

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 2022

INDEPENDENT TRANSPORT COMMISSION

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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 2022.

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 during the reporting year were:

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 2021 – 2022 were:

Terry Hill CBE (Chairman)
Professor David Banister
Kristine Beuret OBE
Mary Bonar
John Dawson
Nicholas Finney
Dr Stephen Hickey
Professor Ying Jin (appointed 24 May 2022)
Professor Peter Jones OBE
Sarah Kendall
Roger Madelin CBE
Steven Norris
Stephen Rinsler (retired 24 May 2022)
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.

INDEPENDENT TRANSPORT COMMISSION

ACTIVITIES

Summary

The Independent Transport Commission (ITC) is Britain's leading research charity dedicated to improving policy in the fields of transport and land use. Over the course of the year the ITC successfully continued its wide-ranging programme of research and events as the Covid19 pandemic receded, helping to provide insights and evidence towards the improvement of policy making in the UK.

Among the highlights of the reporting year were the publication of new reports from the ITC's research work streams. In Autumn 2021 the Commission released *The Covid-19 Pandemic, Transport and Land Use in Britain*, which presented emerging findings from the ITC study and this was followed in Autumn 2022 with a report *Achieving net-zero carbon transport in our cities: key issues for policy makers* which resulted from its collaborative study with Nottingham Business School. The ITC also published a wide range of articles relating to its 2021 *Why Travel?* book and research into the impacts of the pandemic. These featured in publications including: *Rail Professional*, *Infrastructure Intelligence*, *Passenger Transport*, *Intelligent Transport* and *Local Transport Today*. The ITC also ran its 2021 and 2022 Annual Lectures during the reporting year. The former, a digital event in November 2021, included an address by the DfT Permanent Secretary and was joined by more than 100 participants. The 2022 event took place in person at University College London exploring the future of the city after the pandemic, and featured Lectures from Mel Barrett, the Chief Executive of Nottingham City Council, Dr Frances Holliss and an introduction from DfT Chief Scientific Advisor Professor Sarah Sharples. The ITC also continued its influential Discussion series in both online webinar format and as part of a dinner series with leading experts. A number of distinguished speakers were welcomed throughout the year to address the ITC including the Head of Strategy at the DfT and the Chief Executive of the Office of Rail and Road. In addition, engagement continued with Parliamentary groups including the APPG for Rail.

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.

Patrons and Personnel changes

Following the appointment of former Secretary of State for Transport, Lord Patrick McLoughlin CH, as a new ITC Patron in 2021, the ITC was delighted to announce in August 2022 that Baroness Susan Kramer, the former Minister for Transport, had also kindly agreed to become an ITC Patron. Baroness Kramer is the ITC's first female Patron and brings a wide range of Parliamentary experience across the fields of economics and transport. The ITC was also delighted to welcome aboard Professor Ying Jin, Director of the Martin Centre at the University of Cambridge, as a new Commission member in May 2022. Professor Jin brings a wealth of experience in modelling, urbanism and transport planning to the ITC. At the same time, Stephen Rinsler retired as a Commissioner and the ITC expresses its thanks to him for his service. Within the Directorate, the Director would like to record his thanks for the assistance of Leigh Stanford as office manager, Alina Birzache as events manager, and Jason Monaghan as financial manager over the course of the reporting year.

Annual Lecture and Dinner

Due to the Covid19 pandemic, the ITC's 2021 Annual Lecture was arranged as an online digital event which took place on the afternoon of Thursday 18th November. 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. More than 100 people from across the world joined the Lecture and a range of important questions was raised by the audience. For

INDEPENDENT TRANSPORT COMMISSION

the 2022 Lecture, the ITC arranged this as an in-person event which was kindly hosted by the Centre for Transport Studies at University College London on Thursday 7th July 2022. The topic examined: ***What will be the future of the city following the Covid19 pandemic?***, and guests enjoyed stimulating Lectures from Mel Barrett, Chief Executive of Nottingham City Council, and Dr Frances Holliss from London Met University. The Chief Scientific Advisor to the Department for Transport, Professor Sarah Sharples, kindly gave the introductory address and the event was attended by more the 50 guests. A recording of the Lecture was later made publicly available.

