and that we are delivering value for money.

7. Certification

It is considered appropriate to adopt a going concern basis for the preparation of the Annual Accounts, given ongoing Regional Transport Partnership grant funding provided by Scottish Ministers under Section 70 of the Transport (Scotland) Act 2001 and constituent councils obligation to meet the net expenses of the Partnership under Section 3 of the Transport (Scotland) Act 2005.

Chair of Partnership Board:	SALLY PATTLE	_____	Date signed:
Partnership Director:	BRIAN BUTLER	_____	Date signed:
Treasurer:	RICHARD LLOYD-BITHELL, CPFA	_____	Date signed:

The South East of Scotland Transport Partnership (SESTRAN)

STATEMENT OF RESPONSIBILITIES FOR THE ANNUAL ACCOUNTS

The Partnership's Responsibilities

The Partnership is required:

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

I confirm that the annual accounts were approved for signature by the South East of Scotland Transport Partnership at its Board meeting on 25th September 2026.

Chair of Partnership

Board: SALLY PATTLE _____ Date signed:

The Treasurer's Responsibilities

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

In preparing the Annual Accounts, the Treasurer has:

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

The Treasurer has also:

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

I certify that the Annual Accounts give a true and fair view of the financial position of the Partnership at the reporting date and the transactions of the Partnership for the year ended 31st March 2026.

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

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2025/26

1. Executive Summary

The Annual Governance statement summarises how the Partnership's governance is operating effectively as at the date of signing of the statement, with a recognition of the need to continually improve governance within the Partnership.

As part of the review of the effectiveness of governance, Internal Audit undertake one review each year into controls to mitigate specific key risks. This year's review provided reasonable assurance on the adequacy of the design and operation of the controls tested, but identified some weaknesses where improvements could strengthen transparency, financial stewardship, and regulatory compliance.

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

The Partnership's governance arrangements and systems are confirmed as being operational and current at the date of signing of this Annual Governance Statement.

2. Background

The Partnership is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, that public money is safeguarded, properly accounted for and used economically, efficiently, effectively and ethically. The Partnership also has a duty to secure continuous improvement in the way its functions are carried out. The Partnership has approved and adopted a Local Code of Corporate Governance which is consistent with appropriate corporate governance principles and reflects the requirements of the "Delivering Good Governance in Local Government: Framework (2016)".

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

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

The Partnership's Governance Framework

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

The Partnership's framework is underpinned by 6 core principles:

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

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

Within the overall control arrangements, the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented or would be detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision.

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2025/26 (*continued*)

The Partnership's Governance Framework (*continued*)

While the system of internal control is designed to manage risk at a reasonable level, it cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, and not absolute, assurance of effectiveness.

3. Determining the Partnership's purpose, its vision for the local area and intended outcomes for the Community

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

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

4. Review of Effectiveness

The Partnership has put in place arrangements, detailed in the Local Code, for monitoring each element of the framework and for providing evidence of compliance. A Principal Officer within the Partnership has been nominated to review the effectiveness of the Local Code.

The review of the effectiveness of its governance framework, including the system of internal financial control, is informed by:

- the work of Internal Audit on the adequacy and effectiveness of the Partnership's control environment, governance and risk management frameworks;
- the Partnership Director's Certificate of Assurance on internal control;
- the operation and monitoring of controls by Partnership managers;
- the External Auditors in their Annual Audit Letter and other reports; and
- other inspection agencies comments and reports.

Board Members and Officers have responsibility for the development and maintenance of the governance environment. These review mechanisms include:

- **The Partnership Board**, which provides strategic leadership, determines policy aims and objectives and takes executive decisions not delegated to officers. It provides political accountability for the Partnership's performance;
- **The Performance and Audit Committee**, which demonstrates the Partnership's commitment to the principles of good governance, undertaking the core functions of an audit committee as identified in Audit Committees: Practice Guidance for Local Authorities and Policy (CIPFA);
- **The Internal Audit Service** of the City of Edinburgh Council provides an independent and objective assurance service to the Partnership, by completing one review in each financial year that is focused on the adequacy and effectiveness of controls established to manage a key risk of the Partnership. The Partnership seeks to ensure that Internal Audit arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit.
- **The External Auditor's Annual Audit Report** is considered by the Partnership Board and the Performance and Audit Committee, along with the output from other external audits and inspections;
- **The risk management system** requires that risks are regularly reviewed by the Performance and Audit Committee and Board. This ensures that actions are taken to effectively manage the Partnership's highest risks;
- **The Partnership Secretary** is responsible to the Partnership for ensuring that agreed procedures are followed. The Partnership has a contractual arrangement with an external Legal Services provider to ensure all applicable statutes and regulations are complied with.
- The Partnership operates **Anti-Bribery, Anti-Fraud and Corruption policies** in accordance with the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption.

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2025/26 (*continued*)

4. Review of Effectiveness (*continued*)

- **The CIPFA Financial Management Code** requires a disclosure in the Annual governance statement to disclose compliance with the CIPFA Financial Management (FM) Code and identify any outstanding areas for improvement or change.

5. SEStran Governance Scheme

The SEStran Governance Scheme forms a collection of the following key documents which enable lawful and transparent decision making:

- Standing Orders;
- Committee / Officer Powers;
- Financial Rules;
- Contract Standing Orders;
- Procurement Strategy; and
- Grant Standing Orders

The Scheme is subject to ongoing review, with any revisions subject to Board approval.

6. Finance

In compliance with accounting practice, the Treasurer has provided the Partnership Director with a statement on the adequacy and effectiveness of the Partnership's internal financial control system for the year ended 31st March 2026. It is the Treasurer's opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control system. The Partnership's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). The statement also evaluates compliance with the Financial Management Code. The Partnership's financial management arrangements are assessed as being compliant with the FM Code.

7. Internal Audit Opinion

The City of Edinburgh Council Internal Audit Service undertakes one annual review each year to provide assurance over the controls established by the Partnership to mitigate specific key risks. During 2025/26, the Internal Audit Service undertook a review to assess the adequacy of design and operating effectiveness of the key controls established for the monitoring and oversight arrangements to oversee governance and financial management of SEStran projects. The review provided reasonable assurance that SEStran has a generally sound system of governance, risk management and control in place to support the project management within SEStran. Several areas for improvement were identified within the project management processes to further strengthen transparency, financial stewardship, and regulatory compliance.

Due to the 2025/26 review being focussed on the key controls in place in relation to project management, an internal audit annual opinion is not given on the Partnership's overall governance arrangements. As the Partnership uses the financial systems of City of Edinburgh Council, assurance is placed on work undertaken by Internal Audit on the City of Edinburgh Council's financial systems.

8. Governance Improvements 2025/26

During 2025/26, the Partnership continued to strengthen its governance arrangements through the effective implementation of agreed Internal Audit recommendations, with 11 of 12 actions arising from the previous audit review completed during the year.

The Partnership also adopted the City of Edinburgh Council's revised Governance and Assurance Cycle, providing a more structured and integrated approach to governance review, assurance and internal control.

Internal Audit concluded that there was reasonable assurance regarding the adequacy and effectiveness of the project governance arrangements reviewed, supporting the Partnership's commitment to continuous improvement and good Further governance enhancements, including improvements to risk management arrangements and the review of fraud and corruption controls, are being progressed during 2026/27.

9. Where our Governance Needs to Improve

Whilst the Partnership's governance arrangements continue to provide reasonable assurance, opportunities for further improvement have been identified in relation to project and programme management, corporate risk management and fraud prevention arrangements. Recommendations arising from the 2025/26 Internal Audit review will be implemented during 2026/27 and progress monitored through the Partnership's existing governance and assurance arrangements.

The South East of Scotland Transport Partnership (SESTRAN)

ANNUAL GOVERNANCE STATEMENT 2025/26 (continued)

10. Forward Look on Governance

In 2026/27 Regional Transport Partnerships are likely to be impacted by several ongoing conversations about how decisions are made and delivered. These conversations could result in a significant opportunity to rethink how regional transport is planned and delivered. These conversations include

- Transport Scotland’s reviews of transport governance (i.e. the absorption of Transport Scotland back into Scottish Government, and the split of roles and responsibilities between national, regional and local levels)
- Proposals by the Scottish Government to give Regional Economic Partnerships (REP) greater powers and responsibilities to drive growth. Transport isn’t currently a priority theme within the REP proposal, but all partners recognise transport as a key enabler for future economic success.

Additionally, in May 2027, Local Government Elections are due to take place which could change the political make up of the Partnership Board. This could result in changes to the Board’s policy aims and objectives requiring adaptation of the Partnership’s governance arrangements.

11. Certification

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

The Partnership’s governance arrangements and systems are confirmed as being operational and current at the date of signing of this Annual Governance Statement.

Chair of Partnership
Board: SALLY PATTLE _____ Date signed:

Partnership Director: BRIAN BUTLER _____ Date signed:

The South East of Scotland Transport Partnership (SESTRAN)

REMUNERATION REPORT

1. Audit of Remuneration Report

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

2. Remuneration Policy for Senior Employees

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

3. Remuneration for Senior Councillors

The Partnership does not provide any remuneration to senior councillors.
Expenses paid to Board members are detailed in note 18 to the annual accounts.

4. Management of Remuneration Arrangements

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

5. Officers Remuneration

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

Remuneration Bands	2025/26	2024/25
£50,000 - £54,999	0	1
£55,000 - £59,999	3	2
£60,000 - £64,999	1	0
£65,000 - £69,999	0	1
£95,000 - £99,999	0	1
£105,000 - £109,999	1	0

6. Senior Employees Remuneration

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

Name and Post Title	Salary, Fees and Allowances	Total Remuneration	Total Remuneration
	£	2025/26 £	2024/25 £
Brian Butler - Partnership Director	105,282	105,282	98,712
	105,282	105,282	98,712

The senior employees detailed above have/ had responsibility for management of the Partnership to the extent that they have power to direct or control the major activities of the Partnership (including activities involving the expenditure of money), during the year to which the Remuneration Report relates, whether solely or collectively with other persons.

7. Senior Employees Pension Entitlement

The pension entitlement of the Partnership's senior employee(s) is as follows:

Name and Post Title	In-year pension contributions		Accrued pension benefits	
	2025/26	2024/25	As at 31 March 2026	Difference from 31 March 2025
	£	£	£'000	£'000
Brian Butler - Partnership Director	28,075	25,923	7	2
	28,075	25,923	0	0

The South East of Scotland Transport Partnership (SESTRAN)

REMUNERATION REPORT (continued)

8. Pension Entitlement

Pension benefits for the Partnership's employees are provided through the Local Government Pension Scheme (LGPS). For the Partnership's employees, the Local Government Pension Scheme (LGPS) became a career average pay scheme on 1 April 2015. Benefits built up to 31 March 2015 are protected and based on final salary. Accrued benefits from 1 April 2015 will be based on career average salary. The scheme's normal retirement age for employees is linked to the state pension age (but with a minimum of age 65).

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009 contributions rates were set at 6% for all non-manual employees.

The tiers and members contributions rates for 2025-26 were as follows:

	Contribution rate
Whole Time Pay	
On earnings up to and including £27,500 (2024/2025 £27,000)	5.50%
On earnings above £27,501 and up to £33,600 (2024/2025 £27,000 to £33,000)	7.25%
On earnings above £33,601 and up to £46,100 (2024/2025 £33,000 to £45,300)	8.50%
On earnings above £46,101 and up to £61,400 (2024/2025 £45,300 to £60,400)	9.50%
On earnings above £61,401 (2024/2025 £60,400)	12.00%

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

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

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

9. Exit Packages

No exit packages were paid in both 2025/26 and 2024/25, including compulsory and voluntary redundancy costs, pension contributions in respect of added years, ex-gratia payments and other departure costs.

Chair of Partnership
Board: SALLY PATTLE _____ Date signed :

Partnership Director:
BRIAN BUTLER _____ Date signed :

The South East of Scotland Transport Partnership (SESTRAN)

MOVEMENT IN RESERVES STATEMENT

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

2024/25 - Previous Year Comparative

Opening Balances at 1 April 2024

Movement in reserves during 2024/25

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

Total Comprehensive Expenditure and Income

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

Increase/Decrease in 2024/25

Balance at 31 March 2025 carried forward

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

2025/26 - Current Financial Year

Opening Balances at 1 April 2025

Movement in reserves during 2025/26

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

Total Comprehensive Expenditure and Income

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

Increase/Decrease in 2025/26

Balance at 31 March 2026 carried forward

Usable Reserves		Unusable Reserves	Total Partnership Reserves
General Fund Balance	Total Usable Reserves		
£'000	£'000	£'000	£'000
569	569	110	679
(147)	(147)	0	(147)
0	0	(67)	(67)
(147)	(147)	(67)	(214)
(21)	(21)	21	0
(168)	(168)	(46)	(214)
401	401	64	465

The South East of Scotland Transport Partnership (SESTRAN)

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2025/26

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded by government grant, council requisitions and other income.

2024/25				2025/26		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000	Services	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
858	(5)	853	Core	845	0	845
5,213	(5,197)	16	Projects	6,801	(6,534)	267
6,071	(5,202)	869	Cost Of Services	7,646	(6,534)	1,112
165	(208)	(43)	Financing & Investment Income (Note 9)	206	(238)	(32)
0	(933)	(933)	Taxation and Non-Specific Grant Income (Note 10)	0	(933)	(933)
6,236	(6,343)	(107)	(Surplus) or Deficit on Provision of Services	7,852	(7,705)	147
			Other Comprehensive Income and Expenditure			
0	(4)	(4)	Change in Demographic Assumptions	16	0	16
0	(474)	(474)	Change in Financial Assumptions	0	(111)	(111)
466	0	466	Changes in the effect of the asset ceiling	254	0	254
0	(28)	(28)	Other Experience	25	0	25
71	0	71	Return on Assets excluding amounts included in net interest	0	(117)	(117)
537	(506)	31	Total Other Comprehensive Income and Expenditure	295	(228)	67
6,773	(6,849)	(76)	Total Comprehensive Income and Expenditure	8,147	(7,933)	214

The South East of Scotland Transport Partnership (SESTRAN)

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Partnership. The net assets of the Partnership (assets less liabilities) are matched by the reserves held by the Partnership. Reserves are reported in two categories. The first category of reserves are usable reserves, that is, those reserves that the Partnership may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves are those that the Partnership is not able to use to provide services. This category of reserves include reserves that hold unrealised gains and losses (for example, the Capital Adjustment Account Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line "Adjustments between accounting basis and funding basis under regulations".

31 March 2025 £'000		Note	31 March 2026 £'000
152	Property, plant and equipment	11	105
0	Other long-term assets (Pensions)	23	0
152	Long term assets		105
2,212	Short-term debtors	13	3,182
1,327	Cash and cash equivalents	14	766
3,539	Current assets		3,948
(3,001)	Short-term creditors	15	(3,582)
(3,001)	Current liabilities		(3,582)
(11)	Property Lease	22	(6)
(11)	Long-term liabilities		(6)
679	Net assets/ (liabilities)		465
	Financed by:		
569	Usable reserves	16	401
110	Unusable reserves	17	64
679	Total reserves		465

The unaudited Annual Accounts were issued on the 12th June 2026.

The audited Annual Accounts were authorised for issue by Richard Lloyd-Bithell on 18th September 2026

Treasurer: RICHARD LLOYD-BITHELL, CPFA

Date signed: _____

The South East of Scotland Transport Partnership (SESTRAN)

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Partnership during the reporting period. The statement shows how the Partnership generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flow arising from operating activities is a key indicator of the extent to which the operations of the Partnership are funded by way of government grant income, council requisitions and other receipts and contributions for services provided by the Partnership. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Partnership's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (that is, borrowing) to the Partnership.

31 March 2025 £'000	31 March 2025 £'000		31 March 2026 £'000	31 March 2026 £'000
		OPERATING ACTIVITIES		
(3,730)		Government Grants	(6,267)	
(176)		Constituent Council Requisitions	(190)	
(5)		Interest paid/ (received)	(44)	
(1,470)		Other receipts from operating activities	(186)	
	(5,381)	Cash inflows generated from operating activities		(6,687)
768		Cash paid to and on behalf of employees	829	
3,513		Cash paid to suppliers of goods and services	6,401	
	4,281	Cash outflows generated from operating activities		7,230
	(1,100)	Net cash flows from operating activities		543
		INVESTING ACTIVITIES		
1		Purchase of property, plant and equipment	18	
0		Proceeds from the sale of property, plant and equipment	0	
	1	Net cash flows from investing activities		18
		FINANCING ACTIVITIES		
0		Other receipts from financing activities	0	
	0	Net cash flows from financing activities		0
	(1,099)	Net (increase)/ decrease in cash and cash equivalents		561
	228	Cash and cash equivalents at the beginning of the reporting period		1,327
	1,327	Cash and cash equivalents at the end of the reporting period (Note 14)		766

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Accounting Policies

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

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

1.2 Revenue Expenditure

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

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

1.3 Revenue Income

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

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

1.4 Accruals of Expenditure and Income

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

1.5 Leases

a) Right of Use Assets

Leased-in assets

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

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

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

Leased-out assets

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

b) Leases

Leased-in assets

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

Leased-out assets

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

1.6 Overheads

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

1.7 Charges to the Comprehensive Income and Expenditure Statement for use of non-current assets

Charges are made to the Comprehensive Income and Expenditure Statement for the use of non-current assets, through depreciation charges. The aggregate charge to individual services is determined on the basis of the assets used in each service.

1.8 Employee Benefits

Pensions

The Partnership is an admitted body to the Local Government Pension Scheme (LGPS) which is administered by Lothian Pension Fund. The LGPS is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998, as amended.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.8 Employee Benefits (*continued*)

Pensions (*continued*)

The Annual Accounts have been prepared including pension costs, as determined under International Accounting Standard 19 – Employee Benefits (IAS 19). The cost of service in the Comprehensive Income and Expenditure Statement includes expenditure equivalent to the amount of retirement benefits the Partnership has committed to during the year. Pensions interest cost and the expected return on pension assets have been included in the “Surplus or Deficit on the Provision of Services” within the Comprehensive Income and Expenditure Statement.

The pension costs charged to the Comprehensive Income and Expenditure Statement in respect of employees are not equal to contributions paid to the funded scheme for employees. The amount by which pension costs under IAS19 are different from the contributions due under the pension scheme regulations are disclosed in the Movement in Reserves Statement for the General Fund.

Pension assets have been valued at bid value (purchase price), as required under IAS19.

Under pension regulations, contribution rates are set to meet 100% of the overall liabilities of the Fund.

Accruals of Holiday Leave

Cost of service includes a charge for annual leave to which employees are entitled, but have not taken as at the Balance Sheet date. The Partnership is not required to raise requisitions on constituent councils to cover the cost of accrued annual leave. These costs are therefore replaced by revenue provision in the Movement in Reserves Statement for the General Fund balance by way of an adjusting transaction with the Accumulated Absence Account.

1.9 Non Current Assets

Property, Plant and Equipment

Property, Plant and Equipment is categorised into the following classes:

- Vehicles, plant and equipment;
- Assets under construction.

Recognition

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

Measurement:

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

Depreciation

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

De-recognition

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

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.9 Non Current Assets (*continued*)

Intangible Assets

Recognition

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

Measurement

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

Depreciation

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

1.10 Government Grants and Other Contributions

Revenue

Revenue grants and other contributions have been included in the financial statements on an accruals basis.

Where such funds remain unapplied at the Balance Sheet date, but approval has been given to carry these funds forward to the next financial year, the funds have been accrued.

Capital

Capital grants and contributions are recognised in the Comprehensive Income and Expenditure Statement, except to the extent there are conditions attached to them that have not been met.

Where there are no conditions attached to capital grants and contributions, these funds are a reconciling item in the Movement in Reserves Statement by way of an adjusting transaction with the capital adjustment account where expenditure has been incurred and the unapplied capital grants account, where expenditure has not been incurred.

Where there are outstanding conditions attached to capital grants and contributions that have not been met by the Balance Sheet date, the grant or the contribution will be recognised as part of capital grants in advance. Once the condition has been met, the grant or contribution will be transferred from capital grants received in advance and recognised as income in the Comprehensive Income and Expenditure Statement.

1.11 Provisions

Provisions are made for liabilities of uncertain timing or amount that have been incurred.

The value of provisions is based upon the Partnership's obligations arising from past events, the probability that a transfer of economic benefit will take place, and a reasonable estimate of the obligation.

1.12 Reserves

Reserves held on the Balance Sheet are classified as either usable or unusable. Unusable reserves cannot be applied to fund expenditure. The Transport Scotland (2019) Act permits the Partnership to operate a usable reserve. In March 2020 a Reserves Policy was approved, permitting the Partnership to hold a general reserve with a minimum value of 5% of annual Core budget. Balances held in excess of 5% require to be reviewed annually in-line with risk/identified commitments. The Partnership also operates a General Fund reserve to manage slippage on approved Project budget delivery.

The Partnership operates the following unusable reserves:

a) Pension Reserve

The Partnership operates a Pensions Reserve Fund under the terms of the Local Government Pension Reserve Fund (Scotland) Regulations 2003. The Pension Reserve represents the net monies which the Partnership requires to meet its net pension liability, or is the value of the net pension asset, as calculated under IAS 19, Employee Benefits;

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES (*continued*)

1.12 Reserves (*continued*)

b) **Capital Adjustment Account**

The Capital Adjustment Account represents movement in the funding of assets arising either from capital resources such as capital receipts, or capital funded directly from revenue contributions;

c) **Accumulated Absences Account**

This represents the net monies which the Partnership requires to meet its short-term compensated absences for employees under IAS19.

1.13 Financial Instruments

Financial Assets

Loans and receivables are initially measured at fair value and carried at their amortised cost. Annual credits to the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

Surplus funds held on behalf of the Partnership are managed by the City of Edinburgh Council under a formal management agreement in a pooled investment arrangement.

1.14 Cash and Cash Equivalents

Cash and cash equivalents include:

- Credit and debit funds held in banks

1.15 Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Partnership a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Partnership.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

1.16 Value Added Tax

VAT payable is included as an expense only to the extent that it is not recoverable from HM Revenue and Customs.

1.17 Events After the Reporting Period

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue.

Two types of events can be identified:

- i) those that provide evidence of conditions that existed at the end of the reporting period - the Annual Accounts are adjusted to reflect such events;
- ii) those that are indicative of conditions that arose after the reporting period - the Annual Accounts are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

1.18 Short Term Debtors and Short Term Creditors

The revenue transactions of the Partnership are recorded on an accruals basis which means that amounts due to or from the Partnership, but still outstanding at the year end, are included in the accounts. Where there was insufficient information available to provide actual figures, estimates have been included.

1.19 Changes in Accounting Policies and Estimates and Errors

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Partnership's financial position or performance.

Changes in accounting estimates are accounted for prospectively i.e. in the current and future years affected.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

1.20 Going Concern

It is considered appropriate to adopt a going concern basis for the preparation of the Annual Accounts, given ongoing Regional Transport Partnership grant funding provided by Scottish Ministers under Section 70 of the Transport (Scotland) Act 2001 and constituent councils obligation to meet the net expenses of the Partnership under Section 3 of the Transport (Scotland) Act 2005.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

2. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT NOT YET ADOPTED

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year. The standards introduced by the 2026/27 Code where disclosures are required in the 2025/26 financial statements in accordance with the requirements of paragraph 3.3.4.3 of the Code are:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets);
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- Annual improvements to IFRS accounting standards – Volume 11;
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

For the standards introduced by the 2026/27 Code, there is currently no information known on the potential impact that application of the new standards will have on the Partnership's financial statements.

3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

The critical judgements made in the Annual Accounts are:

- There is high degree of uncertainty about future levels of funding for local government. The Partnership has determined that this uncertainty is not yet sufficient to provide an indication that the Partnership's assets might be impaired as a result of a need to reduce service provision;
- Section 37 confirmations (Virgin Media vs NTL Pension Trustees II Limited ruling) - the actuary to Lothian Pension Fund has made no additional allowance for this June 2023 legal judgement due to:
 - > the ruling only applying to the above-named private sector pension scheme;
 - > the legal judgement was subject to appeal and in August 2024, the Court of Appeal dismissed the appeal, with the original ruling standing;
 - > it is unknown whether there would be any potential remedy required to public service schemes;
 - > it is unknown what the impact of any potential remedy would be;
 - > The Department of Works and Pensions were asked by pension bodies to look at pragmatic solutions where schemes are unable to evidence historic section 37 confirmation;
 - > The government responded on 5 June 2025 that it will introduce legislation to deal with issues arising from the June 2023 legal judgement;
 - > The government notes that the "legislation will give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards" and that "scheme obligations will otherwise be unaffected";
 - > Legislation permitting to this issue was included in the government's Pension Scheme Bill (Amendments) tabled on 1 September 2025.
- Guaranteed Minimum Pension (GMP) equalisation / indexation treatment (Lloyds' ruling). The actuary has allowed for the impact of full GMP indexation in the calculation of the latest funding valuation results. The Employer's funding valuation results are used as the starting point for the accounting roll forward calculations and therefore an allowance for full GMP indexation is included in the disclosure;
- GMP equalisation – historical transfers (Further Lloyd's ruling) - the actuary has advised that this further ruling is unlikely to have a significant impact on the pension obligations of a typical employer. The historic individual member data required to assess the impact is not readily available. As a result, no allowance has been made within the actuary's calculations at the Accounting Date;
- Local Government Pension Scheme (LGPS) - McCloud and Sargeant cases. The actuary has allowed for the McCloud judgement in the calculation of the latest funding valuation results. The Employer's funding valuation results are used as the starting point for the accounting roll forward calculations and therefore an allowance is included in the accounting disclosure;
- The Goodwin case judgement in respect of deemed discrimination in spousal transfer on death of a member may also result in the potential increasing of the pension liabilities. The actuary has previously carried out some approximate analysis across LGPS clients to understand the potential impact of implementing a solution to correct the past underpayment of spouses' benefits.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

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

The remedy is still uncertain. It is estimated the potential impact of this to be very small for a typical Fund (c0.1% of obligations). The actuary does not believe it is necessary or appropriate to make an adjustment to account for this at the moment, given the level of additional work and fees that would be involved for the Employer (and indeed the highly approximate nature of applying an unknown remedy);

- The Walker and O'Brien court cases may impact on future LGPS benefits. The Partnership's actuary understands these are unlikely to be significant judgements in terms of impact on the pension obligations of a typical employer. As a result, and until further guidance is released from the relevant governing bodies in the LGPS, no allowance has been made for the potential remedies for these judgements.

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

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

The items in the Partnership's Balance Sheet at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are:

4.1 Pension Asset/Liabilities

Uncertainties

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Partnership with expert advice about the assumptions to be applied.

Effect if Actual Result Differs from Assumptions

Formal actuarial valuations are carried out every three years, where each employer's assets and liabilities are calculated on a detailed basis, using individual member data for cash contribution setting purposes. For LGPS Funds, asset investment returns have been greater than expected compared to last year's accounting date assumption. The net discount rate assumption has increased by more than the increase in the CPI assumption, which has resulted in a gain on the balance sheet position. Using more up-to-date longevity assumption has also led to a small gain on the obligations.

Under accounting guidance, employers are expected to disclose the sensitivity of the valuation to key assumptions. The following table shows the sensitivity of the results to the changes in the assumptions used to measure the scheme liabilities, including approximate percentage changes and monetary values:

	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	47
1 year increase in member life expectancy	4%	102
0.1% increase in the Salary Increase Rate	0%	1
0.1% increase in the Pension Increase Rate (CPI)	2%	46

5. EVENTS AFTER THE BALANCE SHEET DATE

The unaudited Annual Accounts were authorised for issue on 12th June 2026. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provide information about conditions existing at 31st March 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There were no events which took place after 31st March 2026 which would materially affect the 2025/26 Annual Accounts.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

6. EXPENDITURE AND FUNDING ANALYSIS

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources by the Partnership in comparison with those resources consumed or earned by the Partnership in accordance with general accounting practice. It also shows how this expenditure is allocated for decision making purposes between service areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement (CIES) (see page 19).

Expenditure and Funding Analysis

	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
	£'000	£'000	£'000
2025/26			
Core	864	(19)	845
Projects	267	0	267
Net Cost of Services	1,131	(19)	1,112
Other Income and Expenditure			
Government grant	(743)	0	(743)
Constituent council requisitions	(190)	0	(190)
Interest paid/ (received)	(30)	0	(30)
Interest on the effect of the asset ceiling	0	64	64
Net pension interest cost/ (income)	0	(66)	(66)
(Surplus) or deficit on the provision of services	168	(21)	147
	Net Expenditure Chargeable to the General Fund	Adjustments	Net Expenditure in the CIES
	£'000	£'000	£'000
2024/25			
Core	820	33	853
Projects	16	0	16
Net Cost of Services	836	33	869
Other Income and Expenditure			
Government grant	(743)	0	(743)
Constituent council requisitions	(190)	0	(190)
Interest paid/ (received)	(44)	1	(43)
Interest on the effect of the asset ceiling	0	30	30
Net pension interest cost	0	(30)	(30)
(Surplus) or deficit on the provision of services	(141)	34	(107)

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

6. EXPENDITURE AND FUNDING ANALYSIS (*continued*)

Expenditure and Funding Analysis (*continued*)

6.1 Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts:

	Adjusts. For Capital Purposes £'000	Net Change for Pensions Adjusts. £'000	Other Differences £'000	Total Statutory Adjusts. £'000
2025/26				
Core	41	(65)	5	(19)
Projects	0	0	0	0
Net Cost of Services	41	(65)	5	(19)
Other Income and Expenditure				
Interest on the effect of the asset ceiling	0	64	0	64
Net pension interest cost/ (received)	0	(66)	0	(66)
(Surplus) or deficit on the provision of services	41	(67)	5	(21)
2024/25				
Core	52	(31)	12	33
Projects	0	0	0	0
Net Cost of Services	52	(31)	12	33
Other Income and Expenditure				
Interest paid/ (received)	1	0	0	1
Interest on the effect of the asset ceiling	0	30	0	30
Net pension interest cost	0	(30)	0	(30)
(Surplus) or deficit on the provision of services	53	(31)	12	34

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

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

6. EXPENDITURE AND FUNDING ANALYSIS (*continued*)

6.2 Segmental Analysis of Income included in Expenditure and Funding Analysis

	Core	Projects	Total
	£'000	£'000	£'000
2025/26			
Expenditure			
Employee expenses	687	138	825
Other service expenses	177	6,663	6,840
Total Expenditure	864	6,801	7,665
Income			
Government grants and other contributions	0	(6,534)	(6,534)
Total Income	0	(6,534)	(6,534)
Net Cost of Services	864	267	1,131

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

6.3 Expenditure and Income Analysed by Nature

The Partnership's expenditure and income, as set out within the Comprehensive Income and Expenditure Statement is analysed as follows:

	31st March 2026	31st March 2025
	£'000	£'000
Expenditure		
Employee expenses	763	661
Other service expenses	6,821	5,352
Depreciation, amortisation and impairment	62	58
Interest payments	206	165
Total Expenditure	7,852	6,236
Income		
Interest and investment income	(238)	(208)
Income from constituent councils	(190)	(190)
Government grants and other contributions	(7,277)	(5,945)
Total Income	(7,705)	(6,343)
(Surplus) or Deficit on the Provision of Services	147	(107)

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

7. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total Comprehensive Income and Expenditure Statement recognised by the Partnership in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Partnership to meet future capital and revenue expenditure.

2025/26	Usable Reserves	Unusable Reserves			
	General Fund Balance	Capital Adjustment Account	Accumulated Absence Account	Pension Reserve	Movement in Unusable Reserve
	£'000	£'000	£'000	£'000	£'000
Adjustments primarily involving the Capital Adjustment Account					
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Charges for depreciation and impairment of non-current assets	55	(55)			(55)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement (CIES)					
Contributions credited to the CIES that have been applied to capital financing	(14)	14			14
Adjustments primarily involving the Pensions Reserve					
Reversal of items relating to retirement benefits debited or credited to the CIES	92			(92)	(92)
Employer's pension contributions and direct payments to pensioners payable in the year	(159)			159	159
Adjustments primarily involving the Accumulated Absence Account					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	5		(5)		(5)
Total Adjustments	(21)	(41)	(5)	67	21

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

7. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

(continued)

This note details the adjustments that are made to the total Comprehensive Income and Expenditure Statement recognised by the Partnership in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Partnership to meet future capital and revenue expenditure.

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

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

8. TRANSFERS TO/FROM EARMARKED RESERVES

In accordance with the provisions of the Transport Scotland (2019) Act, the Partnership has agreed a Reserves Policy. An earmarked balance will be established to meet slippage on project delivery from 2025/26 to 2026/27.

9. FINANCING AND INVESTMENT INCOME

	2025/26 £'000	2024/25 £'000
Interest income on pension asset/liability	(208)	(165)
Interest Paid/ (Received)	(30)	(43)
Pensions interest cost	142	135
Interest on the effect of the asset ceiling	64	30
	(32)	(43)

10. TAXATION AND NON SPECIFIC GRANT INCOME

	2025/26 £'000	2024/25 £'000
Government Grant	(743)	(743)
Constituent Council Requisitions	(190)	(190)
	(933)	(933)

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

11. PROPERTY, PLANT AND EQUIPMENT

11.1 Movements on balances:

Movements in 2025/26

Cost or Valuation	Property Lease (Right of Use Asset)	Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
At 1st April 2025	21	431	11	463
Additions	0	14	0	14
Transfers	0	2	(2)	0
De-Recognised Assets	0	(82)	(4)	(86)
At 31st March 2026	21	365	5	391
Accumulated Depreciation				
At 1st April 2025	(5)	(306)	0	(311)
Depreciation charge	(5)	(50)	0	(55)
De-Recognised Assets	0	80	0	80
At 31st March 2026	(10)	(276)	0	(286)
Net Book Value				
At 31st March 2026	11	89	5	105

Gross Book Value of £0.086m were de-recognised with associated depreciated of £0.080m.
The assets had all reached the end of their useful operating life.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

11. PROPERTY, PLANT AND EQUIPMENT (*continued*)

11.2 Movements on balances:

Comparative Movements in 2024/25	Property Lease (Right of Use Asset)	RESTATED * Vehicles Plant and Equipment £'000	Assets Under Construction £'000	Total Property Plant and Equipment £'000
Cost or Valuation				
At 1st April 2024	0	839	11	850
Additions	21	0	0	21
De-Recognised Assets (restated)*	0	(408)	0	(408)
At 31st March 2025 (restated)*	21	431	11	463
Accumulated Depreciation				
At 1st April 2024	0	(661)	0	(661)
Depreciation charge	(5)	(53)	0	(58)
De-Recognised Assets (restated)*	0	408	0	408
At 31st March 2025 (restated)*	(5)	(306)	0	(311)
Net Book Value				
At 31st March 2025	16	125	11	152

* A prior year adjustment has been included in the accounts as a result of ongoing work to review the Sustran asset register and ensure the accounts accurately reflect that asset register. Cost of £68,000 and accumulated depreciation of £68,000 were derecognised for assets already derecognised prior to 24/25.

11.3 Depreciation

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

- Vehicles, plant and equipment: 4 - 5 years

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

11.4 Capital Commitments

As at 31st March 2026, the Partnership had no capital commitments.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

12. FINANCIAL INSTRUMENTS

12.1 Financial Instruments - Classifications

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

Financial Liabilities

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

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

- Trade payables for goods and services received.

Financial Assets

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

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

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

12.2 Financial Instruments - Balances

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

	Current	
	31st March 2026 £'000	31st March 2025 £'000
Trade creditors	1,589	1,253

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

	Current	
	31st March 2026 £'000	31st March 2025 £'000
Loans and receivables	3,655	3,261
Trade debtors	190	57
	3,845	3,318

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

12. FINANCIAL INSTRUMENTS *(continued)*

12.3 Financial Instruments - Fair Values

The financial assets represented by loans and receivables are carried in the Balance Sheet at amortised cost. Since all of the Partnership's loans and receivables mature within the next 12 months, the carrying amount has been assumed to approximate to fair value. The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values calculated are as follows:

Financial Liabilities	31 March 2026		31 March 2025	
	Carrying	Fair	Carrying	Fair
	Amount	Value	Amount	Value
	£'000	£'000	£'000	£'000
Trade creditors	1,589	1,589	1,253	1,253
Financial Assets	31 March 2026		31 March 2025	
	Carrying	Fair	Carrying	Fair
	Amount	Value	Amount	Value
	£'000	£'000	£'000	£'000
Loans and receivables	3,655	3,655	3,261	3,261
Trade debtors	190	190	57	57
	<u>3,845</u>	<u>3,845</u>	<u>3,318</u>	<u>3,318</u>

12.4 Income, Expenses, Gains and Losses

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

	31st March 2026 £'000	31st March 2025 £'000
Total expense and income in Surplus or Deficit on the Provision of Services:		
Interest Expense/ (Income)	(30)	(43)

13. DEBTORS

	31st March 2026 £'000	31st March 2025 £'000
Debtors:		
Central government bodies	2,889	1,934
Other local authorities	184	109
HM Customs and Excise - VAT	0	30
Other entities and individuals	109	139
	<u>3,182</u>	<u>2,212</u>

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

14. CASH AND CASH EQUIVALENTS

The balance of cash and cash equivalents is made up of the following elements:

	31st March 2026 £'000	31st March 2025 £'000
Bank account	766	1,327
	<u>766</u>	<u>1,327</u>

15. CREDITORS

	Note	31st March 2026 £'000	31st March 2025 £'000
Central government bodies		0	(92)
Other local authorities		(2,361)	(2,032)
Other entities and individuals		(1,047)	(846)
Employee costs		(31)	(26)
Finance Lease obligations		(5)	(5)
Agency contribution in advance	25	(138)	0
		<u>(3,582)</u>	<u>(3,001)</u>

16. USABLE RESERVES

	31st March 2026 £'000	31st March 2025 £'000
16.1 Unallocated General Fund Reserve	243	221
16.2 Earmarked Balance - Project Budget slippage	158	348
	<u>401</u>	<u>569</u>

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

17. UNUSABLE RESERVES

	31st March 2026 £'000	31st March 2025 £'000
17.1 Capital Adjustment Account	95	136
17.2 Pension Reserve	0	0
17.3 Accumulated Absence Account	(31)	(26)
	<u>64</u>	<u>110</u>

17.1 Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Partnership as finance for the costs of acquisition, construction and enhancement.

	2025/26 £'000	2024/25 £'000
Balance at 1st April	136	189
Reversal of items related to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
• Charges for depreciation and impairment of non-current assets	(55)	(58)
Net written out amount of the cost of non-current assets consumed in year	<u>81</u>	<u>131</u>
Capital financing applied in the year:		
• Contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	14	5
Balance at 31st March	<u>95</u>	<u>136</u>

17.2 Pension Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Partnership accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Partnership makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a shortfall in the benefits earned by past and current employees and the resources the Partnership has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

17. UNUSABLE RESERVES *(continued)*

17.2 Pension Reserve *(continued)*

	2025/26 £'000	2024/25 £'000
Balance at 1st April	0	0
Remeasurements of the net defined benefit liability	(67)	(31)
Reversals of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.	(92)	(111)
Employer's pension contributions and direct payments to pensioners payable in the year.	159	142
Balance at 31st March	<u>0</u>	<u>0</u>

17.3 Accumulated Absence Account

The Accumulated Absence Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, for example, annual leave entitlement carried forward at 31st March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the Account.

