

INDEPENDENT TRANSPORT COMMISSION

INDEPENDENT TRANSPORT COMMISSION

(REGISTERED CHARITY NO. 1080134)

www.theitc.org.uk

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS**

for the year ended

30 SEPTEMBER 2021

INDEPENDENT TRANSPORT COMMISSION

PRINCIPAL ADDRESS

70 Cowcross Street
London
EC1M 6EJ

BANKERS

HSBC
6 Market Place
Henley on Thames
Oxfordshire
RG9 2AN

INDEPENDENT EXAMINER

Chaweevan Williams FCCA
Verdant Accountants Ltd
167 Clarence Avenue
New Malden
Surrey
KT3 3TX

INDEPENDENT TRANSPORT COMMISSION

CONTENTS	Pages
Annual Report	4-9
Independent Examiner's report	10
Statement of financial activities	11
Balance sheet	12
Notes to the accounts	13-15

INDEPENDENT TRANSPORT COMMISSION

The Trustees present their report and the accounts for the year ended 30 September 2021.

HISTORY

The Commission was called into existence at the Royal Society of Arts in London on 18 October 1999. It was registered Number 1080134 with the Charity Commission on 30 March 2000. The Commission is governed by the Declaration of Trust dated 24 January 2000 and the Deeds of Amendment to the Declaration of Trust dated 13 March 2000 and 17 September 2013.

TRUSTEES

The Trustees of the Independent Transport Commission are:

Terry Hill CBE (Chairman)
Mary Bonar
Dr Stephen Hickey
Sarah Kendall

The Director of the Commission is Dr Matthew Niblett.

OBJECTIVES

The objectives of the Independent Transport Commission are:

1. To research economic, social and environmental aspects of travel, transport and land use policy in the United Kingdom.
2. To advance public education in matters relating to transport and land use and in particular to make recommendations on possible solutions to transport and land use problems.
3. To broadcast these findings by reports and other practical means.

THE COMMISSION

The work of the ITC is managed by the Director and his team, with the assistance of the Commission members listed below.

The Commissioner members of the ITC during the reporting year 2020 – 2021 were:

Terry Hill CBE (Chairman)
Professor David Banister
Kristine Beuret OBE
Mary Bonar
John Dawson
Nicholas Finney
Dr Stephen Hickey
Professor Peter Jones OBE
Sarah Kendall
Roger Madelin CBE
Steven Norris
Stephen Rinsler
Bridget Rosewell CBE
Dr Deborah Saunt

The Commission's only substantial source of voluntary help is the time donated by the members listed above. The amounts involved regarding this voluntary help are not readily quantifiable.

ACTIVITIES

INDEPENDENT TRANSPORT COMMISSION

Summary

The Independent Transport Commission (ITC) is Britain's leading research charity dedicated to improving policy in the fields of transport and land use. The ITC successfully continued its wide-ranging programme over the course of the year, in spite of the disruptive impacts of the Covid19 pandemic, as well as convening a range of digital events, launching a new book and sharing findings and insights with key policy makers.

Highlights of the reporting year included the publication of the ITC's new book, *Why Travel? Understanding our need to move and how it shapes our lives*, by Bristol University Press. This book, drawing together insights from a wide range of study areas, demonstrates the inherent importance of travel to our lives. A major digital launch event was held in July 2021 attended by more than 100 people and featuring talks by ITC Patrons Sir Peter Hendy CBE and Lord Adonis. At the end of the reporting year, the ITC also released a new report exploring *The Covid-19 Pandemic, Transport and Land Use in Britain*, which collated findings from the ITC research work stream. The ITC also arranged a number of workshops in connection with its co-sponsored project exploring the policy implications arising from new aviation technologies, and on its new study with Nottingham Business School exploring how UK cities can achieve low carbon transport systems. The ITC also continued its popular Discussion Evening series with events covering topics from how low-density developments could become more sustainable, to how the transport industry could recover from the pandemic. A wide range of distinguished speakers were welcomed throughout the year to address the ITC, including the new DfT Chief Scientific Advisor and the Chief Executive of the Climate Change Committee.

The Trustees confirm they have complied with the duty in section 4 of the Charities Act 2006 with regard to public benefit guidance published by the Charity Commission.

The Covid-19 Pandemic

The Covid-19 pandemic was ongoing during the reporting year which continued to cause disruption due to the public health measures necessary to control spread of the virus. However, the ITC successfully managed to continue much of its regular events and research work by using digital communication technologies and platforms. As a result, there were only minor interruptions to the ITC's work programme, but it is hoped that it will be possible to gradually resume in-person events over the course of the next reporting year.