Following the easing of public health measures due to the Covid19 Pandemic, the ITC was also delighted to resume its Annual Dinner in December 2021 which was kindly hosted by ITC Patron Lord Patrick McLoughlin. The Dinner provided an opportunity to review the ITC's work since the start of the Pandemic and thank the sponsors and donors of the charity.

ITC 'Thought Leadership' Discussion Series

The ITC for some years has run a 'Thought Leadership' series of Discussion events, covering topical policy issues related to transport and land use. Since the start of the Covid19 pandemic these have been running as online events using the Zoom webinar platform. The success of this format led to a review of the series in 2022, after which it was agreed to retain the online format for open public discussion events, alongside resuming a regular series of in-person dinner discussion events in partnership with Eversheds Sutherland. The latter would be for a more select group of experts and industry leaders, and the ITC would provide the content and speakers. The dinner discussion series was due to resume after the reporting year end with an event in November 2022 exploring the impacts of the pandemic.

A digital Spring Discussion event was held on the evening of 7th April 2022 exploring the topic of how transport infrastructure could contribute positively to the local environment. The discussion was chaired by ITC Commissioner and transport expert Kristine Beuret OBE, and the expert panel included: Jo Lewington, Chief Environment and Sustainability Officer at Network Rail; Stephen Elderkin, Director of Environmental Sustainability at National Highways; and Jon Riley, Divisional Director for Biodiversity at Temple Group. More than 60 leading professionals joined the online discussion and a rich and stimulating debate took place on the biodiversity and environmental impacts of transport infrastructure. The event was free of charge to invited guests, and following the discussion a summary report of the proceedings was produced by the Directorate and posted on the ITC website.

RESEARCH

During the reporting year the ITC made significant progress with its wide-ranging research programme. The research work is commissioned under the umbrella of several major work streams, each addressing a different policy challenge. Each workstream is managed by the ITC Director, a project Chairman and, in several 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?

In Summer 2021 the ITC released a new book: ***Why Travel? Understanding our need to move and how it shapes society***, published by Bristol University Press. The book examines the fundamental motivations that drive human travel, and takes the form of an edited collection of essays by experts across a wide range of fields of study examining travel motivations from different perspectives. A special foreword was provided by Tony Wheeler, co-founder of the Lonely Planet guides, and a launch event was held with special guests including Sir Peter Hendy CBE and Lord Adonis. Following the launch of the book, the project was focused over the course of the reporting year on disseminating the findings from the study and raising awareness of the key policy implications.

INDEPENDENT TRANSPORT COMMISSION

The Editors presented the findings from the ITC research to the CILT London Forum in October 2021, and the ITC ran its Annual Lecture on the same topic in November 2021. This event was introduced by the DfT Permanent Secretary and was an opportunity to raise awareness of the book and the key findings. A feature article on themes from the book was written by the ITC Director and published in *Local Transport Today* during May 2022. A second phase for the project was scoped to develop a series of workshops exploring key policy implications arising from the research and focused on four key themes from the book: travel and health, travel and sustainability, social cohesion and travel, and the value of travel. This phase will commence in 2023 once the ITC has appointed a new project assistant.

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

The ITC is committed to understanding the longer-term impacts of the pandemic on travel, transport and land use in Britain. At the start of the reporting year in October 2021, the ITC published its interim report from the project, entitled: ***The Covid-19 Pandemic, Transport and Land Use in Britain: key strategic issues for policy makers***. The report highlighted the ongoing uncertainties of the situation, as well as some of the policy opportunities and initiatives that had emerged in response to the crisis. Good coverage was provided in the trade press, and this was followed by feature articles on the research published in *Rail Professional* magazine (Dec 2021), *Infrastructure Intelligence* (Feb 2022) and *Passenger Transport* magazine (Mar 2022). The Director and project chair Sarah Kendall also presented the findings to the winter meeting of the All-Party Parliamentary Group on Rail in December 2021. A further presentation of the findings was given by the Director to the *Intelligence Forums* webinar held in April 2022 and to the Eversheds Sutherland spring review.