	2025/26 £'000	2024/25 £'000
Balance at 1st April	(26)	(14)
Settlement or cancellation of accrual made at the end of the preceding year	26	14
Amounts accrued at the end of the current year	(31)	(26)
Balance at 31st March	<u>(31)</u>	<u>(26)</u>

18. MEMBERS EXPENSES

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

	2025/26 £'000	2024/25 £'000
Expenses	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

19. EXTERNAL AUDIT COSTS

The Partnership has incurred the following costs in relation to the audit of the Annual Accounts by the Partnership's external auditors:

	2025/26	2024/25
	£'000	£'000
Fees payable in respect of:		
• external audit services carried out by the appointed auditor for the year	13	13
	<u>13</u>	<u>13</u>

20. GRANT INCOME

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

	2025/26	Re-stated 2024/25
	£'000	£'000
Credited to Taxation and Non Specific Grant Income		
Scottish Government - Revenue Grant	(743)	(743)
Constituent Council Requisitions (Note 21.3)	(190)	(190)
	<u>(933)</u>	<u>(933)</u>
Credited to Services		
Contribution - Fife Council	0	(1)
Contribution - Scotrail	(5)	(5)
Contribution - Scottish Borders Council	0	(1)
Contribution - Paths for All	0	(87)
Contribution - Stirling Communication Centre	(4)	(4)
Contribution - Scottish Government/ Transport Scotland	(6,479)	(5,084)
Contribution - West Lothian Council	0	(1)
Contribution - HITRANS	(14)	0
Contribution - NESTRANS	(1)	(3)
Contribution - SPT	(8)	(5)
Contribution - SWESTRANS	(2)	(2)
Contribution - TACTRAN	(26)	(7)
Contribution - ZETRANS	(1)	(1)
	<u>(6,540)</u>	<u>(5,201)</u>

Agency income has been removed from the Grant Income credited to services note, in accordance with the Code of Practice. For more information on agency transactions see note 25.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

21. RELATED PARTIES

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

21.1 Scottish Government

The Partnership receives grant-in-aid revenue funding through the Scottish Government. Grants received from the Scottish Government are set out in the subjective analysis in Note 20.

21.2 Members

Members of the Partnership have direct control over the Partnership's financial and operating policies. The total of members' expenses paid by the Partnership in 2025-26 is shown in Note 18.

21.3 Other Parties

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

	2025/26 Expenditure	2025/26 Income	2025/26 Debtor/ (Creditor)	2024/25 Net Expenditure	2024/25 Debtor/ (Creditor)
	£'000	£'000	£'000	£'000	£'000
Revenue Expenditure - Support Services				0	
City of Edinburgh Council - Financial and Clerking Services	42	0	0	42	0
Falkirk Council - HR Services	1	0	(1)	0	0
Revenue Expenditure - Interest on Revenue Balances					
City of Edinburgh Council	0	(30)	0	(44)	0
Revenue Expenditure - Grants/ Other					
City of Edinburgh Council	1,533	2	(1,149)	825	(919)
Clackmannanshire Council	135	0	(101)	212	(181)
East Lothian Council	176	1	(151)	162	(104)
Falkirk Council	121	0	106	84	(19)
Fife Council	569	2	(571)	319	(267)
Midlothian Council	131	0	(93)	105	(89)
Scottish Borders Council	461	1	(183)	458	(198)
Scottish Government/Transport Scotland	20	(6,479)	2,889	(4,979)	1,826
West Lothian Council	90	0	(53)	150	(152)
	3,236	(6,473)	694	(2,664)	(103)

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

21. RELATED PARTIES *(continued)*

21.3 Other Parties *(continued)*

	2025/26 Income £'000	2025/26 Debtor/ (Creditor) £'000	2024/25 Net Expenditure £'000	2024/25 Debtor/ (Creditor) £'000
Revenue Income - Requisitions				
Clackmannanshire Council	(6)	0	(6)	0
East Lothian Council	(13)	0	(13)	0
City of Edinburgh Council	(61)	0	(61)	0
Falkirk Council	(19)	0	(19)	0
Fife Council	(44)	0	(44)	0
Midlothian Council	(11)	0	(11)	0
Scottish Borders Council	(14)	0	(14)	0
West Lothian Council	(22)	0	(22)	0
	(190)	0	(190)	0
Revenue Income - Agency Income				
Clackmannanshire Council	0	0	(2)	0
Fife Council	0	0	(151)	0
Falkirk Council	(59)	0	(52)	0
Midlothian Council	(15)	15	0	0
Scottish Borders Council	0	0	(59)	0
	(74)	15	(264)	0

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

22. LEASES

Right of Use Asset

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

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

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

	2025/26 £'000	2024/25 £'000
Office Accommodation - Victoria Quay, Edinburgh		
• Not later than 1 year	5	5
• Over 1 year	6	11
	<u>11</u>	<u>16</u>

Leases

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

At 31st March 2026, the Partnership has a contract with Ricoh UK Ltd to lease an office printer and a contract with O2 to lease ten SIM cards. As the low value lease exemption has been applied, these contracts are not measured as Right of Use Assets under IFRS16.

The Partnership's expenditure on lease payments during 2025/26 was £26,000 (2024/25 £24,000).

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

	2025/26 £'000	2024/25 £'000
Hire Bicycles, Bicycle Docks, Office Printer, SIM cards.		
• Not later than 1 year	26	24
• Over 1 year	45	62
	<u>71</u>	<u>86</u>

23. DEFINED BENEFIT PENSION SCHEMES

23.1 Participation in Pension Schemes

As part of the terms and conditions of employment of its staff, the Partnership makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until the employees retire, the Partnership has a commitment to make the payments that require to be disclosed at the time that employees earn their future entitlement. As explained in Accounting Policy 1.8, the Partnership is an admitted body to the Local Government Pension Scheme (LGPS) which is administered by the Lothian Pension Fund. The Partnership participates in:

- A funded defined benefit pension scheme. The Partnership and employees pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets.
- An arrangement for the award of discretionary post retirement benefits upon early retirement - this is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

23. DEFINED BENEFIT PENSION SCHEMES *(continued)*

23.2 Transactions Relating to Post-employment Benefits

The Partnership recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge that is required to be made is based on the cash payable in the year, so the real cost of post employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

	2025/26 £000	2025/26 £000	2024/25 £000	2024/25 £000
Comprehensive Income and Expenditure Statement				
<i>Cost of services:</i>				
Service cost, comprising:				
Current service costs	94	94	111	111
<i>Financing and investment income:</i>				
Net interest expense/ (income)	(66)		(30)	
Interest on the effect of the asset ceiling	64		30	
		(2)		0
Total post employee benefit charged to the surplus on the provision of services		92		111
<i>Other post-employment benefits charges to the Comprehensive Income / Expenditure Statement</i>				
Remeasurement of the net defined liability, comprising:				
Return on pension assets, excluding the amount included in the net interest expense above	(117)		71	
Actuarial gains and (losses) arising on changes in financial assumptions	(111)		(474)	
Actuarial gains and (losses) arising on changes in demographic assumptions	16		(4)	
Restriction in Pension Asset	254		466	
Other experience	25		(28)	
		67		31
Total post-employment benefits charged to the Comprehensive Income / Expenditure Statement		159		142
Movement in Reserves Statement				
Reversal of net charges made to the surplus on the provision of services for post-employment benefits in accordance with the Code.		(67)		(31)
Actual amount charged against the General Fund Balance for pensions in the year:				
Employer's contributions payable to the scheme		159		142
		159		142

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

23. DEFINED BENEFIT PENSION SCHEMES *(continued)*

23.3 Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligations in respect of its defined benefit plan is as follows:

	2025/26 £'000	2024/25 £'000
Fair value of employer assets	3,973	3,541
* Restriction in Pension Asset	(1,424)	(1,106)
Present value of funded liabilities	(2,549)	(2,435)
Net asset/(liability) arising from defined benefit obligation	0	0

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

	2025/26 £'000	2024/25 £'000
Opening fair value of scheme assets	3,541	3,363
Interest income	208	165
Remeasurement gain / (loss):		
Return on plan assets, excluding the amount included in the net interest expense	117	(71)
Contributions from employer	159	142
Contributions from employees into the scheme	42	36
Benefits paid	(94)	(94)
Closing fair value of scheme assets	3,973	3,541

Reconciliation of Present Value of the Scheme Liabilities

	2025/26 £'000	2024/25 £'000
Present value of funded liabilities	(2,435)	(2,753)
Present value of unfunded liabilities	0	0
Opening balance at 1st April	(2,435)	(2,753)
Current service cost	(94)	(111)
Interest cost	(142)	(135)
Contributions from employees into the scheme	(42)	(36)
Remeasurement gain / (loss):		
Change in demographic assumptions	(16)	4
Change in financial assumptions	111	474
Other experience	(25)	28
Benefits paid	94	94
Closing balance at 31st March	(2,549)	(2,435)

* International Accounting Standard 19 imposes a limit on the maximum amount of surplus which can be recognised on the balance sheet. This adjustment reduced the value of the Pension Asset to the restricted amount for 2024/25 and 2025/26.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

23. DEFINED BENEFIT PENSION SCHEMES *(continued)*

23.5 Fair Value of Employer Assets

The following asset values are at bid value as required under IAS19.

	2025/26		2024/25	
	£'000	%	£'000	%
Equity Securities:				
Consumer *	501.0	12.6	448.7	12.7
Manufacturing *	477.9	12.0	426.3	12.0
Energy and Utilities *	203.6	5.1	198.1	5.6
Financial Institutions *	239.5	6.0	197.7	5.6
Health and Care *	268.8	6.8	223.9	6.3
Information technology *	139.4	3.5	109.5	3.1
Information technology	0.1	0.0	0.1	0.0
Other *	254.2	6.4	238.6	6.7
Sub-total Equity Securities	2,084.5		1,842.9	
Debt Securities:				
Corporate Bonds (investment grade) *	65.6	1.7	0.0	0.0
Corporate Bonds (non-investment grade)	54.3	1.4	0.0	0.0
UK Government *	741.9	18.7	617.5	17.4
Other *	0.0	0.0	58.1	1.6
Sub-total Debt Securities	861.8		675.6	
Private Equity:				
All *	4.8	0.1	5.4	0.2
All	3.5	0.1	600.4	17.0
Sub-total Private Equity	8.3		605.8	
Real Estate:				
UK Property *	22.2	0.6	0.0	0.0
UK Property	143.4	3.6	133.2	3.8
Overseas Property *	8.2	0.2	0.0	0.0
Overseas Property	10.7	0.3	0.0	0.0
Sub-total Real Estate	184.5		133.2	
Investment Funds and Unit Trusts:				
Equities *	6.8	0.2	6.2	0.2
Bonds *	7.2	0.2	51.6	1.5
Bonds	0.0	0.0	60.6	1.7
Infrastructure	635.7	16.0	13.7	0.4
Other *	0.0	0.0	29.3	0.8
Sub-total Investment Funds and Unit Trusts	649.7		161.4	
Derivatives:				
Foreign Exchange *	0.0	0.0	0.7	0.0
Sub-total Derivatives	0.0		0.7	
Cash and Cash Equivalents				
All *	184.2	4.6	121.4	3.4
Sub-total Cash and Cash Equivalents	184.2		121.4	
Total Fair Value of Employer Assets	3,973.0		3,541.0	

Scheme assets marked with an asterisk () have quoted prices in active markets.*

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

23. DEFINED BENEFIT PENSION SCHEMES (continued)

23.6 Basis for Estimating Assets and Liabilities

Hymans Robertson, the independent actuaries to Lothian Pension Fund, have advised that the financial assumptions used to calculate the components of the pension expense for the year ended 31 March 2026 were those from the beginning of the year (i.e. 31 March 2025) and have not been changed during the year.

The principal assumptions used by the actuary in the calculations are:

Investment returns		
• Total returns for the period from 1 April 2025 to 31 March 2026		9.0%
	2025/26	2024/25
Mortality assumptions - longevity at 65 for current pensioners:		
• Males	22.3 years	21.9 years
• Females	23.0 years	22.8 years
Mortality assumptions - longevity at 65 for future pensioners:		
• Males	22.4 years	22.1 years
• Females	25.7 years	25.6 years
Pension increase rate	3.00%	2.75%
Salary increase rate (see below)	3.70%	3.45%
Discount rate	6.30%	5.80%

Estimation of defined benefit obligations is sensitive to the actuarial assumptions set out above. In order to quantify the impact of a change in the financial assumptions used, the Actuary has calculated and compared the value of the scheme liabilities as at 31 March 2026 on varying bases. The approach taken by the Actuary is consistent with that adopted to derive the IAS19 figures.

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, the Fund's Actuary has estimated that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

23. DEFINED BENEFIT PENSION SCHEMES *(continued)*

23.7 Analysis of projected amount to be charged to profit or loss for the period to 31 March 2027

	Assets £000	Obligations £000	Net (liability) / asset £000	% of pay
Projected current service cost	0	(87)	(87)	(14.8%)
Total Service Cost	0	(87)	(87)	
Interest income on plan assets	254	0	254	
Interest cost on defined benefit obligation	0	(162)	(162)	
Interest on the effect of the asset ceiling	0	0	(90)	
Total Net Interest Cost	254	(162)	2	
Total included in Profit or Loss	254	(249)	(85)	

The Partnership's estimated contribution to Lothian Pension Fund for 2026/27 is £158,000.

24. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Partnership's activities expose it to a variety of financial risks:

- Credit risk - the possibility that other parties might fail to pay amounts due to the Partnership;
- Liquidity risk - the possibility that the Partnership might not have funds available to meet its commitments to make payments;
- Re-financing risk - the possibility that the Partnership might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms;
- Market risk - the possibility that financial loss might arise for the Partnership as a result of changes in such measures as interest rate movements;
- Price risk - the possibility that fluctuations in equity prices has a significant impact on the value of financial instruments held by the Partnership;
- Foreign exchange risk - the possibility that fluctuations in exchange rates could result in loss to the Partnership.

Treasury Management is carried out on the Partnership's behalf by the City of Edinburgh Council. The Council's overall risk management procedures focus on the unpredictability of financial markets and implementing restrictions to minimise these risks. The Council complies with the CIPFA Prudential Code and has adopted the CIPFA Treasury Management in the Public Services Code of Practice.

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Partnership's customers.

The Partnership's surplus funds not immediately required to meet expenditure commitments are held with the City of Edinburgh Council, and the Partnership receives interest on revenue balances on these monies. As the Partnership's surplus funds are held with the City of Edinburgh Council, the counterparty default exposure is effectively nil.

All Partnership invoices become due for payment on issue, and all trade debtors are overdue less than a month. Collateral - During the reporting period the Partnership held no collateral as security.

The South East of Scotland Transport Partnership (SESTRAN)

NOTES TO THE ANNUAL ACCOUNTS

24. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

The Partnership is required by statute to provide a balanced budget, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. The arrangement with the City of Edinburgh Council ensures sufficient liquidity is available for the Partnership's day to day cash flow needs.

The Council manages the Partnership's liquidity position through the risk management procedures above as well as through cash flow management procedures required by the Code of Practice.

Refinancing risk

The Partnership has only a small level of surplus funds and no long term debt. The refinancing risk to the Partnership relates to managing the exposure to replacing financial instruments as they mature.

As such, the Partnership has no refinancing risk on its liabilities.

The Partnership has no investments with a maturity greater than one year.

Market risk

Interest rate risk

The Partnership is exposed to interest rate movements on its investments. Movements in interest rates have a complex impact on an organisation, depending on how variable and fixed interest rates move across differing financial instrument periods.

For instance, a rise in variable and fixed interest rates would have the following effects:

- borrowings at variable rates - the interest expense charged to the Surplus or Deficit on the Provision of Services will rise;
- borrowings at fixed rates - the fair value of the liabilities borrowings will fall;
- investments at variable rates - the interest income credited to the Surplus or Deficit on the Provision of Services will rise; and
- investments at fixed rates - the fair value of the assets will fall.

The Partnership currently has no borrowings. Changes in interest receivable on variable rate investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance.

However, all investments currently have a maturity of less than one year and the fair value has therefore been approximated by the outstanding principal.

The Partnership's surplus funds are held with the City of Edinburgh Council.

The Council's Treasury Management Team continue to monitor market and forecast interest rates during the year and adjust investment policies accordingly.

Price risk

The Partnership does not invest in equity shares.

Foreign Exchange risk

As at 31 March 2026, the Partnership had no financial assets subject to foreign exchange risk.

The Partnership has no financial liabilities denominated in foreign currencies.

25. AGENCY ARRANGEMENTS

Through a Partnership procurement framework contract, the Partnership makes payment for the supply of Bus Passenger Transport Information system ICT equipment and recovers cost from other bodies. The Partnership has assessed the nature of these transactions to determine if it is acting as a Principal or Agent. Under the Code an Agent is acting as an intermediary, whereas a Principal is acting on its own behalf. In 2025/26, the Partnership entered into agency arrangements with Falkirk Council and Midlothian Council. The total income received and expenditure incurred of £0.074m is not included in the Comprehensive Income and Expenditure Statement. In addition, the Partnership received a contribution in advance of £0.138m from Falkirk Council on 31st March 2026 which related to 2026/27 agency expenditure, which is not included in the Comprehensive Income and Expenditure Statement.

The South East of Scotland Transport Partnership (SESTRAN)

INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of The South East of Scotland Transport Partnership for the year ended 31 March 2026 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the 2025/26 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the body as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2025/26 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis of opinion

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

Conclusions relating to going concern basis of accounting

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

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

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

Risks of material misstatement

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

The South East of Scotland Transport Partnership (SESTRAN)

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

Reporting on other requirements

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

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

The South East of Scotland Transport Partnership (SESTRAN)

INDEPENDENT AUDITOR'S REPORT (Contd.)

Other information

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

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

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

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

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

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

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

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

Christopher Gardner FCPFA

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

Date: _____

FINANCE OFFICER'S REPORT

1. Introduction

- 1.1 This report presents the first update on the financial performance of the Partnership's Core and Projects budgets for 2026/27, in accordance with the Financial Regulations of the Partnership. This report presents an analysis of financial performance to the end of July 2026.
- 1.2 The Partnership's Core and Projects budgets for 2026/27 were approved by the Partnership on 13th March 2026. The Projects budget was then revised to reflect reduced People and Place Programme (P&P) funding for 2026/27 and was approved on 19th June 2026.
- 1.3 The Performance and Audit Committee reviewed the Finance Officer's report at its' meeting on 11th September 2026.

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 and supplies and services. The approved Core budget is £1,053,000. Details of the Core budget are provided in Appendix 1.
- 2.2 Cumulative expenditure for the four months to 31st July 2026 was £407,000. This is within the Core budget resources available for the period.
- 2.3 Estimates have been updated to reflect current expenditure commitments.
- 2.4 It is currently projected that net expenditure for the year will be £22,000 less than budget, which is mainly due to recruitment to temporary staff posts occurring later than originally planned.

People and Place Programme (P&P)

- 2.5 Transport Scotland funding for 2026/27 was confirmed at £5.115m and is reflected in the revised budget approved by the Partnership Board on 19th June.
- 2.6 The latest P&P forecasts are detailed in Appendix 2. This also includes a proposed budget realignment which will add £416,017 to P&P grant income, and associated expenditure relating to 2025/26 'Q4+1' costs. Transport Scotland has approved these 'Q4+1' costs to be carried forward to 2026/27 to support funding of projects

that are tied to the school term up until 30th June 2026. This allows uninterrupted delivery of school-based projects over the summer term, delivering enhanced behaviour change outcomes with no net budget impact on SEStran.

Transport to Employment Programme

- 2.7** The latest Transport to Employment programme forecasts are detailed in Appendix 2.
- 2.8** In July 2026, Transport Scotland informed RTPs that additional 2026/27 funding was to be made available to support delivery of the Transport to Employment programme, and the Partnership's share of this is £229,728.
- 2.9** A proposed budget realignment is detailed in Appendix 2 to reflect this increase in the grant award.

Workforce Mobility Project

- 2.10** The latest Workforce Mobility Project forecasts are detailed in Appendix 2.

Cash Flow

- 2.11** 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 City of Edinburgh 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 2026	- 323,680
31 May 2026	+ 449,193
30 June 2026	+ 794,794
31 July 2026	+ 1,110,205

- 2.13** Interest is charged/paid on the monthly indebtedness between the Council and the Partnership. Interest will be calculated in March 2027.
- 2.14** The positive cash balance at 31st July 2026 is attributable to funding received from Scottish Government grants – principally the P&P programme grant.

Reserves

2.15 The Board's Reserves Policy recommends establishment of an unallocated General Fund Reserve based on a minimum value of 5% (£52,000) of the Partnership's core revenue budget. At 1st April 2026, the Partnership has an unallocated General Fund Reserve of £243,000 (23% of the core budget). This higher figure is being retained to reflect the higher risks associated with the scale of the P&P programme.

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

3 Recommendations

It is recommended that the Partnership:

3.1 Notes the current forecast underspend on the Core revenue budget of £22,000.

3.2 Notes the latest forecasts for the following Project budgets:

- PPP
- Transport to Employment Programme
- Workforce Mobility Project

3.4 Approves the re-alignment of the 2026/27 Projects budget to reflect:

- PPP - Transport Scotland funding for 2025/26 'Q4+1' grants of £416,107
- Transport to Employment Programme - Transport Scotland additional 2026/27 funding of £229,728

Richard Lloyd-Bithell

Treasurer

TBC September 2026

Appendix Appendix 1 – Core Budget Statement at 31st July 2026

Appendix 2 – Projects Budget as at 31st July 2026

Appendix 3 – Financial Risks 2026/27

Contact thomas.stokes@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 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 2026/27 – as at 31st July 2026

Appendix 1

	Annual Budget £'000	Period Budget £'000	Period Actual £'000	Annual Forecast £'000	Forecast Variance £'000
Employee Costs					
Salaries	640	213	222	710	70
National Insurance	86	29	30	102	16
Pension Fund	171	57	59	195	24
Project Recharges	(255)	0	(16)	(386)	(131)
Training, Conferences & Recruitment	10	2	2	10	0
	652	301	297	631	(21)
Premises Costs	25	6	0	25	0
Transport	5	2	0	5	0
Supplies and Services					
Comms & Computing	48	16	20	48	0
Printing & Office Supplies	7	2	1	7	0
Insurance	9	0	5	9	0
Equipment, Miscellaneous	4	1	3	4	0
	68	19	29	68	0
Governance & Support Services					
Finance, Legal & HR	38	0	0	38	0
Clerks Fees	12	0	0	12	0
External Audit Fees	12	0	0	12	0
Members Expenses	1	0	0	1	0
Contingency Provision	30	0	0	30	0
	93	0	0	93	0
Interest	(25)	0	0	(25)	0
Core Projects					
Regional Bus Action Plan	100	1	1	100	0
RTPI	20	20	20	20	0
Sustainable Travel	47	20	20	49	2
Projects Consultancy	20	12	12	17	(3)
Comms & Marketing	25	5	5	25	0
Electric Bike Scheme	23	23	23	23	0
	235	81	81	234	(1)
Total Gross Expenditure	1,053	409	407	1,031	(22)
Funding:					
Scottish Govt. Grant	(743)	(423)	(423)	(743)	0
Council Requisitions	(190)	(143)	(143)	(190)	0
Projects Reserve – Electric Bike Lease	(23)	0	0	(23)	0
Projects Reserve – Underspend 25/26	(97)	0	0	(97)	0
Total Funding	(1,053)	(566)	(566)	(1,053)	0

People and Place Programme – Revised Budget 2026/27

	Budget	Realign- ment	Revised Budget	Forecast	Variance
	£	£	£	£	£
Staffing	228,000	7,315	235,315	189,922	(45,393)
RTPI – System Maintenance	23,500		23,500	35,500	12,000
Thistle Assistance	40,000		40,000	40,000	0
Regional Project Delivery	86,714		86,714	86,714	0
Local Authority Delivery Support	484,922		484,922	472,918	(12,004)
Regional Priority Investment Fund	2,054,576	408,702	2,463,278	2,663,068	199,790
Access to Cycles & Cycle Storage	1,871,947		1,871,947	1,717,554	(154,393)
Community Grant Fund	364,579		364,579	364,579	0
Contributions – RTPI and Thistle Assistance	(39,500)		(39,500)	(39,500)	0
Scottish Government Grant	(5,114,738)	(416,017)	(5,530,755)	(5,530,755)	0
	0	0	0	0	0

Transport to Employment Programme – Revised Budget 2026/27

	Budget	Realign- ment	Revised Budget	Forecast	Variance
	£	£	£	£	£
Staffing	196,678		196,678	196,678	0
Capacity and Capability	300,209		300,209	301,887	1,678
Working with School Communities	188,676		188,676	262,055	73,379
Transport to Larger Workplaces	755,700	75,000	830,700	915,700	85,000
Rural Transport to Work and Further Education	572,000	25,000	597,000	580,197	(16,803)
Local Employability Partnership	206,000		206,000	106,000	(100,000)
Transport 2 Healthcare Pilot Projects	320,000		320,000	320,000	0
Contingency	48,477	129,728	178,205	134,951	(43,254)
Scottish Government Grant	(2,587,740)	(229,728)	(2,817,468)	(2,817,468)	0
	0	0	0	0	0

Workforce Mobility Project – Revised Budget 2026/27

	Budget	Forecast	Variance
	£	£	£
Workforce Mobility Project	200,000	200,000	0
Scottish Government Grant	(200,000)	(200,000)	0
	0	0	0

Risk Description	Mitigation and Controls
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 2026/27.
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 2026/27. Recruitment control and additional sources of external funding for activities aligned to the Partnership's objectives to supplement resources.

COUNCIL REQUISITIONS

1 INTRODUCTION

- 1.1 In recent years SEStran has worked increasingly effectively with regional and national partners, and a wide range of other stakeholders, to deliver a number of benefits to businesses and citizens across the entire region. The range of outcomes we have jointly realised is incredibly diverse – from helping to lift children out of poverty to making sure that no settlement will lack electric vehicle charging facilities.
- 1.2 And we're currently working with partners on a number of exciting regional programmes, including development of a regional mass transit network, making sure that every town or village has a reliable, affordable and accessible bus service and that people can access healthcare where and when they need it
- 1.3 There is a real appetite for further collaboration. As well as the things we're currently developing, we're discussing a wide range of initiatives including projects on rail, freight and decarbonisation. And current discussions about public sector reform and the devolution of powers and budgets to regional partnerships have demonstrated that regional transport is central to the development of economic and spatial planning.
- 1.4 But we have reached a point where we cannot continue working at the current pace unless our funding is restructured and increased. Over the past 15 years funding has reduced by around 60% in real terms, which translates into a reduction of over £600k from 2011/12 levels. However, prudent management and a focus on delivering best value means that the shortfall has been reduced to just over £250k.
- 1.5 This paper explains:
- The background to regional transport partnerships
 - Our past, current and future programmes
 - Changes to funding since 2011/12
 - The current funding gap
 - Proposed changes to the way our funding is calculated
 - Proposed increases to council requisitions for 2026/27

2 BACKGROUND

- 2.1 Since approval of the SEStran 2035 Regional Transport Strategy (RTS) by Ministers in 2023, SEStran has developed and is delivering an exciting portfolio of regionally significant programmes on behalf of partners.

- 2.2 This progress has been underpinned by partnership working across all local authorities in the SEStran region, and feedback regularly demonstrates the benefits to council officers and local communities of cross-boundary coordination and collaboration. Partners have recognised the added value and additional opportunities provided by SEStran's work and have expressed a real enthusiasm for expanding the portfolio to tackle other regional challenges that also deliver local benefits.
- 2.3 In addition to transformational programmes such as the SEStran regional mass transit network and the Regional Bus Strategy (RBS), SEStran also provides a number of ongoing services to partners, such as the provision and management of a regional real-time passenger information (RTPI) system, and the administration of Thistle Assistance, a nationally recognised scheme to help people with both visible and hidden disabilities to use public transport. These initiatives have recently been supplemented by a number of new initiatives including leadership of the Workforce Mobility Project (WMP), in partnership with the Edinburgh and South East Scotland City Region (the City Region).
- 2.4 These new initiatives include the addition of Podaris, a web-based transport planning, analysis and stakeholder engagement platform, which has been procured to support transport planning activities across the SEStran partnership area and provide a common environment for scheme development, mapping, analysis and engagement activities. Following requests from partners, we are also considering the introduction of a scheme to help partners to address critical gaps in their internal capabilities and / or capacities e.g. SEStran employing specialists to undertake key roles where individual councils cannot justify the expenditure on permanent staff, or are not able to pay market rates. Shared staff would be recharged to councils at cost, thereby avoiding the significantly marked up rates charged by consultants.
- 2.5 Some of the programmes we are delivering have ringfenced funding (e.g. SEStran and People and Place – see section 2), but most of our work is covered by our Core funding which has reduced in real-terms over recent years. Since Covid, we have largely used underspends carried forward from previous years to cover the inflationary increases caused by global pressures.
- 2.6 However, looking ahead to 2027/28, we no longer have this ability and require a significant increase in funding in order to address this historical imbalance and to guarantee that we can continue to deliver the RTS. Transport Scotland has made it clear that RTPs should seek increased funding from member councils and not the Scottish Government.
- 2.7 Local authority budgets continue to be under significant pressure and the timing of this request is not ideal. There is never a good time to seek an increase in funding, but we are confident that the outcomes and benefits of our portfolio continue to represent excellent value for money. We are delivering a range of essential programmes, and partners benefit from the economies of scale presented by the regional delivery model. In addition, there is a significant multiplier effect between

councils' annual investment in SEStran, and the amount SEStran invests in each council area in return.

- 2.8 While this represents a significant increase in long-term, sustainable funding from partners, it will enable SEStran to continue to deliver substantial value across South East Scotland. By providing greater certainty and maintaining capacity, the funding will help maximise the economic, social and environmental benefits of regional collaboration, ensuring that the advantages realised to date can be maintained and further developed in the years ahead.
- 2.9 If the model and quantum of funding are not changed, SEStran will no longer have the capacity to provide local authorities with current levels of support and coordination. It may also impact the delivery of regional transport priorities, the effective allocation of funding, coordination of community and behavioural change programmes, and the ability to achieve economies of scale through regional collaboration. It would also weaken the region's collective voice in advocating for the critical role that transport plays in supporting economic growth, investment, connectivity and wider national funding opportunities.

3 STATUTORY REMIT AND CURRENT PROGRAMME PORTFOLIO

- 3.1 Regional Transport Partnerships (RTPs) were established by the Transport (Scotland) Act 2005 (the Act). [Chapter 1 of Part 1 of the Act](#) relates to Regional Transport Partnerships and any reference to sections of the Act can be accessed via this link.
- 3.2 RTPs are statutory independent bodies corporate, which bring councils together to perform local government functions collectively and strategically over a larger area. SEStran is a partnership of 8 Councils: City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.
- 3.3 SEStran is a 'model 1' RTP, meaning that its primary purpose is to develop an RTS. Although sections 10 and 14 of the Act allow SEStran to formally take on additional roles within the region, these have never actually been used. Despite this, in recent years, SEStran has transformed the way that it and partners work with each other across the region.
- 3.4 In 2023, SEStran and the City Region, which includes six of the eight local authorities in the SEStran region, signed the 'Concordat between SEStran and Edinburgh & South East Scotland City Region Partnership (see Appendix 1) which aligned their transport objectives and committed the organisations to working transparently and collaboratively on all transport projects. A number of major projects have since been initiated and managed under the Concordat, including the 'Collaborative Procurement of Electric Vehicle Charging Infrastructure' and the 'SEStran' regional mass transit network. Despite Clackmannanshire and Falkirk Councils not being part of the City Region, they have been and will continue to be fully involved in all SEStran projects.

- 3.5 SEStran is currently working collaboratively with partners to deliver the RTS and the current programme portfolio includes:
- 3.5.1 RTS Delivery Plan (RTSDP): Guided by the objectives of the RTS, the RTSDP will define the medium to long term transport interventions required to maximise the region's economic ambitions. The plan is being developed in close alignment with emerging regional land use planning, ensuring that future transport investment supports the safe, sustainable and efficient movement of people and freight across the region, and provides the foundations for inclusive and sustainable economic growth. All other programmes are derived from themes within the RTSDP.
- 3.5.2 People and Place programme (P&P): We know that car use has a number of significant negative consequences, including emissions that add to climate change, deaths and injuries through road collisions, illness and fatalities caused by pollution, major loss of economic productivity through congestion, and negative impacts on people's physical and mental health and wellbeing. P&P helps to address all of these challenges by supporting delivery partners to encourage people to replace car journeys with active and sustainable travel for daily journeys, with particular emphasis on schools, workplaces, inclusion and accessibility.
- 3.5.3 Regional Bus Action Plan (RBAP): Across the region, more journeys are made by bus than by any other form of public transport, but bus use has been falling consistently for a number of years. Tackling this and encouraging people to use the bus instead of driving will be essential to reducing the negative impacts of car use. The RBS sets out a shared vision to deliver the regular, reliable and affordable bus services that people tell us are essential to persuading them to make the switch. These improved bus services will also allow people in communities across the region to access jobs, education, healthcare and leisure activities. Informed by extensive public feedback, the RBS drives improvements in service quality, fares, ticketing, information and governance, with objectives focused on enhancing connectivity, affordability, and overall service standards.
- 3.5.4 Transport to Health (TtH): Many people across the region are not able to access essential healthcare appointments when and where they need them simply due to a lack of transport options. This can contribute to people becoming increasingly unwell before they receive care, and additional costs and lost capacity for healthcare services through missed appointments. Working closely with health boards and partners, this programme seeks to remove the transport barriers that prevent people from accessing healthcare, improving health outcomes, enhancing patient experiences, creating operational efficiencies and cost savings across NHS Primary Care activities, and improving integration with other transport services. Work on this programme will continue despite the Scottish Government's recent announcement about reforming Scotland's health boards.
- 3.5.5 Transport to Employment (TtE): Many factors contribute to child poverty, which the First Minister of Scotland has pledged to eradicate. These include a lack of transport

options for parents to reach the jobs, education or training they need to increase household income, or to juggle childcare and school commitments with getting to and from that job, education or training. This programme will deliver a number of targeted interventions, in partnership with local authorities and third sector organisations, which aim to reduce child poverty by supporting employment and education opportunities. The programme focuses on increasing employment and training rates, lowering transport costs, and supporting integrated ticketing and bus network enhancements.

- 3.5.6 SEStran: A lack of transport options to get people to jobs, healthcare, education or leisure, and the congestion caused by car use, are both already significant problems throughout much of the region. South East Scotland is the fastest growing part of Scotland, with the 3 fastest growing local authorities, so these problems will become much worse unless we can significantly improve the transport network over the next few years. SEStran is the working name for a Mass Transit programme that will deliver many of the improvements targeted by the RTS. It is committed to providing faster, greener and more reliable transport connections. The initiative will develop integrated, high-capacity and sustainable mobility solutions, enabling seamless travel across the region and improving access to strategic housing, employment, health and education sites.
- 3.6 In addition, SEStran operates a number of regional and national programmes to the benefit of all regional partners.
 - 3.6.1 WMP forms part of the City Region's Employability Programme and has been supporting partners across the region to address transport-related barriers to employment through the use of innovative transport demand data and analytical techniques. Over the past six years, the project has established a robust evidence base and best practice approach that has informed more efficient and effective public transport networks, the introduction of new bus services, the development of strategic transport infrastructure investment plans and the promotion of transport's influence in land use planning and economic development.
 - 3.6.2 The success of the project has attracted national recognition, with Transport Scotland supporting the expansion of the approach as a pilot programme across all Scottish local authorities and RTPs during 2026/27. Since May 2026, the project has been led by SEStran in partnership with the City Region and Scottish Borders Council, ensuring continued regional coordination and delivery.
 - 3.6.3 Thistle Assistance is a nationally recognised scheme to help people with both visible and hidden disabilities to use public transport, and we manage this initiative on behalf of all RTPs across Scotland. The scheme has exceeded all expectations in 2025/26, with usage ballooning from previous levels due to the excellent efforts of the team.
 - 3.6.4 We continue to support the rollout of Real-time Passenger Information (RTPI) screens across the region. These play a crucial role in journey planning and in improving the

perception of safety when using public transport – because people know exactly when a bus will arrive at their stop.

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

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

4 FUNDING

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

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

5 THE FUNDING GAP

- 5.1 Appendix 2 shows that, since 2011/12, inflation, according to the Bank of England's Inflation Calculator, has been around 53%. Combined with reductions in absolute funding levels of 5% for the Transport Scotland grant and 16% for Council Requisitions, this has resulted in a reduction to SEStran's real-terms budget of around 60%. To have maintained the same purchasing power as in 2011/12, SEStran would have required funding of £1,536,376 in 2026/27. In reality, funding is £933,000 – a shortfall of £603,376.
- 5.2 The projected variance between the cost of delivering the current programme portfolio in 2027/28 and the steady state level of funding is -£257,335 (see Appendix 3). This is the amount which we require to be funded to continue implementation of the RTS at the current pace.
- 5.3 The requested increase is less than half of the level of funding that would have been available if investment in regional transport had kept pace with inflation. That it hasn't is understandably due to the financial constraints faced by the public sector over the past two decades, and partners are now asked to view the requested increase in relation to the benefits provided by SEStran.
- 5.4 SEStran's current programme and operational portfolios will:
- Actively support economic growth
 - Help to reduce child poverty by providing access to employment and training, lowering transport costs, and supporting integrated ticketing and bus network enhancements
 - Remove the transport barriers that prevent people from accessing the healthcare they need, when and where they need it, thereby improving health outcomes for people across the region and delivering operational efficiencies and cost savings across NHS Primary Care activities

- Deliver a mass transit network that will integrate high-capacity and sustainable mobility solutions, enabling seamless travel across the region and improving access to strategic housing, employment, health and education sites.
- Tackle the negative impacts of car use, which fall disproportionately on people in the most deprived areas.
 - Emissions that add to climate change
 - Deaths and injuries through road collisions
 - Illness and fatalities caused by pollution
 - Major loss of economic productivity through congestion
 - Poor physical and mental health and wellbeing
- Encourage people to replace car journeys with active and sustainable travel for daily journeys, with particular emphasis on schools, workplaces, inclusion, accessibility and building local capacity
- Encourage people to use the bus instead of driving in order to reduce the negative impacts of car use
- Ensure that future transport investment supports the safe, sustainable and efficient movement of people and freight across the region, and provides the foundations for inclusive and sustainable economic growth
- Establish South East Scotland as a leader in transport data and intelligence, supporting robust evidence-based decision-making, securing investment and delivering improved outcomes for communities, businesses and the economy.

6 PROPOSED FUNDING MECHANISM

- 6.1 It is proposed to address this funding gap by amending the process by which annual funding is agreed. This would ensure that the portfolio of programmes devised by SEStran to implement the RTS will deliver value for money and is aligned with partners' expectations. From this year onwards, the proposed portfolio, costs, assumed non-Council funding levels and requested funding from Council partners for the following financial year, will be presented to the Partnership Board's second quarterly meeting for that financial year i.e. the September meeting.
- 6.2 As has been the case with this report, in future years SEStran officers will work closely with Council officers, both collectively and individually, to build the proposal prior to presenting it to the Partnership Board.
- 6.3 If approved by the Board at these meetings, SEStran will write to the relevant lead officer at each partner Council requesting the required level of funding for the following year. When appropriate processes with partner councils have been completed, the full budget and portfolio for the following year will be presented – in the form of the annual Business Plan – to the Board at the fourth quarterly meeting for that year, usually in March.

