

ADDENDUM TO BUSINESS PLAN 2024

# Getting it right for our people and our customers

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Going from strength to strength in 2025





## **Our vision**

As an employer of choice Lothian will deliver a sustainable, reliable and fully integrated public transport network which takes into account the changing needs of our customers and the aspirations of our shareholders.

## A note from the MD

As National Transport Awards' Bus Operator of the Year, Lothian head into 2025 on a strong footing.

Delivering 116m customer journeys in 2024, the Lothian business is the backbone of Edinburgh's public transport infrastructure and provides vital bus services for residents and visitors to the city and its surrounding areas.

Throughout 2024, the network has strengthened as we continually grow our operational ability to deliver safe and reliable services for customers. This underpins our environmental and social accountability which in turn makes a positive impact on the communities we serve and the partnerships we manage.

This document highlights the delivery and successful outcomes from 2024 and details clear objectives for each part of the business for delivery throughout 2025. It is an addendum and should be read in conjunction with the [2024 Business Plan](#) which sets out wider company information and strategic context.

The focus throughout 2025 will be on continuing to strengthen the business, exploring further opportunities for growth and progressing our people-led culture to ensure that Lothian deliver for customers, colleagues and shareholders.

As an employer of choice, Lothian is committed to fostering a positive, inclusive culture promoting increased diversity across our industry. We will continue to build on our colleague offering to ensure that our people have the right resource and support to thrive in their roles.

## A note from the MD

Throughout the course of 2025, we will expand technological capabilities to improve the accuracy of data and analysis, enhancing our ability to respond with increasingly meaningful information and decision making.

In line with wider Scottish Government targets Lothian will also continue to advance **Net Zero** plans as we progress with the electrification of Central depot.

As part of the fabric of Edinburgh, Lothian's economic and social value cannot be overstated when considering the wider positive impact to the city and surrounding areas.

The City of Edinburgh Council's (CEC) Public Transport Action Plan states that 'Edinburgh already has one of the best public transport systems in the UK. What is good for public transport is good for Edinburgh.'

In addition, and relevant to the delivery of this Business Plan – Addendum, is the continued intent of CEC as majority shareholder to undertake a reform of its transport companies.

The end state objective is to integrate bus and tram operations. As we move towards wider bus and tram integration, Lothian is fully committed to deliver a world class, socially inclusive and sustainable public transport network for residents and visitors to Scotland's capital city and its surrounding areas.

**Sarah Boyd**

Managing Director, Lothian

# Strong Performance 2024

**+5%↑**

Year-on-year  
passenger numbers



New company  
added to group

**+4%↑**

Year-on-year  
revenue growth



Award winning, including  
*National Bus Operator of the Year*

## COLLEAGUE



Introduction of Modern Apprenticeships



Signing up to the Living Wage



Achieving the SQA driver qualification



Transition to a new Occupational Health provider



Facilities upgrades for a number of areas



Designing a new driver uniform

## CUSTOMER



Enhanced the network, building frequencies and adding new routes



New customer app



Introduction of electric buses



Sustainable Lost Property partnership with Shelter Scotland



New Tours brand



Upgraded real-time system



Lothian's success is due to the strength and talent of its people. We will continue to evolve our culture and make the working environment a fair and inclusive place where talent is nurtured and people can thrive.

## Highlights of 2024

- ★ Introduction of the Modern Apprenticeship programme
- ★ Achieved Living Wage Scotland accreditation
- ★ Successful transition to a new Occupational Health provider
- ★ Training and Development:
  - New Performance Appraisals process
  - Ongoing training and coaching to upskill managers
  - Review of training platforms
- ★ Signposting wellbeing support – VOCAL, Wellbeing Volunteers, Crisis and TRiM
- ★ Policy tracker up-to-date and legislatively compliant
- ★ Engagement with managers resulting in further improvements to manager toolkits

## Revised Objectives for 2025

Key Deliverables	Work with managers in the business to identify current and future skills gaps and succession planning requirements. Coordinate and ensure delivery of externally sourced training required to ensure succession plans can be met.
	Embed a Learning & Development strategy for drivers and non-drivers, centralised in HR in conjunction with the Performance Appraisal process.
	Identify ways of recognising individuals for going above and beyond.
	Continue to scope the requirements of an HR system that is fit for purpose and meets the needs of the group. Solicit feedback from managers and streamline processes and procedures.
	Continue to develop the wellbeing of our people through signposting available support and review of all benefits and benchmarking of health strategies.