Patrons and Personnel changes

During the previous reporting year Lord Roger Freeman sadly retired as an ITC Patron. A replacement was sought and the ITC was delighted to announce in July 2021 that Lord Patrick McLoughlin CH, the former Secretary of State for Transport, had kindly agreed to become a new ITC Patron. Within the Directorate, during Autumn 2020 Olivia Theocharides-Feldman sadly retired from managing the ITC events programme due to family reasons and the Director would like to record his thanks for her help. Over the course of the reporting year he was also ably assisted by Leigh Stanford as office manager, Alina Birzache as acting events manager, and Jason Monaghan as financial manager.

Annual Lecture and Dinner

As a result of the public health measures caused by the Covid-19 pandemic, the ITC's Annual Dinner which was scheduled for December 2020 was postponed. The ITC resumed this event in December 2021. The ITC's 2021 Annual Lecture was also rearranged as an online digital event but this took place in Autumn 2021 after the end of the reporting year. The Lecture explored the motivations that drive human travel and guest speakers included Bernadette Kelly CB, the Permanent Secretary to the Department for Transport, Professor Patricia Mokhtarian from the Georgia Institute of Technology, and former Secretary of State for Transport and ITC Patron Lord Adonis.

ITC 'Thought Leadership' Discussion Evening Series

INDEPENDENT TRANSPORT COMMISSION

The ITC continued its regular ‘Thought Leadership’ series of Discussion Evenings over the course of the year in online format using the Zoom digital programme. These events covered topical policy issues related to transport and land use and continue to be a popular location for debate and discussion.

- On the evening of 7th December 2020 a Winter event was held exploring the topic of how lower density development could be made compatible with sustainable transport. Chaired by architect and ITC Commissioner Dr Deborah Saunt, an expert panel comprising Richard Blyth from the Royal Town Planning Institute, Roger Madelin CBE from British Land, and Keith Mitchell from Stantec discussed how future housing developments could be improved in the light of changing behaviours. An audience of more than 60 professionals from the land use and transport sectors attended and a rich and stimulating debate took place on the policy changes necessary.
- The ITC’s Spring Discussion was held on the evening of 11th March 2021 examining how transport policy should be reformed to help the industry recover from the pandemic. The event was chaired by ITC Commissioner Sarah Kendall and introduced a range of views on the policy challenges ahead. Presentations were given by experts including James Angus from Network Rail, Elliot Shaw from Highways England, and Steve Canadine from Mott MacDonald. More than 70 leading professionals joined the online discussion, and perspectives were provided by policy makers including Chris Loder MP from the Transport Select Committee and Lord McLoughlin, the former Secretary of State for Transport.
- For the Summer Discussion Evening a discussion took place on the evening of 14th July 2021 investigating the policy impacts of new aviation technologies. This topic related to the ITC’s co-sponsored study with the Civil Aviation Authority and insights were used to inform that project. ITC Commissioner Dr Stephen Hickey chaired the discussion, aided by an expert panel comprising Gary Cutts, Director of the UKRI’s Future Flight programme, Matt Gorman MBE from Heathrow Airport, and David Tait from the Civil Aviation Authority. A wide-ranging discussion was held and an introduction to the ITC project was provided by the researchers from Northpoint Aviation.

The above events were free of charge to invited guests, and following each event a summary report of the proceedings was written by the Directorate and posted on the ITC website.

RESEARCH

The ITC continued to make progress with its wide-ranging research programme during the reporting year in spite of the challenges posed by the Covid-19 pandemic. Project work is commissioned under the umbrella of several major work streams, each addressing a different policy challenge. The research studies are each managed by the ITC Director, a project Chairman and in most cases an advisory Steering Group. All the ITC’s published reports are made publicly available on the ITC’s website (www.theitc.org.uk) for educational and information purposes and to be accessible for those interested in policy making.

a) Why Travel?

This project has been the most ambitious undertaken by the ITC. It examines the fundamental motivations that drive human travel: a topic with additional relevance due to the travel restrictions caused by the Covid-19 pandemic. Over the course of the year the key focus was developing the project book for publication with Bristol University Press. This book is in the form of an edited collection of essays by experts across a wide range of fields of study examining travel motivations from different perspectives. The editorial team completed their final edits over the course of Autumn 2020 and also drafted an introduction and conclusion for the volume. In addition, a range of relevant images for the book were collected ahead of typesetting. The co-founder of the Lonely Planet guides, Tony Wheeler, kindly agreed to provide a special foreword for the volume explaining the importance of the topic.