- 6.4 For 2027/28, the requested funding from each council, based on the 2026/27 pro-rata split of the projected variance between the cost of delivering the current programme portfolio and the assumed level of funding is as follows:

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

7 RISKS TO DELIVERY OF THE REGIONAL TRANSPORT STRATEGY

- 7.1 A number of risks have been identified should there be a failure to agree the proposed new funding mechanism or the proposed increases to council requisitions for 2026/27, and these are shown at Appendix 4
- 7.2 In summary, delivery of the Regional Transport Strategy will slow down and many of the outcomes and benefits targeted by our current portfolio will be delayed or lost completely. Given the momentum we have built with partners in all council teams, and the excitement around delivering these benefits, this would represent a huge loss to the region.

8 RECOMMENDATIONS

It is recommended that the Partnership Board:

- 8.1 Approves the level of funding to be requested from each Council for 2027/28 at its meeting on 25 September.
- 8.2 Approves the proposed methodology for calculating the level of funding to be requested from council partners for the following financial year

Brian Butler
Partnership Director
25th August 2026

Appendix 1: Concordat between SEStran and Edinburgh & South East Scotland City Region Partnership

Appendix 2: Real terms core funding reduction

Appendix 3: Projected Variance between core funding and expenditure in 2027/28

Appendix 4: Key Risks and Issues

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



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

December 2025

About SEStran

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

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

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

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

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

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

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

About the ESESCR Regional Prosperity Framework

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

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

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

Transport Priorities

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

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

1. Introduction

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

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

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

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

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

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

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

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

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

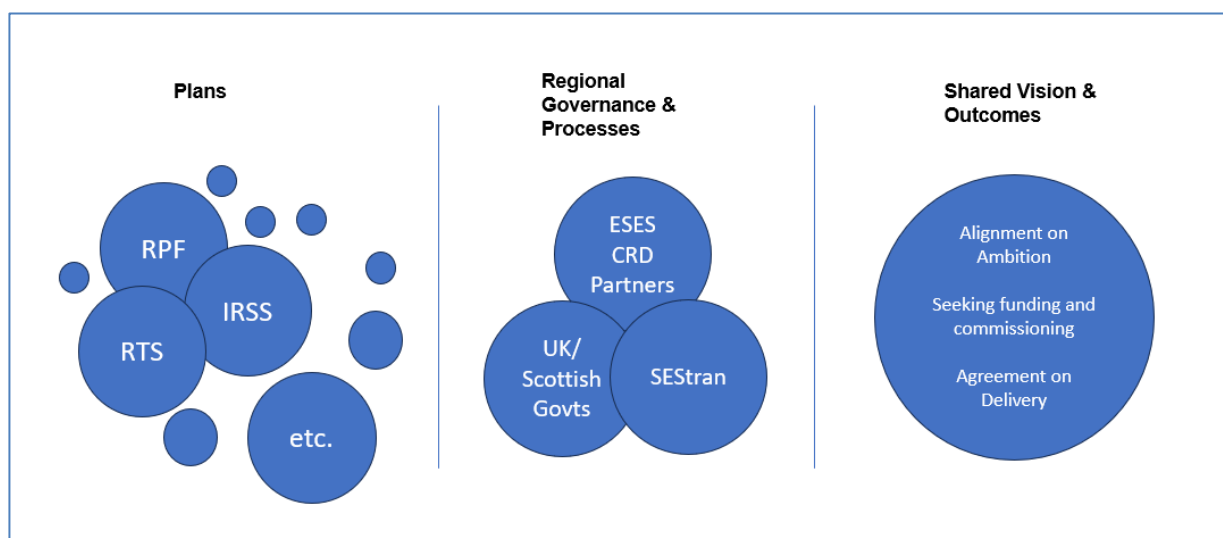
"Through strengthened collaboration, joint working, co-production and engagement, SEStran and ESES City Region partners, in partnership with others, will seek to ensure a robust basis for integrated regional economic development, land-use and transport planning and procurement and, ensuring Edinburgh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

b) Joint Aims (Why align better?)

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

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

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



2. Context

a) Governance

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

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

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

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

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

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

b) Strengths

Edinburgh and South East Scotland City Region Partnership

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

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

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

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

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

South East of Scotland Transport Partnership (SEStran)

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

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

- Pilot innovative solutions.

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

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

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

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

3. Complementary Working

a) Commitments

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

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

b) Delivery (How?)

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

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

c) Projects for Collaborative Activity

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

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

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

Table 1: Current Collaborative Projects

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

--	--	--	--	--

Table 2: Opportunities for Future Collaboration

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

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

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

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

4. Principles of Partnership

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

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

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

5. Review

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

Appendix 2: Real terms core funding reduction												
				Transport Scotland reduction absolute	5%		Council reduction absolute	16%				
	Year number	Start year	End year	Council Requisitions	Transport Scotland Grant	Total	CPI Index (ons)	CPI Year	Cumulative CPI	Required funding to match inflation	Shortfall v 2011/12	% Reduction 2011-12
Budget	0	2026	2027	190,000	743,000	933,000	142.50	2026	1.53	1,536,376	603,376	60%
	1	2025	2026	190,000	743,000	933,000	138.40	2025	1.48	1,492,171	559,171	56%
	2	2024	2025	190,000	743,000	933,000	133.90	2024	1.43	1,443,654	510,654	51%
	3	2023	2024	190,000	782,000	972,000	130.50	2023	1.40	1,406,997	434,997	43%
	4	2022	2023	190,000	782,000	972,000	121.70	2022	1.30	1,312,119	340,119	34%
	5	2021	2022	190,000	782,000	972,000	111.60	2021	1.19	1,203,225	231,225	23%
	6	2020	2021	190,000	782,000	972,000	108.70	2020	1.16	1,171,958	199,958	20%
	7	2019	2020	190,000	782,000	972,000	107.80	2019	1.15	1,162,255	190,255	19%
	8	2018	2019	150,000	782,000	932,000	105.90	2018	1.13	1,141,770	209,770	21%
	9	2017	2018	174,000	782,000	956,000	103.40	2017	1.11	1,114,816	158,816	16%
	10	2016	2017	151,000	782,000	933,000	100.70	2016	1.08	1,085,706	152,706	15%
	11	2015	2016	113,000	782,000	895,000	100.00	2015	1.07	1,078,158	183,158	18%
	12	2014	2015	171,000	782,000	953,000	100.00	2014	1.07	1,078,158	125,158	12%
	13	2013	2014	186,000	782,000	968,000	98.50	2013	1.05	1,061,986	93,986	9%
	14	2012	2013	200,000	782,000	982,000	96.10	2012	1.03	1,036,110	54,110	5%
	15	2011	2012	225,000	782,000	1,007,000	93.40	2011	1.00	1,007,000	0	0%

	2027/28	2028/29	2029/30
Employee Costs	£961,120	£1,018,478	£1,079,269
Premises Costs	£25,750	£26,523	£27,318
Transport	£5,150	£5,305	£5,464
Supplies and Services	£82,400	£84,872	£87,418
Support Services	£39,140	£40,314	£41,524
Corporate & Democratic Services	£25,750	£26,523	£27,318
Interest	-£20,000	-£20,000	-£20,000
Total Gross Expenditure	£1,119,310	£1,182,014	£1,248,310
Income to Core			
Scottish Government Grant	£743,000	£743,000	£743,000
Council Requisitions	£190,000	£190,000	£190,000
Projects Staff Recharges	£250,000	£265,000	£280,900
Total Income to Core	£1,183,000	£1,198,000	£1,213,900
Transferred to Projects Budget	£63,690	£15,986	-£34,410
Project Budget	2027/28	2028/29	2029/30
Previous Year Underspend	£14,867		
Transfer from core	£63,690	£15,986	-£34,410
Projects Income	£78,557	£15,986	-£34,410
Cross Project Costs			
Podaris	£45,000	£46,350	£47,741
Innovation, Research & Partnerships	£50,000	£50,000	£50,000
Contingency	£14,060	£14,257	£14,460
Projects Consultancy	£20,600	£21,218	£21,855
Comms and Marketing	£25,000	£25,000	£25,000
Regional Bus Action Plan			
Project Delivery	£80,000	£80,000	£80,000
People and Place			
Core staff recharge	£250,000	£265,000	£280,900
Project Officers	£94,837	£100,527	£106,559
RTPI – System & Support	£102,485	£105,560	£108,728
Thistle Assistance	£40,000	£40,000	£40,001
Project Delivery	£4,665,216	£4,641,760	£4,616,979
Other Income	-£5,152,538	-£5,152,847	-£5,153,165
Transport to Health			
Project Officer	£51,232	£54,306	£57,564
Project Delivery	£50,000	£50,000	£50,000
RTS DP			
Project Delivery	£175,000	£175,000	
Other Income	-£175,000	-£175,000	
Projects Expenditure	£335,892	£341,131	£346,619
Project Exp exc Income	£5,663,430	£5,668,978	£5,499,784
Total Budget Variance	-£257,335	-£325,145	-£381,029

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

Appendix 4: Key Risks and Issues

1	Risk	There is a risk that core funding assumed from Transport Scotland will be reduced , thus undermining the objectives of the Board report.
	Impact	Core funding covers: • Most staff, office and technology costs • Service level agreements with partners covering secretarial services, human resources and treasury including finance and payroll • Any programmes that do not receive ringfenced funding from other sources. These include the Regional Bus Action Plan, Travel to Health, and the Regional Transport Strategy Delivery Plan (RTSDP), although these may be partly funded by the Local Growth Fund, Transport to Employment, or People and Place • Programmes with ringfenced funding but where staff time is not recharged e.g. SEStran If Core funding ceases or is reduced, as an example, work on the RTSDP may have to be reduced or stopped. This could mean that rail, freight and decarbonisation are not taken forward. It is also likely that other services such as Podaris, Thistle Assistance, Realtime Passenger Information system and work on the introduction of transport planning software will be impacted.
	Likelihood reduction	There is ongoing engagement with Transport Scotland, by all Regional Transport Partnerships, in order to demonstrate the negative impact of reducing or stopping this funding. A number of events are planned at which the Cabinet Secretary will attend, and every effort will be made to highlight the outcomes and benefits delivered by RTPs and explaining the potential losses if RTPs are not properly funded.
	Impact reduction	Every effort will be made to protect team members in order to retain organisational capacity and capability SEStran officers will work with the Board and council officers to prioritise those initiatives listed in the 'Impact' section and will allocate any appropriate funding to the highest priority programmes. The outputs of this work will be presented to the Board's December meeting.

2	Risk	There is a risk that assumed levels of ring-fenced funding for People and Place, SEStran, Transport to Employment, Workforce Mobility Project will be reduced or ceased .
	Impact	It is highly likely that work on the affected programme(s) would reduce or cease, due to the lack of flexibility afforded by the current funding environment i.e. there are insufficient free funds available to transfer funding to the affected programme(s). The key impacts will be: • Targeted outcomes and benefits will not be realised • Negative implications for 3rd party organisation staff and knowledge retention • The loss of knowledge, experience and expertise within the SEStran team • Loss of ability to recharge core staff time spent on these projects • Loss of relationships across the region • Loss of partner confidence without longer term funding assurance • Loss of central data intelligence, regional support and sharing of best practice
	Likelihood reduction	There is ongoing engagement with funders, mainly different directorates within Transport Scotland, by all Regional Transport Partnerships, in order to demonstrate the negative impact of reducing or stopping this funding. A number of events are planned at which the Cabinet Secretary will attend, and every effort will be made to sell the benefits of these programmes and RTP funding in general to him. Measures that demonstrate the value of this funding have been or are being developed in order to strengthen the case for continuing funding at current levels or potentially increasing it in order to realise even greater benefits.
	Impact reduction	Every effort will be made to protect team members in order to retain organisational capacity and capability SEStran officers will work with the Board and council officers to prioritise programmes. The review would consider programmes funded through both core funding and ringfenced funding to ensure that work on the highest impact programmes is taken forward.

3	Risk	There is a risk that the SEStran Partnership Board may not approve the level of funding to be requested from each Council for 2027/28 at its meeting on 25 September
	Impact	Programmes which do not have ringfenced funding will be scaled back or discontinued as SEStran would have to focus on core functions and programmes. Activities at risk include the Regional Bus Action Plan, Travel to Health, and the Regional Transport Strategy Delivery Plan (RTSDP). Stopping work on the RTSDP would mean that rail, freight and decarbonisation are not taken forward. It is also likely that other projects and services such as SEStran's Podaris, Thistle Assistance, Realtime Passenger Information system and work on the introduction of regional transport planning software, which includes coordinated project development, will be impacted.
	Likelihood reduction	The Board report attempts to make a compelling case for the increase to council requisitions, mainly by highlighting the value, outcomes and benefits provided by SEStran's work across the region. Early versions of the report have been presented to the SEStran Stakeholders' Liaison Group and endorsed by the Performance and Audit Committee. Minor edits have been made based on feedback from these meetings and from parallel meetings with senior council officers.
	Impact reduction	Every effort will be made to protect team members in order to retain organisational capacity and capability. SEStran officers will work with the Board and council officers to prioritise those initiatives listed in the 'Impact' section and will allocate any available funding to the highest priority programmes. The outputs of this work will be presented to the Board's December meeting.

4	Risk	There is a risk that the SEStran Partnership Board may not approve the proposed methodology for calculating the level of funding to be requested from council partners for the financial years following 2027/28 at its meeting on 25 September
	Impact	Negligible.
	Likelihood reduction	Early versions of the report have been presented to the SEStran Stakeholders' Liaison Group and endorsed by the Performance and Audit Committee. Minor edits have been made based on feedback from these meetings and from parallel meetings with senior council officers.
	Impact reduction	The key is that council funding is considered annually as part of the SEStran's budget setting process. Rejection of this proposal is likely to have little impact because there is adequate time to work with the Board and council officers to develop an acceptable process for future use.

5	Risk	There is a risk that, despite Board approval of the recommendation, no constituent councils accept the level of funding requested from them for 2027/28
	Impact	The impact is likely to be as per Risk 1.
	Likelihood reduction	There is no direct alignment between approval by the SEStran Board and each council's budget setting process. In order to ensure that discussions were held with each council in good time for this year's budget setting process, SEStran adopted a twin track approach. Prior to the report being drafted, individual meetings were held with each partner council's relevant senior officer and elected member with responsibility for transport to explain the proposed route to addressing the financial constraints facing SEStran. The report containing the level of requisition to be requested from each council was then drafted. Prior to the report being submitted to the Performance and Audit Committee for consideration, all senior officers were offered a follow-up meeting to discuss the actual detail in the report. The report attempts to make a compelling case for the increase to council requisitions, mainly by highlighting the value, outcomes and benefits provided by SEStran's work across the region.
	Impact reduction	It is hoped that this situation can be avoided by developing a joint understanding of section 3 of Chapter 1 of Part 1 of the Transport (Scotland) Act 2005 and reaching a negotiated position that is acceptable to all parties.

6	Risk	There is a risk that not all constituent councils accept the level of funding requested from them for 2027/28
	Impact	Programmes which do not have ringfenced funding are likely to be scaled back or discontinued. These include the Regional Bus Action Plan, Travel to Health, and the Regional Transport Strategy Delivery Plan. It is also likely that projects with ringfenced funding which does not cover internal resourcing will be impacted It is possible that funding will become inequitable and that tensions could be created between funders.
	Likelihood reduction	There is no direct alignment between approval by the SEStran Board and each council's budget setting process. In order to ensure that discussions were held with each council in good time for this year's budget setting process, SEStran adopted a twin track approach. Prior to the report being drafted, individual meetings were held with each partner council's relevant senior officer and elected member with responsibility for transport to explain the proposed route to addressing the financial constraints facing SEStran. The report containing the level of requisition to be requested from each council was then drafted. Prior to the report being submitted to the Performance and Audit Committee for consideration, all senior officers were offered a follow-up meeting to discuss the actual detail in the report. The report attempts to make a compelling case for the increase to council requisitions, mainly by highlighting the value, outcomes and benefits provided by SEStran's work across the region.
	Impact reduction	It is hoped that this situation can be avoided by developing a joint understanding of section 3 of Chapter 1 of Part 1 of the Transport (Scotland) Act 2005 and reaching a negotiated position that is acceptable to all parties.

7	Risk	There is a risk that no constituent councils accept the proposed methodology for calculating the level of funding to be requested from council partners for the financial years following 2027/28
	Impact	Negligible.
	Likelihood reduction	Early versions of the report have been presented to the SEStran Stakeholders' Liaison Group and endorsed by the Performance and Audit Committee. Minor edits have been made based on feedback from these meetings and from parallel meetings with senior council officers.
	Impact reduction	The key is that council funding is considered annually as part of the SEStran's budget setting process. Rejection of this proposal is likely to have little impact because there is adequate time to work with the Board and council officers to develop an acceptable process for future use.
8	Risk	There is a risk that not all constituent councils accept the proposed methodology for calculating the level of funding to be requested from council partners for the financial years following 2027/28
	Impact	Negligible.
	Likelihood reduction	Early versions of the report have been presented to the SEStran Stakeholders' Liaison Group and endorsed by the Performance and Audit Committee. Minor edits have been made based on feedback from these meetings and from parallel meetings with senior council officers.
	Impact reduction	The key is that council funding is considered annually as part of the SEStran's budget setting process. Rejection of this proposal is likely to have little impact because there is adequate time to work with the Board and council officers to develop an acceptable process for future use.

ANNUAL REPORT 2025/26

1. INTRODUCTION

- 1.1 A draft of the 2025/26 Annual Report is attached. The report is following the same format and style as the 2024/25 and once the document is signed off it will be designed, published on the website and promoted on social media.
- 1.2 Key highlights in the report include distributing £6.19 million through the People and Place programme, completing and launching the Regional Bus Strategy following consultation with more than 5,000 people, and beginning the Strategic Business Case for SEStran, the regional mass transit network. More than 1,500 people contributed to the Transport to Health evidence base, while the Scotland-wide Thistle Assistance campaign increased card requests by 2,477% and app downloads by 5,147%. SEStran also marked its twentieth anniversary with a Transport Summit attended by more than 130 leaders and practitioners from across Scotland.

2. RECOMMENDATIONS

It is recommended that the Board:

- 2.1 Read the draft Annual Report and provide any feedback or comments to Sarah Junik (sarah.junik@sestran.gov.uk) by 2 October 2026.
- 2.2 Delegate authority to the Partnership Director to publish the Annual Report after this date.
- 2.3 Notes that the published Annual Report will be included on the B agenda of the Board meeting on 4 December 2026.
- 2.4 Share the Annual report, once published, with networks and contacts to help raise awareness of the work of SEStran.

Sarah Junik
Communications and Marketing Officer
September 2026

Appendix 1: Annual Report

Policy Implications	None
Financial Implications	None
Equalities Implications	None

Climate Change Implications	None
-----------------------------	------

Annual Report 2025/26

Welcome – Cllr Sally Pattle

During 2025/26, SEStran continued to build on its strong track record of delivery, working closely with partners to advance our vision for a more connected, sustainable and inclusive region. This progress has only been possible through the commitment and collaboration of our team, Transport Scotland, our partner authorities and a wide range of stakeholders.

Much of our work this year has centred on strengthening the foundations required to support long-term transformation across the South East of Scotland. We have continued to expand initiatives that put people and place at the heart of decision-making, ensuring that transport interventions respond directly to the needs of the communities we serve. By maintaining this focus, we have been able to make measurable progress in improving accessibility, enhancing active travel opportunities, and promoting more integrated and efficient transport choices.

A major milestone has been the advancement of the Regional Bus Strategy, which has moved from development into delivery. Working closely with operators, local authorities and bus users, we have taken important steps toward creating a bus network that is more reliable, modern, and attractive to passengers. The bus sector remains vital to the region's transport landscape, and the actions set out within the plan provide a clearer, shared pathway for improvement in the years ahead.

Another key achievement is the development of SEStran's mass transit network for the South East of Scotland. Through key partnerships with Edinburgh & South East Scotland City Region Deal and Transport Scotland, we are making substantial progress on the Strategic Business Case for this significant piece of work.,

I am energised by the opportunities ahead. SEStran's focus on people and place will remain central, guiding our work as we strive to deliver a transport system that is fair, sustainable, and future-ready. We will continue to champion partnership working through our lead role on the Regional Transport Strategy Delivery Plan and SEStran's support the transition to low-carbon mobility, and ensure that the region's transport network enables both economic prosperity and improved connectivity.

I am also pleased to announce that SEStran will be working in Partnership with Edinburgh & South East Scotland City Region Deal to continue the delivery of the Workforce Mobility Project in a national pilot for 2026/27.

Thank you to everyone who has contributed to our achievements so far. Together, we are progressing towards a cleaner, better connected transport network that supports sustainable economic growth across our region.

SEStran is required under Schedule 2 of the Transport (Scotland) Act 2005 to prepare and submit an Annual Report to Scottish Ministers on the discharge of its functions. This report

summarises SEStran's activities, achievements and performance during 2025/26 and demonstrates how the Partnership has delivered against its statutory Regional Transport Strategy, supported national transport priorities and provided value through regional collaboration across South East Scotland.

DRAFT

Contents

Who we are and what we do

About our region

The Regional Transport Strategy

Key stats

Programmes of work

- Regional Transport Strategy Delivery Plan
- SEStran
- People and Place
- Transport to Health
- Regional Bus Strategy

Supporting projects

- SCOT ZED
- SEStran at 20
- Thistle Assistance
- RTP
- Regional Bike Share

Looking ahead

Who we are and what we do

We are the South East of Scotland Regional Transport Partnership (SEStran), one of seven regional transport partnerships in Scotland, created by the Transport (Scotland) Act 2005. We are a partnership of eight local authorities – City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.

There are a wide range of transport issues across our region, and we are responsible for producing a Regional Transport Strategy that looks to tackle these whilst also moving the region towards a more sustainable and efficient transport network, working with regional and national partners to strengthen the synergy between transport, spatial and economic planning.

We work closely with a range of partners on a wide variety of projects. This annual report sets out our achievements over the 2025/26 year, demonstrating how each project ties back to our Regional Transport Strategy.

You can read more about who we are and what we do (including more information about our Board and governance) on our website: www.sestran.gov.uk

About our region

Key stats about the region:

- Population¹ = 1,636,050
- No households² = 745,410
- Car ownership³ = estimated at over 870,000, on average 1.18 cars per household (but varies greatly between local authorities)
- Kms of road³ = 11,821
- 140 million passenger journeys on local buses in 2025-25³
- 63 train stations³
- 3,201 million vehicle kms in 2024³
- 23% of the population have a limiting long-term physical or mental health condition⁴
- 20.5% of population are over 65 with significant growth in elderly population anticipated in the future¹
- In 2024, the average number of trips per day for disabled people was 1.61.⁵
- In 2022-24, the average (median) journey distance was 3.4 km for disabled people compared to 4.6 km for non-disabled people.⁵

¹ National Records of Scotland: Mid-year population estimates 2024

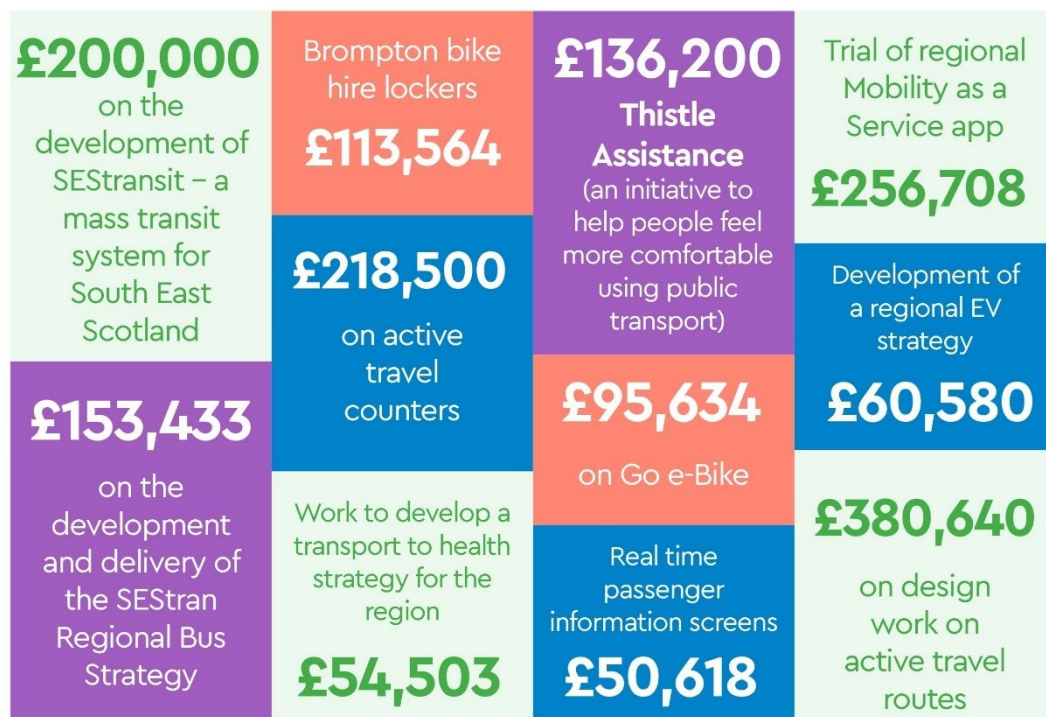
² National Records of Scotland: Households and dwellings in Scotland 2024

³ Scottish Transport Statistics 2025

⁴ Scottish Household Survey

⁵ Disability and Transport 2024, Transport Scotland

Key project spend over the last three years:



The Regional Transport Strategy

Our Regional Transport Strategy has four key objectives, and throughout this Annual Report, we will demonstrate how our programmes of work and projects relate back to these.

Regional Transport Strategy objectives:

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

Programmes of work

Regional Transport Strategy Delivery Plan

The Regional Transport Strategy Delivery Plan (RTSDP) provides a mechanism to assess and prioritise regional projects required over the next ten years to realise the ambitions of the Regional Transport Strategy. The RTSDP dovetails with the Strategic Transport Projects Review 2 (STPR2) to support the delivery of a transport network that:

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

We established a working group of with officers representing transport, planning and economic development from our partner councils to refine a list of 800+ transport projects into a much smaller list of projects that will have a truly regional impact and support delivery of a range of wider benefits. The working group sorted these projects into has six key themes:

- Mass transit
- Active travel
- Data
- Interchanges
- Decarbonisation
- Freight

The Regional Bus Strategy is also a key programme within the RTSDP that supports service improvements across the region.

RTS objectives: 1, 2, 3 and 4

RTS actions:

- Partner councils work with SEStran through the statutory planning processes to implement RTS policies with regards to major developments.

One of the recommendations of STPR2 was the development of a mass transit system for the South East of Scotland. This, combined with the mass transit theme of our RTSDP, has given us a clear focus during 2025/26 and we have begun work to develop a programme level strategic business case for a South East Scotland mass transit system. Our name for this project is SEStran, and there is more detailed information about this project further on the next page.

SEStransit

The South East of Scotland is undergoing major change. A rapidly growing population, shifting economic demands and the urgent need to respond to climate change are placing increasing pressure on our transport network.

To support our region's future ambitions, expanding and improving our public transport network is essential. We need a reliable and well-connected system that helps people get to jobs, education and services, and strengthens local businesses by improving access for customers, suppliers and visitors. SEStransit is our regional mass transit network for the region.

RTS objectives: 1, 3, 4

RTS actions:

- Undertake appraisal and business case development for an Edinburgh and South East Scotland Mass Transit system, including Bus Rapid Transit, new light rail and tram links within the region.

To allow us to begin work on SEStransit, we secured £250k from the Bus Infrastructure Fund through the City of Edinburgh Council. This funding has enabled us to appoint consultants to develop the SEStransit programme-level Strategic Business Case. This is following the Scottish Transport Appraisal Guidance, and will set out the strategic and socio-economic case. We expect this to be completed in Autumn 2027.

Alongside this, we established governance and reporting arrangements for the project. We are working in partnership with the region's eight local authorities, our region's City Deal and Growth Deal organisations, Transport Scotland and Network Rail.

People and Place

2025/26 was the second year of our People and Place programme, which supports activity that gives people the knowledge, skills and confidence to choose travel actively and sustainably more often. In 2025/26, we distributed £6.19million of funding across four themes to 35 delivery partners, including our region's eight local authorities.

The evaluation of this work provided good evidence of positive outcomes as the programme matured and broadened its focus from active travel to include sustainable travel, with evidence of increased walking, wheeling, cycling and wider sustainable travel activity. More

than 51,000 engagements with young people were recorded, alongside over 6,000 engagements through Accessibility and Inclusion projects. Across the programme, over 1,800 cycles were distributed, more than 2,500 cycles were repaired, refurbished or serviced, and hundreds of training sessions, led rides, workshops and community events were delivered.

The objectives of our People and Place work are to:

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

RTS objectives: 1, 2 and 4

The 4 themes are:

Schools and young people

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

The evaluation of our delivery found further evidence of successful engagement through school-based projects, recording over 51,000 engagements with young people, 806 cycles serviced or refurbished, 96 cycle loans and 69 cycles distributed. FEL Scotland's Schools programme reported that 70% of surveyed students walked or wheeled more after participation and 38% cycled more. East Lothian Council's Learn to Ride programme supported over 130 children to learn to cycle, with more than 90 progressing into Bikeability Scotland training.

Total number of projects: 44

Total funding for this theme: £2,212,969

Highlights:

Through our funding to FEL Scotland, we enabled Active Travel Secondary School Hubs to be delivered at schools in West Lothian, Falkirk and Clackmannanshire council areas. These hubs targeted feeder primary schools as well as the secondary school and involved a range of activities to encourage walking, wheeling and cycling.

We funded Play on the Way - an initiative being carried out in West Lothian to encourage children to walk to school. Organised by Play Works and with the support of West Lothian Council, children meet an hour before school begins to play, chat and have a snack on their

way to school. One of the children said about Play on the Way: "Coming to this in the morning is just way better than going in the car."

Accessibility and inclusion

This theme is for projects that support accessibility and inclusion, and which create opportunities for everyone to choose to travel actively.

Our 2025/26 evaluation provides strong evidence that these community-based interventions have been effective, especially when they combine access to equipment, skills development, confidence-building and social support. Accessibility and Inclusion projects delivered 944 cycles, 910 cycle loans, more than 1,700 cycle repairs and maintenance interventions, and over 6,100 participant engagements. Cycling UK's Connecting Communities project reported an increase in the proportion of participants cycling for short local journeys from 42% before taking part to 76% afterwards. Wider outcomes reported included improved wellbeing, social connection, independence, access to services and opportunities for participation in community life.

Total number of projects: 76

Total funding for this theme: £3,137,261

[Design call out]

Through our funding to Stow Cycle Hub, we have supported active travel in Stow, Fountainhall and Lauder. The project focuses on accessibility and low-income users by offering free e-bike hire, inclusive community rides, cycling skills training, and bike repairs. The project also offers route planning, supports local groups and engages volunteers to promote cycling for all.

We support Equal Footing Party, through Community Energy Party. One aspect of their work is to carry out street audits of their local area to assess accessibility issues, such as a lack of dropped kerbs. They use a standardised assessment and group the results geographically, before passing on the information to the City of Edinburgh Council. Our funding also enables them to run a bike library, including a wheelchair bike.

Workplaces

The workplace theme is for projects which are focussed in and around places of work, that make active and sustainable travel choices a realistic solution for commuting.

In 2025/26, workplace projects delivered 198 cycle loans, 92 led walks and rides, and 23 cycle storage improvements. Travel planning and awareness initiatives helped promote

active and sustainable travel options, while East Lothian Council's annual travel survey showed cycling mode share increasing from 2% to 3% amongst staff.

Total number of projects: 6

Total funding for this theme: £289,312

[Design call out]

"The e bike hire scheme gave me the opportunity to trial a Ridgeback Advance 3 e bike for a month which resulted in me deciding to make the jump and purchase my own e-bike"

Greener Kirkcaldy bike hire user

Greener Kirkcaldy ran a healthy and active ways to work programme:

- 73 NHS Fife E-bike loans
- 129 people on led rides
- 132 people on led walks
- 68 people at Dr Bike sessions
- 110 people at the Kirkcaldy Cycle Shed drop in sessions
- 41 people at cycle maintenance classes
- 34 people receiving cycle training

Capacity and capability building

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

The evaluation of this work found that these projects helped strengthen local delivery capacity through staff and volunteer training, partnership development, knowledge sharing and improved monitoring practices. Projects funded under this theme created three full-time equivalent posts and delivered 18 training sessions. Shared learning events were particularly valued by delivery partners, helping organisations build skills, share good practice and improve the delivery of active and sustainable travel initiatives.

Total number of projects: 18

Total funding for this theme: £659,885

[Design call out]

City of Edinburgh Council have been building knowledge and capability within their transport team by expanding their VivaCity sensors to create a network of data in the city. The sensors track walking, cycling, public transport and vehicles to understand how the road space is being used. This will ensure historic data can be monitored to allow for data-led

decision making for both infrastructure and behaviour change. The data can also ensure interventions can be measured by the change in walking and cycling counts.

We ran three networking events to allow funded organisations to hear more about projects being delivered in their area. These were attended by local authorities, larger third sector partners/grantees and community groups. "Always interesting hearing how neighbouring organisations approach projects. Project plan section was really good, allowed for an in-depth discussion on projects" Event attendee

Read more detailed information about the impact and evaluation of our People and Place programme. [\[link\]](#)

Transport to Health

Getting to and from a hospital appointment, GP surgery, pharmacy or other healthcare setting should not be a barrier to receiving care. Yet our Transport to Health work has shown that, for many people across South East Scotland, access to healthcare is still heavily influenced by transport availability and journey times. People without access to a car, disabled people, older people and those experiencing transport poverty often face the greatest challenges, making Transport to Health not only a transport issue, but also an equality and social inclusion issue.

We are working with healthcare partners across the region to better understand these challenges and develop solutions. By bringing together NHS Boards, local authorities, transport providers and community organisations, we aim to create a more joined-up approach to planning services that improves access to healthcare and delivers better outcomes for patients.

RTS objectives: 1, 2, 3 and 4

RTS actions:

- Support the delivery of bus services and infrastructure measures which ensure access to healthcare for all.

Our Transport to Health programme moved forward at pace during the year. In the first quarter, we published a Literature Review to establish the evidence base and better understand the challenges patients face when travelling to healthcare appointments.

We then worked closely with NHS Borders, NHS Fife, NHS Forth Valley and NHS Lothian to develop a comprehensive Case for Change. This included detailed analysis, stakeholder engagement and a six-week public consultation. More than 1,500 people shared their experiences through the consultation, alongside focus groups, pop-up engagement sessions and discussions with healthcare professionals and community organisations.

The evidence highlighted common challenges across the region, including longer and more complex public transport journeys, increasing travel distances to specialist services,

accessibility barriers and gaps in transport provision. By the end of the year, the first draft of our Case for Change had been completed, providing a strong evidence base for action and setting the foundations for a regional Transport to Health Strategy that will help reduce inequalities, remove barriers to care and ensure that accessing healthcare does not depend on access to transport.

[Design call out]

One respondent to our public consultation commented about the difficulty of getting to appointments: “Having to go to a hospital can be problematic, nearest hospital is over 20 miles away but sometimes you need to go to a city hospital which is much more challenging. The time taken to do this makes an appointment a whole day event. It also means additional costs.”

Regional Bus Strategy

Buses are the most widely used form of public transport across South East Scotland and have a vital role to play in connecting people to jobs, education, healthcare and opportunities. During 2025/26, SEStran reached a major milestone in delivering its ambition for a better bus network by completing and launching the Regional Bus Strategy, setting out a long-term vision for a high-quality, affordable, accessible and integrated bus system across the region.

RTS objectives: 1, 3 and 4

RTS actions:

- Undertake a Regional Bus Connectivity study for non-Edinburgh travel to identify locations 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.

The year was defined by partnership and engagement. Working closely with local authorities, bus operators, community transport providers, passengers and other stakeholders, we brought together a wide range of perspectives to help shape the future of bus travel. This collaborative approach ensured that the strategy reflected both local

priorities and regional ambitions, while recognising the important role buses play in tackling inequality, supporting economic growth and responding to the climate emergency.

A key achievement was the delivery of one of the largest public transport consultations we've ever carried out. More than 5,000 people took part, sharing their experiences, challenges and aspirations for bus services. Alongside extensive stakeholder engagement, this provided a rich evidence base that informed the final strategy and demonstrated the strength of public interest in improving bus services across the region.

The feedback helped shape policies focused on three areas that matter most to passengers: improving levels of service, making bus travel more affordable and enhancing the overall quality of the customer experience. The strategy includes ambitious proposals to improve connectivity between communities, simplify fares and ticketing, strengthen accessibility and ensure that bus travel becomes a more attractive and reliable alternative to private car use.

The Regional Bus Strategy was approved by the SEStran Board and launched at our Transport Summit in December 2025. By the end of the financial year, attention had already turned to delivery, with work commencing on a Regional Bus Action Plan to translate the strategy's vision into practical interventions. Together, these achievements represent a significant step towards creating a fairer, greener and more connected South East Scotland, with buses at the heart of a modern and inclusive transport network.

Supporting projects

SCOT ZED

As part of the transition to net zero, we have been looking at ways to increase the resilience of the road freight sector as the industry moves to zero emission solutions. At the beginning of 2025/26, we successfully secured funding from the Transport Scotland Zero Emissions (ZE) Heavy Duty Vehicle (HDV) Skills Challenge Fund for a project called Supporting Careers and Opportunity in Transport for Zero Emission Diversity (SCOT ZED).

Delivered in partnership with the University of Glasgow and led by the University of the West of England, the project identified the key workforce challenges facing the ZE HDV sector and developed a practical roadmap to help build a more resilient, diverse and sustainable workforce. The research highlighted barriers affecting recruitment, retention and progression, particularly for underrepresented groups, at a time when the industry will require significant workforce growth to support a just transition to net zero.

With partners, we worked with employers, training providers, and current and prospective workers to identify practical ways to improve access, retention and progression for underrepresented groups. This work identified a clear set of interventions that could improve workforce resilience and help ensure the transition to zero emission freight is fair and inclusive.

The findings showed that stronger recruitment practices, clearer entry pathways, improved working conditions and greater visibility of career opportunities could significantly widen access to the sector and support long-term staff retention. The resulting roadmap provides a clear evidence base for future action and has been shared with Transport Scotland to inform regional and national workforce planning. The project has established a foundation for continued collaboration in 2026/27 to help deliver the changes needed to support Scotland's transition to zero emission freight.

RTS actions:

- Identify opportunities to implement innovation and automation in the freight and logistics industry in the region, including the delivery of relevant pilot projects.

SEStran at twenty

In 2025/26, it was twenty years since the legislation establishing Scotland's statutory Regional Transport Partnerships came into force. This milestone provided a valuable opportunity not only to celebrate two decades of regional transport planning and partnership working across the South East of Scotland, but also to reflect on the progress made and engage stakeholders on the opportunities and challenges ahead.