Following the removal of public health measures to address the pandemic, it was agreed in 2022 that a final report should be compiled from the project exploring the ‘new normal’ that had emerged after the pandemic. Sarah Kendall and the Director reviewed existing evidence and began a consultation exercise with industry experts to examine how the pandemic had affected behaviours and trends. The emergence of more robust data sets on travel trends provided increasing evidence of a shift in travel behaviour away from commuting and towards leisure, as well as a corresponding shift away from peak-hour weekday travel and towards greater demand on Fridays and at weekends than was the case pre-pandemic. A discussion dinner with Eversheds Sutherland was arranged to present and discuss the latest findings with industry experts, including ITC Patron Lord McLoughlin, but this took place after the end of the reporting year. It is anticipated that the final report will be published during the course of 2023.

c) Aviation Strategy

In partnership with the Civil Aviation Authority (CAA) and the Strategic Aviation Special Interest Group (SASIG), in 2020 the ITC commissioned a major research study in order to understand the policy and regulatory impacts of new aviation technologies in the period up to 2050. This topic has been attracting increasing attention from policy makers due to the pressure on aviation industry to reduce its environmental impacts. To carry out the research a contract was awarded to Northpoint Aviation. Following a series of workshops with a wide range of industry experts during 2021, during the reporting year the researchers focused on gathering evidence and compiling the report. Unfortunately, health problems suffered by the lead researcher caused delays to the drafting process, and to help address this Northpoint recruited a research assistant in Summer 2022 to provide additional help. At the end of the reporting year some progress had been made with compiling materials and sketching out various report chapters. It is anticipated the report will be ready for publication during 2023.

d) Decarbonisation of Roads

INDEPENDENT TRANSPORT COMMISSION

The ITC has a longstanding interest in roads policy, and in the past has explored attitudes towards road user charging and the applicability of Mobility as a Service (MaaS) schemes to UK cities. Following the publication of the UK's *Transport Decarbonisation Plan* in 2021 it has become clear that insufficient attention has been given to the social and distributional impacts of decarbonisation policies, especially surrounding the move to electric vehicles. This area is deserving of further research in order to ensure that decarbonisation policies do not become counter-productive in terms of increasing transport exclusion and inequalities. The project Steering Group, under the leadership of ITC Commissioner Steve Norris, developed a research proposal over the course of the reporting year to investigate these issues further and strengthen the evidence base. At the end of the reporting year a plan was agreed for obtaining funding for the new research study and applications were prepared for grant-awarding organisations including the Rees Jeffreys Road Fund, with which the ITC has successfully collaborated in the past.

e) Low-carbon Urban infrastructure

This research study has been running in partnership with Nottingham Business School as part of their Marie Curie Innovative Training Network project on smart energy systems. The ITC project is exploring how UK cities can achieve their net-zero carbon transport ambitions, helping to strengthen the ITC's interest in environmental matters and reflecting how this topic has moved up the UK policy agenda. In order to evaluate the various needs of different scales of city, 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). Following a series of digital workshops organised by the ITC in 2021, the research team took evidence from each of the three city regions and compiled their findings into a report. Several steering group meetings were held over the course of the reporting year, guided by the ITC Steering Group, and the material was edited and reviewed. The final report was released at the very end of the reporting year, entitled: *Achieving net zero carbon transport in our cities: key issues for policy makers*. It attracted widespread acclaim, including endorsements from the Mayors of the West Midlands and South Yorkshire.

Miscellaneous

a) Over the course of the reporting year the ITC was delighted to welcome a number of eminent speakers to address its meetings. Louise Morgan, the Head of the Strategy Unit at the Department for Transport, kindly addressed the Commission in January 2022 and spoke about the Department's policy priorities. John Larkinson, Chief Executive of the Office for Road and Rail (ORR), spoke to the ITC about the challenges road and rail travel faced in the wake of the pandemic, at the March 2022 meeting. The ITC was also pleased to welcome talks by Professor Ying Jin of the University of Cambridge, Piyali Sen from Tata Consulting Services and Dr Kostas Galanakis, Helen Heinz and Clemens Marggraf from Nottingham Business School at other meetings during the reporting year.

b) The ITC is also committed to communicating its research work with senior officials as part of its mission to improve evidence-based policy making. Over the course of the year meetings were arranged and held with top civil servants and Parliamentarians, including Bernadette Kelly CB, the Permanent Secretary to the Department for Transport (DfT), to update her on the ITC's work, Louise Morgan, the DfT Head of Strategy, and Professor Sarah Sharples, the DfT Chief Scientific Advisor. The ITC also engaged with the Transport Select Committee, submitting responses to its call for evidence on the future of road user charging, as well as to its call for recommendations for future enquiries.