Strong governance and solid financial practice form part of the commercial backbone of the Lothian Group. Through increased awareness and education for managers within the business we will optimise revenue and manage costs while driving efficiencies where possible.

## Highlights of 2024

- ★ Strategic internal audit process embedded across the business
- ★ Ongoing development of finance options for Net Zero 2035 strategy
- ★ Improved fiscal and budgetary knowledge and accountability for managers
- ★ Strengthened structure of Finance team enabling increased development of professional competence

## Revised Objectives for 2025

Key Deliverables	Develop a wider finance strategy to improve visibility of company performance and increased ownership of costs for managers.
	Identify and evaluate the options for raising capital finance for vehicle purchases and associated infrastructure in the next two years. Evaluate the different options available that best suit the business.
	Produce a longer-term plan outlining the financial considerations required to meet the Net Zero 2035 vehicle replacement strategy.
	Complete the joint development and delivery of a digital salary information system by Payroll and IT.
	Review and evaluate the Payroll function to ensure delivery of a fit for purpose colleague offering with access to all relevant employee documentation. Deepen the team's knowledge, understanding and compliance by documenting all processes and procedures into MyLothian.

Operational excellence and compliance are at the heart of service delivery. We will continue to embed these two key themes into all our operational processes and practices.

## Highlights of 2024

- ★ Rising to the challenge and recruiting 410 drivers
- ★ Achieving SQA qualification and training centre accreditation status
- ★ Delivering 5-star training plans to all colleagues for all roles at Edinburgh Bus Tours
- ★ Successfully recruiting and training non-PCV holders into the role of coach driver at Lothian Motorcoaches
- ★ Control Room modernisation and successful demonstration of team adaptability and business continuity suite during the refurbishment period
- ★ Roll out of NAVINEO system
- ★ Introduction of Lead Driver programme to deliver a reduction in collisions with colleagues in their first year of service
- ★ Implementation of Driver Quality Monitoring processes
- ★ Designing the new driver uniform for roll out in 2025

## Revised Objectives for 2025

Key Deliverables	Further develop our approach to Operational Risk (OR) by embedding 2024 initiatives and introducing new activities that will reduce accidents and all associated costs.
	Ensure the Operations team have the driver resource available in order to meet the wider business objective for growth.
	Review the approach to private hire and contract work across the group by fully utilising the potential of the Eve and LMC business units to maximise growth.
	Continue to harness technology and streamline processes in order to improve efficiencies, with a focus on improving colleague and customer experience.
	Conduct a review of our Service Delivery function by taking a holistic overview to structure, roles and responsibilities to deliver maximum impact by embedding the new technologies delivered in 2024.

## Commercial – Network

Extensive analysis of passenger trends and network performance data allow for the continual improvement of our network and services.

### Highlights of 2024

- ★ Service changes increased overall mileage by 5.3% with year-on-year group customer numbers up 5.5% to 116m
- ★ Commercial review of Edinburgh Bus Tours saw the launch of the new Regal Tour
- ★ Successful winners of City of Edinburgh Council tenders 20, 32, 70 & 71
- ★ New commercial service X19 launched in Kirkliston and Winchburgh
- ★ cityWEST fare zone revision reduced the adult single fare from Queensferry to Edinburgh from £3.00 to £2.00. This achieved consistent adult fare structure within the Edinburgh local authority area
- ★ Introduction of consolidated planning tool which accurately calculates driver establishment
- ★ Introduction of NAVINEO on-bus information system in new Electric Vehicles (EVs) which is fully compliant with new Accessibility Information Regulations

### Revised Objectives for 2025

Key Deliverables	Grow group network patronage 1% year-on-year through developing commercial opportunities, service enhancements and/or geographical expansion.
	Provide a viable, comprehensive and holistic bus network acknowledging elements of economic and social value which deliver benefits for the city and our customers.
	Work with stakeholders to ensure that bus services and infrastructure are considered at the earliest opportunity and are at the heart of new developments.
	Work with the City of Edinburgh Council to identify policy opportunities and infrastructure interventions which support a reliable, resilient and growing bus network.
	Upgrade HASTUS scheduling software in preparation for the new GIRO Workforce Management system, including the MINBUS module to ensure efficient scheduling of a large electric fleet.
	Manage on-street and on-bus customer information to ensure it remains industry leading, meets legislation and is a means of promoting and encouraging travel by bus.