RTS objectives: 1, 2, 3 and 4

RTS actions: All actions

To mark this anniversary, SEStran:

- Published a blog launching the anniversary year
- Developed a commemorative 20th anniversary logo
- Produced an animated version of the SEStran vision
- Organised and delivered the South East of Scotland Transport Summit

Held in Edinburgh on 4 December 2025, the Transport Summit brought together more than 130 leaders and practitioners from across Scottish Government, Transport Scotland, local authorities, NHS partners, the third sector, academia and the transport industry. The event provided a unique opportunity to showcase the impact of regional collaboration over the previous twenty years and to set out an ambitious vision for the future of transport in South East Scotland.

A particular highlight was the keynote speech by the Cabinet Secretary for Transport, who reinforced the importance of partnership working to deliver Scotland's transport ambitions. The summit also served as the launch platform for several significant pieces of work, including our new animated vision, our Scottish Parliament election asks and our South East of Scotland Regional Bus Strategy.

Through keynote presentations, panel discussions and networking opportunities, delegates explored shared priorities around public transport, active travel, accessibility, economic growth, health outcomes, decarbonisation and regional connectivity. The breadth of organisations represented created valuable opportunities to strengthen existing partnerships, develop new relationships and share learning across sectors.

The event was widely regarded as a major success and represented one of the most significant stakeholder engagement exercises we've undertaken in recent years. It celebrated the achievements delivered through regional partnership working since 2005, raised our profile nationally and generated positive momentum around key strategic priorities. Most importantly, it brought together decision-makers and delivery partners around a shared vision for the future, creating renewed enthusiasm and commitment to delivering sustainable, accessible and connected transport networks for the region.

Thistle Assistance

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

RTS objectives: 1, 3 and 4

RTS actions:

- Deliver improved public transport information in a variety of formats, supported by appropriate wayfinding infrastructure on the transport network.

In April 2025, we completed a Scotland-wide digital advertising campaign for Thistle Assistance. The campaign was hugely successful and saw card request rise by 2,477% and app downloads rise by 5,147%. We were then delighted to be shortlisted, and to be highly commended, for Campaign of the Year at the National Transport Awards.

Building on this momentum, we improved the systems used to manage the scheme, strengthened engagement with transport operators and regional partners, and gathered new evidence to better understand users' needs. These improvements have helped establish a stronger foundation for the future development of Thistle Assistance, supporting more accessible and inclusive public transport across Scotland. This strong platform will allow us to undertake for the first time a comprehensive evaluation of the project in 2026/27, allowing us to further enhance the schemes effectiveness for its users.

[Design call out]

"I used mine and the bus drivers were all very good and gave me time to sit down etc, which they didn't do before."

"It's a very useful idea for all of us with limited mobility."

"Applied for a card. It will be a great help for me. Thank you."

Real time passenger information and ticketing

During 2025/26, we continued to improve the quality and reliability of real time passenger information across South East Scotland, helping people make informed public transport choices and supporting a shift towards more sustainable travel. Working closely with local authorities, operators and technology providers, we progressed regional screen procurement, addressed data quality issues and supported the maintenance of the region's RTPI network.

RTS objectives: 1, 3 and 4

RTS actions:

- Deliver improved public transport information in a variety of formats, supported by appropriate wayfinding infrastructure on the transport network.
- Introduce Real Time Passenger Information for public transport services through mobile applications, stations and stops and across all parts of the region.

A key achievement was strengthening regional collaboration through regular RTPI forum meetings, creating a shared approach to resolving issues, improving service performance and sharing best practice. We also continued to support a network of around 160 information screens in public locations and advanced work on regional procurement and asset

management, helping to ensure passengers have access to more accurate and reliable live travel information across the region.

[Design call out]

"The real time passenger information in our region is vital to supporting people to access public transport. As a region, we are working to ensure screens are installed and maintained to enable customers to see live journey times."

Rebecca Smith, Project Officer, SEStran

Regional Bike Share

During 2025/26, our Go e-Bike programme continued to expand access to active and sustainable travel across South East Scotland, helping more people experience the benefits of e-bikes for everyday journeys. By supporting community bike share schemes, providing training and maintaining regional e-bike fleets, the programme increased opportunities for people of all ages and abilities to access low-carbon transport.

RTS objectives: 1 and 2

RTS actions:

- 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

A major achievement during the year was the successful employer e-bike trial at St John's Hospital in Livingston, where more than 20 staff members used e-bikes to commute to and from work. The trial demonstrated the role e-bikes can play in reducing reliance on private cars, supporting healthier travel choices and overcoming barriers to sustainable commuting.

To ensure bikes were available where they were most needed, we redistributed e-bike stock across the region in response to demand and supported servicing programmes that kept fleets operational and accessible. We also invested in building local capability by delivering cycle ride leader training and Velotech bike maintenance training in West Lothian, Edinburgh and the Scottish Borders, helping community organisations and volunteers develop the skills needed to support long-term, sustainable delivery.

[Design call out]

Through our Go e-Bike programme, we support the West Lothian Bike Library. A family recently shared their experience of borrowing e-bikes from them. With family members aged from 14 to their late 50s, they cycled along the Union Canal and enjoyed a day exploring, spotting wildlife and spending quality time together. They described the experience as

inclusive, accessible and enjoyable for everyone, regardless of age or cycling ability. They even said that two members of the group are now considering buying e-bikes of their own.

Rail

The rail network has an important role to play in helping people travel sustainably around the south-east of Scotland. Our work includes exploring how improvements to the rail network can help people travel in a more sustainable way, and how it can support multi modal journeys with stations as key mobility hubs across the region.

RTS objectives: 1, 3 and 4

RTS actions:

- Work with key stakeholders (Transport Scotland & Network Rail) to develop new rail infrastructure supported by appropriate appraisal and business case development.
- Opportunities should be explored with partners to introduce new services, including more direct links across the region, national boundaries and cross-city connections.

Newburgh

We have continued to provide support to the Newburgh train station campaign as we await feedback on the work done to date from Transport Scotland. This work, alongside the efforts of the local community, saw the station included in the Scottish Government's transport infrastructure delivery pipeline.

Winchburgh

We have continued to work with partners on the development of a train station at Winchburgh. In October 2025, West Lothian Council granted planning permission for the station and followed this with a funding request to the Scottish Government. As with Newburgh, the work of the project partners has also resulted in the station being named in the Scottish Government's transport infrastructure delivery pipeline.

Looking ahead to 2026/27

In the year ahead, we will focus on delivering transport improvements that make a real difference to people's lives. As South East Scotland continues to grow, our priority is to help

more people access employment, healthcare, education and other opportunities through a transport network that is accessible, inclusive and sustainable.

A key focus will be the delivery of our new Transport to Employment programme, reducing child poverty by helping people overcome transport barriers that can limit access to jobs, training and education. We will also expand our Transport to Health work, supporting partners to improve access to healthcare and reduce transport inequalities across the region.

We will progress the development of SEStransit, taking forward the strategic business case for a transformed public transport network that better connects communities across the region and supports economic growth.

We will also begin implementing our Regional Bus Action Plan, working with partners to improve the reliability, affordability and accessibility of bus services. Alongside this, we will continue investing in behaviour change and sustainable travel through our People and Place programme, helping more people choose active and sustainable travel for everyday journeys.

By working closely with local authorities, government, transport operators and communities, we will continue to deliver practical improvements that support a fairer, greener and more connected South East Scotland.

PROGRAMME FOR GOVERNMENT

1 PURPOSE OF REPORT

- 1.1** The purpose of this report is to provide members with an initial overview of the Scottish Government's Programme for Government (PfG) 2026–27, which was published on 1 September 2026 and to outline the immediate implications, opportunities and alignment points for the Partnership's current work programme. The report highlights areas of direct relevance to our strategic objectives, delivery commitments and statutory responsibilities, and identifies where further analysis or engagement will be required as detailed policy measures are released. The PfG document is available at this [link](#).

2 SUMMARY

- 2.1** The PfG is a five-year plan focused on eradicating child poverty, growing the economy, tackling the climate emergency, and strengthening the NHS and public services.
- 2.2** It sets out the Scottish Government's legislative intentions, priority reforms and investment commitments for the year ahead. As an annual statement of governmental direction, it provides the policy context within which regional transport partnerships, local authorities, public bodies and delivery agencies are expected to plan, coordinate and report their activity.
- 2.3** This year's PfG emphasises a continued focus on public service reform, inclusive economic growth, net-zero transition, and community wellbeing, alongside targeted measures intended to support households and strengthen local delivery capacity. While the detailed implications for regional transport, digital inclusion, economic development and place-based programmes will emerge over the coming weeks, the publication provides an important framing for our forward planning, risk management and stakeholder engagement.
- 2.4** The PfG contains a number of commitments that align closely with SEStran's strategic priorities, particularly around public transport affordability, regional connectivity, active travel, transport decarbonisation and mass transit development. Notable measures include the national rollout of a £2 bus fare cap, Better Buses legislation, substantial active travel investment, continued strategic transport infrastructure programmes and support for regional connectivity.
- 2.5** Of particular significance is the Government's commitment to explore regional governance models, resource pooling and transport governance reform, which may have important implications for the future role of Regional Transport Partnerships in the planning, coordination and delivery of transport investment across Scotland.

3 STRATEGIC ALIGNMENT

3.1 General

- 3.1.1 Initial analysis indicates that several PfG commitments intersect with the Partnership's current priorities, including transport decarbonisation, behaviour-change and modal shift initiatives, accessibility, economic participation and community resilience. These areas present opportunities to strengthen our contribution to national outcomes and ensure our programmes remain aligned with emerging policy direction.

3.2 Public Governance & Regional Reform

- 3.2.1 The PfG marks a significant acceleration of the public service reform agenda. The Scottish Government will convene a three-month dialogue, from September to November 2026, with Parliament, local government and other partners on the future of local governance. This will consider new forms of collaboration, potential structural change, more strategic regional models of local government and the scope to pool resources and functions at regional level, while strengthening community-level decision-making. The Government intends to establish a shared direction for reform by the end of 2026, enabling early decisions and initial progress to be reflected in the first Budget of the new Parliament.
- 3.2.2 The Programme does not prescribe council mergers, regional boundaries or a single model for reform. It instead opens a period in which the functions, geography and governance of regional arrangements will be shaped. The initial three-month process is described as a dialogue with partners rather than a formal public consultation. More detailed consultation is likely to follow as specific structural or legislative proposals are developed, but no separate timetable for this has yet been published.
- 3.2.3 There is specific reference to the reform of transport governance:
- Transport Scotland will be brought back into the Scottish Government
 - The role of the National Smart Ticketing Advisory Board will be reviewed
 - Some transport functions will be transferred directly into government
 - Remaining transport bodies will be reviewed to identify potential mergers and streamlining opportunities
- 3.2.4 Wider public sector reform commitments include:
- Public service reform legislation
 - Simplification of health governance structures
 - More preventative, place-based and regional approaches to service delivery

- 3.2.5 For RTPs, this signals a period of significant institutional change and reinforces the recent direction of travel towards a more regional approach to planning and delivery of services. The reference to resource pooling is particularly noteworthy.

3.3 Public Transport

- 3.3.1 A number of initiatives designed to support and promote bus use have been confirmed. These include:

- The roll out of a national £2 bus fare cap across Scotland during this Parliament, building on existing pilots
- Continued funding of free bus travel for over 2.4 million eligible people
- Introduction of Introduce Better Buses legislation to improve regional bus service delivery, give communities improved bus services and strengthen local connectivity
- Support of more affordable access to public transport as part of wider anti-poverty and cost-of-living measures

- 3.3.2 A number of initiatives designed to support and promote rail use have been confirmed. These include:

- The permanent removal of peak rail fares
- Continued investment to ensure rail supports economic growth and climate objectives
- Keeping the railway affordable and accessible to encourage modal shift

3.4 Strategic Connectivity and Major Infrastructure

- 3.4.1 The Government has reaffirmed support for:

- Clyde Metro development
- Improved physical and digital connectivity between communities
- Investment in transport infrastructure that enables economic growth and supports regional development

- 3.4.2 Although SEStran is not specifically referenced, there is a clear policy direction towards regionally significant public transport programmes and integrated transport planning, creating a favourable environment for future regional mass transit investment. This aligns strongly with SEStran's current work on the SEStran Strategic Business Case. Further, the cabinet secretary did reference mass transit

schemes for Edinburgh, Aberdeen and Glasgow at his first appearance for Transport Committee.

3.5 Roads

Government commitments include:

- Continuing the dualling of the A9 and A96
- Progressing the A83 Rest and Be Thankful improvements
- Addressing pothole maintenance and wider road network resilience
- Improving strategic rural road links

3.6 Transport Resilience

3.6.1 The Programme commits to:

- Investing in a more resilient transport network
- Working with infrastructure owners to focus investment on areas most vulnerable to disruption and climate impacts

3.7 Industrial Strategy & Public Procurement

3.7.1 Ferguson Marine & Clyde Shipbuilding: Seeks to protect commercial shipbuilding and skilled jobs in Scotland by proposing direct awards of government vessel contracts including small replacement ferries and marine research vessels subject to legal, commercial, and subsidy control checks.

3.7.2 Procurement Bill Consultation: Launches a consultation on new procurement legislation aimed at driving innovation in health and social care, embedding community wealth building, and maximising local economic impact.

3.7.3 Green Freeports & Investment Zones: Focuses on joint delivery with regional partners to leverage tax incentives, attract private investment, and execute investment plans.

3.8 Rural & Island Communities

3.8.1 Rural Renewal Bill: Begins work on primary legislation intended to stimulate targeted economic growth across rural economies.

3.9 Access to Employment

3.9.1 Continued multiyear funding for *No One Left Behind* and a commitment to the key barriers to work identified through Employability Support review being addressed within the next Scottish Budget.

3.9.2 Support for Regional Economic Partnerships to deliver regional interventions that respond to employers' skills needs and support people in training and job opportunities.

3.10 Active & Sustainable Travel Investment

3.10.1 Funding Escalation: PfG scales total investment in Sustainable and Active Travel from £115 million in 2021–22 to over £226 million in 2026–27.

- Continued investment in walking and cycling infrastructure to improve health, wellbeing and sustainable travel choices

3.11 Decarbonisation and Net Zero Transport

3.11.1 Key measures include:

- Expanded support for electric vehicle infrastructure
- Planning reforms to simplify installation of public EV charging
- Encouraging private sector investment in heavy vehicle decarbonisation
- Continued active travel investment
- Focus on resilient, low-carbon infrastructure

These commitments align closely with SEStran priorities on decarbonisation, future mobility and sustainable transport delivery

3.12 Health boards in Scotland

3.12.1 The Scottish Government's Programme for Government proposes major NHS reform, replacing the current 14 territorial Health Boards with two larger regional boards and placing greater emphasis on preventative, place-based service delivery. This could create opportunities for more consistent regional planning of patient transport and healthcare access, aligning closely with SEStran's Transport to Health programme. However, there is also a risk that local transport needs could receive less focus during the transition, making it important that transport accessibility is embedded within the reform process.

4 POLICY AND LEGISLATION PROPOSALS

4.1 Scottish Prevention Investment Framework

Building on Scotland's preventative budgeting work, the development of a Scottish Prevention Investment Framework will drive a decisive shift toward early intervention across public services. This framework will establish a consistent approach to identifying, assessing, and prioritizing investment in prevention and early intervention. By directing resources toward proactive measures, it aims to improve long-term outcomes for individuals while reducing future demand on public services. This offers direct strategic alignment with wider regional transport goals and targeted access-to-employment initiatives, such as Transport to Employment.

4.2 Public Service Renewal (Scotland) Bill

The Scottish Government intends to introduce the Public Service Renewal (Scotland) Bill to provide statutory backing, where required, for reforming the public service delivery landscape in alignment with the Public Service Reform Strategy. The Bill aims to improve the long-term fiscal sustainability of public service delivery through structural reform, including the potential merging or abolition of public bodies and the transfer of functions between core government and public agencies.

5 CONCLUSION

5.1 The Programme for Government appears highly supportive of several current SEStran priorities:

- Regional Bus Strategy and Bus Action Plan
- SEStran and mass transit development
- RTSDP delivery and regional infrastructure planning
- Transport to Employment and transport poverty initiatives
- Active travel and decarbonisation programmes
- Data-led regional planning and regional collaboration

5.2 However, the most strategically important commitment may be the intention to explore regional governance reform and resource pooling, which could create opportunities for RTPs to take on a stronger delivery and coordination role in future transport investment and service planning.

8 RECOMMENDATIONS

It is recommended that the Partnership Board:

- 8.1 Notes the publication of the Programme for Government and the initial assessment set out in this report.
- 8.2 Agrees that officials monitor the introduction of the Public Service Renewal (Scotland) Bill and present a dedicated paper to a future Partnership meeting

outlining any specific governance, operational, or statutory implications for Regional Transport Partnerships once the draft legislation is formally published.

- 8.3 Agrees that the Partnership continues proactive engagement with Scottish Government officials and regional partners as PfG measures are developed.

Brian Butler
Partnership Director
18 September 2026

Policy Implications	This work will entail significant policy developments over coming months, although these are not yet clear. Officers will monitor progress of the PfG and report to the Board on any required changes.
Financial Implications	The PfG is likely to have significant financial implications, but these are currently unclear. Officers will monitor progress of the PfG and report to the Board on any required changes.
Equalities Implications	The PfG is almost certain to have positive implications for equalities. Officers will monitor progress of the PfG and report to the Board on changes as part of all other relevant reports.
Climate Change Implications	The PfG is almost certain to have positive implications for climate change. Officers will monitor progress of the PfG and report to the Board on changes as part of all other relevant reports.

PROJECTS UPDATE

1 INTRODUCTION

- 1.1 This report provides an update to the Board on the key programmes within the Business Plan for 2026/27.

2 REGIONAL TRANSPORT STRATEGY DELIVERY PLAN

- 2.1 In May 2026, the Edinburgh and South East Scotland City Region Deal (CRD) Joint Committee submitted a proposal to the Local Growth Fund (LGF). The proposal included £500k for the Regional Transport Strategy Delivery Plan (RTSDP), with the following profile:

- 2026/27 – £150k (£100k RTSDP & up to £50k to SEStran)
- 2027/28 – £175k
- 2028/29 – £175k

- 2.2 At its meeting in June 2026, the SEStran Board was informed that the following actions would be undertaken after the funding was confirmed:

1. Commission a consultant to complete the baselining of existing projects from regional partners and the list of 'Sifted Projects' from the Strategic Transport Projects Review 2 into the existing strategic assessment matrix
2. Undertake an Equalities Impact assessment to supplement the project level assessments undertaken by partner Local Authorities (LAs) for individual projects. The outcomes will be built into the future process, programme and scope
3. Complete the 'mapping and gapping' exercise with regional partners to identify opportunities for new projects, cross boundary collaborations and economies of scale
4. Assess and draft a scope of services for the remaining two financial years of funding (2027-2029) to undertake a Strategic Business Case (SBC) Assessment in accordance with Scottish Transport Appraisal Guidance, or other appropriate alternatives
5. Provide an updated programme cost estimate to deliver the scope of service
6. Provide a draft delivery programme with external dependencies quantified
7. Provide programme governance structure, with processes and templates
8. Draft Transport Planning Objectives for consideration at the next stage.

- 2.3 The UK Government published the City Deal Local Growth Fund Investment Plan at the end of August 2026, and the above proposal has been approved and included

in the plan. The grant offer award letter is expected in September 2026, after the CRD has undertaken appropriate internal checks.

2.4 In addition to the LGF, £50k has been allocated from Transport to Employment funding in 2026/27, so the overall budget profile for the RTSDP is as follows:

- 2026/27 – £150k
- 2027/28 – £175k
- 2028/29 – £175k

2.5 The procurement process for the consultant team to deliver items 1 to 8 commenced on 27 August 2026, with tender returns due on 28 September 2026. Following evaluation of submissions and completion of the necessary approvals, it is anticipated that the consultancy contract will be awarded by the end of September 2026. Progress on the commission and associated workstreams will be reported to the Board in December 2026.

3 PEOPLE & PLACE

3.1 Delivery is underway across the programme's four themes of Schools and Young People, Workplaces, Accessibility and Inclusion, and Capacity and Capability Building. LAs and third-sector partners have commenced a wide range of interventions including:

- Cycle access schemes
- School-based active travel initiatives
- Walking and wheeling projects
- Community-led engagement programmes
- Workplace travel planning
- Accessibility improvements
- Sustainable transport promotion

3.2 Early delivery has included:

- The installation of cycling infrastructure and storage
- Accessibility improvement projects
- Programme planning; and engagement activity
- Cycle maintenance and refurbishment initiatives
- The preparation of school and community-based projects for implementation during the autumn and winter delivery period

3.3 Since the drafting of the Finance Officer's Report elsewhere on this agenda, Transport Scotland has confirmed an additional grant award of £600,000 (revenue)

to Regional Transport Partnerships, of which SEStran's allocation is £159,225. This funding will mainly be used to increase the resilience of the People and Place budget, with small amounts being allocated to internal and external projects to support delivery as needed.

- 3.4 Work has begun on reviewing the People and Place delivery plan for 2027/28, with an early draft being discussed with LAs and key wider stakeholders at workshops on 8 and 9 September. A revised draft will then be shared with stakeholders for a final consultation in October, with the final version being presented to the next Board meeting.

4 REGIONAL BUS ACTION PLAN

- 4.1 Since the paper presented to the Board on 19 June 2026, work on the Regional Bus Action Plan (RBAP) has focused on establishing the governance, evidence base and partnership structures required to support delivery of the Regional Bus Strategy (RBS).
- 4.2 The RBAP provides the framework for delivering RBS objectives around level of service, affordability and ticketing, and service quality through coordinated action across LAs, operators, national agencies and regional partners. Board members have identified priority areas for early delivery, helping to shape the initial programme of work and ensuring that the RBAP reflects operational challenges and opportunities across the region. The updated RBAP is now focused on Year 1 priorities only, which are impactful, achievable and in line with regional partners' priorities.
- 4.3 Further work has been undertaken to develop an outcomes and performance framework for the RBS. A Measuring Success paper has been circulated to establish clear outcomes, monitoring arrangements and reporting mechanisms, ensuring that delivery activity remains focused on achieving long-term improvements in regional bus services rather than simply completing individual actions.
- 4.4 The team has met with SPT's bus data working group to understand their approach and how their materials could be utilised in developing a monitoring and evaluation framework for the regional bus work. This will ensure we can learn from the west's data governance and reduce duplication of public spending.
- 4.5 To ensure Real Time Passenger Information (RTPI) is successfully installed and maintained across the region, a consultant, AtkinsRealis, has been procured by SEStran to support LAs with equipment installation and testing. The consultant has excellent knowledge of the RTPI system and the supplier, so is well placed to support the region's RTPI network improvements. This will help to ensure funding from the Bus Infrastructure Fund (BIF) will be successfully spent within the financial year.
- 4.6 The Thistle Assistance project continues to support more accessible and inclusive public transport across the SEStran region. Evaluation activity is progressing well, with

strong user engagement informing the assessment of the Thistle Assistance Card and App. The project timeline has been updated to reflect delivery requirements, with completion now expected by end of October 2026. Engagement with transport operators and accessibility stakeholders is also underway to ensure the evaluation captures both user experience and broader transport sector perspectives.

4.7 Looking ahead, the focus over the coming months will be on progressing the Year 1 priority actions identified within the RBAP, including:

- Development of the regional evidence base
- Refinement of service standards and performance measures
- Establishing a regional congestion working group

5 TRANSPORT TO EMPLOYMENT

5.1 The Transport to Employment Programme (TtE) has successfully moved from programme design into delivery, with funding fully allocated across a regional portfolio of projects focused on reducing child poverty by improving access to employment, training and healthcare. During the year to date, SEStran has established programme governance arrangements, issued funding awards, recruited additional staff and put in place the systems required to manage and monitor delivery across the region.

5.2 A number of projects are already delivering practical improvements for communities. New public transport links have been introduced to connect people to major employment and healthcare destinations, including:

- The launch of a new East Lothian service providing direct connections to the Royal Infirmary of Edinburgh
- A new bus route linking Hawick with Borders General Hospital

5.3 Additional services connecting communities in Midlothian, East Lothian, West Lothian and the Scottish Borders to key employment, healthcare and education destinations are scheduled to commence during the autumn. A number of additional bus services were launched from 13 September and updates will be provided to future Partnership Board meetings.

5.4 The programme is also supporting pathways into employment through targeted employability interventions, such as:

- Summer work placements have commenced through The Bike Station's Kids Bike Life project; and
- Powering Futures has developed a programme that will work with schools, employers and families to raise awareness of career opportunities and support progression into employment.

- 5.5 Recruitment has been completed for a number of dedicated delivery roles, including employer engagement posts in West Lothian and Clackmannanshire and a Behaviour Change Officer in the Scottish Borders, increasing local capacity to support residents into work.
- 5.6 Alongside project delivery, work has progressed to develop longer-term solutions to employment accessibility challenges. Employee travel demand analysis work has been commissioned and SEStran has led the appointment of a consultant to develop a common evaluation framework across participating RTPs. These activities will help build the evidence base for future investment and identify the interventions that deliver the greatest benefit for households experiencing transport-related barriers to employment.

6 TRANSPORT TO HEALTH

- 6.1 Following the publication of the Transport to Health (TtH) Case for Change (CfC), progress has been made to move from an evidence base to a structured strategic approach for the region.
- 6.2 A procurement exercise was carried out over the summer to secure capacity support from an external consultancy agency. This attracted 30 notes of interest; however, this translated into 6 final submissions, reflecting the capacity constraints experienced by many consultancy agencies over the summer months. Urban Foresight obtained the highest score and were appointed in August 2026 to support the second phase of our TtH programme of work.
- 6.3 For this financial year, the TtH work will involve:
- Refining the seven draft Transport Planning Objectives (TPOs) with the TtH Learning Network
 - Co-creating a regional strategic vision with the Learning Network and wider key stakeholders
 - Generating a long list of potential interventions to meet the goals set out in the TPOs
 - Carrying out a sifting exercise and identifying a short list of potential interventions based on specific agreed criteria
 - Developing Outline Business Cases (OBCs) for specific interventions which will aim to address the issues identified in the CfC and contribute to at least one TPO
- 6.4 An inception meeting with Urban Foresight was undertaken at the end of August to confirm the scope of work, roles and responsibilities, timelines and key milestones for the commission. Work has commenced and is on programme, with the successful delivery of an online session on 3 September 2026 with the Learning Network to review and refine the TPOs. The next programme milestone will be the delivery of

an in-person workshop with wider stakeholders to co-create the programme's 'Vision'. This will take place on 24 September 2026 in Edinburgh.

- 6.5 While the recently announced reforms to the NHS in Scotland may result in changes to the strategic healthcare landscape in Scotland, the need to address transport barriers to accessing health services remains. Work on the TtH programme will therefore continue as planned, with the team monitoring structural changes and policy developments, to assess any implications for the programme as further details of the reform emerge.

7 SEStransit

- 7.1 Following on from the update to Board in June 2026, the Programme Strategic Business Case (SBC) has progressed over the summer, notably:

- The first stage Case for Investment (CFI) has progressed to its second draft and will be submitted to the Steering Group for review ahead of a regional stakeholder meeting scheduled for 30 September 2026
- The second iteration of the TPOs and associated appraisal framework was presented to the SEStransit Board on 26 August 2026. Following consideration by the Board, the detailed documents were submitted to the Steering Group on 1 September 2026 for review in advance of it meeting on 30 September 2026
- City of Edinburgh Council agreed that their SBC demonstrates the positive impact that the North-South tram route could have on the wider City Region and recognised the importance of aligning this work with SEStransit. The project will now be considered as part of the wider SEStransit programme SBC.

- 7.2 As part of the development of the CFI, which is a review of the available evidence, significant limitations have been identified in the existing regional transport model. The model was developed in 2012 and has not been updated in the last 5-10 years, so it is no longer capable of providing the credible level of analysis required to assess current network performance, reflecting changing post-pandemic travel demand, or future growth and development scenarios. Establishing a credible evidence base is essential to demonstrate the programme's strategic value, support future investment decisions, and ensure that proposed interventions can be assessed alongside other nationally significant infrastructure projects in health, social care and education through the new National Investment Plan process.

- 7.3 On 26 August 2026, the SEStransit Board endorsed the need for a robust transport model to underpin the development and delivery of SEStransit through the Scottish Transport Appraisal Guidance process.

- 7.4 The SEStransit Board agreed that the most efficient and cost-effective way of delivering a credible model was to extend the current City of Edinburgh Council model that is currently being updated, using up to date demand data from detailed

mobile phone data. This will be undertaken in a proportionate way to represent the level of detail required at the SBC stage.

7.5 The 2026/27 funding of the programme was confirmed on 26 August 2026 with the announcement by Transport Scotland of the BIF funding for 2026/27. SEStran was awarded:

- £500k for Consultancy support to complete the technical completion of the SBC process
- £200k to establish a Programme Management Office to deliver regional governance, stakeholder engagement exercise to support the programme delivery, the development of the Financial Case within the SBC

7.6 As the funding award was delayed by five months, the programme has been adjusted to reflect the activities that can now be feasibly completed within the remaining period of financial year 2026/27, meaning the development of the SBC will continue well into 2027/28.

7.7 As the original BIF application assumed a start date of 1 April 2026, it is not now possible to expend the full £500k budget on the technical delivery elements, so this enables the remaining budget to be re-purposed for the development of the proportionate transport model referenced in 7.4 in 2026/27.

7.8 The overall programme has been re-assessed based on the second iteration of the CFI, TPOs and the delayed funding award with the following milestones identified (also being cognisant of the Local government elections in 2027):

- Completion of CFI by October 2026
- Completion of TPOs by December 2026
- SEStran Model Development by May 2027
- Development of 'Priority Corridors' from October 2026 to September 2027
- Stakeholder Planning & Engagement from June 2026 to August 2027
- Draft SBC for SEStran Board sign-off by October 2027
- Draft SBC for individual LA consideration/approval through winter by 2027/28

7.9 The CFI will be presented the SEStran Board at the December 2026 meeting.

8 Workforce Mobility Project

8.1 The Workforce Mobility Project (WMP) team has now been operating a national pilot for five months. To date, work has focused on data analysis and upskilling of 6 RTPs and 8 LAs, with work now underway to create data dashboards for the remaining 24 Scottish LAs.

- 8.2 Beyond the supply of data and analysis the team is currently helping LAs across our region with the following workstreams:
- Continue supporting West Lothian Council to deliver a Journey Hub Study, full Bus Network Review and School Transport performance monitoring
 - Supporting Clackmannanshire Council with new local data and analysis to inform its Active Travel Investment Plan
 - Supporting Scottish Borders Council with a performance dashboard to monitor and influence of operating new services supported by TtE funding
- 8.3 There is strong regional and national support to extend WMP beyond March 2027, when the current funding allocation expires, recognising the value of retaining the specialist insight, experience and data intelligence developed by the regional team. Continuing the project will enable partners to further embed data-led decision making and reinforce transport's role as a core enabler of spatial and economic planning across the region.
- 8.4 A business case has been developed to support the continuation of the project, positioning it as a key coordination mechanism for regional partners and aligned initiatives, and as a foundation for a future regional intelligence hub with transport data at its core. This business case has been developed as part of the CRD Integrated Regional Employability & Skills Programme (IRES) 2027+, which WMP is currently part of, and was submitted to Scottish Government in August 2026 for consideration in the 2027/28 Scottish Government budget. Agenda item A7 provides further detail on the IRES 2027+ business case and requests that the SEStran Partnership Board 'Pledge' support for the future IRES programme as a key regional partner.

9 RECOMMENDATIONS

- 9.1 The Board is asked to note the content of this report

Ewan Doyle

Senior Partnership Manager

31 August 2026

Policy Implications	The programme contained in this report will support the delivery of the Regional Transport Strategy and will form the basis for future influence on a Regional Spatial Strategy and Regional Economic Partners developments.
Financial Implications	Costs incurred by Scottish Borders Council are funded directly through Edinburgh & South East Scotland City Region Deal.

	The Transport Scotland – Transport to Employability funding will be administered by SEStran to procure additional resources to scale-up delivery for the national pilot. This will be a combination of services procured directly by SEStran and granting money to Scottish Borders Council to expand existing commissions. The financial implications and approval request are contained within Agenda item A2(b) Revenue Budget 2026-27. The Senior Partnership Manager's time to lead the project will be an 'in-kind' contribution to support the project success and future delivery business case.
Equalities Implications	Each Programme has or is in the process of creating and updating the EQIA at every delivery stage of the programme.
Climate Change Implications	All programmes will support access to sustainable transport, this will support the transition to net zero.

INTEGRATED REGIONAL EMPLOYABILITY & SKILLS PROGRAMME

1 INTRODUCTION

- 1.1 The Workforce Mobility Project (WMP) is part of the Edinburgh & South East Scotland City Region Deal (City Deal), within the Integrated Employability and Skills programme (IRES). This report will provide an update on IRES and the opportunity for SEStran to sign the regional Community Wealth Building Pledge.

2 BACKGROUND

- 2.1 The IRES Programme and its cross-sector partnership is a change programme seeking to evolve regional labour market policy and practice to drive inclusive growth.
- 2.2 The IRES partnership is funded by £25 million investment (over eight years, concluding in March 2027) and will deliver an additional 14,700 skill improvements; 5,300 people into employment; and a further 500 career enhancements through its 7 themes:
- Integrated knowledge management systems
 - Labour market analysis and evaluation
 - Integrated employer engagement
 - Intensive family support service
 - Housing construction and infrastructure (HCI) targeted skills gateway
 - Data-driven innovation (DDI) targeted skills gateway
 - Workforce mobility
- 2.3 The programme delivered its targeted benefits by April 2025 and delivery partners have secured over £11 million in additional investment, representing a 64% uplift on the initial investment and underlining the exceptional value of this regional approach to skills.
- 2.4 The IRES Programme Management Office is working with new and existing partners to shape a Second Generation IRES Programme (including the WMP). The ambition is to build on the success in the first phase and secure continued investment in regional skills through to 2033 as the region will need an additional 116k workers by 2034.

3 IRES PROPOSAL

- 3.1 The IRES 2027+ Proposal sets out an ambitious plan to secure the workforce the region needs while supporting inclusive growth and helping more people move into

higher-skilled, better-paid work and respond to a rapidly changing labour market and a growing gap between skills and opportunity across the region.

- 3.2 At its core is a coordinated regional pathways system delivered through eight Skills Gateways, four Enablers (including the WMP) and two Capital Projects, strengthening progression routes out of low pay.
- 3.3 Building on the success of IRES, the next phase will establish a fully connected skills system, aligning education, training, employability support and employers around clear pathways into future-facing jobs.

4 SUPPORT THE IRES 2027+ PLEDGE

- 4.1 The IRES 2027+ Pledge invites all stakeholders, partners, employers, organisations and individuals across the region to support the continued development of the IRES Programme beyond 2027. [Support the Pledge - Integrated Regional Employability & Skills \(IRES\)](#)
- 4.2 As SEStran is a regional partner and delivering the WMP in partnership with the City Deal, it is proposed that the SEStran Board Chair signs the Pledge, a copy is provided in Appendix 1, on behalf of the Partnership Board to endorse the vision set out in the IRES 2027+ Proposal and the importance of a coordinated regional approach to skills. (The IRES Proposal is provided at following link [26.002_IRES2027Proposal_March26.pdf](#), with the WMP Business Case set out from page 107 onwards)
- 4.3 The 2026/27 national pilot element of the WMP, funded through Transport to Employment, is also pivotal in building the case for investment, providing the evidence required to demonstrate the value of a centralised data resource that delivers economies of scale, consistent approach to data intelligence to support decision making, and shared best practice. SEStran's leadership role in delivering the pilot continues to be critical, based on positive working with local/regional/national partners to drive adoption, build capability within transport teams, and strengthen confidence in data-led decision making. SEStran will play a defining role in establishing the credibility, sustainability, and long-term success of WMP.

5 LEGAL REVIEW OF PLEDGE COMMITMENTS

- 5.1 SEStran's external legal advisor (Anderson Strathern) was asked to undertake a review of the pledge and the accompanying email from the City Deal Programme management Office, and has confirmed that signing the pledge does not commit SEStran to any future funding, policy or operational obligation.

6 RECOMMENDATIONS

It is recommended that the Board:

- 6.1 Approves the signing of the IRES Pledge with the formal signature being undertaken by the SEStran Board Chair

- 6.2 Participates in a photograph to mark the formal signing of the IRES Pledge to be used in promotional activity by SEStran and the City Deal

Ewan Doyle

Senior Partnership Manager

2nd September 2026

Policy Implications	NA
Financial Implications	Support for the IRES 2027+ Pledge demonstrates support for the continuation of the Workforce Mobility, which SEStran has committed to being part of the delivery solution if future funding is identified.
Equalities Implications	The IRES 2027+ Pledge positively supports many Equality principles.
Climate Change Implications	NA



A Shared Leadership Pledge

By signing this pledge, I endorse the IRES 2027+ Proposal and support continued investment in IRES to align skills with industry demand and create pathways into higher-skilled, better-paid work across our region.

Signed in support of IRES 2027+:

Name:

Organisation:

Signature:

Date:



BUSINESS PLAN 2026–27

1. INTRODUCTION

- 1.1 The Partnership Board approved the Business Plan 2026–27 at its meeting in June 2026 and delegated authority to the Partnership Director to finalise and publish the document.
- 1.2 The final Business Plan is attached for the Board’s information.

2. RECOMMENDATIONS

It is recommended that the Board:

- 2.1 Notes the final Business Plan 2026–27, approved by the Board in June 2026 and finalised for publication under the authority delegated to the Partnership Director.

Partnership Director
September 2026

Appendix 1: Business Plan 2026–27

Policy Implications	None
Financial Implications	None
Equalities Implications	None
Climate Change Implications	None



SEStran 2026/27 Business Plan

We are the South East of Scotland Transport Partnership (SEStran). We are a partnership of eight local authorities, working collaboratively with each other, and with government, transport and infrastructure operators, businesses and communities across our region to revolutionise our transport system by delivering the Regional Transport Strategy (RTS).

This business plan outlines six key programmes designed to deliver key planks of the RTS. These programmes will enhance transport connectivity, accessibility, and sustainability across the region. Each programme is summarised below, with intended outcomes and objectives clearly stated to demonstrate our strategic approach to improving everyday journeys, supporting local communities, driving economic growth and fostering social wellbeing.