INDEPENDENT TRANSPORT COMMISSION

The new book, entitled *Why Travel? Understanding our need to move and how it shapes society*, was released by Bristol University Press in July 2021. A special digital launch event was held on 8th July 2021 to promote the book and its contents. The launch event included an introduction from the Press and the Editors, as well as contributions from the authors and special guests Sir Peter Hendy CBE and Lord Adonis, the former Secretary of State for Transport. Copies of the book were sent out to a wide range of ITC associates and policy makers, and it resulted in several articles including in *Highways News* and *Publishers Weekly*. The editors also joined Leon Daniels OBE for a special edition of his podcast ‘Lunch with Leon’ which claims to have 20,000 regular listeners. The project website was also regularly updated and over the course of the year received more than 8000 views.

b) The Transport and Land Use impacts of the Covid-19 pandemic

This project is exploring the impacts of the Covid-19 pandemic on transport and land use policy and is chaired by Sarah Kendall. Following a Call for Evidence in summer 2020 the Director and Sarah Kendall compiled a paper summarising the findings for the Transport Select Committee’s inquiry into the future of public transport. This resulted in an invitation to give oral evidence to the Committee based on the ITC’s work: this was presented by Sarah Kendall to the Committee in February 2021, and the findings were included in the Committee’s final report. Meetings were also held with the Department for Transport’s Strategy Team in May 2021 and the ITC Spring Discussion event provided further new sources of information on the impacts of the pandemic on transport.

Armed with a wide range of data sources and evidence, Sarah Kendall and the Director worked during the course of Summer 2021 to develop a report summarising the key findings. The report provided an overview of the behavioural changes caused by the pandemic, as well as its impacts on planning and land use, and on transport infrastructure provision. The report highlighted both the ongoing uncertainties of the situation, as well as some of the opportunities and initiatives that had emerged in response to the crisis. It was published at the end of September 2021, at the end of the reporting period, and copies were sent to key ITC associates and policy makers. Due to the fast-moving situation, it is anticipated that an updated version of the report will be prepared by the end of 2022 taking account of any new evidence.

c) Aviation Strategy

At the start of 2020 the ITC commissioned a major new research study in partnership with the Civil Aviation Authority (CAA) and the Strategic Aviation Special Interest Group (SASIG), in order to understand the policy and regulatory impacts of new aviation technologies in the period up to 2050. Northpoint Aviation were contracted to carry out the research, and during Summer and early Autumn 2020 they produced a series of working papers on the various technologies under review. To help gather wider perspectives, a series of workshops was held with a wide range of industry experts during December 2020 and January 2021 exploring key themes, including environmental technologies, aviation commerce and operations, issues surrounding airspace management, and the policy and regulatory dimensions arising from new technologies. To supplement the findings from these sessions, a meeting was held with the DfT Aviation Directorate in April 2021, and keen interest was expressed in the research. A discussion event was also held in July 2021 (see further details above) to examine some of the key policy implications arising from new technologies. At the end of the reporting year, the researchers were beginning the process of drafting the project report, although unfortunately health problems suffered by the lead researcher has delayed completion and release of this report until sometime in 2022.

d) Roads and Technology

The work stream remained active during the reporting year under the leadership of Steve Norris. Having explored a variety of Mobility as a Service (MaaS) schemes under development as well as their applicability to UK cities, attention turned to the need to understand the future of roads policy in the

INDEPENDENT TRANSPORT COMMISSION

UK. In March the Director and Steve Norris prepared a submission for the Transport Select Committee's enquiry into road user charging in Britain, highlighting the research work that the ITC has undertaken over past years into the public acceptability of road pricing schemes. It became clear that the drive towards net zero roads would have huge implications for the future of road user charging, and at the end of the reporting year the steering group was examining options for commissioning a new research study on this topic.

e) Low carbon Urban infrastructure

The ITC commissioned this new research study in partnership with Nottingham Business School as part of their Marie Curie Innovative Training Network project on smart energy systems. The ITC study is exploring how UK cities can develop low carbon transport, helping to strengthen the ITC's interest in environmental matters and reflecting how this topic has moved up the UK policy agenda. The project commenced with a set of digital workshops in March and April 2021 organised by the ITC and led by Commissioner Kris Beuret OBE. These provided insights and guidance on public consultation techniques and how these could be used to test policy impacts. The second and main phase of the study involved an investigation into how low carbon transport could be implemented in UK cities. In order to evaluate the various needs of different cities, three locations of different urban sizes were chosen: London (as a global mega-city), Nottingham (representative of a mid-size city), and Durham (as a small, historic city). The researchers undertook desktop studies and interviews with a range of local stakeholders over the course of Summer and Autumn 2021, and the project report is due to be completed and published in 2022.