## Commercial – Product

The growth of ticketing product usage throughout 2024 provides a strong platform on which to build further success within our portfolio of ticketing products.

### Highlights of 2024:

- ★ Exceeding the 2.5% revenue growth target by achieving 4%
- ★ Over 1 million additional TapTapCap journeys
- ★ Developing and delivering a new integrated customer information and ticketing app
- ★ Implementation of a batch ticket discount code creation for Service X19 via the app
- ★ Successful development of the technical product roadmap with key suppliers Flowbird
- ★ Updating and upgrading numerous aspects of the contactless payment infrastructure
- ★ Obtaining ITSO membership

### Revised Objectives for 2025

Key Deliverables	Grow Lothian Group farebox revenue from bus services by at least 5%.
	Generate Open Payments (TapTapCap) growth by delivering a range of improvements.
	Replace and upgrade the technical platforms supporting our off-bus pre-purchase product offerings.
	Using newly delivered ticketing technologies, develop a suite of corporate and event travel solutions.
	Lead on the introduction of a joint initiative which supports both Network and Product Commercial objectives, working with Communications to deliver a focused marketing campaign.
	Increase pre-sales (e-commerce and agents) of Edinburgh Bus Tours products to 50% of volume.

# Technology

We will leverage technology to drive success in alignment with business requirements and long-term strategies.

## Highlights of 2024:

- ★ Restructure of the IT team to enhance capabilities, develop agility in responding to business needs, foster growth and improve succession planning
- ★ 34 legacy servers removed or retired. Various old systems retired/replaced, e.g. Ivanti and Asset management
- ★ IT departmental audit completed to determine where current processes, policies and systems meet or fall short of certification requirements
- ★ Access controls introduced. Access restricted to sensitive data and systems to authorised users only. Remote access by Lothian users and third parties controlled via NinjaOne
- ★ Software licensing audited and managed via Quexcel. Microsoft licensing audited and updated to reflect true usage
- ★ Scheduled pen testing from third party cyber-security partners
- ★ Additional cyber-security measures have been implemented through user application control. With the introduction of ThreatLocker, the IT team can prevent threat actors or users from installing or running malicious software or scripts, like ransomware, on any Lothian device
- ★ High Availability (HA) achieved to reduce downtime to less than 12 hours in the event of an outage or Business Continuity event

## Revised Objectives for 2025

Key Deliverables	Plan for and work towards Cyber Essentials (CE), and CE+ certification for added security by early 2026.
	Build and house the new Real-Time Information infrastructure as well as other existing systems on the new internally-hosted virtual infrastructure.
	Upgrade the network estate and network platform equipment and functionality.
	Cloud Migration - start planning how the Cloud can fully benefit the business.
	Complete the joint development and delivery of a digital salary information system by Payroll and IT.
	Upgrade Duty Allocation and Advanced systems.
	Replacement of the site-based CCTV/door access system.
	Installation, configuration and optimisation of the new GIRO Workforce Management system.

# Strategic Systems

Delivering regular updates, backups, security enhancements, and proactively monitoring to ensure the GIRO system runs smoothly. This will minimise downtime, mitigate risks, and ensures compliance with industry standards and best practices. We will harness technological innovation to enhance business agility and drive productivity.

## Highlights of 2024

- ★ Upgraded Real-Time Information System
- ★ Replacement radio system
- ★ Delivering Phase 1 of the new Freeway Fleet Management system
- ★ Introducing Power BI enabling dashboard compilation to improve analysis and significantly enhance Business Intelligence
- ★ Completion of procurement exercise for a new Workforce Management system

## Revised Objectives for 2025

Key Deliverables	Complete the final phases of work required to optimise the functionality of the new version of Lothian's Real-Time Information System (RTIS).
	Refine the replacement radio system to address any quality and consistency issues with the base solution.
	Continue to roll out Freeway Fleet Management system, completing the final phases of work.
	Deliver all aspects of work contained in the project plan for Year 1 of the GIRO Workforce Management system.
	Refine the Operations Service Delivery platform.
	Enhance the new customer journey and passenger information system.
	Carry out an onboard communications review to satisfy cyber security, improve system uptime and reduce mobile data tariffs and costs.