- **People and Place programme (P&P):** We know that car use has a number of significant negative consequences, including emissions that add to climate change, deaths and injuries through road collisions, illness and fatalities caused by pollution, major loss of economic productivity through congestion, and negative impacts on people's physical and mental health and wellbeing. P&P supports delivery partners to encourage people to replace car journeys with active and sustainable travel for daily journeys, with particular emphasis on schools, workplaces, inclusion, accessibility and building local capacity.
- **Regional Bus Action Plan (RBAP):** Across the region, more journeys are made by bus than by any other form of public transport, but bus use has been falling consistently for a number of years. Tackling this and encouraging people to use the bus instead of driving will be essential to reducing the negative impacts of car use. The Regional Bus Strategy sets out a shared vision to deliver the regular, reliable and affordable bus services that people tell us are essential to persuading them to make the switch. These improved bus services will also allow people in communities across the region to access jobs, education, healthcare and leisure activities. Informed by extensive public feedback, the strategy drives improvements in service quality, fares, ticketing, information and governance, with objectives focused on enhancing connectivity, affordability, and overall service standards.
- **Transport to Health (TtH):** Imagine not being able to access essential healthcare appointments simply due to a lack of transport options. This is reality for many people, and it can contribute to people becoming increasingly unwell before they receive care, and additional costs and lost capacity for healthcare services through missed appointments. Working closely with health boards and partners, this programme seeks to remove the transport barriers that prevent people from accessing the healthcare they need, when and where they need it. The programme will improve health outcomes for people across the region, enhance patient experiences, create operational efficiencies and cost savings across NHS Primary Care activities, and improve integration with other transport services.
- **Transport to Employment (TtE):** Many factors contribute to child poverty, which the First Minister of Scotland has pledged to eradicate. These include a lack of transport options for parents to reach the jobs, education or training they need to increase household income. This programme will deliver a number of targeted interventions, in partnership with local authorities and third sector organisations, which aim to reduce child poverty by supporting employment and education opportunities. The programme focuses on increasing employment and training rates, lowering transport costs, and supporting integrated ticketing and bus network enhancements.

- **Regional Transport Strategy Delivery Plan:** Guided by the 'Infrastructure First' principles set out in National Planning Framework 4 and the objectives of the Regional Transport Strategy, the Regional Transport Strategy Delivery Plan will define the medium- to long-term transport interventions required to maximise the region's economic ambitions, as articulated in the Regional Prosperity Framework and partner economic strategies. The Delivery Plan will be developed in close alignment with emerging regional land use planning, ensuring that future transport investment supports the safe, sustainable and efficient movement of people and freight across the region, and provides the foundations for inclusive and sustainable economic growth
- **SEStransit:** A lack of transport options to get people to jobs, healthcare, education or leisure, and the congestion caused by car use, are both already significant problems throughout much of the region. Southeast Scotland is the fastest growing part of Scotland, with the 3 fastest growing local authorities, so these problems will become much worse unless we can significantly improve the transport network over the next few years. SEStransit is the working name for a Mass Transit programme that will deliver many of the improvements targeted by the RTS and a key theme of the Regional Transport Strategy Delivery Plan. It is committed to providing faster, greener and more reliable transport connections. The initiative will develop integrated, high-capacity and sustainable mobility solutions, enabling seamless travel across the region and improving access to strategic housing, employment, health and education sites.

In addition to the exciting programme portfolio, we will continue to manage and deliver two pieces of ongoing operational work – each of which underpins key facets of our vision.

- **Thistle Assistance and Realtime Passenger Information (RTPI):** Thistle Assistance provides support to people who find using public challenging, and we manage this initiative on behalf of all RTPs across Scotland. The scheme has exceeded all expectations in 2025/26, with usage ballooning from previous levels due to the excellent efforts of the team. And we continue to support the rollout of RTPI screens across the region. These play a crucial role in journey planning and in improving the perception of safety when using public transport – because people know exactly when a bus will arrive at their stop.

Complementing all of our work, our communications and marketing strategy includes a refreshed SEStran website, designed to increase engagement and provide accessible information for all users. Together, these efforts form a comprehensive business plan aimed at delivering effective transport solutions and supporting the region's long-term growth and prosperity.

Contents

Contents	4
Introduction	5
How we will deliver regional impact.....	6
How we will deliver local impact.....	9
City of Edinburgh Council	9
Clackmannanshire.....	10
East Lothian Council	11
Falkirk Council.....	12
Fife Council	13
Midlothian.....	14
Scottish Borders	15
West Lothian Council.....	16
Our 2026/27 Delivery Programmes	17
People and Place	18
Regional Bus Action Plan	19
Transport to Employment	20
Transport to Health.....	21
Regional Transport Strategy Delivery Plan	22
SEStransit	23
Our 2026/27 Delivery Programme.....	24
Appendix 1 – Core Delivery Programmes	25
Appendix 2 – Cross Portfolio Delivery Areas	45
Appendix 3 - Our governance	48

Introduction

This is an incredibly exciting period for SEStran.

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 partnerships to seek legal status, unlock new powers, and design delivery models tailored to local priorities.

The details have yet to be worked out but – when considered together with Transport Scotland's impending review of the split of responsibilities between national, regional and local levels – it presents a generational opportunity to align economic development, land use planning and transport to drive economic growth.

And SEStran will be in the middle of these discussions.

We will work with the economic partnerships, growth deals and local authorities in our region to outline and define the crucial role of transport in enabling and driving economic growth and land use planning in our region.

And we will work with Transport Scotland to build on the initiatives devolved to Regional Transport Partnerships over the past few years, such as the People and Place active travel behaviour change programme, which has demonstrated that RTPs are key to tailoring national policy to suit regional circumstances.

Our project portfolio for 2026/27 is designed to support these discussions and further demonstrate the role that SEStran can play in delivering and managing a world class regional transport network.

Although the block grant received from Transport Scotland has reduced by 5% in recent years, having stayed at the same level for many years beforehand, the total level of funding we receive from TS has increased considerably over the past 3 years, taking account of the devolved initiatives, and will increase significantly again in 2026/27.

In fact, our total guaranteed external funding for 2026/27 is likely to be just under £9m - around nine times the level in 2023/24 – another demonstration of the level of confidence Transport Scotland has in us. Although the majority of this additional funding is ring-fenced for specific pieces of work, primarily People and Place and the new Transport to Employment programme, internal project team costs to support partners with the allocation and monitoring of budgets, progress monitoring and reporting are covered within this funding.

From 2026/27 forward, we will aim to deliver an increased percentage of our work in-house by upskilling our fantastic team to cover more of the initiatives that we would routinely put out to consultants. We will ensure that we can cover most of the broad range of skills that we need by developing a unique delivery programme, with development tailored to the individual needs of each member of the team. This work is already underway and will be introduced during the year.

How we will deliver regional impact

Our 2026/27 delivery programmes have been carefully selected and tailored to ensure they support the delivery of national policy outcomes and the Regional Transport Strategy. This section of our Business Plan sets out how our programmes align with the First Minister’s priority for government, the National Transport Strategy, and the Regional Transport Strategy. Across all six programmes, SEStran delivers impact by removing transport barriers, supporting modal shift, and strengthening regional connectivity. This improves access to employment, health and education, reduces poverty, drives inclusive economic growth, and accelerates climate action. Investments in active travel, mass transit development, and an equitable bus network ensure the transport system becomes fairer, greener, more reliable, and more efficient.

		People and Place	Regional Bus Action Plan	Transport to Health	Transport to Employment	RTS Delivery Plan	SEStran
First Minister’s Priorities	Eradicating Child Poverty	Improves access to safe, low-cost everyday travel options with a focus on inclusion and groups facing barriers to sustainable travel.	Supports affordable, reliable day-to-day mobility, reducing transport poverty and helping families reach jobs, education, childcare and essential services without needing a car.	Reduces barriers to healthcare access, helping to prevent missed appointments and supporting healthier households, reducing the pressures that can exacerbate poverty and inequality.	Explicitly focused on reducing child poverty by improving access to fair work and training for parents, and by targeting transport costs that can make employment unaffordable for them.	Strengthens a prioritised pipeline of interventions to address cross-boundary accessibility gaps, helping ensure future investment targets the places and communities where transport barriers most limit opportunity.	Supports access to strategic employment and education sites at a regional scale, improving connectivity from communities to opportunity over the medium to long term.
	Growing the Economy	Supports a shift to more efficient travel for short and medium-length trips, helping reduce congestion impacts and improving local accessibility to jobs and services.	Improves reliability, journey times and connectivity on the bus network to support workforce mobility, town centre access and productivity.	Supports economic participation by improving access to healthcare and reducing missed appointments, benefiting individuals and system efficiency.	Increases labour market participation by removing transport barriers to jobs, training and apprenticeships for parents.	Aligns transport priorities with regional economic ambitions and emerging spatial planning, helping to unlock housing and employment growth and strengthen the case for investment.	Develops the evidence and delivery pathway for high-capacity, integrated regional connections that support key economic corridors and strategic sites.
	Tackling the Climate Emergency	Drives mode shift by enabling and encouraging walking, wheeling and cycling as normal choices for everyday journeys.	Supports lower-carbon travel by making bus services more attractive through improvements to quality, affordability and reliability.	Supports a reduction in car dependency for healthcare journeys by improving integration, information and accessibility, enabling more people to reach care by sustainable modes where feasible.		Brings together the regional pathway for decarbonisation (including mass transit, active travel, interchange and supporting themes such as data/digital), helping partners coordinate delivery at scale.	Provides a major medium-to long-term decarbonisation lever by developing a high-capacity, integrated public transport network that can reduce reliance on private cars on key corridors.
	Improving Public Services	Builds capacity across local authorities, communities and third sector partners to design and deliver locally-led interventions that improve everyday journeys.	Supports more consistent, user-centred services through coordinated action on fares, ticketing, information, service standards and governance.	Supports more equitable access to care and helps reduce missed appointments by addressing journey time, affordability, accessibility and information barriers, supporting better outcomes and system efficiency.		Strengthens long-term planning, prioritisation and coordination across partners, helping public bodies align investment, reduce duplication and manage interdependencies	Strengthens long-term planning, prioritisation and coordination across partners, helping public bodies align investment, reduce duplication and manage interdependencies.

		People and Place	Regional Bus Action Plan	Transport to Health	Transport to Employment	RTS Delivery Plan	SEStransit
National Transport Strategy Objectives	Reduces inequalities - Will provide fair access to services we need - Will be easy to use for all - Will be affordable for all	Enables inclusive access to affordable, safe and accessible active travel options, specifically targeting communities and groups who face the greatest barriers to sustainable transport.	Improves affordability, reliability and spatial equity of bus services, ensuring communities across the region can access jobs, services and opportunities without reliance on private cars.	Reduces inequalities in healthcare access by addressing transport barriers that disproportionately affect older people, disabled people and those without access to a private vehicle.	Directly tackles child poverty by improving access to fair work and training opportunities, while reducing the financial burden of transport for low-income households.	Provides a region-wide framework to target investment towards areas with the greatest accessibility challenges, ensuring equitable distribution of transport improvements and future infrastructure.	Improves strategic regional connectivity, enabling communities across urban and rural areas to access employment, education and healthcare opportunities through an integrated transport system
	Takes climate action - Will delivery our net zero target - Will adapt to the effects of climate change - Will promote greener, cleaner choices	Drives sustained behaviour change by enabling walking, wheeling and cycling as the preferred option for short daily journeys, significantly reducing dependence on private car travel.	Supports modal shift by improving the quality, reliability and affordability of bus services, making public transport a more attractive and lower-carbon alternative to private cars.	Encourages more sustainable healthcare journeys by improving integration, information and accessibility, enabling patients and staff to reduce reliance on private car use where appropriate.		Establishes a coordinated regional pathway towards net zero, aligning investment in active travel, public transport and infrastructure to deliver long-term transport decarbonisation outcomes.	Delivers a high-capacity, integrated public transport system that provides a viable alternative to private car use, reducing emissions on key regional travel corridors over time.
	Helps delivery inclusive economic growth - Will get people and goods where they need to get to - Will be reliable, efficient and high quality - Will use beneficial innovation	Improves local connectivity and accessibility, enabling more efficient everyday journeys and supporting access to employment, education and essential services at a neighbourhood and community level.	Enhances workforce mobility, connectivity and reliability across the region, supporting productivity, access to labour markets and the economic vitality of town centres and key destinations.	Supports economic participation by improving access to healthcare and reducing missed appointments, helping maintain a healthier workforce and improving system efficiency across public services.	Increases labour market participation by removing transport barriers to work, apprenticeships and training, enabling more people to access and sustain fair, well-paid employment opportunities.	Aligns transport interventions with regional economic and spatial priorities, unlocking housing and employment growth while strengthening the case for coordinated long-term investment.	Strengthens regional economic corridors by delivering high-capacity, reliable connections between key population centres and strategic employment, education and development sites across South East Scotland.
	Improves our health and well being - Will be safe and secure for all - Will enable us to make healthy travel choices - Will help make our communities great places to live	Promotes physical activity and healthier lifestyles by increasing walking, wheeling and cycling, while improving local environments and reducing the negative impacts of car dependency on communities.	Improves access to essential services and social opportunities, helping reduce isolation and supporting wellbeing through a more connected, accessible and user-focused public transport system.	Improves patient outcomes and wellbeing by ensuring reliable, affordable access to healthcare, reducing missed appointments and addressing barriers faced by vulnerable populations across the region.	Enhances wellbeing by improving financial security and reducing stress associated with accessing work and training, particularly for low-income families.	Supports the creation of healthier places by integrating transport, land use and planning decisions, encouraging sustainable travel and reducing exposure to congestion and pollution.	Contributes to improved public health by reducing congestion, emissions and journey stress, while enabling more reliable and comfortable regional travel for residents and visitors alike.

		People and Place	Regional Bus Action Plan	Transport to Health	Transport to Employment	RTS Delivery Plan	SEStransit
Regional Transport Strategy Objectives	Reduces inequalities - Will provide fair access to the services we need - Will be easy to use for all - Will be affordable for all	Expands access to active and sustainable travel opportunities, focusing on inclusion and ensuring underrepresented groups can participate more fully in everyday journeys.	Delivers a more equitable regional bus network, improving connectivity and service levels to ensure consistent access to opportunities regardless of geography or income.	Addresses inequalities in access to healthcare services by removing transport barriers that prevent people reaching essential appointments and treatment across the region.	Improves access to employment and training opportunities for disadvantaged groups, supporting households to overcome transport barriers and improve long-term economic outcomes.	Identifies and prioritises interventions that address cross-boundary accessibility gaps, ensuring improvements are targeted at communities where connectivity most limits opportunity.	Provides enhanced regional connectivity to strategic sites, reducing spatial inequalities and ensuring more communities benefit from access to key destinations and services.
	Takes climate action - Will help deliver our net zero target - Will adapt to the effects of climate change - Will promote greener, cleaner choices	Enables behaviour change at scale by embedding active travel as a normal choice for everyday journeys, supporting regional objectives to reduce emissions and reliance on private cars.	Supports a shift to lower-carbon travel by improving bus reliability, affordability and customer experience, making public transport more competitive with private car use.	Reduces transport-related emissions by improving sustainable access to healthcare, enabling more people to travel by public or shared transport rather than private car.		Provides the strategic framework for coordinated regional decarbonisation, aligning transport, land use and investment decisions to deliver net zero outcomes efficiently and at scale.	Delivers a transformational shift towards high-capacity, low-carbon transport, significantly reducing private car use on key regional corridors and supporting long-term decarbonisation targets.
	Helps deliver inclusive economic growth - Will get people and goods to where they need to be - Will be reliable, efficient and high quality - Will use beneficial innovation	Improves local accessibility and connectivity, supporting participation in employment, education and community life while strengthening the economic resilience of neighbourhoods and local centres.	Strengthens regional connectivity and service reliability, supporting labour market access, business productivity and economic activity across urban, rural and cross-boundary travel patterns.	Enhances workforce productivity and participation by improving access to healthcare, reducing disruption from missed appointments and supporting a healthier, more economically active population.	Directly supports inclusive growth by increasing access to fair work and training, enabling more people to contribute to and benefit from the regional economy.	Aligns infrastructure investment with economic and spatial priorities, supporting sustainable growth and enabling housing and employment development across the region.	Enhances economic connectivity by linking key employment, housing and education sites through high-capacity public transport, supporting growth across strategic regional corridors.
	Improves our health and wellbeing - Will be safe and secure for all - Will enable us to make healthy travel choices - Will help make our communities great places to live	Improves health outcomes by embedding active travel in daily life, supporting physical and mental wellbeing and creating safer, cleaner and more attractive local environments.	Enhances wellbeing by improving access to services, reducing isolation and providing a safe, reliable and accessible public transport system for all users.	Improves health outcomes by ensuring timely, equitable access to healthcare services, reducing missed appointments and addressing transport-related barriers to care.	Supports wellbeing by reducing financial stress and improving access to employment, training and services that contribute to improved quality of life.	Promotes healthier communities by integrating sustainable transport into planning decisions, reducing pollution, congestion and barriers to active and public travel.	Improves regional health and wellbeing by reducing congestion and emissions, while providing a smoother, more reliable and accessible travel experience across the network.

How we will deliver local impact

Alongside the alignment of our programmes to national policy outcomes, they also support the delivery of local priorities for each of our 8 partner local authorities.

City of Edinburgh Council

The activities that SEStran will undertake in 2026/27 relate directly to the Priorities of the City of Edinburgh Council Business Plan 2023-2027:

Priority: Create good places to live and work in Edinburgh

- People and Place supports safer, healthier neighbourhoods by enabling more sustainable travel and reducing the negative impacts of car use.
- The Regional Bus Action Plan and Transport to Health make it easier for people to move around the city and wider region without a car - supporting access to jobs, education, healthcare and leisure.
- Transport to Employment improves access to jobs and training and targets affordability barriers that can prevent people taking up or sustaining employment.
- The RTS Delivery Plan Supports good growth and 20-minute neighbourhood delivery through alignment with land-use planning to ensure new housing/employment areas are planned with sustainable transport provision “built in”
- SEStran focuses on high-capacity, integrated regional connections to strategic housing, employment, health and education sites - supporting Edinburgh’s growth while improving reliability and reducing congestion pressures.

Priority: Take all the local actions needed to end poverty in Edinburgh

- Transport to Employment is explicitly designed to reduce child poverty by increasing access to fair, well-paid jobs and training and reducing the cost burden of travel.
- The Regional Bus Action Plan reduces transport poverty by improving affordability and service levels so people can reliably reach opportunities and essential services.
- Transport to Health tackles inequality of access to care - reducing missed appointments and improving access for people without private transport.

Priority: Work to deliver a net zero city by 2030

- People and Place drives modal shift away from car use by making active and sustainable travel more normal and accessible for everyday journeys
- The Regional Bus Action Plan encourages mode shift from car to bus by improving journey times, customer experience, and affordability—reducing car dependency and associated emissions.
- The RTS Delivery Plan (and SEStran as part of this) is a major net-zero enabler through development of an integrated transport system at a regional, reducing congestion and supporting sustainable travel to key destinations at scale.=

Clackmannanshire

The strategic objectives of Clackmannanshire Council's Wellbeing Economy Local Outcomes Improvement Plan align well with work being carried out by SEStran:

Strategic outcome: Wellbeing

- People and Place supports healthier lives by enabling more sustainable transport for everyday journeys, and by improving inclusion and accessibility for groups who face barriers to sustainable travel.
- The Regional Bus Action Plan improves access to essential services and social participation by working toward a more reliable, affordable and equitable bus network.
- Transport to Health reduces health inequalities by removing transport barriers to appointments.
- Transport to Employment supports wellbeing by helping families improve financial security and by reducing the stress and cost burden of travelling to work, training and key services.

Strategic outcome: Economy & Skills

- The Regional Bus Action Plan supports labour market access by improving reliability, fares and ticketing, and cross-boundary connectivity—helping residents reach employment, colleges and training providers without needing a car.
- Transport to Health can support the economy by improving access to healthcare sites (including as major employers) and by reducing missed appointments—helping maintain a healthier workforce and improving system efficiency.
- Transport to Employment is directly aligned to helping people access fair work, learning and training, by improving connectivity to jobs and skills pathways
- The RTS Delivery Plan strengthens cross-boundary connectivity and access to regional opportunities - a regional pipeline helps prioritise interventions that improve access to jobs, education, healthcare and key centres across local authority boundaries
- SEStran supports a stronger local and regional economy by developing the evidence and delivery pathway for integrated, high-capacity connections to strategic employment and education sites, reducing congestion and improving journey reliability.

Strategic outcome: Places

- People and Place helps create sustainable, thriving places by supporting locally designed projects (often delivered with community and third sector partners) that improve everyday journeys, strengthen local connection and reduce the impacts of car dependency.
- The Regional Bus Action Plan supports connected places by improving access between settlements and key destinations, helping communities remain linked to services, opportunities and each other.
- The RTS Delivery Plan and SEStran support long-term place-based planning by improving connectivity to housing, employment, health and education sites, enabling growth that is better aligned with sustainable transport.

East Lothian Council

SEStran's 2026/27 delivery programmes support the East Lothian Council Plan 2022-27 vision and objectives as follows:

Overarching objective: Recovery and Renewal

- The Regional Bus Action Plan supports recovery by improving the reliability and affordability of bus services that connect people to town centres, services and employment—helping local economies to function better day to day.
- Transport to Health and Transport to Employment support recovery by reducing practical barriers to accessing healthcare, training and jobs - helping residents participate in the economy and sustain wellbeing.
- The RTS Delivery Plan and SEStran supports long-term renewal by developing the evidence and delivery pathway for integrated, sustainable regional connections

Overarching objective: Reduce poverty and inequality

- People and Place supports inclusion by widening access to active and sustainable travel especially for underrepresented groups and by building local capacity to deliver community-based solutions.
- The Regional Bus Action Plan reduces transport poverty by working toward a more equitable, reliable and affordable bus network.
- Transport to Health tackles inequalities of access to care by reducing transport barriers, improving services for people, and reducing missed or delayed appointments.
- Transport to Employment is designed to reduce child poverty by improving access to fair, well-paid work and training, and by reducing the cost burden of travel for parents.
- The RTS Delivery Plan provides a region-wide prioritisation framework that can target accessibility gaps and helps coordinate equitable service and interchange improvements so people can reach jobs, education and services more reliably and affordably.
- SEStran supports inclusive growth by improving strategic connectivity across East Lothian and the wider region, helping more communities access key destinations and opportunities through an integrated transport system.

Overarching objective: Respond to the Climate Emergency

- People and Place supports modal shift away from private car use by making sustainable travel more accessible for everyday journeys
- The Regional Bus Action Plan supports net zero by making bus travel more competitive with the car through improved journey times, customer experience and affordability.
- The RTS Delivery Plan and SEStran are major net-zero enablers by developing an integrated, regional transport system that reduces congestion and supports sustainable travel to key destinations at scale.

Falkirk Council

SEStran's 2026/27 delivery programmes support the vision and three priorities of the Falkirk Council Plan:

Vision: Strong communities where inequalities are reduced and lives are improved

- People & Place removes barriers for under-represented groups, widens access to active and sustainable modes, and works with the partners to strengthen local delivery capacity.
- Transport to Employment reduces child poverty by supporting access to fair, well-paid jobs, training and skills pathways, particularly for low-income families and rural communities.
- Transport to Health improves access to healthcare, impacting health outcomes and reducing inequalities caused by missed appointments and delayed treatment.
- The Regional Bus Action Plan and SEStran improve regional connectivity, affordability and service reliability, ensuring communities across Falkirk have fair access to services

Priority: Supporting stronger and healthier communities

- People & Place increases walking, wheeling and cycling, improves travel confidence, and embeds healthier behaviours in schools, workplaces and communities.
- Transport to Health strengthens access to preventative and routine care, improving health outcomes and reducing health inequalities.
- The Regional Bus Action and RTS Delivery Plans support cleaner air, reduce congestion and promote safe, accessible public transport, contributing to healthier local environments.

Priority: Promoting opportunities and educational attainment, and reducing inequalities

- People & Place enables safer, more sustainable school journeys and increases access to cycles, travel training and community-based mobility solutions.
- Transport to Employment will support people to access further education, apprenticeships and skills training, ensuring that transport is not a barrier to participation.
- The Regional Bus Action Plan delivers more reliable, affordable regional bus services, simplifying journeys to colleges, training centres and major employers.
- The RTS Delivery Plan and SEStran improve longer-distance access to key destinations for learning and skills.

Priority: Supporting a thriving economy and green transition

- People & Place helps shift short and medium-length journeys to active and sustainable modes, lowering emissions and supporting local productivity.
- Transport to Health reduces avoidable demand on healthcare services, supporting a more resilient, sustainable regional economy.
- The Regional Bus Action Plan strengthens the regional bus network, supporting labour mobility, reducing car dependency and contributing to net-zero goals.
- SEStran supports strategic economic sites across Falkirk by improving mass transit connections, reducing congestion to increase productivity and help drive economic growth.

Fife Council

The Plan for Fife 2017-2027 identifies four key themes, each of which ties in closely with the aims of this Business Plan for SEStran:

Theme: Opportunities for all

- The Regional Bus Action Plan supports equal access to opportunity by working toward a more reliable, affordable and equitable regional bus network, improving connectivity between communities and key services.
- Transport to Health and Transport to Employment support access to healthcare, training and fair work by improving transport options to key destinations and reducing the cost burden of travel, especially for parents and households experiencing low incomes.
- The RTS Delivery Plan delivers region-wide prioritisation of accessibility gaps helping target investment where lack of transport most limits access to jobs, education, healthcare and services.

Theme: Thriving places

- People and Place helps create healthier, safer and more attractive places by supporting a shift to sustainable modes for local journeys, reducing negative impacts of car dependency.
- The Regional Bus Action Plan supports thriving places by improving access to town centres and facilities through better bus services.
- SEStran enables place-based growth by improving strategic connectivity to housing, employment and education in a way that supports sustainable travel, reducing congestion.

Theme: Inclusive growth and jobs

- The Regional Bus Action Plan supports business and labour market connectivity by improving service quality and cross-settlement links, helping employers access staff and customers and helping residents access jobs across Fife and the wider region.
- Transport to Employment supports inclusive growth by enabling more parents to access fair, well-paid work, improving household incomes and participation in the local economy.
- Transport to Health supports economic participation by improving access to healthcare, reducing missed appointments and supporting a healthier workforce.
- The RTS Delivery Plan Creates a coordinated regional investment pipeline, strengthening the case for external funding and via SEStran helps deliver strategic corridors that support labour market access and business connectivity.

Theme: Community led services

- People and Place is delivered through local authorities, third sector partners and community groups, supporting community-led design and delivery of projects that respond to local needs and build local capacity.
- The Regional Bus Action Plan is shaped by extensive public feedback and depends on coordinated partnership working with local authorities and operators to support more consistent, user-centred services.

Midlothian

The delivery programmes set out in the Business Plan support the Single Midlothian Plan 2023-27 vision and four of its seven themes as follows:

Theme: Midlothian will be healthier

- People and Place supports healthier lives by enabling more active travel for everyday journeys and by building confidence and skills to support this.
- Transport to Health improves access to healthcare by reducing journey time, complexity and affordability barriers, supporting better health outcomes.
- The RTS Delivery Plan and SEStranist support long-term, integrated connectivity to health sites and population centres, improving reliability and reducing car dependency.

Theme: Midlothian will work towards reducing poverty

- People and Place supports inclusion by widening access to active and sustainable travel for underrepresented groups and by building local capacity to deliver solutions.
- The Regional Bus Action Plan reduces transport poverty by working toward simpler, more affordable fares and a more equitable, reliable network to support access to jobs
- Transport to Employment is designed to reduce child poverty by improving access to fair, well-paid jobs, education and training, and by reducing the cost burden of travel for parents
- The RTS Delivery Plan provides a region-wide prioritisation framework to target accessibility gaps, supporting access to opportunity for people without a car.

Theme: Midlothian will have a wellbeing economy and be better connected

- The Regional Bus Action Plan improves everyday connectivity within and beyond Midlothian through action on service quality, fares and ticketing, information and governance helping people and businesses rely on public transport.
- The RTS Delivery Plan Creates a coordinated regional investment pipeline, strengthening Midlothian's ability to progress priorities that depend on cross-boundary connectivity and to secure national investment.
- SEStranist supports a stronger wellbeing economy by developing the pathway for integrated, high-capacity regional connections to strategic employment, housing, education and health sites, improving journey reliability and reducing congestion.

Theme: Midlothian will be greener

- People and Place drives modal shift away from car use by making sustainable transport more accessible, reducing emissions while improving local environments.
- The Regional Bus Action Plan supports net zero by making bus travel more competitive with the car, supporting a shift to lower-carbon travel.
- The RTS Delivery Plan and SEStranist are major net-zero enablers through development of an integrated, regional transport system, reducing congestion and supporting sustainable travel to key destinations.

Scottish Borders

SEStran's 2026/27 delivery programmes help to deliver on the main focus and five outcomes of the Scottish Borders Council Plan for 2026/27 as follows:

Outcome: Clean, green future

- People and Place drives modal shift from car to sustainable transport reducing emissions and improving local environments.
- The Regional Bus Action Plan makes bus services more reliable, affordable and attractive, supporting a shift from private car use and cutting congestion and emissions.
- The RTS Delivery Plan supports the business cases for integrated, low-carbon regional transport, enabling longer-term prioritised decarbonisation at scale.

Outcome: Fulfilling our potential

- The Regional Bus Action Plan alongside Transport to Health and Employment improves access to education, work, and healthcare for those who have no access to a private car.
- The RTS Delivery Plan helps address rural accessibility by using a region-wide prioritisation to target gaps in access, particularly where trips are cross-boundary and multi-modal

Outcome: Strong inclusive economy, transport and infrastructure

- The Regional Bus Action Plan improves labour market access and day-to-day economic functioning by improving bus services.
- Transport to Employment tackles transport barriers that prevent parents from accessing fair work and training, supporting inclusive growth and household income.
- The RTS Delivery Plan and SEStran directly contributes to stronger regional infrastructure by progressing strategic cross-boundary interventions, improving reliability for commuters, businesses and servicing

Outcome: Empowered, vibrant communities

- The Regional Bus Action Plan strengthens connection between settlements and essential services, reducing isolation (especially for rural communities).
- People and Place funds and supports the design and delivery of local initiatives, building community capacity, inclusion and resilience.
- Transport to Health and Employment reduces social exclusion by removing transport barriers to essential opportunities and services.
- SEStran supports longer term place based planning and better regional connectivity between communities and key destinations.

Outcome: Good health and wellbeing

- People and Place increases physical activity through more active travel, supporting both physical and mental wellbeing and safer local environments.
- Transport to Health directly targets access to healthcare by reducing journey complexity and affordability barriers, improving equity of access and reducing missed and delayed appointments.

West Lothian Council

The delivery planned by SEStran for Corporate Plan for 2023/24 – 2027/28

Priority: Raising educational attainment

- The Regional Bus Action Plan supports access to schools, colleges and training providers by improving bus services and making journeys simpler and more affordable.
- The RTS Delivery Plan and SEStran improve longer-term connectivity to education sites, widening the realistic catchment for learning opportunities.

Priority: Strengthening care and support for children, adults and older people

- The Regional Bus Action Plan supports access to GP practices, hospitals, community services and care settings through a more reliable and inclusive bus network.
- Transport to Health directly addresses barriers to appointments and treatment by reducing journey complexity and improving affordability, supporting equitable access to healthcare

Priority: Investing in skills and jobs

- The Regional Bus Action Plan improves access to employment areas and training providers by strengthening service quality, fares, ticketing and cross-boundary connectivity.
- Transport to Employment focuses on improving access for parents to work and training, helping parents enter and sustain employment.
- SEStran develops the pathway for larger-scale, integrated regional connections to strategic employment sites, supporting the local and regional economy.

Priority: Helping to create strong and sustainable communities

- People and Place funds locally designed projects, building local capacity, improving inclusion and supporting healthier, more liveable places.
- The Regional Bus Action Plan: supports connected communities by improving access between settlements and destinations, reducing isolation and supporting participation.
- Transport to Health and Employment reduces exclusion by removing transport barriers to essential healthcare, work and training
- SEStran supports longer-term sustainable growth and resilience through integrated regional connectivity and reduced congestion and car dependency.

Priority: Tackling homelessness, poverty and inequality

- People and Place targets inclusion and accessibility barriers for underrepresented groups, supporting more equitable access to local opportunities through sustainable travel.
- The Regional Bus Action Plan and Transport to Health and Employment tackles transport poverty by improving affordability and strengthening service levels so everyone can reliably reach essential services.
- The RTS Delivery Plan provides a region-wide prioritisation framework that can target accessibility and affordability gaps, supporting equitable access to opportunity and essential services for households without access to a car.

Our 2026/27 Delivery Programmes

This business plan outlines six key programmes designed to deliver across the Regional Transport Strategy, whilst also aligning with national, regional, and local priorities. They will enhance transport connectivity, accessibility, and sustainability across the region. Complementing these programmes, our communications and marketing strategy includes a refreshed SEStran website, designed to increase engagement and provide accessible information for all users.

Taken together, this delivery portfolio demonstrates our strategic approach to improving everyday journeys, supporting local communities, social wellbeing, and the region's long-term growth and prosperity.

People and Place

The People & Place Programme is a region-shaping initiative designed to reshape how communities move, connect and thrive. We will fund over 100 projects across the region, delivering multi-million targeted investment in the local authorities, third sector delivery partners, and community groups that support making active and sustainable travel not just possible, but the preferred choice for everyday journeys. By empowering schools, workplaces, communities and local authorities, the programme drives a fundamental shift away from car dependency and towards healthier, fairer and cleaner daily journeys for everyone.

At its core, this programme unlocks real behaviour change at scale—removing barriers to access, widening participation, and embedding the skills, systems and confidence needed to create lasting change. It will see expanded access to cycles across the region, increased active journeys to schools through projects such as walking buses and cycle training, supporting increased use of public transport through provision of mobility hubs and enhanced bus stop information, and working with community groups to deliver change at a local level to achieve regional impact.

Coordinated at a regional level to achieve maximum impact through concentrated investment, it will advance inclusion, enhance accessibility, and strengthen local capability, while supporting the shift to net zero and Scotland's wider climate, health and economic ambitions.

Programme objectives

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

Regional Bus Action Plan

Building on the Regional Bus Strategy, we will deliver an ambitious transformation of bus services in South East of Scotland - turning years of public frustration, fragmented services and inconsistent access into a unified, modern, and equitable regional network designed around people, not modes or boundaries.

Grounded in our 2025/26 consultation that heard from thousands of voices from across our communities and driven by a clear vision for affordable, reliable, inclusive mobility, this programme will reshape how the region moves - strengthening opportunities, reducing inequalities, and positioning public transport as the natural first choice for everyday travel.

Through a coordinated Regional Bus Action Plan, we are building a system that delivers consistently, connects communities fairly, and competes confidently with private car travel. Our work will unlock faster and more dependable journeys through targeted bus priority measures; simplified and integrated fares and ticketing; moving toward a clear and trusted network identity; and ensuring all users benefit from high-quality information, infrastructure, and customer experience.

By improving access to jobs, services, education, and health, it will strengthen local economies, reduce carbon emissions, and support thriving, inclusive communities. Through strong partnerships with operators, local authorities, employers, and national bodies, we are creating a collaborative system that works better for everyone.

Together, we are building a future where using the bus is seamless, affordable, reliable and safe - where every community, regardless of geography or income, has a level of service they can depend on.

Programme objectives

- Move towards a regionally equitable and guaranteed level of service in terms of connectivity by settlement type that recognises the resource limitations and topographical challenges of local authorities, while accounting for the specific needs of communities.
- Improve affordability by ensuring that public transport fares across the region are simple, accessible, consistent, and equitable - providing fair, affordable options that prioritise those in transport poverty and make bus travel more competitive than car use.
- Improve service quality across the region to deliver a high-performing and user-centred regional bus network - through consistent network identity, efficient operations, integrated ticketing, high-quality infrastructure, strong customer experience, accessible information, decarbonised and well-maintained fleets, robust safety standards, and data-driven continuous improvement.

Transport to Employment

Directly supporting the First Minister's key priority for government of reducing child poverty, the Transport to Employment programme is a targeted, outcomes-driven intervention designed to break the link between low income, poor transport access, and child poverty. It will increase household incomes for parents across the region by enabling access to fair, well-paid employment and training, while simultaneously reducing the financial burden of travel that can make work unaffordable or unsustainable.

Rather than operating in isolation, the programme maximises the impact of the Regional Transport Strategy by accelerating and shaping its delivery through a child-poverty lens. Every improvement to public and sustainable transport - whether reduced journey times, simpler networks, or lower fares - strengthens access to work and training and reduces reliance on private car ownership. This programme ensures those benefits are intentionally directed towards parents and communities most in need.

A core ambition is to turn short-term funding into long-term change. The programme will build regional capacity, deepen partnerships with Local Employability Partnerships, local authorities, NHS boards, and operators, and pilot scalable interventions that can be sustained beyond 2026/27. A strong emphasis on monitoring, evaluation, and learning will ensure that successful approaches are evidenced, refined, and ready for future expansion.

Delivery will focus on four strategic areas: supporting journeys to further education and training opportunities; improving transport access to large and strategically important workplaces, including healthcare sites; addressing the unique challenges of rural access to work and further education; and delivering targeted fare interventions that reduce travel costs for parents who currently fall outside existing concessionary schemes. Together, these actions will unlock opportunity, improve financial resilience, and support families to move sustainably out of child poverty.

Programme Objectives

- Reduce current levels of child poverty by improving the availability of transport options for parents to access employment and training
- Reduce current levels of child poverty by increasing household incomes for families by reducing transport costs to employment and training
- Reduce current levels of child poverty by supporting access to NHS sites as one of the region's major employers and to support access to health services to reduce health inequalities that impact on ability to work
- Make best use of the one year funding to build capacity in future years to deliver further action to reduce child poverty

Transport to Health

SEStran will lead a step change in how people across South East Scotland access healthcare, switching transport from a barrier into an enabler of health, wellbeing and equity. Working in close partnership with our four NHS Boards, NHS Scotland Assure, local authorities and national partners, we are developing a bold, region-wide Transport to Health Strategy grounded in a clear Case for Change.

Across South East Scotland, too many people face delayed treatment, missed appointments and deteriorating health simply because the journey to care is too complex, unreliable or unaffordable. This programme will tackle entrenched inequalities in access to hospitals, clinics and specialist care - particularly for people without access to a car, disabled people, older people and those with long-term conditions. Through a coordinated, programmatic approach, we will reduce journey times, complexity and missed appointments; integrate public, community and demand-responsive transport; and cut unnecessary car dependency in healthcare travel.

The programme will deliver measurable improvements in patient outcomes, system efficiency and value for money, while ensuring fair access to healthcare in both urban and rural communities. Transport to Health will be a cornerstone of a more inclusive, efficient and resilient regional health and transport system.

Programme Objectives

- Reduce journey time, interchange complexity and uncertainty for secondary and tertiary healthcare trips
- Improve reliable and affordable access to healthcare for people without access to a private car
- Improve the accessibility and usability of transport for disabled people, older people and those with long-term conditions
- Reduce transport-related missed and delayed healthcare appointments
- Improve clarity, coordination and accessibility of transport information and support
- Integrate and enhance community and demand-responsive transport to support healthcare access
- Reduce unnecessary car dependency and improve system efficiency in healthcare travel

Regional Transport Strategy Delivery Plan

The Regional Transport Strategy Delivery Plan will provide a mechanism to identify, assess, prioritise and coordinate all regional transport projects that are required over the medium to long term, to realise the ambitions of the Regional Transport Strategy to support the economic and net-zero ambitions of the Regional Prosperity Framework and local authority economic priorities.

The Regional Transport Strategy Delivery Plan will dovetail with the Strategic Transport Projects Review 2 to support the delivery of a transport network that:

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

An integrated approach to economic development, land-use and transport planning, provision and delivery plays a vital role in creating a prosperous, successful, accessible and sustainable region.