Miscellaneous

a) The ITC was delighted to welcome a number of eminent speakers to address its meetings over the course of the reporting year. Professor Sarah Sharples, the newly appointed Chief Scientific Advisor to the Department for Transport, kindly addressed the Commission in July 2021 and spoke about her priorities. Professor Flora Samuel and Keith Mitchell spoke about the Places First initiative, designed to improve planning decision making at a local government level, at the January 2021 meeting. And the ITC was delighted to welcome Chris Stark, the Chief Executive of the UK's Climate Change Committee, who gave a briefing on preparations for the COP26 Climate Change Summit at the ITC's September 2021 meeting.

b) As part of its mission to improve policy making, the The ITC is committed to communicating its research work with senior officials. A number of key meetings were arranged and held over the course of the year with top civil servants and Parliamentarians. In March 2021 the Chairman and Director met with Bernadette Kelly CB, the Permanent Secretary to the Department for Transport (DfT), to update her on the ITC's work and learn more about her priorities. Following this, a meeting was held with the DfT's Head of Strategy, Louise Morgan, in May 2021 at which the Director and Sarah Kendall shared findings on the transport impacts of the pandemic. A meeting was also held with Lewis Pickett, Committee Specialist with the Transport Select Committee in February 2021, and the ITC regularly engaged with Select Committee inquiries over the course of the reporting year.

MEETINGS

The Trustees of the Commission held meetings on 26th January, 25th May and 28th September 2021. These were supplemented with bimonthly ordinary meetings of the Commission held on:

20th November 2020

26th January 2021

23rd March 2021

25th May 2021

INDEPENDENT TRANSPORT COMMISSION

20th July 2021
and 28th September 2021

The Commission's AGM was held on Tuesday 25th May 2021.

The various Steering Groups of research projects met on numerous other occasions.

FINANCE

During the year ended 30 September 2021 the Commission received charitable donations and grants to a total sum of £130,375 and interest received £949. Charitable donations were received from a number of corporate supporters, including Alstom, Arup Group, British Land Group, Bolt, Cubic Corporation, Heathrow Airport, Highways England, Mott MacDonald, Network Rail, and Stantec. Some donations from corporate supporters were postponed during the reporting year due to the short-term impacts of the Covid19 pandemic but these have since resumed.

Income and expenditure are reported here on a cashflow basis. Expenditure during the year consisted of core running costs totalling £68,296, and £64,155 in relation to direct research expenditure on research projects. This excludes research costs for projects that have been planned and budgeted, but which were not yet completed and invoiced by the reporting year end.

RESERVES POLICY

The ITC manages a budget based on maintaining a minimum of £50,000 in reserves to cover contingencies but otherwise income is generated as required to fund planned core work and projects. This cover is reviewed periodically. Note that, due to the multi-year nature of the ITC's research work streams, planned expenditure is often spread over more than one reporting year.

RELATED PARTY TRANSACTIONS

During this period the charity paid £ nil (2020: £2,534), in respect of catering costs associated with hosting discussion evenings for Commission members, Patrons and corporate supporters to Alan Baxter Ltd: a firm in which Alan Baxter, a former trustee, has a controlling interest, as well as £4,740 (2020: £4,740), in respect of rental charges for workspace occupied at 70 Cowcross Street, EC1M 6EJ, to Alan Baxter & Coombs: a firm in which former trustee Alan Baxter has the controlling interest.



Terry Hill CBE
Chairman of Trustees
Independent Transport Commission
May 2022

INDEPENDENT TRANSPORT COMMISSION

INDEPENDENT EXAMINER'S REPORT

Independent examiner's report to the trustees of Independent Transport Commission

I report on the accounts of Independent Transport Commission for the year ended 30 September 2021, which comprises the Statement of Financial Activities, the Balance Sheet and the related notes 1-6.

Respective responsibilities of Trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ('the Charities Act'). The Charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed.

It is my responsibility to examine the accounts under section 145 of the Charities Act, follow the applicable Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

- 1) In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:
 - ☐ the accounting records were not kept in accordance with section 130 of the Charities Act; or
 - ☐ the accounts did not accord with the accounting records; or
 - ☐ the accounts did not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Report) Regulation 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of independent examination.
- 2) I have no concerns and have come across no other matters in connection with examination to which attention should be drawn in this report in order to enable a proper understanding of accounts to be reached.