MEETINGS

INDEPENDENT TRANSPORT COMMISSION

The Trustees of the Commission held meetings on 25th January, 24th May and 27th September 2022, with the AGM taking place on 24th May 2022. These were supplemented with bimonthly ordinary meetings of the Commission held on:

23rd November 2021

25th January 2022

22nd March 2022

24th May 2022

19th July 2022

and 27th September 2022

Following the Covid19 pandemic, these meetings now take place alternately online and in person.

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

FINANCE

During the year ended 30 September 2022 the Commission received charitable donations and grants to a total sum of £182,500 and interest received of £911. Charitable donations were received from a number of corporate supporters, including Alstom, Arup Group, British Land Group, Bolt, Cubic Corporation, Heathrow Airport Ltd, Highways England, Mott MacDonald, Network Rail, Shell, Siemens, Stagecoach Group, Tata Consultancy Services, and Stantec. The ITC is grateful that a number of these donations have resumed after the Covid19 pandemic.

Income and expenditure are reported here on a cashflow basis. Expenditure during the year consisted of core running costs totalling £73,678, and £46,182 in relation to direct research expenditure on research projects. It should be noted this excludes significant 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 £4,740 (2021: £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 2023

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 2022, 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.
- 1) 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: 11 July 2023

167 Clarence Avenue, New Malden, Surrey KT3 3TX

INDEPENDENT TRANSPORT COMMISSION

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 30 September 2022

	Note	2022 £	2021 £
Income from:			
General donations		182,500	130,376
Project specific charitable activities		0	0
Interest Received		911	949
Total		183,411	131,325
Expenditure on:			
Charitable activities	2	119,860	132,451
Total		119,860	132,451
Net movement in funds		63,551	(1,126)
Total funds at 1 October 2021		245,323	246,449
Total funds at 30 September 2022		308,874	245,323

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 2022

	2022 £	2021 £
Current assets:		
Cash at bank and in hand	312,201	246,889
Liabilities:		
Creditors: amounts falling due within one year	3,327	1,566
	<hr/>	<hr/>
Net current assets	308,874	245,323
	<hr/>	<hr/>
Total net assets	308,874	245,323
	<hr/>	<hr/>
The funds of the charity:		
Unrestricted funds	308,874	245,323
	<hr/>	<hr/>
Total charity funds¹	308,874	245,323
	<hr/>	<hr/>

Approved and authorised for issue by the ITC Trustees on 23rd May 2023 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				2022	2021
	Basis of allocation	Core running costs £	Direct research costs £	Total £	Total £
Costs directly allocated to research activities					
Aviation Strategy	Direct	-	9,036	9,036	14,929
Transport impacts of Covid-19	Direct	-	9,676	9,676	13,068
Low Carbon Urban Infrastructure	Direct	-	11,924	11,924	9,289
Why Travel? study	Direct	-	10,820	10,820	22,473
Technology & Travel	Direct	-	4,726	4,726	2,751
Freight & UK Economy	Direct	-	-	-	1,646
		-	46,182	46,182	64,155
Support costs allocated to charitable activities					
Salary costs in relation to general management	Direct	43,000	-	43,000	43,381
Administrative assistance	Direct	9,882	-	9,882	8,388
Travel/postage/computer costs/stationery	Direct	1,210	-	1,210	1,585
Printing/photocopying/Promotional material/Website	Direct	3,905	-	3,904	3,915
Events/debates/seminars/hospitality	Direct	4,607	-	4,607	1,361
Service & office charges	Direct	4,740	-	4,740	3,555
Insurance	Direct	902	-	902	844
		68,246	-	68,245	63,029
Governance costs					
Accountancy	Direct	5,321	-	5,321	5,171
Bank charges	Direct	111	-	111	96
		5,432	-	5,432	5,267
Total Expenditure					
		73,678	46,182	119,860	132,451

INDEPENDENT TRANSPORT COMMISSION

3 Employees

	2022	2021
	£	£
Wages and salaries (gross)	81,180	81,180
Employer's social security (Nat. Insurance) costs	3,727	5,490
Other pension costs	4,059	4,059
Total employment costs	<u>88,966</u>	<u>90,729</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 2022 accounts (2021: £750+VAT).

5. Trustee remuneration

The trustees did not receive remuneration during the reporting period (2021: £nil). There were no recorded travel costs reimbursed to Trustees during the same period (2021: £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.