Ensuring appropriate sustainable transport provision will make a positive contribution to many national, regional and local priorities, including:

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

Through strengthened collaboration, joint working, co-production and engagement, we will seek to ensure a robust basis for integrated regional economic development, land-use and transport planning, provision and delivery, maximising the opportunities for our region. The six theme of the RTS Deliver Plan are:

- 1) Mass Transit (SESTransit)
- 2) Active Travel
- 3) Freight
- 4) Data/Digital
- 5) Decarbonisation
- 6) Interchange

SEStransit

A key theme from the RTS Delivery Plan, SEStransit is a transformational, once-in-a-generation opportunity to reshape how people move across South East Scotland. It will deliver a faster, greener and more reliable regional transport system - one that matches the scale of our economic ambition, supports inclusive economic growth, and enables tens of thousands more people to travel sustainably every day.

At its heart, SEStransit imagines a region where buses, trains, trams and other shared modes operate not as fragmented services but as a single, fully integrated, high-capacity mobility system, supported by seamless interchanges, smart ticketing, real-time information and world-class digital tools. This is a bold step toward creating a regional network that is coherent, coordinated and futureproof - a system where passengers can move effortlessly between modes, access employment, housing, healthcare and education sites, and rely on a transport network that works for every community. In doing so, it will accelerate decarbonisation and reduce congestion, expand opportunity and strengthen the resilience, wellbeing and economic opportunity of communities across the region.

Through a Strategic Business Case followed by an Outline Business Case, SEStransit will provide the robust evidence, modelling and delivery pathways required to unlock major investment, drive regional cohesion and support Scotland's climate, modal shift and economic priorities. Once the Business Cases are approved, we will move to a delivery phase so that the region will benefit from a harmonious and joined up plan ready to pursue national investment and implementation.

Programme Objectives

Transport Planning Objectives (TPOs) will be developed in collaboration with key stakeholders, including local authorities.. before the end of 2025/26. In advance of confirming the specific objectives, the working definition of the project is:

The collective movement of people across all regional areas using an integrated and affordable shared transport system such as buses, trains, trams, and other connecting modes. It is designed to provide efficient, high-capacity, and sustainable mobility, supported by interchanges and integrating ticketing, data and digital solutions, that provide passengers with the ability to seamlessly transfer between different modes and access strategic housing, employment, health and education sites.

Our 2026/27 Delivery Programme

Programme	Q1	Q2	Q3	Q4
People and Place	Milestones: Grant awards, inception meetings, training audit, Q1 reporting, 2025/26 evaluation completed. Deliverables: Q4 report & claim (2025/26), evaluation report, training audit report, training schedule, newsletter, dashboard update.	Milestones: Q1 reporting, knowledge sharing event, evaluation approach developed. Deliverables: Q1 report & claim, newsletter, case studies, updated dashboard, evaluation plan.	Milestones: Q2 reporting, delivery plan review, draft 2027/28 proposals. Deliverables: Q2 report & claim, newsletter, delivery plan.	Milestones: Q3 reporting, application window, funding decisions, board approvals. Deliverables: Q3 report & claim, funding guidance, newsletter, funding report.
Regional Bus Action Plan	Milestones: Plan approval, governance established, board meeting. Deliverables: Programme plan, baseline analysis, stakeholder comms, Q1 board update.	Milestones: Monitoring framework and further milestones defined. Deliverables: Based on finalised plan.	Milestones: Further milestones defined. Deliverables: Based on finalised plan.	Milestones: Plan review and update. Deliverables: Updated Year 2 action plan.
Transport to Employment	Milestones: Grant awards, inception meetings, monitoring guidance finalised, Q1 reporting. Deliverables: Monitoring guidance.	Milestones: Q1 reporting. Deliverables: Q1 report & claim, newsletter, evaluation plan.	Milestones: Q2 reporting. Deliverables: Q2 report & claim, newsletter.	Milestones: Q3 reporting. Deliverables: Q3 report & claim, newsletter, completion comms.
Transport to Health	Milestones: Case for Change, stakeholder engagement, NHS board set-up, procurement. Deliverables: PID, engagement plan, Terms of Reference, tender brief.	Milestones: Consultants appointed, vision and TPOs agreed. Deliverables: Vision, final TPOs.	Milestones: Options development and appraisal. Deliverables: Longlist and shortlist of options.	Milestones: Business cases developed. Deliverables: Outline business cases, final report.
SEStransit	Milestones: Option shortlisting and packaging. Deliverables: Draft network development note.	Milestones: Modelling, appraisal, stakeholder engagement. Deliverables: Final network development note.	Milestones: Detailed appraisal, SEA/IIA scoping, engagement. Deliverables: Draft appraisal and assessment reports.	Milestones: Approvals and reviews. Deliverables: Final appraisal, SEA/IIA, engagement reports, SBC draft.
RTS Delivery Plan	N/A	N/A	Milestones: Review SEStransit and regional development. Deliverables: Consultancy commissioned, docs updated, recommencement setup.	Milestones: Mapping & gapping workshops. Deliverables: Strategic analysis, updated priorities, STAG scoping, next phase programme.

Appendix 1 – Core Delivery Programmes

Programme	People and Place
Project partners	Local authorities, third sector delivery partners, community groups

Programme summary
This initiative funds and supports delivery partners to encourage active and sustainable travel for daily journeys, with particular emphasis on schools, workplaces, inclusion, accessibility and building local capacity. The programme aims to increase journeys by sustainable modes, reduce car trips, improve perceptions of accessibility and enable broader participation in active travel.
RTS actions
• Expand the provision of bike-sharing initiatives across the region. • Promotional and communication campaigns to highlight the benefits of active travel across the region and encourage people to adopt it where possible. • Improve public transport information in a variety of formats supported by wayfinding infrastructure. • Regional audit to identify stops, stations and interchanges that do not meet accessibility requirement. Develop priority list of interventions.
Programme objectives
• Increase the proportion of active and sustainable journeys in the region • Increase awareness of the benefits of active and sustainable travel to encourage future behaviour change • Increase the use of active and sustainable travel modes among underrepresented groups in the region who might face additional barriers • Collaborate with local authorities and third-sector partners to strengthen capacity and capability in active and sustainable travel
Programme outcomes
• Increase the number of journeys by active and sustainable modes in and around the target community • Reduce number of short trips being made by car • Improve perceptions of accessibility to local goods/services, education and employment by non-car modes • Increase the amount of walking, wheeling and cycling for physical activity • Enable people that were previously excluded from using active or sustainable modes for some journeys to do so • Increase the number of journeys made by young people by active and sustainable modes to school and for other commonly-made journeys • Increase the number of journeys made by parents/carers by active and sustainable modes to school and for other commonly-made journeys

- Reduce the number of journeys made by car to school and for other commonly-made journeys
- Improve perceptions of accessibility to school by non-car modes
- Enable people that were previously excluded from using active or sustainable modes for some journeys to do so
- Reduce the number of journeys made by car from or to major trip generators
- Increase the number of journeys made by active and sustainable modes from or to major trip generators
- Improve perceptions of accessibility from or to major trip generators by non-car modes
- Increase the use of the new infrastructure or services
- Improve perceptions of active travel and public transport
- Improve perceptions of accessibility to public transport
- Increase the use of public transport
- Improve perceptions of transport integration
- Reduce the number of medium-length and longer trips being made by car
- Local authorities are better able to establish and manage effective behavioural change projects
- Local partner organisations have increased willingness, capacity and skills to establish and implement effective behavioural change projects

Programme milestone / deliverables

Q1

Milestones:

- 2025/26 Q4 reporting and claims to Transport Scotland (April)
- 2026/27 Grant award letters circulated and signed (April)
- Inception meetings held with grant recipients (April)
- Training audit carried out with 2026/27 grant recipients (June)
- Q1 reporting meetings held with grant recipients (June)
- 2025/26 Evaluation report completed and presented to June Partnership Board (June)

Deliverables:

- 2025/26 Q4 report and claim
- 2025/26 Evaluation report
- Report on results of 2026/27 training audit
- Schedule of 2026/27 training delivery
- Newsletter
- Updated programme dashboard for 2025/26 with final spend and locations

Q2
Milestones: • 2026/27 Q1 reporting and claims to Transport Scotland (July) • Knowledge Sharing Event (local events) (Sept) • Developed approach for 2026/27 programme evaluation (Sept) Deliverables: • 2026/27 Q1 report and claim • Newsletter • Case studies produced • Updated programme dashboard with new project locations • Project plan for 2026/27 programme evaluation
Q3
Milestones: • 2026/27 Q2 reporting and claims to Transport Scotland (October) • Delivery Plan review process completed • Draft 2027/28 proposals to Transport Scotland Deliverables: • 2026/27 Q2 report and claim • Newsletter • Delivery Plan completed for 2027/28 onwards
Q4
Milestones: • 2026/27 Q3 reporting and claims to Transport Scotland (Jan) • Knowledge Sharing event (local authority event) (Jan) • Portal application window opens/closes for 2027/28 programme (Dec/Jan) • Internal assessment and funding panel completed for 2027/28 programme (Feb) • Decisions in principle issued to successful 2027/28 applicants • 2027/28 Grant awards reported to the March Partnership Board • Updated 2027/28 Delivery Plan presented to March Partnership Board • Final 2027/28 proposals to Transport Scotland Deliverables: • 2026/27 Q3 report and claim • Updated 2027/28 grant funding guidance • Newsletter • 2027/28 People and Place funding report

Delivery areas
Main Grant Fund (DP)
This incorporates the Regional Priority Investment Fund (RPIF), Local Authority Delivery Support (LADS) and Access to Cycles and Cycle Storage: • RPIF: This fund supports the main programme delivery. Projects in this fund are to deliver according to the priority interventions and key outcomes identified in the People and Place Delivery Plan. • LADS: Provides support Local Authorities to deliver sustainable transport behaviour change projects, to supplement Transport Scotland funding direct to Local Authorities (Local Authority Direct Award). • Access to Cycles and Cycle Storage: To support access to cycles and cycle storage in the SEStran region. Access to cycles includes the purchase of new cycles, cycle share schemes, recycling of cycles and repair of cycles.
Community Grant Fund (DP)
This is a grant fund to support community organisations looking to deliver sustainable transport projects within the SEStran region. Project outcomes should align with the P&P objectives and should relate to one or more of the three behaviour change People and Place themes: schools and young people, workplaces and accessibility and inclusion. The funding is available to Community groups, CICs and charities delivering within the SEStran region.
P&P knowledge sharing events and training support
A project to support increased capacity and capability in the delivery of active and sustainable travel projects in the region. This will be achieved through delivery of knowledge sharing events, regional skill training, identifying best practice and supporting collaboration.
P&P monitoring and evaluation
Collation of monitoring data and development of an annual evaluation report.
P&P communications
Programme wide comms and marketing including case study development, a quarterly newsletter and ongoing promotion through the SEStran website and social media channels.
P&P regional bike share
Ongoing support for established e-bike libraries operating with SEStran assets including outreach and support for maintenance.
P&P grant management
Ongoing management of the People and Place grants including quarterly meetings, processing claims and monitoring progress and spend.

Programme	Regional Bus Action Plan
Project partners	Local authorities, transport operators

Programme summary

We are delivering our Regional Bus Strategy, which sets a shared vision for affordable, reliable and inclusive services, informed by thousands of public responses from across the region, and backed by actions on service quality, fares, ticketing, information and governance.

RTS actions

- 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.

Programme objectives

- Move towards a regionally equitable and guaranteed level of service in terms of connectivity by settlement type that recognises the resource limitations and topographical challenges of local authorities, while accounting for the specific needs of communities.
- Improve affordability by ensuring that public transport fares across the region are simple, accessible, consistent, and equitable - providing fair, affordable options that prioritise those in transport poverty and make bus travel more competitive than car use.
- Improve service quality across the region to deliver a high-performing and user-centred regional bus network - through consistent network identity, efficient operations, integrated ticketing, high-quality infrastructure, strong customer experience, accessible information, decarbonised and well-maintained fleets, robust safety standards, and data-driven continuous improvement.

Programme Outcomes

A more equitable regional bus network

Communities across the South East of Scotland experience a fairer and more consistent level of bus service, with improved access to employment, education, healthcare and essential services regardless of settlement type, geography or income. Inequalities in connectivity are reduced through a coordinated regional approach that prioritises communities most affected by poor access and limited travel choice.

Improved affordability and reduced transport poverty

Bus travel is simpler, more affordable and easier to understand, with clearer fares, better access to concessionary and discounted products, and reduced financial barriers for people experiencing transport poverty. As a result, public transport plays a stronger role in supporting household affordability, social inclusion and access to opportunity.

A more reliable and user centred bus experience

Passengers benefit from a more reliable, punctual and user focused bus network, with clearer network identity, better information and improved confidence in services. The overall customer experience improves, supporting increased satisfaction and making bus travel a more attractive option for everyday journeys.

Bus services that compete more effectively with the car

Bus services become a credible and competitive alternative to private car use on key corridors and for everyday travel, contributing to reduced congestion, improved journey time reliability and progress towards regional climate and health objectives.

A modern, accessible and decarbonised bus system

The regional bus system is supported by high quality infrastructure, accessible vehicles and a transition towards low and zero emission fleets, improving comfort, safety and environmental performance while supporting national and regional climate ambitions.

Stronger partnership working and coordinated delivery

Local authorities, operators and regional and national partners work more collaboratively and consistently, supported by clear governance, shared priorities and aligned delivery. This enables more effective use of resources, clearer decision making and greater confidence in regional delivery.

Evidence led planning and continuous improvement

Investment and decision making are increasingly detailed and outcome focused, with regular monitoring of service performance, affordability and user experience used to inform priorities, demonstrate progress and drive continuous improvement over time.

Milestones and deliverables

Note – further milestones and deliverables to be added as the action plan is finalised

Q1

Milestones:

Internal approval of Bus Action Plan which will map out work packages – *12 June 2026*

First Board Meeting is held where Terms of Reference, approach, and plan are agreed – *18 May 2026*

- Programme governance, scope and reporting arrangements confirmed – *18 May 2026*

Deliverables:

- Agreed programme plan, aligned to RTS and NTS outcomes – *12 June 2026*
- Baselining analysis for Current Level of Service by settlement type – *15 May 2026 with working document*
- Promote Bus Strategy outcomes to wider stakeholder through marketing and comm – *30 May 2026*
- Q1 Progress update to the Partnership Board – *19 June 2026*

Q2

Milestones:

- Embedded monitoring questions for all related projects to ensure impact on bus network can be evaluated
- Further milestones are developed based on Bus Action Plan finalised in Q1

Deliverables:

- Based on the Bus Action Plan finalised in Q1

Q3

Milestones:

- Further milestones are developed based on Bus Action Plan finalised in Q1

Deliverables:

- Based on the Bus Action Plan finalised in Q1

Q4
Milestones: • Further milestones are developed based on Bus Action Plan finalised in Q1 • RBAP year 1 action plan to be reviewed and updated where required Deliverables: Based on the Bus Action Plan finalised in Q1 RBAP Action Plan Year 2– updated version based on review milestone – <i>31 March 2027</i>
Delivery areas
Advocacy
Advocacy activity will focus on representing the region’s bus priorities clearly and consistently to national partners, funders and stakeholders, making the case for sustained investment, policy alignment and delivery support. Building on the Regional Bus Strategy and Business Plan, SEStran will use evidence from engagement, data and early delivery to advocate for fair and equitable levels of service, simpler and more affordable fares, and the infrastructure and powers required to deliver a high-performing regional bus network. This role will also include sharing best practice, influencing national guidance and ensuring that the needs of diverse communities across the region are reflected in wider decision-making.
Programme Governance
Programme governance will provide clear regional leadership and coordination for delivery of the Regional Bus Action Plan, ensuring activity is aligned with the Regional Transport Strategy and national priorities. SEStran will act as the convener and coordinator, bringing together local authorities, operators and national partners to agree priorities, manage dependencies and monitor progress against agreed outcomes. Governance arrangements will focus on enabling collaboration, providing transparency on decision-making, and ensuring that delivery is evidence-led, proportionate and responsive to emerging challenges, while maintaining regular reporting to the Partnership Board on progress, risks and next steps.
Operator Tasks
Operator-facing activity will centre on collaborative delivery, supporting operators to contribute to a more coherent, reliable and user-centred regional bus network. Working through existing partnerships and alliances, SEStran will support coordination on issues such as network clarity, service quality, fares simplification and passenger information, while recognising the operational realities faced by operators. The emphasis will be on enabling practical improvements that benefit passengers, strengthening trust and consistency across the network, and creating the conditions for bus services to compete more effectively with private car travel across the region.

Programme	Transport to Employment
Project partners	Local authorities, community planning partnerships, third sector delivery partners

Programme summary

This programme of work will reduce levels of child poverty across the region by increasing household income through increasing opportunities to access fair, well-paid jobs and training, and decreasing household expenditure on transport to these. Key focuses will be around improving specific public transport services where these can increase access to employment opportunities, and working with Local Employability Partnerships to roll out targeted measures to reduce the transport cost for parents to access employment.

RTS actions

There are no RTS actions specifically aimed at transport to employment. Rather, the implementation of any and all actions within the RTS will improve opportunities to access employment, reduce the cost of public and sustainable transport options and reliance on the private car.

Programme objectives

- Reduce current levels of child poverty by improving the availability of transport options for parents to access employment and training
- Reduce current levels of child poverty by increasing household incomes for families by reducing transport costs to employment and training
- Reduce current levels of child poverty by supporting access to NHS sites as one of the region's major employers and to support access to health services to reduce health inequalities that impact on ability to work
- Make best use of the one year funding to build capacity in future years to deliver further action to reduce child poverty

Programme outcomes

- Reduced public transport journey time and complexity when travelling to employment and further education
- Reduced public transport cost when travelling to employment and further education
- Improved access to employment and further education for people without access to a private car
- Strengthened role of demand-responsive transport in supporting access to employment and further education
- Reduced public transport journey time and complexity for staff and patients when travelling to secondary and tertiary healthcare centres
- Reduced public transport cost for staff and patients when travelling to secondary and tertiary healthcare centres
- Increased local capacity and knowledge to deliver action on transports role in addressing child poverty
- Development of self-sustaining programmes beyond the 2026/27 funding

- Evaluation of successful delivery to support future delivery programmes

Milestones and deliverables

Note – further milestones and deliverables to be added as programme develops

Q1

Milestones:

- 2026/27 Grant award letters circulated and signed (April)
- Inception meetings held with grant recipients (April)
- Finalise monitoring guidance (April)
- Q1 reporting meetings held with grant recipients (June)

Deliverables:

- Monitoring guidance

Q2

Milestones:

- 2026/27 Q1 reporting and claims to Transport Scotland (July)

Deliverables:

- 2026/27 Q1 report and claim
- Newsletter
- Project plan for programme evaluation

Q3

Milestones:

- 2026/27 Q2 reporting and claims to Transport Scotland (October)

Deliverables:

- 2026/27 Q2 report and claim
- Newsletter

Q4

Milestones:

- 2026/27 Q3 reporting and claims to Transport Scotland (Jan)

Deliverables:

- 2026/27 Q3 report and claim
- Newsletter
- Programme completion event/communication

Delivery areas
School to skills pathway
This programme will seek to work with school communities, targeting families who experience child poverty and then working with parents and children in those families. In working with parents, projects will support their transport options to work and/or further education. In working with children and young people, it will address what happens after secondary school - while existing funding supports walking, wheeling and cycling behaviours to become established through school-based activity, young people and families from low-income households often struggle to sustain access to skills training, apprenticeships and employment once leaving school
Transport to Large Workplaces
Projects in this area will look at improving transport access to large workplaces across the region. They will take an evidence based approach, working with local authority transport team and Local Employability Partnerships, to identify existing gaps in provision and put in place solutions to address these gaps.
Rural transport to work and further education
Projects in this area will support the introduction of new services in line with the level of service set out in the new Regional Bus Strategy, focusing providing access to employment for those living in more rural parts of the region.
Targeted action to reduce ticket prices
SEStran will partner with a range of organisations to fund an intervention to reduce ticket prices, potentially across multiple operators. This will be targeted based on available data to look at key trip origins and destinations that will have the maximum possible impact on reducing travel costs for low income parents travelling to work. In doing so, it will enable access to opportunities that are currently unaffordable or inaccessible, especially those located outwith specific communities due to travel costs. While existing free or subsidised bus travel for young people provides important support, current eligibility is limited to those aged 22 and under. This creates a significant gap for individuals aged 23 and over, many of whom are supporting families or seeking to increase household income who continue to face expensive travel costs when accessing employment or training. Targeted cost reductions would help address this gap, reduce transport related barriers, and support households to move out of poverty through improved access to employment, increased earnings, and greater financial stability.
Transport to Health pilot projects
Access to healthcare is a vital aspect of supporting people into work, and healthcare sites are major employers themselves. Following on from the regional case for change report, this funding area will support a small number of high priority pilot projects that can be used to demonstrate the value of specific interventions. The exact project list will be defined over the next month but will focus both on access to healthcare for patients and employees.

Future development and programme management
This area of work will focus on the administration of this funding, as well as investigating how it can be used strategically to support future work beyond 2026/27

Programme	Transport to Health
Project partners	Local authorities, health boards, transport operators

Programme summary

We lead transport to health work in the region, working closely with health boards and local partners to improve how people get to hospitals and clinics, creating a transport system that actively supports wellbeing and making access to healthcare equitable for all.

Since October 2025, SEStran has been working closely with its four NHS boards and NHS Scotland Assure, as well as with consultancy support from Urban Foresight to produce a Case for Change on Transport to Health in South East Scotland.

There is a clear need to improve transport to health in our region. The issues identified in the Case for Change highlight the inequality of access and subsequent negative impacts.

In 2026/27, the focus will be on moving from the evidence base and objectives to a co-created, prioritised pipeline of interventions, supported by early-stage business case development.

RTS actions

Support the delivery of bus services and infrastructure measures which ensure access to healthcare for all.

Programme objectives

- Reduce journey time, interchange complexity and uncertainty for secondary and tertiary healthcare trips
- Improve reliable and affordable access to healthcare for people without access to a private car
- Improve the accessibility and usability of transport for disabled people, older people and those with long-term conditions
- Reduce transport-related missed and delayed healthcare appointments
- Improve clarity, coordination and accessibility of transport information and support
- Integrate and enhance community and demand-responsive transport to support healthcare access
- Reduce unnecessary car dependency and improve system efficiency in healthcare travel

Programme outcomes

The development of a regional Transport to Health Strategy aims to achieve and/or contribute to the following items:

- Improved access to care
- Enhanced patient outcomes
- Operational efficiency – better coverage, ways of working (reduction in missed appointments etc.)

- Cost savings – for NHS and local authorities
- Equity in rural and urban access
- Better integration with other services (public transport, etc)

Milestones and deliverables

Q1

Q1 will see the publication of our Case for Change report and distribution to our key stakeholders. We'll also lead on engagement initiatives with our four Health Boards at a senior level to agree and finalise the Transport Planning Objectives prior to developing a shared regional Transport to Health vision. To progress on this work, we'll be seeking consultancy support and will go through a procurement exercise as appropriate.

Our NHS Leaders Board will direct future work packages, that will most likely include the delivery of outline business cases, updates from the Transport to Employment trials in 2026/27 that pertain to health journeys and events aimed at engaging the wider stakeholder network.

Milestones:

- Case for Change published and publicised to our key stakeholders
- Engagement plan agreed with stakeholders to review the TPOs
- NHS Leaders Board established and draft Terms of Reference agreed
- Procurement exercise started

Deliverables:

- Revised Project Initiation Document
- Engagement plan
- Terms of Reference for NHS Leaders Board and Shared Learning Network
- Tender brief

Q2

Milestones:

- Consultants appointed to support capacity on the development of the Strategy
- Regional Transport to Health vision developed and agreed
- TPOs agreed

Deliverables:

- Vision
- Final TPOs

Q3

Milestones:

- Engagement activities delivered with key stakeholders to identify potential solutions
- Long list options agreed to feed into the option appraisal

• Short list of options identified based on sifting methodology Deliverables: • Long list of options • Short list of options
Q4
Milestones: • Outline Business Cases developed based on short list of options (including economic, financial and management viability) – minimum one per TPO Deliverables: • Outline Business Cases • Final report summarising approach, findings and recommendations
Delivery areas
Delivering on our objectives
To address the issues highlighted in the Case for Change, we will take a programmatic approach, building a programme board with whom we will work through a detailed options appraisal, leading a suite of outline business cases, that together will deliver on our objectives for Transport to Health. As ever, this work will be delivered in partnership with our health boards, NHS Assure, Transport Scotland, the Primary Care Directorate, local authorities, our Partnership Board and expert stakeholders.
Transport to Health pilot projects
To be delivered under Transport to Employment

Programme	SEStransit
Project partners	Transport Scotland, local authorities, Scotland's Railway, bus operators

Programme summary

The purpose of Project SEStransit is to provide faster, greener and more reliable connections across our region and to key strategic sites, helping more people travel sustainably. Our Strategic Business Case will set out the context and need for such a system and will be followed by a series of Outline Business Cases for individual projects or packages. Achieving this will in turn reduce congestion in our urban areas, improving productivity, as well as increasing overall access to key employment sites across our region.

RTS actions

Project addresses a wide range of RTS actions therefore individual actions are not listed here

Programme objectives

Transport Planning Objectives (TPOs) will be developed in collaboration with key stakeholders, including local authorities before the end of Stage 1 work, and reported in the Case for Investment.

In advance of confirming the specific objectives, the working definition of the project is:

The collective movement of people across all regional areas using an integrated and affordable shared transport system such as buses, trains, trams, and other connecting modes. It is designed to provide efficient, high-capacity, and sustainable mobility, supported by interchanges and integrating ticketing, data and digital solutions, that provide passengers with the ability to seamlessly transfer between different modes and access strategic housing, employment, health and education sites.

Milestones/tasks and deliverables

Q1 Network development and packaging

Milestones/tasks

- Option shortlisting against problems and opportunities, TPOs and STAG criteria.
- Option prioritisation and packaging against regional aspirations and requirements (e.g. the recognised need to improve connectivity into Edinburgh and the need to enable inclusive growth across the region)

Deliverables:

- Network Development Technical Note (draft)

Q2 <i>Modelling and detailed appraisal and engagement</i>
Milestones: • Model specification • Quantification of impacts and benefits using the SEStran regional model • Distributional analysis of social and economic benefits appraisal • Evidencing public support through appropriate public engagement • Building stakeholder buy-in through targeted stakeholder discussions and workshops Deliverables: • Network Development Technical Note (final)
Q3 <i>Modelling and detailed appraisal and engagement</i>
Milestones: • Model specification • Quantification of impacts and benefits using the SEStran regional model • Distributional analysis of social and economic benefits appraisal • Evidencing public support through appropriate public engagement • Building stakeholder buy-in through targeted stakeholder discussions and workshops • SEA and Integrated Impact Assessment scoping • Commercial, management and financial case Deliverables: • Detailed appraisal – draft report • SEA scoping – draft report • IIA scoping – draft report • Engagement – draft report
Q4
Milestones: • Internal approvals • Report reviews Deliverables: • Detailed appraisal – final report • SEA scoping – final report • IIA scoping – final report • Engagement – final report • SBC - draft report

Delivery areas
SEStransit Strategic Business Case
Completion of the strategic business case for the SEStransit project

Programme	Regional Transport Strategy Delivery Plan
Project partners	Local authorities, City Region Deals, Green Free Ports

Programme summary

The Regional Transport Strategy Delivery Plan will provide a mechanism to identify, assess, prioritise and coordinate all regional transport projects that are required over the medium to long term, to realise the ambitions of the Regional Transport Strategy to support the economic and net-zero ambitions of the Regional Prosperity Framework and local authority economic priorities.

Through strengthened collaboration, joint working, co-production and engagement, we will seek to ensure a robust basis for integrated regional economic development, land-use and transport planning, provision and delivery, maximising the opportunities for our region. The six themes of the RTS Deliver Plan are:

1. Mass Transit (SEStransit)
2. Active Travel
3. Freight
4. Data/Digital
5. Decarbonisation
6. Interchange

RTS actions

Project addresses a wide range of RTS actions therefore individual actions are not listed here

Programme objectives

The initial phase of the programme development focused on the collation of all the currently committed and planned transport investment by partners across the region. Each project was initially assessed against seven criteria of a 'regional' test.

The next phase that was paused in late summer 2025, to allow partners to focus on SEStransit, was to undertake a 'mapping & gapping' review of projects to identify:

- *Cross boundary opportunities for collaboration or upscaling;*
- *Opportunities for coordinated theme delivery*
- *Opportunities for service efficiencies and coordination*
- *Opportunity to increase the ambitions that maybe constrained by local budget reality.*

The programme is paused and will be recommenced in the latter half of 2026/27, so that the emerging outcomes of SEStransit, regional spatial planning and regional economic partnership development can be incorporated into the process. The next steps will be:

- *Review the emerging outcomes of SEStransit to identify areas of focus*
- *Recommence the 'mapping & gapping' exercise*
- *Incorporate the emerging regional spatial and economic development aspirations*
- *Update regional and LA priority lists*

• <i>Develop scope of service to commence the STAG process</i>
Milestones/tasks and deliverables
Q1
N/A
Q2
N/A
Q3 <i>Review of regionally dependant projects</i>
Milestones: • <i>Review development and impact of SEStransit,</i> • <i>Review development and impact of regional spatial and economic development progress</i> Deliverables: • Commission Consultancy Support • Update programme documents • Set up recommencement of regional development in Q4
Q4 <i>Recommence Development/Prepare for future stages</i>
Milestones: Mapping and Gapping Workshops Deliverables: • Complete Strategic matrix analysis of projects (incl review of STPR2) • Update regional and LA project priority list • Scoping for STAG/project Development • Programme for next phase • Cost estimate for next phase
Delivery areas
Mapping & Gapping
Completion of project development Update regional and LA project priority list
Next Steps
Scoping for STAG/project Development

Appendix 2 – Cross Portfolio Delivery Areas

Some work SEStran officers will deliver in 2026/27 sits outside the five key programmes described above but nonetheless is key to realising the vision of our Regional Transport Strategy.

Delivery	Description
Regional Transport Strategy Delivery Plan: Active Travel Theme	A key theme of the RTS delivery plan is regional active travel. We have entered an application to Transport Scotland Active Travel Infrastructure Fund to refresh the SEStran Strategic Cycle Network, taking into account local authorities' new and developing plans for connecting routes across the South East. Should we be successful, we plan to update and broaden the use case for the previously developed SEStran Strategic Cycle Network. This would update the network, focussing on both existing, in construction and planned cycling routes. The proposal is to develop an online mapping tool to enable local authorities and other relevant partners to update the network at agreed regular intervals with standardisation of infrastructure types.
Regional Transport Strategy Delivery Plan: Data Theme	The South East of Scotland City Region Deal's authorities have benefited from the insights of the Workforce Mobility Project, but in the future RTPs will more directly receive learnings that will inform the data theme of our work: Mobile Phone Data Dashboards – These dashboards provide footfall data for trip attractors from every UK postcode over five years, supporting RTS delivery plan's data theme. PowerBI integration gives Local Authorities easy access to information, with heatmaps, dwell times, and time-of-day visits for enhanced analysis. Postcode Accessibility Tool – This tool offers detailed analysis of employee data—postcodes and shift patterns—to evaluate sustainable travel to work. By identifying barriers like excessive walking or unsuitable arrival times, it informs improvements to transport and active travel, helping employers support behavioural change. Sustainable Transport Accessibility Tool – The tool analyses transport connectivity to any Scottish site, using user-defined travel parameters. The Midlothian LDP assessment checked sites against public transport, considering a 45-minute journey, 8am departure and 6pm return, providing evidence for strategic improvements in line with RTS goals.

Thistle Assistance	Thistle Assistance is a free app and card for people to use when they need some additional support using public transport. Both can be personalised to show the support required (for example more time getting to a seat) and are shown to the driver or public transport staff member when boarding. The aim of Thistle Assistance is to improve the journey experience for anyone who requires extra assistance while travelling. For 2026/27, the Thistle Assistance project will focus on an in depth evaluation work of the scheme to assess its impact on users, better understand how to best engage with transport operators and identify areas for improvement.
Real time Passenger Information	Real time passenger information covers the provision of bus, rail and tram information via information on screens and apps. SEStran in the next year will be supporting three main strands: • Software contract – A regionally procured contract is managed by SEStran on behalf of all local authorities (plus Strirling Council). The contract covers the running of the software which enables officers to input bus timetable and bus stop audit information on behalf of, or in collaboration with, bus operators. This will include a forum to support the contract, offering opportunities for local authorities to share learnings, speak with the provider directly, and discuss future opportunities. • Journeo Equipment Framework – A regional contract procured by City of Edinburgh Council that supports the equipment to display the information, and the associated maintenance to ensure the bus times are displaying correctly Indoor and outdoor screen management – SEStran have built up a network of around 170 screens across the region which are currently situated in public buildings, libraries and park and ride sites. The next year will be focused on improving reliability of screens as certain sites and identifying sites where existing screens are no longer viable.
Climate Adaptation Work	For 2026/27, climate adaptation work within SEStran will focus on strengthening organisational climate knowledge and embedding adaptation considerations across regional transport planning and delivery. This includes developing internal capability through targeted climate workstreams and collaboration with partners, informed by national adaptation priorities and emerging best practice. SEStran will support a more joined-up approach to climate resilience by contributing to cross-sector discussions on climate-ready infrastructure, ensuring transport considerations are aligned with land use, energy and place-based planning. This work sits alongside, and complements, SEStran's wider programmes, helping to ensure that the Regional Transport Strategy responds effectively to the increasing

	risks posed by climate change while supporting resilient, sustainable communities across South East Scotland.
2026/27 Communications and marketing	This area of work builds on SEStran's Communications Strategy and Stakeholder Map and will deliver communications activity to raise awareness of who we are, what we do and the difference our work makes across the South East of Scotland. It focuses on clearly demonstrating the impact, importance and value of SEStran's work, particularly the benefits of taking a coordinated regional approach to transport challenges. Through consistent, targeted communications, we will showcase our expertise, strengthen our profile with key stakeholders and the public, and make a clear case that we deliver excellent value for money, with the additional investment detailed in this business plan enabling greater social, economic and environmental returns for the region.
Logo Update and Website Redesign	In 2026/27, the SEStran logo will be updated to align with refreshed branding guideline and support the corporate Communications Strategy and delivery work identified above. Alongside this will be a complete rebuild and redesign of the SEStran website to enable our messaging to reach our target audiences in a clear, effective and impactful way. The rebuild and redesign will allow us to better showcase our work (both projects and strategy), whilst ensuring that basics such as accessibility guidelines are met and provide improved control over the website so more updates can be carried out internally.

Appendix 3 - Our governance

SEStran Partnership Board

The SEStran Partnership Board is the strategic decision-making body for the South East of Scotland Transport Partnership. It sets the regional direction for transport policy, approves budgets, and oversees the delivery of major programmes across the eight partner local authorities. The Board meets quarterly, with agenda-setting sessions held in advance to prepare reports and agree forward business.

Membership is made up of elected members from the partner councils, supported by SEStran's senior management team.

Performance and Audit Committee

The Performance & Audit Committee ensures strong governance, transparency, and compliance across SEStran's work. Its remit includes reviewing financial performance, risk management, audit outcomes, and organisational performance indicators. The Committee meets quarterly, following a consistent annual cycle, with meetings typically scheduled in February, June, September and November.

Attendees include appointed elected members from partner authorities and non-councillor members, alongside relevant SEStran officers who provide reports and advisory support.

PaSDOS (Projects and Strategy Delivery & Oversight Subgroup)

PaSDOS provides focused oversight of SEStran's strategic project delivery. These sessions support coordination across key programmes—such as emerging regional transport initiatives—and help shape papers and recommendations ahead of committee and Board consideration. PaSDOS meetings are scheduled periodically throughout the year, often aligned to programme milestones or quarterly governance cycles.

Typical attendees include SEStran officers, project leads and, where relevant, partner authority representatives.

We are South East of Scotland Transport Partnership (SEStran), bringing together stakeholders across transport, place-based, economic and development planning to shape and deliver a better-connected, low carbon transport system. Our work includes delivering our Regional Bus Strategy, the People and Place active travel programme, Project SEStran Transit, and improving transport to health.

www.sestran.gov.uk



SEStran
Area 3D (Bridge),
Victoria Quay,
Edinburgh, EH6 6QQ

CONSULTATION RESPONSES BETWEEN JUNE AND SEPTEMBER 2026

1. INTRODUCTION

- 1.1 The purpose of this report is to update Members on SEStran's response to consultations between June and September of this year.
- 1.2 The responses provided in this quarter were a mix of interviews and written responses. Where applicable, the written response has been provided as an appendix to this report.

2. RESPONSES

2.1 Regional Economic Partnership

The Partnership Director, Strategy Manager and Senior Partnership Manager met with Micro Dynamics to reply to the first stage of the Edinburgh & South East Scotland City Region Deal review of models for a Regional Economic Partnership. SEStran conveyed out the principles agreed in the Partnership Board Paper agreed on 17th July 2026.

2.2 Unpacking the tourism-transport nexus in sustainability transitions in Scotland

This research is being carried out by a team comprising of researchers from University of Aberdeen and University of Strathclyde Glasgow, transport officers from Nestrans, and funding support from Scotland Beyond Net Zero. The project aims to identify and explore the interrelationships between tourism and transport and to analyse how these interrelationships influence each sector's journey to Net Zero. The engagement was carried out via a one-hour online Teams interview with a researcher and a SEStran officer.

In the interview, the officer highlighted the work going on in the region looking at tourism and transport including active and sustainable transport projects. The officers also flagged that Visit Scotland were working on a research piece looking at moving tourists to the rail network and signposted the researchers to the lead officers on the project. The outputs of the research are being summarised into a Final Report which the team will receive once complete.

2.3 Sustainable Scotland Network (SSN) Evaluation

We were asked to participate in an interview with SSN as part of their external evaluation of their work. The interview primarily focused on the support provided to public sector organisations and how SEStran had interacted with the projects.

Primarily, SEStran officers fed back that they hadn't previously engaged with the network before due to lack of awareness about relevant resources. We highlighted that we had engaged with SSN around the statutory carbon reporting guidance which had been helpful for annual reporting requirements.

2.4 North East MSA Bus Franchising Consultation

SEStran responded to the North East Mayoral Strategic Authority's statutory consultation on its proposed Bus Franchising Scheme, drawing on experience from the South East of Scotland's Regional Bus Strategy, Regional Bus Action Plan (RBAP) and the emerging SEStran programme. The response supports the principle of bus reform where it enables public authorities and partners to plan services around passenger needs, improve integration and strengthen accountability. It highlights the importance of delivering affordable, accessible, reliable and high-quality services through coordinated action on network connectivity, ticketing, passenger information, accessibility, bus priority measures and decarbonisation. The response also emphasises the value of strong governance, partnership working and evidence-led decision making, supported by the Regional Bus Board and wider regional collaboration.

SEStran recognised the potential benefits of franchising in creating a simpler, more integrated and better-planned bus network, while noting that the success of any reform model will depend on robust financial assumptions, effective contract management and continued partnership working with operators, local authorities and neighbouring transport bodies. The response encouraged a strong focus on integration with wider public transport and active travel networks, clear and consistent passenger information, and consideration of cross-boundary travel needs. SEStran welcomed opportunities for continued engagement and knowledge sharing on governance, customer standards, fares and ticketing, network integration and the relationship between bus reform and longer-term mass transit planning.

2.5 Queen Margaret University Transport Strategy

SEStran responded to the consultation via an Online Teams meeting with the consultation lead and a representative from East Lothian Council to discuss their draft transport strategy.