Chaweevan Williams FCCA
Fellow of the Association of Chartered Certified Accountants
Verdant Accountants Ltd

Date: 22 July 2022

167 Clarence Avenue, New Malden, Surrey KT3 3TX

INDEPENDENT TRANSPORT COMMISSION

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 30 September 2021

	Note	2021 £	2020 £
Income from:			
General donations		130,376	146,777
Project specific charitable activities		0	23,000
Interest Received		949	1,126
Total		<hr/> 131,325	<hr/> 170,903
Expenditure on:			
Charitable activities	2	132,451	153,429
Total		<hr/> 132,451	<hr/> 153,429
Net movement in funds		<hr/> (1,126)	<hr/> 17,474
Total funds at 1 October 2020		<hr/> 246,449	<hr/> 228,975
Total funds at 30 September 2021		<hr/> 245,323	<hr/> 246,449

All operations are classed as continuing. There were no gains or losses in either year other than those included in the above statement of financial activities.

All the funds are unrestricted.

INDEPENDENT TRANSPORT COMMISSION

BALANCE SHEET as at 30 September 2021

	2021 £	2020 £
Current assets:		
Cash at bank and in hand	246,889	251,358
Liabilities:		
Creditors: amounts falling due within one year	1,566	4,909
Net current assets	245,323	246,449
Total net assets	245,323	246,449
The funds of the charity:		
Unrestricted funds	245,323	246,449
Total charity funds¹	245,323	246,449

Approved and authorised for issue by the ITC Trustees on 24th May 2022 and signed on its behalf by:



Terry Hill CBE
Chairman and Trustee of the Independent Transport Commission

INDEPENDENT TRANSPORT COMMISSION

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations), the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard FRS 102, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008.

(b) Income

All income is included in the Statement of Financial Activities (“SoFA”) when the charity is entitled to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

- Voluntary income is received by the way of donations and is included in full in the Statement of Financial Activities when receivable.

(c) Expenditure

Expenditure is recognised on an accruals basis, as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

(d) Recognition of liabilities

All expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure.

(e) Funds structure

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

(f) Taxation

All income is applied for charitable purposes and therefore the charity is exempt from corporation tax.

INDEPENDENT TRANSPORT COMMISSION

2. Expenditure on Charitable Activities				2021	2020
	Basis of allocation	Core running costs £	Direct research costs £	Total £	Total £
Costs directly allocated to research activities					
Aviation Strategy	Direct	-	14,929	14,929	8,399
Transport impacts of Covid-19	Direct	-	13,068	13,068	8,485
Low Carbon Urban Infrastructure	Direct	-	9,289	9,289	22,935
Why Travel? study	Direct	-	22,472	22,473	24,139
Technology & Travel	Direct	-	2,751	2,751	4,955
Freight & UK Economy	Direct	-	1,646	1,646	2,595
		-	64,155	64,155	71,508
Support costs allocated to charitable activities					
Salary costs in relation to general management	Direct	43,381	-	43,381	40,390
Administrative assistance	Direct	8,388	-	8,388	16,492
Travel/postage/computer costs/stationery	Direct	1,585	-	1,585	3,069
Printing/photocopying/ Promotional material/ Website	Direct	3,915	-	3,915	5,637
Events/debates/seminars/ hospitality	Direct	1,361	-	1,361	5,395
Service & office charges	Direct	3,555	-	3,555	4,740
Insurance	Direct	844	-	844	956
		63,029	-	63,029	76,679
Governance costs					
Accountancy	Direct	5,171	-	5,171	5,165
Bank charges	Direct	96	-	96	78
		5,267	-	5,267	5,243
Total Expenditure					
		68,296	64,155	132,451	153,429

INDEPENDENT TRANSPORT COMMISSION

3 Employees

	2021	2020
	£	£
Wages and salaries (gross)	77,181	76,806
Employer's social security (Nat. Insurance) costs	5,430	4,726
Other pension costs	8,118	8,188
Total employment costs	<u>90,729</u>	<u>89,650</u>

The Director was the sole employee during the reporting year. The allocation of these fees across research projects and other business is given in note 2.

4. Independent examiner's remuneration

The independent examiner's fees for the Independent Transport Commission were £750+VAT in respect of the 2021 accounts (2020: £750).

5. Trustee remuneration

The trustees did not receive remuneration during the reporting period (2020: £nil). There were no recorded travel costs reimbursed to Trustees during the same period (2020: £nil).

6 Taxation

As a charity, Independent Transport Commission is exempt from tax on income and gains falling within section 521 of the Tax Act 2007 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.