Robust vehicle maintenance and exceptional fleet presentation are critical to the delivery of a high-quality customer experience.

## Highlights for 2024

- ★ Delivery of new electric vehicles
- ★ Diesel to electric repower conversions - one vehicle completed
- ★ Successful continuation of the apprenticeship scheme yielding another 10 new starts
- ★ Introduction of digital fleet management system (Freeway)
- ★ 100% MOT Pass Record

## Revised Objectives for 2025

### Key Deliverables

Continue to invest in fleet in line with the agreed Net Zero 2035 plan, exploring new vehicle technology and repower solutions to improve on the current fleet.

Continue promoting a strong emphasis on apprentice and employee training delivery, to allow succession planning by ensuring an effective training proposal that supports increased knowledge about current vehicle technology and skills required within the business at all levels.

Ongoing modernisation of the engineering department through the rollout of further phases of the Freeway Fleet Management to complete the system replacement project.

Maintain strong emphasis on vehicle quality and reliability through further development of the continual improvement ethos throughout Lothian.

# Health and Safety

Rigorous processes and procedures enable the delivery of an uncompromising Health and Safety regime.

## Highlights of 2024:

- ★ Contractor handbook and onboarding vetting process implemented
- ★ Digital near miss reporting introduced
- ★ Introduction of Strategic Health & Safety Committee

## Revised Objectives for 2025

Key Deliverables	Continual improvement of internal Health and Safety management systems to minimise exposure, ensure statutory compliance and reduce incidents.
	Enhance and maintain a database along with a process to ensure that all contractors comply with legislation, insurances, our company standards and the Living Wage Scotland.
	Continue to embed the behavioural change and cultural improvement of reporting any near miss incidents.

# Property and Sustainability

Continual upkeep and investment in our property portfolio ensures the delivery of fit for purpose facilities and provides good working environments to ensure our people feel comfortable, proud and safe in the workplace.

## Highlights of 2024:

- ★ Control Room refurbishment
- ★ Central Engineering facilities refurbishment
- ★ Delivery of Central Electrification Infrastructure – Phases 1 & 2
- ★ Central Fire System upgrades – Phase 1, 2 & 3
- ★ Comprehensive facilities asset register created
- ★ Livingston roof renewal
- ★ New waste contract awarded

## Revised Objectives for 2025

Key Deliverables	Continue the investment in premises refurbishment, upgrades and delivering on the Net Zero 2035 plan.
	Improve processes to ensure that all waste streams and energy usage are monitored, managed and controlled to drive improvements.
	Research and apply for funding opportunities for any sustainability projects.
	Carry out a review of security measures across all operational sites.

# Business Continuity

Robust Business Continuity (BC) processes and application are critical to the ongoing resilience of the organisation.

## Highlights of 2024:

- ★ Development of a 5-year rolling plan of activity encompassing all elements of BC management processes
- ★ Successful utilisation of key recovery site at Seafield for both Control Room and Payroll functions during the refurbishment of Central
- ★ Rolling programme of training and awareness continued. 2024 saw Directors receive crisis media training and participate in a mock inquiry, and over 70 front line supervisors trained in BC awareness and incident management during the 'golden hour' following a catastrophic incident
- ★ Continued development of Serious & Major Incident Procedures (SMIP), with over 40 incidents escalated for investigation. Whilst the vast majority were subsequently downgraded to routine, each provided valuable learning and improvement opportunities
- ★ In-house BC competency improved with 2 colleagues completing BCI Certificate level training
- ★ Rolling programme of IT cyber awareness training and continual testing of Seafield mirror servers throughout 2024, including development of granular system recovery plans suitable for use by any IT team member

## Revised Objectives for 2025

Key Deliverables	Continue to deliver in line with the BC&R Steering Group's 5-year rolling programme of activity.
	Maintain the benefits from the investment in the business continuity site at Seafield.
	Continue to develop resilience and learning by ensuring investigation, action and closedown of every serious or major incident.
	Maintain accurate and up to date BC records.