In the meeting, SEStran highlighted support for the proposed objectives and welcomed the recognition that transport plays a critical role in supporting accessibility, inclusion, sustainability and the overall success of the University. SEStran encouraged QMU to position its Transport Strategy within the wider regional transport and development context.

Officers recommended the strategy should therefore align with SEStran's Regional Transport Strategy, the emerging Regional Transport Strategy Delivery Plan, SEStran, the Workforce Mobility Project and relevant local authority transport strategies. This will help ensure that campus transport improvements contribute to wider objectives around economic growth, access to education, social inclusion, sustainability and regional connectivity.

3. **RECOMMENDATIONS**

- 3.1 It is recommended that Members note the content of the report and its appendices.

25th September 2026

Appendix 1: Consultation Response – SEStran Response to North East MSA Bus Franchising Consultation Invitation

Policy Implications	There could be implications for future iterations of the RTS, dependent on further actions by those consulting.
Financial Implications	None.
Equalities Implications	None.
Climate Change Implications	None.

Philip Meikle
Assistant Director – Transport Network Transformation
North East Mayoral Strategic Authority
The Lumen
St James Boulevard
Newcastle Helix
Newcastle upon Tyne
NE4 5BZ

4 August 2026

Dear Philip,

Bus Reform – Statutory Consultation

Thank you for inviting the South East of Scotland Transport Partnership (SEStran) to respond to the North East Mayoral Strategic Authority's statutory consultation on the proposed Bus Franchising Scheme and Franchising Scheme Assessment. SEStran welcomes the opportunity to contribute as a statutory consultee and recognises the importance of considering the wider regional and cross-boundary implications of bus reform.

SEStran is the statutory Regional Transport Partnership for the South East of Scotland, covering the City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian. Our work is focused on planning and supporting a more integrated, accessible, affordable and sustainable transport system across a diverse region of urban, rural, coastal and cross-boundary travel markets.

SEStran supports the principle of bus reform where it strengthens the ability of public authorities and partners to plan networks around passenger needs, improve integration, and provide a clearer and more consistent offer to users. We recognise the challenges described in the consultation, including long-term network decline, complex fares and ticketing, inconsistent standards, and the limits of influence available through the existing deregulated model and Enhanced Partnership arrangements.

Our own Regional Bus Strategy provides a useful comparator from the South East of Scotland. It sets out a vision for a high-quality, affordable, accessible and integrated bus network, aimed at increasing passenger numbers and satisfaction while supporting social, environmental and economic development. The Strategy has been developed through extensive engagement with local authorities, operators, stakeholders and the public, including a major stakeholder survey which received over 5,000 responses.

The Strategy is built around three interdependent priorities: improving the level of service, improving affordability and ticketing, and improving service quality. In practical terms, this includes work on network connectivity, simpler and more integrated ticketing, targeted fare support for those experiencing transport poverty, bus priority measures, passenger information, interchange quality, accessibility, safety, decarbonisation and a stronger regional customer offer. A key lesson from our work is that affordability is critical, but it cannot be considered in isolation from availability, reliability, accessibility and quality.

The Regional Bus Action Plan is now translating that strategy into delivery. It provides a coordinated framework for practical action by SEStran, local authorities, bus operators and wider partners, recognising that meaningful bus improvement depends on collaboration, shared evidence, clear governance and a realistic delivery programme. SEStran has established a Regional Bus Board to support this work, bringing together operators, local authorities, user representatives and other stakeholders to shape and monitor delivery.

Alongside this, SEStran is progressing SEStran's programme-level Strategic Business Case work for South East Scotland mass transit. SEStran's response to STPR2 Recommendation 12 for Edinburgh and South East Scotland Mass Transit is being developed as a regionally integrated public transport programme. For the purposes of the current work, mass transit is defined broadly, including rail and tram on the highest-demand corridors, bus-based transit including regional and strategic bus services and bus rapid transit, high-quality interchanges and hubs, and supporting systems such as integrated ticketing, passenger information and priority infrastructure.

The draft SEStran's vision is for South East Scotland to have an integrated, accessible and affordable transformative public transport system that delivers seamless connectivity and supports inclusive economic growth across the region. The emerging evidence base highlights the need to address poor cross-boundary connectivity, high car dependency, unequal access to employment and services, congestion, and the risk that planned growth will reinforce car-based travel patterns unless there is a step-change in the public transport offer.

For this reason, SEStran is particularly interested in the North East MSA's proposals relating to network planning, fares and ticketing, service standards, customer information, public accountability and long-term governance. These are also central issues for our own regional bus and mass transit work. We would encourage the North East MSA to ensure that any final scheme retains a strong focus on integration with wider public transport and active travel networks, supports clear and consistent passenger information, and considers the needs of users making cross-boundary, longer-distance or multi-operator journeys.

We also encourage careful consideration of the transitional and financial risks associated with franchising. The consultation material rightly notes that franchising would give the North East MSA greater control over routes, timetables, fares and service standards, but would also involve taking on greater financial responsibility for the network. From SEStran's perspective, the strength of any reform model will depend not only on the powers available, but on the robustness of revenue assumptions, the treatment of supported services, the capacity to manage contracts effectively, and the ability to maintain partnership working with operators, local authorities and neighbouring transport bodies.

SEStran therefore supports the objectives of creating a simpler, more integrated, better planned and more accountable bus network, and we recognise the potential value of franchising as one means of achieving those outcomes. We do not offer a view on the detailed local affordability or deliverability of the proposed scheme, as those are matters for the North East MSA, its independent audit process and the local evidence base. However, we would support an approach which strengthens the role of buses as part of a wider, integrated public transport system and which maintains opportunities for cross-regional learning between transport authorities.

We would be pleased to remain engaged as your work progresses, particularly on issues where there may be shared learning around governance, customer standards, cross-boundary integration, fares and ticketing, and the relationship between bus reform and longer-term mass transit planning.

Yours sincerely,
Rachael Murphy
Strategy Manager
SEStran

CONTRACT REGISTER

1 INTRODUCTION

- 1.1 This report presents the Partnership's Contract Register in line with a commitment to transparency in procurement. The Contract Register is brought to the Board, following review by the Performance and Audit 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 awarded 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 the Performance and Audit Committee on 11 September 2026, 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 £521,894, all of which are currently live. Members should note that some of these contracts, and in turn their costs, run over multiple years. Three of these contracts have been awarded since the register was last reported:
- SEStran Novus FX Contract 2026/27 – this provides for an real time passenger information system that is used by local authorities across the region. Members should note that this is part funded by contributions by Stirling Council and ScotRail (who also benefit from the system).
 - Transport to Employment Programme Evaluation – consultancy support for completion of an evaluation framework and evaluation reports for the Transport to Employment programme. This contract is on behalf of SEStran plus 3 other RTPs, so part of these costs are covered by other RTPs
 - Transport to Health Vision & OBCs – consultancy support for the continuation of the Transport to Health programme to bring it to the end of the Outline Business Case stage

In addition, one contract that was present previously has been varied:

- Multi-modal Transport Monitoring Sensors/Cameras – this contract has been increased by £16,470 – this was at the request of East Lothian Council to provide for the maintenance of their cameras for 1 year. The costs of this extension have been met by East Lothian Council.
- 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 Board is asked to review and note the Contract Register as attached at Appendix 1

Michael Melton
Programme Manager
25th September 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.

SEStran Contract Ref	Name of contractor	Subject matter	Current Est contract value (ex VA	Date Awarded	Contract Start Date	Contract End Date at : If no end date, how will the contract end
SEStran-22/23-04P	Vivacity	Multi-modal Transport Monitoring Sensors/Cameras	£230,084.00	11/11/2022	11/11/2022	31/05/2029 n/a
SEStran-22/23-01A	One StopIT	IT services	£95,964.16	02/03/2023	02/03/2023	02/03/2027 n/a
SEStran-23/24-03P	Brompton Bike Hire Ltd	Folding bike hire stations	£113,864.00	15/12/2023	15/12/2023	15/12/2028 n/a
SEStran Novus FX Contract 2026/27	Navigate	Novus FX contract for 26/27	£53,517.22	31/03/2026	01/04/2026	31/03/2027 n/a
Transport to Employment - Programme Evaluation	Stantec	Transport to Employment Evaluation	£63,018.52	31/07/2026	03/08/2026	30/06/2027 n/a
SEStran-26/27-T1H02 - Vision & OBCs	Urban Foresight	T1H Vision and OBCs	£70,830.00	13/08/2026	17/08/2026	31/03/2027 n/a

Risk Register

1. INTRODUCTION

- 1.1 The purpose of this report is to provide the Partnership Board with its quarterly update on SEStran's corporate risk register.
- 1.2 Note that the risk register report was considered by the Performance and Audit Committee on the 11th September 2026.

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 4 risks: the 3 top rated risks based on the total risk scores shown in the strategic risk register and 1 for the new risk covering serious organised crime and fraud.
- 3.2 The Partnership continues to operate within a context of external uncertainty, and the highest-rated risks within the current register reflect this position.

Top Risks

3.3 R001 1.1 Transport Governance

- 3.3.1 The principal net risk remains R001 1.1, reflecting continuing uncertainty arising from the Scottish Government's review of transport governance arrangements. Recent Programme for Government commitments to review the future configuration of transport bodies and bring Transport Scotland more closely within central government reinforce the potential for changes to the roles and responsibilities of Regional Transport Partnerships. While the outcome remains uncertain, there is also an opportunity to strengthen regional transport delivery and influence. SEStran continues to engage with Transport Scotland, RTP partners and constituent authorities to monitor developments and ensure the Partnership is well positioned to respond to any emerging proposals. No significant change in risk exposure is currently assessed.

3.4 R002 2.4 Sources of Additional Income

- 3.4.1 Risk R002 2.4 concerns the possibility that additional sources of income may become constrained because of the wider economic climate or changes in operating arrangements. Following mitigation, the risk remains assessed as Medium, with a net score of 12, making it one of the highest financial risks in the register. The risk remains significant because SEStran relies on additional income to support delivery beyond its core resources. The revenue budget reflects the most likely level of external income, while officers continue to explore alternative funding options, submit funding bids and make the case for additional investment.

3.5 R002 2.5 Funding Reductions

- 3.5.1 Risk R002 2.5 relates specifically to potential reductions in core funding from the Scottish Government and council requisitions. The risk remains assessed as Medium, with a net score of 12. A reduction in core funding could affect SEStran's ability to fulfil its statutory duties and deliver the Regional Transport Strategy. Mitigation includes continuing to identify external funding, engaging with the Scottish Government, Transport Scotland and constituent councils, and working with other Regional Transport Partnerships to influence the review of funding allocations. However, the scale of future activity will continue to be determined by the resources available to the Partnership.

New Risk

3.6 R002 2.10 Fraud and Serious Organised Crime

- 3.6.1 A new risk, R002 2.10 Fraud and Serious Organised Crime, has been added following the Internal Audit recommendation that these matters should be formally reflected in SEStran's risk management arrangements. The risk covers potential financial loss, regulatory action, reputational damage and reduced public confidence arising from a failure to prevent, detect or respond effectively to fraud, corruption or serious organised crime. It is assessed as Medium, with a net score of 8. Mitigating actions include maintaining anti-fraud, whistleblowing and financial controls; reviewing compliance with the Economic Crime and Corporate Transparency Act 2023; undertaking risk assessments and supplier checks; providing staff awareness training; and reporting relevant risks or incidents to the Performance and Audit Committee.

3.7 Summary

- 3.7.1 The overall corporate risk profile remains stable, with no significant change in risk exposure currently assessed. R001 1.1 Transport Governance remains the highest residual risk, reflecting uncertainty around the Scottish Government's review of transport governance and the future role of Regional Transport Partnerships. SEStran will continue to engage with Transport Scotland, RTP partners and constituent authorities to monitor developments and respond to emerging proposals.
- 3.7.2 The most significant financial risks continue to relate to R002 2.4 Sources of Additional Income and R002 2.5 Funding Reductions, both

of which remain medium-rated risks. These risks reflect ongoing uncertainty within the wider public sector funding environment and the potential impact on SEStran's ability to deliver strategic priorities and statutory functions.

- 3.7.3 The Corporate Risk Register has also been strengthened through the addition of R002 2.10 Fraud and Serious Organised Crime, following recommendations arising from the Internal Audit review of risk management arrangements. This new risk formally recognises emerging fraud, financial crime and compliance risks, including obligations under the Economic Crime and Corporate Transparency Act 2023.

4. RISK REGISTER REVIEW UPDATE

- 4.1 The Board should note that Officers have begun work on a redesigned risk register template that moves towards a more structured "cause, risk event and consequence" approach. The new template introduces clearer risk descriptions, explicit risk consequences, gross and net risk scoring, risk appetite alignment, SMART mitigation actions, ownership, status tracking, review dates and action monitoring. It also strengthens the distinction between strategic, financial, governance, operational, legal, technology and people-related risks, while providing improved oversight of risk trends and management actions.
- 4.2 The draft register currently contains approximately 40 potential risk statements and risk drivers which officers are reviewing, consolidating and restructuring into a more strategic set of corporate risks. These include risks relating to transport governance reform, funding sustainability, external income, fraud, cyber security, workforce resilience, statutory compliance, contractor and grant management, political change, partnership arrangements and project delivery. The intention is to reduce duplication; improve clarity and ensure the register focuses on the most significant risks to delivery of SEStran's strategic objectives. A revised and updated risk register will be presented to the next Committee meeting on 20 November 2026.

5. RECOMMENDATIONS

The Board is asked to:

- 5.1 Note the contents of this report.

Angela Chambers
Business Manager

Appendix 1: SEStran Risk Register

Policy Implications	The report supports SEStran's Risk Management Framework. Relevant policies and controls will be reviewed where required in response to identified or emerging risks.
Financial Implications	Financial risks and mitigating controls are detailed in the Corporate Risk Register and will continue to be monitored through established financial arrangements.
Equalities Implications	No direct implications. Equalities impacts will be considered as part of the management of individual risks.
Climate Change Implications	No direct implications. Climate-related considerations will be addressed where relevant through individual risk assessments and mitigation actions.

APPENDIX 1																											
Risk Number	Risk Category	Risk Detail	Gross Risk Assessment					Planned Response/Mitigation						Risk After Mitigation	Date and Owner	Risk Appetite		Action Required									
			Probability		Impact		Risk Score			Probability		Impact				Risk Score											
R001 1.1	Strategic	Scottish Government and Transport Scotland reviews of transport governance arrangements, including proposals to reform the structure and responsibilities of national and regional transport bodies, could result in changes to the role, functions and funding of Regional Transport Partnerships. This presents both risks and opportunities for SEStran.	4		Probable	4		Major	16		High		SEStran is actively engaging with Transport Scotland, RTP partners and constituent authorities to influence emerging transport governance reforms and ensure the benefits of regional transport planning and RTS delivery are recognised within future governance arrangements. The Partnership continues to monitor Programme for Government proposals and prepare for potential changes to RTP roles, responsibilities and funding. The TS review will have a high dependency on the separate SG work on giving regional economic partnerships legal status	4		Probable	4		Major	16		High	High Treat	Review at end of Sept 2026 Partnership Director	Low	Med	
R001 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. Hybrid Working Policy in place.	3		Possible	3		Moderate	9		Medium	Medium Tolerate	Review at end of Sept 2026 Partnership Director	Low	Med	
R001 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. A SEStran Manifesto was launched at the SEStran Summit on 4 December. A comms plan targetting MSPs before and after the election is being prepared in conjunction with our public affairs advisers. Officers will outreach to local government politicians in advance of the local government elections in May 2027	3		Possible	4		Major	12		Medium	Medium Tolerate	Review at end of Sept 2026 Partnership Director	Low	Med	

R002 2.0	Financial	Financial: Significant deviation from budgeted spend	2	Unlikely	3	Moderate	6	Low	The Financial Rules do not permit spending (whether revenue or capital) to exceed available budget. Budget and spend is monitored on a monthly basis by SEStran officers, using financial information provided by CEC through the Partnership's Financial Services Service Level Agreement with CEC and supported by qualified accounting staff of CEC. Action is taken by Partnership officers to develop alternative savings measures, including options for development of contingency arrangements, if required and subject to approval by the Partnership. The Partnership's Financial Rules require reporting of financial performances to the Partnership Board on a quarterly basis. Transport (Scotland) Act 2019 includes section on RTPs carrying reserves.	1	Remote	2	Minor	2	Low	Low Tolerate	Sept 2026 Partnership Director	Low	Low	↔
R002 2.1	Financial	Staff recharges - externally funded projects: The approved budget assumes 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	Sept 2026 Partnership Director	Low	Med	↔
R002 2.2	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 are made for specific known price inflation. Budgets adjusted in line with current cost forecasts. Ongoing monitoring and review of all costs and forecasts. In preparing estimates for 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	Sept 2026 Partnership Director	Low	Med	↔
R002 2.3	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.	2	Unlikely	3	Moderate	6	Low	Medium Tolerate	Dec 2026 Partnership Director	Low	Med	↔ from possible - unlikely (the mitigations we have have have avoided this occurring)
R002 2.4	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-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	Sept 2026 Partnership Director	Low	Med	↓
R002 2.5	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	Sept 2026 Partnership Director	Low	Med	↔
R002 2.6	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 approved by the Partnership Board.	4	Probable	3	Moderate	12	Medium	Medium Tolerate	Sept 2026 Partnership Director	Low	Med	↔

R002 2.7	Financial	The Partnership may incur additional staff release costs if current staffing levels cannot be maintained due to funding constraints.	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 flexibility.	2	Unlikely	4	Major	8	Medium	Medium Tolerate	Sept 2026 Partnership Director	Low Med	
R002 2.8	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. Continue to press case through available channels for multi year funding	3	Possible	3	Moderate	9	Medium	Medium Treat	Sept 2026 Partnership Director	Low Med	
R002 2.9	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	Sept 2026 Partnership Director	Low Med	
R002 2.10	Financial	Fraud and Serious Organised Crime: Failure to prevent, detect or respond effectively to fraud, corruption or serious organised crime could result in financial loss, regulatory action, reputational damage and reduced public confidence. This includes compliance risks associated with the Economic Crime and Corporate Transparency Act 2023.	3	Possible	4	Major	12	Medium	Compliance Requirements: ECCTA 2023, financial governance requirements, procurement regulations, anti-bribery obligations, whistleblowing legislation and information governance requirements. Key Mitigations: • Maintain Anti-Fraud, Whistleblowing and Financial Regulations. • Undertake fraud and organised crime risk assessments. • Review ECCTA compliance and prevention controls. • Provide fraud awareness training. • Undertake supplier due diligence and procurement checks. • Report fraud risks and incidents to the Performance and Audit Committee. • Maintain cyber security controls.	2	Unlikely	4	Major	8	Medium	Medium Treat	Dec 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 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 regularly 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 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 threshold. 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 Dec 2026 Programme Manager	Low Med	↓
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. Financial Services SLA to be reviewed.	2	Unlikely	2	Minor	4	Low	Low Tolerate	Review by end 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 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 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. Create Register of Statutory Duties, to be kept updated, ensure smooth succession planning	2	Unlikely	4	Major	8	Medium	Treat	Review at end Dec 2026 Partnership Director	Low Low	↔

R007 7.0	Specific Operational	People and Place Plan: Funding changes result in programme not continuing regionally beyond 2027/28	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 remains unknown and so likelihood of this has been upgraded to possible despite the mitigations until a clear political direction is available.	3	Possible	3	Moderate	9	Medium	Low Tolerate	Review at end Dec 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 employment and/or data privacy laws may result in poor reputation as an employer, difficulty in attracting skilled resource and greater probability of litigation and / or financial penalties	3	Possible	3	Moderate	9	Medium	SLA in place until May 2027 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 March 2027 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 Dec 2026 Partnership Director	Low Low	↔
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 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 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. Train team in BCP and review regularly.	3	Possible	2	Minor	6	Low	Low Tolerate	Review at end 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	2	Unlikely	2	Minor	4	Low	Medium	Partnership Director appointed May 2019. Funds identified for RTS re-write	June 2019 CLOSED			
	Accommodation: Occupancy Agreement with SG due for renewal February 2019. SG may not renew and alternative premises required at market rates.	Financial	3	Possible	3	Moderate	9	Medium	3	Possible	3	Moderate	9	Medium	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	3	Possible	2	Minor	6	Low	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	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	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	1	Remote	2	Minor	2	Low	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	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	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	5	Highly Probable	2	Minor	10	Medium	Medium	Medium: The risk remains as there is significant uncertainty around the immediate and medium (3-5 year) 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	2	Unlikely	3	Moderate	9	Medium	Medium	Tolerate	CLOSED Partnership Director	Low	Med	
	The approved budget for 2025/26 makes provision for a pay award of up to 3%.	Financial	5	Highly Probable	3	Moderate	15	High	2	Unlikely	3	Moderate	6	Low	Low	Tolerate	CLOSED December 2025 Partnership Director	Low	Med	↔

Risk Description and Impacts Table

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

Risk Impact

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

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

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

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

Impact					
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

Risk Appetite

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

Risk Response

There are four categories of risk response:

- Terminate:* risk avoidance – where the proposed activity is outwith the current risk appetite level;
- Treat:* risk reduction – where proactive action is taken to reduce the likelihood or impact of an event occurring or limiting the consequences should it occur
- Transfer:* risk transfer – where the liability for the consequences is transferred to an external organisation in full or part (e.g. insurance cover)
- Tolerate:* where certain risks are accepted

Risk Appetite Target Scores

Risk Description	From	To	Commentary
Strategic	Low	Medium	SEStran has a low to medium appetite in relation to its strategic risks and aims to ensure effective delivery of its commitments in line with agreed timescales. Strategic delivery is monitored through ongoing reporting processes and governance processes.
Financial	Low	Medium	SEStran has a low to medium appetite in relation to financial risk and may be prepared to accept some risk, subject to: · 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.

DELIVERY PROGRAMME PERFORMANCE REPORT

1 INTRODUCTION

- 1.1 This report updates the Board on the performance of the Partnership's strategy and project workstreams for 2026/27, focusing on quarter 1. This report was previously noted by the Performance and Audit Committee.

2 BACKGROUND

- 2.1 In previous reporting cycles, this report was presented to the Project and Strategy Delivery Oversight Group (PaSDOS) prior to issuing to the Performance and Audit Committee and then the Board. Following the revision to PaSDOS' terms of reference, this report will no longer be reviewed by PaSDOS, and so the Performance and Audit Committee will be the principal location for scrutiny of SEStran's delivery programme.
- 2.2 In light of the above and the move to a programmatic approach for delivery work, the format of this report will be revised for the next quarter. These revisions will focus on a clear dashboard overview for each project, alongside a single overview dashboard. Going forward, this covering report will be reduced as all key information will be included on each dashboard.
- 2.3 Members should also note that spend to date and budget projections, broken down by programme, are included in the Finance Officer Report elsewhere on this agenda. This paper will therefore focus on delivery against milestones and risks and issues.

3 PEOPLE AND PLACE (P&P)

3.1 Status Update

P&P is currently on budget and programme, with the budget fully allocated and it is expected that the grant will be spent in full as in 2025/26.

3.2 Milestones

1 milestone is delayed, and all others are either complete or on track. The delayed milestone is currently being progressed, due to complete mid-September, and will not have a knock on impact to the wider programme.

3.3 Risks

The top 3 risks currently identified, along with their current mitigations, are:

Risk: Reduction in revenue funding could lead to an inequitable programme that favours cycling over walking and wheeling and/or lacks capacity to engage with seldom heard groups – rated as a high risk.

Mitigation: The impact of reduced revenue funding is being raised continually with Transport Scotland. Planning for 2027/28 will consider how available revenue funding can be optimised to protect walking and wheeling projects, supported by monitoring the transport modes covered by funded projects.

Risk: Errors being made in payments after they have been authorised and passed to CEC for payment, resulting in overpayment or payments to the wrong account that need to be recovered and/or underpayments that impact fundee's cashflow – rated as a high risk.

Mitigation: Payment errors will be escalated with the CEC finance team to understand their causes, identify preventative measures, and ensure any future errors are prevented or, if they do occur, that they are detected and resolved quickly.

Risk: With the reductions to funding in 2026/27, schools' projects have had completion dates shortened by 3 months i.e. Q4+1 is no longer funded so, in 2026/27, they are funded from Q4+1 of 2025/26 plus 9 months funded from 2026/27 budgets. This risks creating an increased funding gap for 2027/28 if the reduction is continued because, without funding for Q4+1 from this year's funding, schools will require 12 months funding from the 2027/28 budget. This is rated as a medium risk.

Mitigation: The potential 2027/28 funding gap for school projects will be built into programme planning, with delivery organisations made aware of the pressures and the issue continuing to be raised with Transport Scotland.

3.4 Issues

Two new issues have been raised in 2026/27 to date. One relates to the revenue funding reduction that was reported to the last Board meeting. The second is a medium severity issue around incorrect payments being made – this is as per the risk noted above.

4 **REGIONAL BUS ACTION PLAN (RBAP)**

4.1 Status Update

The Regional Bus Action Plan is currently on programme. Governance arrangements are in place through the Regional Bus Programme Board, with work progressing on Year 1 priority actions, the Level of Service assessment, advocacy activity and bus network performance monitoring. Thistle Assistance remains on budget and on target.

4.2 Milestones

Key Quarter 1 governance milestones have been achieved, including establishment of the Programme Board and agreement of programme governance arrangements.

Work is progressing on the Level of Service review, development of priority actions and embedding monitoring and evaluation across related projects. One Thistle Assistance milestone has been delayed and reprogrammed, with all others on track.

4.3 Risks

The top three risks and their mitigations for RBAP are:

Risk: Changes to services, fares, or access could reduce public trust or disproportionately impact certain groups (e.g. rural, digitally excluded).

Mitigation: Embed EqIA and targeted engagement in all workstreams. Use pilot approach with visible benefits to make the case for supported services. Advocacy and facilitating engagement to ensure action is taken early where services are at risk or new policy will heavily impact the network.

Risk: RTPI: Lack of knowledge and resource within the project results in screens being installed poorly or behind schedule.

Mitigation: Procure expert consultant support to ensure the standard for screens across the region improves to:

- Ensure 100% of screens are being SAT and FAT tested by the supplier
- Ensure supplier delivers the screens within the financial year and works with local authorities to overcome any blockers
- Support knowledge of screen maintenance to ensure local authorities are better equipped to report defective screens

Risk: Thistle Assistance: Lack of engagement with key stakeholders as part of the evaluation work, limiting evidence and preventing development of relevant recommendations.

Mitigation: Six key stakeholders (transport operators) have been identified and will be interviewed by SEStran team to build on the existing positive relationships. Other stakeholders will be interviewed by our appointed consultants. The format of the interview proposed is short (30-45min) and taking place online to allow flexibility and increase opportunities for engagement.

4.4 Issues

There's currently one issue logged regarding the Thistle Assistance app having been removed from the Apple store. Next steps have been agreed internally, and efforts are currently being made to enable the app to be reinstated on the app store.

5 TRANSPORT TO HEALTH (TtH)

5.1 Status Update

TtH is currently on budget and on target. The budget is 70% committed and the remainder is expected to be spent in full this financial year.

5.2 Milestones

One milestone is currently delayed with the rest of them being either completed or on track. The delayed milestone has a revised date; we're confident that this milestone will be achieved within this revised timeframe.

5.3 Risks

The top 3 risks currently identified, along with their current mitigations, are:

Risk: £2 Bus Fare impacts the bus market such that routes are cut or funding for wider transport interventions is unavailable.

Mitigation: We are actively monitoring and influencing Transport Scotland / Scottish Government as part of the development of the bus bill.

Risk: Lack of buy-in and commitment from stakeholders at officer and senior level, diminishing quality, collaboration of efforts and limiting progress.

Mitigation: With the consultants appointed, a stakeholder engagement plan has been agreed to maximise value of engagement activities while being mindful of the time commitments required from our partner organisations. Additionally, a letter has been sent out to each NHS Boards CEO to establish a more formal engagement approach with them.

Risk: Lack of strategic direction from Scottish Government, causing instability in shaping of strategy creating a divergence with TS policy.

Mitigation: We have actively been engaging with Transport Scotland and the Primary Care team to share our plans and strategic direction on Transport to Health.

5.4 Issues

There are currently no issues recorded for this programme.

6 TRANSPORT TO EMPLOYMENT (TtE)

6.1 Status Update

TtE is currently on budget and programme. There remains approximately £100,000 of budget to be committed, but plans are in place to allocate this funding and it is still expected that the grant will be spent in full.

6.2 Milestones

All milestones are currently on track or complete. Several milestones were completed late, most notable the awarding of funding. This was largely due to delays in developing project proposals to the point at which funding could be awarded. These delays are not expected to have a knock-on impact on the programme, as these grant funded projects either started at risk without funding confirmed or were not expected to start until summer/early autumn.

6.3 Risks

The top 3 risks currently identified, along with their current mitigations, are:

Risk: Errors being made in payments after they have been authorised and passed to CEC for payment, resulting in overpayment or payments to the wrong account that need to be recovered and/or underpayments that impact fundee's cashflow – rated as a high risk.

Mitigation: Payment errors will be escalated with the CEC finance team to understand their causes, identify preventative measures, and ensure any future errors are prevented or, if they do occur, that they are detected and resolved quickly.

Risk: TtE is a new work area for SEStran and therefore knowledge of the best solutions may be lacking, which could lead to low quality proposals and/or lack of faith in SEStran's ability to deliver from those already working in this area – rated as a medium risk

Mitigation: We have sought input from external partners and existing experts in the field, including the Workforce Mobility Programme, Community Planning Partnership partners and Local Employability Partnerships (LEPs). Engagement with these organisations is intended to improve understanding of effective approaches, while further knowledge development opportunities for the SEStran team are being identified during 2026/27.

Risk: Lack of national guidance on evaluation, combined with likely difficulty in evidence in significant shift in child poverty in one year, results in risk of programme not showing significant impact on its core aim – rated as a medium risk

Mitigation: We are maintaining ongoing engagement with Transport Scotland and other Regional Transport Partnerships to agree evaluation requirements and core outcomes. In addition, a specialist consultant has been commissioned to work with

SEStran and three other RTPs to develop an evaluation framework and undertake programme evaluation, with the risk to be reviewed when that framework is in place.

6.4 Issues

There are currently no issues recorded for this programme

7 **REGIONAL TRANSPORT STRATEGY DELIVERY PLAN (RTSDP)**

- 7.1 Work on the RTSDP was delayed in 2025/26 due to a lack of available resource to progress. With additional capacity in the team for 2026/27, work is due to begin again when funding has been confirmed, which are expected imminently. The core of this work this year will be a consultant commission to review and refine existing regional transport project prioritisation work, complete a baseline assessment of projects across SEStran and partner authorities, identify future investment priorities, and develop a deliverable programme of regional transport interventions to 2035 and beyond.

8 **SEStransit**

- 8.1 Work on SEStransit has slowed since the end of 2025/26 due to delays in funding announcements from Transport Scotland (Bus Infrastructure Funding was announced on 26th August). While awaiting funding, SEStran has continued to develop the SEStransit Programme-Level Strategic Business Case in partnership with local authorities, Transport Scotland and other regional stakeholders. The Strategic Context stage is now complete and the Case for Investment has progressed.
- 8.2 Following receipt of a funding offer letter, the next phase will focus on completing the Strategic Business Case and identifying, modelling and appraising potential transport interventions to improve regional connectivity. Work will include stakeholder engagement, Strategic Environmental Assessment and Integrated Impact Assessment activities, alongside development of the commercial, financial and management business cases. The completed overarching business case will be presented to partners for approval and will establish a long-term regional investment programme for South East Scotland.
- 8.3 For the next Committee meeting, SEStransit will be fully incorporated into this report with the same detail available as for other programmes. Members should also note that a tender is currently underway to secure additional programme management resource to oversee the next phase of SEStransit up to 31st December 2027.

9 **CROSS PROGRAMME WORK**

- 9.1 This area of works covers Comms and Marketing, Project Consultancy, and the projects contingency budget.

9.2 Comms and Marketing

This funding has covered the redesign of the SEStran logo (which is now complete), and will also be used to rebuild and redesign the SEStran website to enable our messaging to reach our target audiences in a clear, effective and impactful way (for which work is now underway). There are no specific risks for this area of work. Milestones are all complete or on track, with the procurement for the website completed slightly late, but work will still complete in advance of 31st March 2027. The budget is fully allocated with a small contingency remaining.

9.3 Project Consultancy

This funding has covered seconded roles within the projects team to provide additional capacity and experience. There are no specific milestones or risks associated with this budget. We are predicting a slight underspend based on current commitments, which cancels out the slight overspend noted in 9.4.

9.4 Projects Contingency

This budget is covering a wide range of both unexpected costs that have come up in year related to other delivery areas, as well as providing funding for standalone opportunities that have arisen, such as sponsorship of a Powering Futures Challenge, work looking at land value capture, and support for work on a data strategy. There are no specific milestones or risks associated with this project. The budget is predicting a slight overspend based on current commitments, which is cancelled out by the slight underspend noted in 9.3.

10 **RECOMMENDATIONS**

10.1 The Board is asked to note the contents of this report

Michael Melton
Programme Manager
25th September 2026

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.

SUMMARY OF GRANT AWARDS

1 INTRODUCTION

- 1.1 The purpose of this paper is to report grant awards for 2026/27 for noting.

2 GRANT AWARDS

- 2.1 As per the Grant Standing Orders, grant awards in 2026/27 have been made to various organisations to support delivery of People and Place, Transport to Employment, and wider activities to further the aims of the RTS.
- 2.2 Appendix 1 sets out the 3 Transport to Employment grant awards that have been made since the last Board meeting.
- 2.3 There have been no other new grant awards or grant award variations since the last Board meeting.

3 RECOMMENDATIONS

- 3.1 The Partnership Board is asked to note the content of this report and the grant awards and variations contained in appendix 1.

Michael Melton
Programme Manager
25th September 2026

Appendix 1: New Transport to Employment 2026/27 grant awards

Policy Implications	All grant awards are made to support the aims of the RTS. Grant awards for People and Place and Transport to Employment also support national policy objective set by Transport Scotland
Financial Implications	All costs are within the approved budget. Grant for People and Place and Transport to Employment are funded via a grant from Transport Scotland to SEStran. Funding agreements are in place for each grant to ensure funds are appropriately managed.
Equalities Implications	In supporting people to travel sustainably, the grants should have a positive impact on equalities. All grantees are expected to comply with the Public Sector Equality Duty when carrying out grant funded activity.
Climate Change Implications	In promoting sustainable travel, the grants will support the transition to net zero.

New Transport to Employment 2026/27 grant awards

Project Name	Organisation	Programme Area	Total Award
Coalsnaughton Shuttle Service	Clackmannanshire Council	Rural Transport to Work and Further Education	£20,197
Gilmerton Bus Connections	City of Edinburgh Council	Transport to large workplaces	£250,000
Out of School Care Transport	City of Edinburgh Council	Working with School Communities	£35,000

Public Services Reform (Scotland) Act 2010 2025/2026

1. INTRODUCTION

- 1.1 The Regional Transport Partnerships are included in the schedule of the Public Services Reform (Scotland) Act 2010. This requires annual publication of certain information and this report advises the Board of the information to be published.

2. DATA TO BE PUBLISHED

2.1 Expenditure

- 2.1.1 Section 31 (1) and (2) require public bodies to publish as soon as is reasonably practicable after the end of each financial year a statement of any expenditure they have incurred during that financial year on or in connection with the following matters:
- Public relations
 - Overseas travel
 - Hospitality and entertainment
 - External consultancy
 - Payments with a value in excess of £25,000
 - Members or employees who received remuneration in excess of £150,000.

2.2 SUSTAINABLE ECONOMIC GROWTH

- 2.2.1 Section 32(1)(a) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement of the steps it has taken during that financial year to promote and increase sustainable growth through the exercise of its functions. As this requires the publication of a statement it is not sufficient simply to refer to other published material such as the annual report.

2.3 EFFICIENCY, EFFECTIVENESS & ECONOMY

- 2.3.1 Section 32(1)(b) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement of the steps it has taken during that financial year to improve efficiency, effectiveness and economy in the exercise of its functions. Again, this requires the publication of a free standing statement and it is not sufficient simply to refer to other published material such as the annual report.

2.4 The data as described in sections 2.1 to 2.3 of this report is included in appendix 1 of this report and will be published on the SEStran website in accordance with the requirements of the Act.

3. RECOMMENDATION

3.1 The Board is asked to note the content of the material for publication under the Public Services Reform (Scotland) Act 2010 and detailed in appendix 1 of this report.

Michael Melton
Programme Manager
18 September 2026

Appendix 1 – Statement of Compliance with the Public Services Reform (Scotland) Act 2010

Appendix 2 – PSRA Invoice Details

Policy Implications	None
Financial Implications	As detailed in appendix 1.
Equalities Implications	None
Climate Change Implications	None

Appendix 1 - Statements of Compliance with the Public Services Reform (Scotland) Act 2010 2025/2026

1. BACKGROUND

- 1.1 Sections 31 and 32 of the Public Services Reform (Scotland) Act 2010 (“the Act”) impose duties on Scottish public bodies to publish information on expenditure and certain other matters as soon as is reasonably practicable after the end of each financial year. This statement is produced by the South East of Scotland Transport Partnership (SEStran) to ensure compliance with the requirements of the Act.
- 1.2 SEStran works hard to be a transparent, responsive, best-value organisation that delivers on its vision for the South East of Scotland’s transport network, as outlined in its statutory Regional Transport Strategy.
- 1.3 SEStran’s vision aims to deliver:
- “A South-East of Scotland, fully integrated transport system that will be efficient, connected and safe; create inclusive, prosperous and sustainable places to live, work and visit; be affordable and accessible to all, enabling people to be healthier; and delivering the region’s contribution to net zero emissions targets.”***
- 1.4 SEStran’s annual report and accounts for 2025/26 set out the impact of this work and the outcomes achieved, together with associated costs. The draft annual report for 2025/26 was presented to the SEStran Partnership Board in September 2026. The purpose of this PRSA statement is to disclose those costs which are relevant to Section 31(1) and (2) of the Act. A link to this report will be published with the finalised Annual Report.
- 1.5 Section 31(1) of the 2010 Act requires public bodies to publish as soon as is reasonably practical after the end of each financial year a statement of any expenditure they have incurred during that financial year on or in connection with the following matters:
- Public relations
 - Overseas travel
 - Hospitality & entertainment
 - External consultancy
 - Payments more than £25,000.00
 - Members or employees who received remuneration in excess of £150,000.00
- 1.6 Public bodies are required to publish the total amount of expenditure incurred during each financial year on or in connection with each of the categories set

out above, but it is of course open to SEStran to publish a more detailed breakdown of expenditure if they so wish.

2. PUBLIC RELATIONS

- 2.1 SEStran spent £147,996 on public relations in 2025/26.

This represents 2% of the total expenditure for the year. This compares to a spend of £149,049 in 2024/25 which was 2.5% of total expenditure.

Of this, £65,448.31 was for internal staff costs. The majority of the external expenditure was on marketing costs to increase awareness of and support the delivery of SEStran project activity and available services, for example, the Thistle Assistance Programme and the People and Place active travel behaviour change programme, as well as the SEStran at Twenty conference.

3. OVERSEAS TRAVEL

- 3.1 SEStran incurred an expenditure of £0 on overseas travel in 2025/26.

4. HOSPITALITY & ENTERTAINMENT

- 4.1 SEStran incurred an expenditure of £0 on hospitality in 2025/26.

5. EXTERNAL CONSULTANCY

- 5.1 SEStran incurred expenditure of £298,780.64 on external consultancy.

This is the equivalent of 4% of the total expenditure for the year. This compares to a spend of £583,424 in 2024/25 which was 9.6% of total expenditure.

Most of this spend relates to the delivery of specific SEStran projects, with almost half related to the delivery and development of the People and Place programme, and the remainder split across other delivery areas.

6. PAYMENTS IN EXCESS OF £25,000

- 6.1 Section 31(3) of the Act places a duty on public bodies to publish the amount, date, payee and subject matter of any payment made during the financial year which has a value in excess of £25,000.

- 6.2 Throughout 2025/2026 SEStran paid various organisations (excluding consultants) more than £25,000 over several payments. These are listed below:

Payee	Subject Matter	Gross Amount
Borders Wheels	People and Place grant	£28,960.05
City of Edinburgh Council	People and Place grant, contribution to regional EV charging work, and various core costs	£1,007,867.28
Clackmannanshire Council	People and Place grant	£214,834.09
CoMoUK	People and Place grant	£45,253.62
Cycling Scotland	People and Place grant	£ 25,711.44
Cycling UK	People and Place grant	£548,786.26
East Lothian Council	People and Place grant and refund for east coast rail subscription costs	£ 130,126.20
Falkirk Council	People and Place grant	£ 115,393.66
FEL Scotland	People and Place grant	£580,529.50
Fife Council	People and Place grant	£319,958.83
Forth Valley College	People and Place grant	£38,997.31
Greener Kirkaldy	People and Place grant	£230,046.08
Jera IT	IT support and management	£46,429.83
Journeo Passenger Systems Ltd	Purchase of real time passenger information screen equipment	£151,853.87
Living Streets	People and Place grant	£104,930.94
Midlothian Council	People and Place grant	£252,745.55
Paths for All	People and Place grant	£100,050.51
Republic of Media	Regional Bike Share and Thistle Assistance advertising costs, and transport to healthcare consultation promotion	£48,345.40
Scottish Borders Council	People and Place grant and refund for east coast rail subscription costs	£492,627.91
Scottish Government	Repayment of overpaid grant sums	£112,528.04
SHRUB Cooperative	People and Place Grant	£31,057.90
The Bike Station	People and Place grant	£377,282.68
Trapeze	Third party system (Novus FX) used to provide bus real-time information	£60,528.43
University of Edinburgh	People and Place grant	£53,145.24
Walk Wheel Cycle Trust (formerly known as Sustrans)	People and Place grant	£533,154.70
West Lothian Council	People and Place grant	£188,947.52

- 6.3 Throughout 2025/2026 SEStran paid certain consultants more than £25,000 over several payments. These are listed below:

Supplier	Subject Matter	Total Amount
Arup	Professional Services in relation to the SEStran Strategic Network active travel route design	£32,229.13
Systra	Regional Bus Strategy development	£57,115.39
Urban Foresight	Programme evaluation for People and Place and development of Transport to Health case for change	£64,776.60
UrbanTide Ltd	Data dashboard development and subscription costs for People and Place	£57,040.00

7. MEMBERS OR EMPLOYEES WHO RECEIVE REMUNERATION IN EXCESS OF £150,000

- 7.1 Section 31(4) of the Act places a duty on public bodies to publish the number of individuals who received remuneration more than £150,000.
- 7.2 No employee, office holder or other individual involved with SEStran received remuneration more than £150,000 during 2025/26.

8. SUSTAINABLE ECONOMIC GROWTH

- 8.1 Section 32(1)(a) of the Act places a duty on public bodies to publish a statement of the steps it has taken during the financial year to promote and increase sustainable growth through the exercise of its functions.
- 8.2 SEStran is a statutory body, under the Transport (Scotland) Act 2005 and is tasked with producing a Regional Transport Strategy for the South East of Scotland.
- 8.3 The following sets out the steps that SEStran has taken in 2025/26 to promote and increase sustainable economic growth in the exercise of its functions. Further information on this and our work is contained in our Audited Annual Accounts and Annual Report for 2025/26.
- 8.4 SEStran, in collaboration with its partner organisations, plays a pivotal role in fostering sustainable economic growth through the planning and execution of regional transportation enhancements. Additionally, it provides crucial support for transportation services, with key projects like real-time passenger information and Thistle Assistance. SEStran's continuous investment and project implementation initiatives significantly bolster the regional economy.

This multifaceted effort encompasses all modes of transportation and is geared towards enhancing connectivity, accessibility, emissions reduction, and offering an appealing, seamless, and dependable travel experience. These facets are fundamental components of sustainable economic advancement.

- 8.5 The Regional Transport Strategy (RTS), which was approved by Scottish Ministers in March 2023, constitutes a vital statutory mandate for SEStran. SEStran maintains close collaboration with its constituent councils, Transport Scotland, regional growth deals, and other stakeholders to ensure the coordination, efficient implementation, and alignment of transportation policies and programs in the southeast of Scotland with the overarching goal of contributing to sustainable economic growth.
- 8.6 SEStran's internal staff training and development policies culminate in the cultivation of a highly skilled team, ideally positioned to meet the evolving needs of the economy.

9. EFFICIENCY, EFFECTIVENESS AND ECONOMY

- 9.1 Section 32(1)(a) of the Act requires public bodies to publish a statement of the steps taken to improve efficiency, effectiveness, and economy in the exercise of their functions.
- 9.2 The following sets out the steps that South-East of Scotland Regional Transport Partnership (SEStran) has taken in 2025/26 to improve its efficiency, effectiveness, and economy in the exercise of its functions.
- 9.3 Supporting the principles of public sector reform, SEStran is aware of the overall need to ensure the delivery of public services as efficiently and effectively as possible.
- 9.4 In relation to the Scottish Government's National Outcome 16: Our public services are high quality, continually improving, efficient and responsive to local people's needs, we are committed to delivering services that are high quality, continually improving, efficient and responsive.
- 9.5 When purchasing and procuring SEStran have continued to make use of the Public Contracts Scotland (PCS) portal and available public sector frameworks, to maximise best value for money opportunities. It is intended to continue to use available frameworks and PCS for procurement.
- 9.6 In the current economic climate, and with reduced resources, SEStran will continue to work with stakeholders, partners, contractors and suppliers to ensure effective delivery of strategy, policy and projects that deliver against the RTS and the vision for the transport network of the South East of Scotland.

End of Appendix.

SESTRAN

Public Services Reform (Scotland) Act 2010 Information

Year ended 31st March 2026

1) Public Relations

Account code 3531/ 3541

Supplier	External costs - invoiced (net)	Internal Staff Costs	Supplier Total	Comments
Alliance Print	£47.58			25074
Alliance Print	£98.82			25075
Alliance Print	£734.18			25122
Alliance Print	£3,660.00			25221
Alliance Print	£1,437.24			25376
Alliance Print	£107.17			25520
Alliance Print	£141.56			25655
			£6,227	
Blanche Anderson	£525.00			INV-1488
			£525	
DC Publishing Ltd	£1,300.00			DCP14898
			£1,300	
Hillside Agency Ltd	£95.00			INV-4014
			£95	
Republic of Media	-£999.26			024694 credit note
Republic of Media	£957.59			024695
Republic of Media	£1,161.50			028334
Republic of Media	£21,837.20			028335
Republic of Media	-£2.64			028906
Republic of Media	£303.30			31432
Republic of Media	£4,677.59			031764
Republic of Media	£5,331.94			031765
Republic of Media	£7,026.98			032181
			£40,294	
Solo Films Production Ltd	£17,260.00			1557
			£17,260	
UnionDirect	£4,301.00			13254
UnionDirect	£4,754.00			13317
UnionDirect	£1,225.00			13328
UnionDirect	£633.60			13348
			£10,914	
Total	£76,614.35		£76,614.35	

SESTRAN
Public Services Reform (Scotland) Act 2010 Information
Year ended 31st March 2026

2) Overseas Travel Account code 2821

Reason	Origin / Destination	Travel Costs	Subsistence	Accommodation	Comments	Cost to SEStran
						0.00
						0.00
						0.00
						0.00
						0.00
Total		0.00	0.00	0.00		0.00

SESTRAN
Public Services Reform (Scotland) Act 2010 Information
Year ended 31st March 2026

3) Hospitality & Entertainment Account code 3849
description

Supplier	Project / Service	Net Amount	Comments	EU Contribution	Cost to SEStran	internal ref
		0.00		Total	0.00	

4) External Consultancy

Account code 4841

Supplier	Project / Service	Net Amount	Supplier Total	Transaction Type
Anderson Strathern	People & Places - Revenue EXP	£783.83		
			£783.83	
Andrew Ferguson	Project Consultancy Support	£1,280.00		
Andrew Ferguson	Project Consultancy Support	£1,120.00		
Andrew Ferguson	Project Consultancy Support	£1,040.00		
Andrew Ferguson	Project Consultancy Support	£1,520.00		
Andrew Ferguson	Project Consultancy Support	£2,052.00		
Andrew Ferguson	Project Consultancy Support	£1,244.00		
Andrew Ferguson	Project Consultancy Support	£2,028.00		
Andrew Ferguson	Project Consultancy Support	£1,296.00		
Andrew Ferguson	Project Consultancy Support	£1,244.00		
Andrew Ferguson	Project Consultancy Support	£1,920.00		
Andrew Ferguson	Project Consultancy Support	£2,080.00		
Andrew Ferguson	Project Consultancy Support	£2,160.00		
			£18,984.00	
Anup	Active Travel Network	£15,666.00		
Anup	Active Travel Network	£16,563.13		
			£32,229.13	
Bike For Good	Go e-BIKE	£299.00		
			£299.00	
City of Edinburgh Council	Regional EV Infrastructure	£10,000.00		
			£10,000.00	
Euan Cherry Photography	Conference Sestrans @ 20	£529.20		
			£529.20	
Frank Rankin	CORE	£4,500.00		
			£4,500.00	
Gordon Electrical Ltd	Sustainable Travel Awareness	£800.00		
			£800.00	
Harts Cyclery	People & Places - Revenue EXP	£487.50		
			£487.50	
Jacobs UK	People & Places - Capital Exp	3,079.00		
Jacobs UK	People & Places - Revenue EXP	£8,251.00		
Jacobs UK	People & Places - Revenue EXP	£12,501.80		
			£21,831.80	
LanerMcGrath	RTS Delivery Plan	£500.00		
			£500.00	
Mott MacDonald	Mobility as a Service (MAAS)	£6,453.33		
			£6,453.33	
Nestrans	People & Places - Revenue EXP	£11,086.22		
Nestrans	People & Places - Revenue EXP	£2,844.10		
Nestrans	People & Places - Revenue EXP	£2,844.10		
			£16,774.42	
Philippa Barber	Go e-BIKE	£75.00		
Philippa Barber	Go e-BIKE	£141.00		
Philippa Barber	People & Places - Revenue EXP	£476.40		
			£692.40	
RBD Advisory	RTS Delivery Plan	£1,907.17		
			£1,907.17	
ScotIncGrowth		£1,125.00		
			£1,125.00	
Scottish Cycling	People & Places - Revenue EXP	£13,392.28		
			£13,392.28	
Scotts Cycle Services	Conference Sestrans @ 20	£170.00		
			£170.00	
Shona Drummond Marketing	People & Places - Revenue EXP	£7,490.00		
Shona Drummond Marketing	People & Places - Revenue EXP	£482.16		
Shona Drummond Marketing	People & Places - Revenue EXP	£482.16		
			£8,454.32	
Strategic Transport Consulting	RTS Delivery Plan	£2,422.50		
Strategic Transport Consulting	RTS Delivery Plan	£2,612.50		
Strategic Transport Consulting	RTS Delivery Plan	£2,612.50		
Strategic Transport Consulting	RTS Delivery Plan	£3,752.50		
			£11,400.00	
Systra Ltd	Bus Strategy Development	£31,730.77		
Systra Ltd	Bus Strategy Development	£25,384.62		
			£57,115.39	
Tactran	Mobility as a Service (MAAS)	£7,397.43		
			£7,397.43	
The Bike Station	Go e-BIKE	£1,666.67		
			£1,666.67	
Think Tyne	Equalities access 2 healthcare	£5,605.00		
			£5,605.00	
ThriveWise Ltd	CORE	£2,000.00		
			£2,000.00	
Urban Foresight Ltd	People & Places - Revenue EXP	£4,473.00		
Urban Foresight Ltd	People & Places - Revenue EXP	£1,575.00		
Urban Foresight Ltd	Equalities access 2 healthcare	£10,753.50		
Urban Foresight Ltd	People & Places - Revenue EXP	£10,768.00		
Urban Foresight Ltd	People & Places - Capital Exp	£2,264.00		
Urban Foresight Ltd	Equalities access 2 healthcare	£14,338.00		
Urban Foresight Ltd	People & Places - Capital Exp	£9,789.00		
			£53,980.50	
UrbanTide Ltd	People & Places - Revenue EXP	£18,800.00		
UrbanTide Ltd	People & Places - Revenue EXP	£16,960.00		
UrbanTide Ltd	People & Places - Capital Exp	£6,000.00		
UrbanTide Ltd	People & Places - Revenue EXP	£10,080.00		
UrbanTide Ltd	People & Places - Capital Exp	£5,200.00		
			£57,040.00	
Vibrantly Revive	People & Places - Revenue EXP	£2,205.00		
Vibrantly Revive	People & Places - Revenue EXP	£245.00		
Vibrantly Revive	People & Places - Revenue EXP	£1,085.00		
Vibrantly Revive	People & Places - Revenue EXP	£1,085.00		
			£4,620.00	
Vivacity Labs Ltd	Sustainable Travel Awareness	£900.00		
			£900.00	
West Lothian Bike Library	Go e-BIKE	£1,983.00		
West Lothian Bike Library	People & Places - Revenue EXP	£2,920.00		
			£4,903.00	
West Lothian Bike Library CIC	Go e-BIKE	£421.00		
West Lothian Bike Library CIC	Go e-BIKE	£436.68		
West Lothian Bike Library CIC	Go e-BIKE	£1,990.00		
			£2,847.68	
Yunex	Go e-BIKE	£505.00		
			£505.00	
Total		£349,894.05	£349,894.05	

SESTRAN

Public Services Reform (Scotland) Act 2010 Information

Year ended 31st March 2026

5) Payments in Excess of £25,000 (including VAT)

Payee	Commodity / Service Description	Payment Date	Gross Amount	Supplier Total
Arup	Transport Appraisal	01/05/2025	£19,875.76	
Arup			£18,799.20	
				38,674.96
Borders Wheels	People & Places - Revenue Expenditure	22/01/2026	£9,123.31	
Borders Wheels	People & Places - Revenue Expenditure	24/11/2025	£10,386.09	
Borders Wheels	People & Places - Revenue Expenditure	29/08/2025	£9,450.65	
				28,960.05
City of Edinburgh Council	People & Places - Capital Expenditure	28/10/2025	£21,333.68	
City of Edinburgh Council	People & Places - Revenue Expenditure	28/10/2025	£6,437.21	
City of Edinburgh Council	CORE	15/10/2025	£375.00	
City of Edinburgh Council	CORE	07/10/2025	£129.60	
City of Edinburgh Council	CORE	04/09/2025	£483.75	
City of Edinburgh Council	People & Places - Capital Expenditure	31/03/2026	£231,051.93	
City of Edinburgh Council	People & Places - Revenue Expenditure	31/03/2026	£34,076.55	
City of Edinburgh Council	CORE	24/11/2025	£114.00	
City of Edinburgh Council	CORE		£311.00	
City of Edinburgh Council	CORE		£383.00	
City of Edinburgh Council	People & Places - Capital Expenditure	28/04/2025	£366,368.81	
City of Edinburgh Council	People & Places - Revenue Expenditure	28/04/2025	£128,981.43	
City of Edinburgh Council	People & Places - Capital Expenditure	28/04/2025	£90,927.65	
City of Edinburgh Council	People & Places - Revenue Expenditure	28/04/2025	£25,727.29	
City of Edinburgh Council	CORE	07/10/2025	£108.00	
City of Edinburgh Council	Regional EV Infrastructure		£12,000.00	
City of Edinburgh Council	People & Places - Revenue Expenditure	19/12/2025	£65,450.75	
City of Edinburgh Council	People & Places - Capital Expenditure	19/12/2025	£23,499.63	
City of Edinburgh Council	CORE		£108.00	
				1,007,867.28
Clackmannanshire Council	People & Places - Capital Expenditure	09/06/2025	£170,199.74	
Clackmannanshire Council	People & Places - Revenue Expenditure	09/06/2025	£10,521.00	
Clackmannanshire Council	People & Places - Capital Expenditure	05/02/2026	£4,874.55	
Clackmannanshire Council	People & Places - Revenue Expenditure	05/02/2026	£9,124.99	
Clackmannanshire Council	People & Places - Capital Expenditure	25/11/2025	£5,885.00	
Clackmannanshire Council	People & Places - Revenue Expenditure	25/11/2025	£2,544.00	
Clackmannanshire Council	People & Places - Capital Expenditure	Jul/Aug 2025	£11,429.81	
Clackmannanshire Council	People & Places - Revenue Expenditure	Jul/Aug 2025	£255.00	
				214,834.09
CoMoUK	People & Places - Capital Expenditure	05/02/2026	£16,592.45	
CoMoUK	People & Places - Capital Expenditure	31/10/2025	£16,159.15	
CoMoUK	People & Places - Revenue Expenditure	31/10/2025	£650.00	
CoMoUK	People & Places - Capital Expenditure	Jul/Aug 2025	£11,852.02	
				45,253.62
Cycling Scotland - A2B	People & Places - Capital Expenditure	09/05/2025	£25,711.44	
				25,711.44
Cycling UK	People & Places - Capital Expenditure	23/01/2026	£29,206.98	
Cycling UK	People & Places - Capital Expenditure	23/01/2026	£29,197.25	
Cycling UK	People & Places - Capital Expenditure	05/11/2025	£95,513.92	
Cycling UK	People & Places - Capital Expenditure		£29,867.78	
Cycling UK	People & Places - Capital Expenditure	31/10/2025	£29,292.82	
Cycling UK	People & Places - Capital Expenditure	24/07/2025	£30,315.75	
Cycling UK	People & Places - Capital Expenditure	15/08/2025	£62,104.00	
Cycling UK	People & Places - Capital Expenditure	24/07/2025	£29,270.40	
Cycling UK	People & Places - Capital Expenditure	23/05/2025	£40,661.00	
Cycling UK	People & Places - Capital Expenditure	Jan 2026	£124,502.79	
Cycling UK	People & Places - Capital Expenditure	09/05/2025	£48,853.57	
				548,786.26
East Lothian Council	Rail Strategy	04/03/2026	£1,800.00	
East Lothian Council	People & Places - Capital Expenditure	19/05/2025	£98,010.45	
East Lothian Council	People & Places - Revenue Expenditure	19/05/2025	£5,935.79	
East Lothian Council	People & Places - Capital Expenditure	06/03/2026	£24,104.96	
East Lothian Council	People & Places - Revenue Expenditure	23/01/2026	£275.00	
				130,126.20
Falkirk Council	People & Places - Capital Expenditure	23/05/2025	£54,000.00	

Falkirk Council	People & Places - Capital Expenditure	05/02/2026	£41,393.66	
Falkirk Council	People & Places - Revenue Expenditure	Jul/Aug 2025	£20,000.00	
				115,393.66
FEL - Community	People & Places - Capital Expenditure	16/05/2025	£13,271.37	
FEL - Community	People & Places - Revenue Expenditure	16/05/2025	£5,300.06	
FEL - Community	People & Places - Capital Expenditure	Jul/Aug 2025	£11,894.02	
FEL - Community	People & Places - Revenue Expenditure	Jul/Aug 2025	£11,604.09	
FEL - Schools	People & Places - Revenue Expenditure	16/05/2025	£24,650.29	
FEL - Schools	People & Places - Capital Expenditure	18/08/2025	£90,300.00	
FEL - Schools	People & Places - Revenue Expenditure	18/08/2025	£5,481.00	
FEL - Schools	People & Places - Revenue Expenditure	05/06/2025	£87,027.00	
FEL Scotland	People & Places - Capital Expenditure	06/03/2026	£173,749.92	
FEL Scotland	People & Places - Revenue Expenditure	06/03/2026	£1,637.16	
FEL Scotland	People & Places - Capital Expenditure	16/02/2026	£29,263.02	
FEL Scotland	People & Places - Revenue Expenditure	16/02/2026	£8,672.44	
FEL Scotland	People & Places - Capital Expenditure	16/02/2026	£21,288.45	
FEL Scotland	People & Places - Revenue Expenditure	16/02/2026	£2,642.68	
FEL Scotland	People & Places - Capital Expenditure	24/12/2025	£13,458.26	
FEL Scotland	People & Places - Revenue Expenditure	24/12/2025	£8,579.00	
FEL Scotland	People & Places - Capital Expenditure	22/12/2025	£1,892.41	
FEL Scotland	People & Places - Revenue Expenditure	22/12/2025	£20,885.56	
FEL Scotland	People & Places - Capital Expenditure	15/12/2025	£47,416.43	
FEL Scotland	People & Places - Revenue Expenditure	15/12/2025	£1,516.34	
				580,529.50
Fife Council	People & Places - Capital Expenditure	09/06/2025	£228,200.00	
Fife Council	People & Places - Revenue Expenditure	09/06/2025	£91,758.83	
				£319,958.83
Forth Valley College	People & Places - Revenue Expenditure	10/02/2026	£20,530.86	
Forth Valley College	People & Places - Revenue Expenditure	Jul/Aug 2025	£18,466.45	
				£38,997.31
Greener Kirkcaldy	People & Places - Revenue Expenditure	20/06/2025	£18,743.80	
Greener Kirkcaldy	People & Places - Capital Expenditure	05/02/2026	£23,154.02	
Greener Kirkcaldy	People & Places - Revenue Expenditure	05/02/2026	£845.70	
Greener Kirkcaldy	People & Places - Capital Expenditure	04/02/2026	£26,308.58	
Greener Kirkcaldy	People & Places - Capital Expenditure	25/04/2025	£14,000.00	
Greener Kirkcaldy	People & Places - Revenue Expenditure	25/04/2025	£20,710.00	
Greener Kirkcaldy	People & Places - Revenue Expenditure	22/12/2025	£6,366.00	
Greener Kirkcaldy	People & Places - Capital Expenditure	22/12/2025	£26,488.33	
Greener Kirkcaldy	People & Places - Capital Expenditure	25/11/2025	£29,044.48	
Greener Kirkcaldy	People & Places - Capital Expenditure	04/08/2025	£32,450.00	
Greener Kirkcaldy	People & Places - Capital Expenditure	Jul/Aug 2025	£31,935.17	
				230,046.08
Jera IT	CORE	30/03/2026	£7,341.12	
Jera IT	CORE	31/03/2026	£2,933.62	
Jera IT	CORE	30/03/2026	£165.60	
Jera IT	CORE	03/03/2026	£2,733.22	
Jera IT	CORE	03/02/2026	-£756.76	
Jera IT	CORE	20/02/2026	£3,456.00	
Jera IT	CORE	03/02/2026	£3,111.67	
Jera IT	CORE	04/02/2026	£66.24	
Jera IT	CORE	31/12/2025	£3,111.67	
Jera IT	CORE	01/12/2025	£3,111.68	
Jera IT	CORE	31/10/2025	£2,354.76	
Jera IT	CORE	01/10/2025	£2,354.76	
Jera IT	CORE	15/09/2025	£333.00	
Jera IT	CORE	01/09/2025	£2,343.24	
Jera IT	CORE	31/07/2025	£2,343.24	
Jera IT	CORE	01/07/2025	£2,343.24	
Jera IT	CORE	09/06/2025	£522.85	
Jera IT	CORE	30/06/2025	£3,139.04	
Jera IT	CORE	02/06/2025	£2,343.24	
Jera IT	CORE	01/05/2025	£2,343.24	
				£45,694.67
Journeo	RTPI Regional Framework	05/03/2026	£71,077.50	
Journeo	RTPI Regional Framework	24/04/2025	£13,345.44	
Journeo	RTPI Regional Framework	17/04/2025	£5,479.20	
Journeo	RTPI Regional Framework	17/04/2025	£5,479.20	
Journeo	RTPI Regional Framework	17/04/2025	£6,956.40	
Journeo	RTPI Regional Framework		£31,682.40	
Journeo	RTPI Regional Framework	24/11/2025	£17,833.73	
				£151,853.87
Living Streets	People & Places - Revenue Expenditure	24/03/2026	£25,362.50	

Living Streets	People & Places - Revenue Expenditure	16/05/2025	£18,617.00	
Living Streets	People & Places - Revenue Expenditure	03/02/2026	£26,035.13	
Living Streets	People & Places - Revenue Expenditure	09/05/2025	£34,916.31	
				£104,930.94
Midlothian Council	People & Places - Capital Expenditure		£42,460.36	
Midlothian Council	People & Places - Revenue Expenditure	09/06/2025	£46,967.14	
Midlothian Council	People & Places - Capital Expenditure	09/06/2025	£125,000.00	
Midlothian Council	People & Places - Capital Expenditure	23/01/2026	£15,094.54	
Midlothian Council	People & Places - Revenue Expenditure	23/01/2026	£14,910.40	
Midlothian Council	People & Places - Capital Expenditure	31/10/2025	£4,897.12	
Midlothian Council	People & Places - Revenue Expenditure	31/10/2025	£1,248.80	
Midlothian Council	People & Places - Capital Expenditure	Jul/Aug 2025	£983.51	
Midlothian Council	People & Places - Revenue Expenditure	Jul/Aug 2025	£1,183.68	
				£252,745.55
Paths for All		06/06/2025	£29,965.00	
Paths for All	People & Places - Capital Expenditure	09/05/2025	£13,482.18	
Paths for All	People & Places - Revenue Expenditure	09/05/2025	£19,346.33	
Paths for All	People & Places - Revenue Expenditure	09/06/2025	£9,131.00	
Paths for All	People & Places - Capital Expenditure	05/11/2025	£4,688.00	
Paths for All	People & Places - Revenue Expenditure	05/11/2025	£9,375.00	
Paths for All	People & Places - Capital Expenditure	Jul/Aug 2025	£4,688.00	
Paths for All	People & Places - Revenue Expenditure	Jul/Aug 2025	£9,375.00	
				£100,050.51
Republic of Media	Thistle Assistance	17/04/2025	£26,200.35	
Republic of Media	Thistle Assistance	17/04/2025	£1,393.80	
Republic of Media	Thistle Assistance	12/02/2026	£8,431.00	
Republic of Media	Thistle Assistance	31/12/2025	£6,397.29	
Republic of Media	Equalities Access 2 Healthcare	13/01/2026	£5,612.18	
Republic of Media	Thistle Assistance		£363.90	
Republic of Media	Regional Bike Share		£1,148.91	
Republic of Media	Regional Bike Share		-£1,198.90	
Republic of Media	Thistle Assistance	31/12/2025	-£3.13	
				£48,345.40
Scottish Borders Council	People & Places - Capital Expenditure	18/08/2025	£27,370.60	
Scottish Borders Council	People & Places - Revenue Expenditure	18/08/2025	£6,638.00	
Scottish Borders Council	Rail Strategy	16/02/2026	£1,800.00	
Scottish Borders Council	People & Places - Capital Expenditure	25/04/2025	£152,535.00	
Scottish Borders Council	People & Places - Revenue Expenditure	25/04/2025	£60,635.00	
Scottish Borders Council	People & Places - Capital Expenditure	09/02/2026	£122,498.63	
Scottish Borders Council	People & Places - Revenue Expenditure	09/02/2026	£61,851.40	
Scottish Borders Council	People & Places - Capital Expenditure	31/10/2025	£20,901.28	
Scottish Borders Council	People & Places - Revenue Expenditure	31/10/2025	£38,398.00	
				£492,627.91
Scottish Government	CORE		£5,084.66	
Scottish Government	CORE	20/06/2025	£4,987.44	
Scottish Government	CORE	25/04/2025	£2,702.00	
Scottish Government	CORE		£15,253.94	
Scottish Government	Active Travel Network		£84,500.00	
				£112,528.04
SHRUB Cooperative	People & Places - Capital Expenditure	20/03/2026	£16,226.21	
SHRUB Cooperative	People & Places - Revenue Expenditure	20/03/2026	£5,303.84	
SHRUB Cooperative	People & Places - Capital Expenditure	13/11/2025	£9,527.85	
				£31,057.90
SUStans	People & Places - Revenue Expenditure	02/06/2025	£30,244.81	
SUStans	People & Places - Capital Expenditure	20/06/2025	£67,383.98	
SUStans	People & Places - Revenue Expenditure	20/06/2025	£101,365.04	
SUStans	People & Places - Capital Expenditure	18/08/2025	£66,549.00	
SUStans	People & Places - Revenue Expenditure	18/08/2025	£63,574.14	
				£329,116.97
Systra	Bus Strategy Development	17/04/2025	£38,076.92	
Systra	Bus Strategy Development	08/01/2026	£30,461.54	
				£68,538.46
The Bike Station	People & Places - Capital Expenditure	22/12/2025	£17,408.33	
The Bike Station	People & Places - Revenue Expenditure	22/12/2025	£14,009.39	
The Bike Station	People & Places - Capital Expenditure	03/05/2026	£28,373.41	
The Bike Station	People & Places - Revenue Expenditure	03/05/2026	£19,927.48	
The Bike Station	People & Places - Capital Expenditure	26/05/2025	£51,742.37	
The Bike Station	People & Places - Capital Expenditure	05/02/2026	£9,152.14	
The Bike Station	People & Places - Revenue Expenditure	05/02/2026	£7,004.70	
The Bike Station	People & Places - Capital Expenditure	17/04/2025	£32,509.00	

The Bike Station	People & Places - Capital Expenditure	05/11/2025	£21,771.97	
The Bike Station	People & Places - Revenue Expenditure	05/11/2025	£19,900.29	
The Bike Station	People & Places - Capital Expenditure	09/05/2025	£28,376.60	
The Bike Station	People & Places - Capital Expenditure	10/02/2026	£49,217.50	
The Bike Station	People & Places - Capital Expenditure	05/02/2026	£11,401.38	
The Bike Station	People & Places - Capital Expenditure	22/12/2025	£16,974.19	
The Bike Station	People & Places - Capital Expenditure	31/10/2025	£24,100.38	
The Bike Station	People & Places - Capital Expenditure	Jul/Aug 2025	£25,413.55	
				£377,282.68
Trapeze	People & Places - Revenue Expenditure	04/04/2025	£60,528.43	
				£60,528.43
University of Edinburgh	People & Places - Capital Expenditure	10/02/2026	£2,666.26	
University of Edinburgh	People & Places - Revenue Expenditure	10/02/2026	£22,318.02	
University of Edinburgh	People & Places - Revenue Expenditure	25/04/2025	£9,768.54	
University of Edinburgh	People & Places - Revenue Expenditure	13/11/2025	£18,392.42	
				£53,145.24
Urban Foresight Ltd	People & Places - Capital Expenditure	20/03/2026	£11,746.80	
Urban Foresight Ltd	Equalities Access 2 Healthcare	13/02/2026	£17,205.60	
Urban Foresight Ltd	People & Places - Capital Expenditure	10/11/2025	£2,740.80	
Urban Foresight Ltd	People & Places - Revenue Expenditure	10/11/2025	£12,921.60	
Urban Foresight Ltd	Equalities Access 2 Healthcare	13/11/2025	£12,904.20	
Urban Foresight Ltd	People & Places - Revenue Expenditure	17/10/2025	£1,890.00	
Urban Foresight Ltd	People & Places - Revenue Expenditure	17/10/2025	£5,367.60	
				£64,776.60
UrbanTide Ltd	People & Places - Revenue Expenditure	10/04/2025	£22,560.00	
UrbanTide Ltd	People & Places - Capital Expenditure	29/12/2025	£6,240.00	
UrbanTide Ltd	People & Places - Revenue Expenditure	29/12/2025	£12,096.00	
UrbanTide Ltd	People & Places - Capital Expenditure	24/10/2025	£7,200.00	
UrbanTide Ltd	People & Places - Revenue Expenditure	24/10/2025	£20,352.00	
				£68,448.00
Walk Wheel Cycle Trust	People & Places - Capital Expenditure	03/02/2026	£69,016.35	
Walk Wheel Cycle Trust	People & Places - Revenue Expenditure	03/02/2026	£7,052.97	
Walk Wheel Cycle Trust	People & Places - Revenue Expenditure	05/02/2026	£22,195.19	
Walk Wheel Cycle Trust	People & Places - Revenue Expenditure	22/01/2026	£22,807.22	
Walk Wheel Cycle Trust	People & Places - Capital Expenditure	26/01/2026	£81,436.55	
Walk Wheel Cycle Trust	People & Places - Revenue Expenditure	26/01/2026	£1,529.45	
				£204,037.73
West Lothian Council	People & Places - Capital Expenditure	12/06/2025	£56,987.92	
West Lothian Council	People & Places - Revenue Expenditure	12/06/2025	£7,233.02	
West Lothian Council	People & Places - Capital Expenditure	08/05/2025	£35,650.00	
West Lothian Council	People & Places - Revenue Expenditure	08/05/2025	£51,378.36	
West Lothian Council	People & Places - Capital Expenditure	24/12/2025	£16,090.56	
West Lothian Council	People & Places - Revenue Expenditure	12/06/2025	£21,607.66	
				£188,947.52

£6,079,795.70

6,079,795.70

Human Resources Policy Review

1. INTRODUCTION

- 1.1 The purpose of this report is to provide the Partnership Board with an update on the review of SEStran's employment and governance-related policies: Anti-Bribery and Corruption Policy, Anti-Fraud Policy, Public Interest Disclosure (Whistleblowing) Policy and new Conflict of Interest Policy.
- 1.2 This report has been considered and approved by the Performance and Audit Committee at its meeting on 11th September 2026.

2. BACKGROUND

- 2.1 SEStran is committed to maintaining a suite of up-to-date policies that support good governance, transparency, accountability and compliance with relevant legislative and regulatory requirements.
- 2.2 As part of the rolling policy review programme, officers have undertaken a review of a number of key policies relating to standards of conduct, fraud prevention, bribery and corruption, whistleblowing, and conflicts of interest. Legal support was provided by Anderson Strathern to ensure the policies reflect current good practice and provide appropriate guidance for employees and office holders.
- 2.3 The review also responds to recommendations arising from recent Internal Audit work relating to governance arrangements and the organisation's policy framework.

3. POLICY REVIEW FINDINGS

- 3.1 Following review, four policies are presented for consideration.

3.1.1 Anti-Bribery and Corruption Policy

The policy has been updated and renamed from the former Anti-Bribery Policy to better reflect its broader scope. Key changes include:

- Inclusion of corruption provisions within the policy
- Removal of conflict of interest provisions, which now form a standalone policy
- Removal of the section on adequate procedures to improve clarity and focus
- Extension of the review cycle from annual to biennial

3.1.2 **Anti-Fraud Policy**

The policy has been updated to improve clarity and alignment with current arrangements. Changes include:

- Removal of corruption-related provisions which are now addressed through the Anti-Bribery and Corruption Policy
- Updated definition of fraud

3.1.3 **Public Interest Disclosure Policy**

The policy has been updated to strengthen protections for individuals raising concerns and to reflect current terminology and legislative good practice. Changes include:

- Additional information on the scope of the policy
- Enhanced provisions regarding protection for whistleblowers
- Updating references from the Scottish Executive to the Scottish Government
- Extension of the review cycle from annual to biennial

3.1.4 **Conflicts of Interest Policy**

A new standalone Conflict of Interest Policy has been developed to provide a clear framework for identifying, declaring and managing conflicts of interest. The policy consolidates provisions previously contained within the Anti-Bribery Policy and includes a declaration process for relevant interests. The policy is intended to complement the separate arrangements already in place for Partnership Board Members.

4. GOVERNANCE AND RISK IMPLICATIONS

- 4.1 The reviewed policies support SEStran's commitment to high standards of governance, integrity and ethical conduct. They provide clearer guidance for employees and support the organisation's arrangements for preventing fraud, bribery and corruption, managing conflicts of interest, and encouraging the reporting of concerns.
- 4.2 The implementation of these policies will contribute to mitigating governance and compliance risks identified within the corporate risk register and supports the organisation's wider assurance framework.

5. CONSULTATION

- 5.1 The policies have been reviewed by Anderson Strathern and considered by officers and arrangements are now being made for staff awareness and training to support implementation. Correspondence from Anderson Strathern confirmed that no specific legislative updates were required beyond the revisions incorporated through the review process.

6. RECOMMENDATIONS

- 6.1 It is recommended that the Partnership Board notes the contents of this report.

Angela Chambers
Business Manager
18 September 2026

Links to Policies:

[1 Anti-Bribery and Corruption Policy](#)

[2 Anti-Fraud Policy](#)

[3 Public Interest Disclosure Policy](#)

[4 Conflict of Interest Policy](#)

Policy Implications	The recommendations in this report support SEStran's commitment to maintaining an effective and up-to-date policy framework and strengthen the organisation's governance arrangements.
Financial Implications	There are no direct financial implications arising from approval of the revised policies. Any staff training requirements will be met from existing budgets.
Equalities Implications	The revised policies support fair and transparent organisational practices and provide appropriate protections for employees who raise concerns in the public interest.
Climate Change Implications	There are no direct climate change implications arising from this report.

Urgent Decision – Appointment of Interim Secretary

1. INTRODUCTION

- 1.1 The purpose of this report is to inform the Board of an urgent decision made by the Partnership Director using delegated authority granted to him under Standing Orders.

2. BACKGROUND

- 2.1 In accordance with Standing Order 6.5(1) the Board is obliged to appoint a Secretary. This position had been held by Mr. Gavin King, Head of Democracy and Governance at the City of Edinburgh Council.
- 2.2 Mr. King left the employment of the City of Edinburgh Council at the end of August 2026 and, at the time of writing, no date has yet been indicated for the commencement of the new postholder.
- 2.3 For the purposes of the Board meeting of 25 September 2026 there is a requirement for a Secretary to be in place. In order to fulfil the requirements of Standing Order 6.5(1), it has been necessary for an interim Secretary to be appointed pending a report to the Board at a later date, currently expected to be December 2026, seeking formal approval for the appointment of a permanent Secretary.
- 2.4 The Partnership Director, in accordance with Standing Orders, has used his delegated authority to appoint Andrew Rose, Democratic Services Manager at the City of Edinburgh Council as interim Secretary. The Partnership Director consulted the Chairperson of the Board, as required by Standing Orders, on 16 September 2026

3. RECOMMENDATIONS

- 3.1 To note the appointment of Andrew Rose, Democratic Services Manager at the City of Edinburgh Council as interim Secretary to the Board pending the appointment by the Board of a permanent Secretary at the appropriate time.
- 3.2 To note that the Partnership Director has taken this urgent decision in accordance with Standing Orders – Application of List of Officer Powers (Urgent Decisions).

Brian Butler
Partnership Director
18 September 2026

Policy Implications	None
Financial Implications	None
Equalities Implications	None
Climate Change Implications	None