# Communications

Strategic external communications provide a tactical approach to distributing and receiving information. This ensures the communication of the right message, through the correct channels, to the right people, at the right time.

Internal colleague communication and engagement supports positive cultural behaviour and builds trust in the workplace, improves knowledge sharing, empowers colleagues and helps support a constructive working dynamic.

## Highlights of 2024

- ★ Delivered successful colleague engagement events aligned with people-led agenda: reward and recognise
- ★ MyLothian now seen as the digital cornerstone across all departments for internal communication with an 83% adoption rate
- ★ New shelter at Edinburgh Airport with improved information provision for customers
- ★ Full review of Lost Property resulting in fully sustainable partnership with Shelter Scotland resulting in £10,700 raised year-to-date
- ★ Strategic communications management mitigated wider reputational damage on public interest topics (e.g., antisocial behaviour) and ensured maximum impact for positive messaging

# Communications

## Revised objectives for 2025

### Key Deliverables

Develop and deliver MyLothian as an employee app.

Deliver and evolve employee engagement events in support of wider business objectives.

Launch Lothian Community Fund.

Maintain strategic stakeholder/partnership engagement levels to educate and inform.

Support the wider business by delivering robust marketing campaigns aligned to budget and Commercial objectives to grow patronage.

Integrate customer data and digital metrics with Power BI platform to monitor compliance and inform wider business strategy.

Continue to deliver marketing partnerships to promote bus travel with a focus on mutual advocacy.

Promote and evolve sustainable information provision.

Evolve and review retail portfolio to ensure fit for purpose functionality that delivers for customers and provides tangible business benefits.

Continue to promote strategic brand management and guardianship to maximise leverage.

Develop and deliver a Youth Engagement Strategy.

# Accessibility and Inclusion

Lothian is committed to making our service accessible and inclusive.

## Highlights of 2024:

- ★ Accessible Communication: Ensured information about routes, schedules and services is communicated clearly and in an accessible format for everyone
- ★ Inclusive Design Principles: Implementation of inclusive design principles for our vehicles to accommodate diverse needs, especially for those with mobility challenges
- ★ Digital Platforms enhancement: Improved online platforms and mobile apps to cater to a wide range of bus service users, providing real-time information, ticketing options and enhanced accessibility features
- ★ Accessibility Audits: Regular accessibility audits were conducted to identify and to address barriers in both physical and digital aspects of our services
- ★ The development of the Supported Journey as a recognised product which sits within the Accessibility channel

## Revised objectives for 2025

### Key Deliverables

Supporting disabled young people in our communities to travel independently.

Using customer and partnership engagement to ensure our communication is accessible and respectful in the language we choose.

Working with our Driver Training School to ensure our driving colleagues have the best possible training to ensure they can understand and meet the needs of our customers.

Continuing to engage with customers and key stakeholders in meaningful partnerships to ensure we can best understand the needs of our communities.



# Awards 2024

Bus Operator of the Year  
**National Transport Awards 2024**

John O'Hara - Top National Bus Driver (*Silver*)  
**UK Bus Awards 2024**

Top City Operator (*Bronze*)  
**UK Bus Awards 2024**

We are Lothian – Recruitment and Retention (*Highly Commended*)  
**UK Bus Awards 2024**

National Autistic Society's Autism Friendly Award  
**National Autistic Society**

Inspiring Partnership (*Highly Commended*)  
**Edinburgh Chamber of Commerce Business Awards**

Scottish Tour Company of the Year - Lothian Motorcoaches  
**Scottish Passenger Transport Awards**

Employer of the Year (*Silver*)  
**Scottish Veteran Awards**

Top Coach from Scotland - Lothian Motorcoaches  
**UK Coach Rally**

The Bryan Constable Award for the best-presented bus in use over five years old  
**UK Bus Driver of the Year 2024**

Thomas Gilhooley – UK Bus Driver of the Year  
**UK Bus Driver of the Year 2024**

Wojciech Hernik – Mechanical Apprentice 2024  
**IRTE Skills Challenge**

Lothian and VOCAL – Inspiring Partnership (*Highly Commended*)  
**Edinburgh Chamber of Commerce Business Awards 2024**



Recognition and thanks goes to each and every colleague across the business whose hard work, dedication and commitment is reflected through these awards.

***Here's to 2025...***





