

Walk Wheel Cycle Trust

England & Wales · Charity number 326550

Details

| | |
|----------------|---|
| Other names | SUSTRANS, SUSTRANS LIMITED, NATIONAL CYCLE NETWORK |
| Status | Registered |
| Legal form | Charitable company |
| Company number | 01797726 |
| Registered | 1984-04-10 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|--|
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| Email | supporters@walkwheelcycletrust.org.uk |
| Website | www.walkwheelcycletrust.org.uk |

Activities

Objects: 2.1 The Objects of the Charity are the promotion of health and the protection of the natural environment, both in the UK and overseas, for the public benefit through the development in the community of, and the provision of safe routes, paths and facilities for, cycling, walking and other forms of low energy transport and to undertake and carry on projects and activities of a charitable nature which will assist in promoting healthy recreation, the protection of the environment and the conservation of energy resources.

Activities: We make it possible for everyone to walk, wheel and cycle. Because it changes everything. Our health. Our wellbeing. Our world.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** The Advancement Of Health Or Saving Of Lives, Environment/conservation/heritage
- **Who:** Children/young People, The General Public/mankind

Geography

- Ireland
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|--------------|--------------|-------------|-----------|
| 2025-03-31 | £110,673,000 | £113,620,000 | £11,809,000 | 620 |
| 2024-03-31 | £146,405,000 | £144,729,000 | £14,853,000 | 720 |
| 2023-03-31 | £112,463,000 | £109,684,000 | £12,961,000 | 700 |
| 2022-03-31 | £114,715,000 | £114,819,000 | £10,182,000 | 644 |
| 2021-03-31 | £66,945,000 | £66,261,000 | £10,286,000 | 592 |

Trustees

| Name | Role | Appointed |
|------------------------|-------|------------|
| Moray Macdonald | Chair | 2020-01-06 |
| Alistair Gibbons | | 2022-05-27 |
| Benita Mehra | | 2023-07-07 |
| Carol-Ann Boyter | | 2023-07-07 |
| Christopher Allchin | | 2026-01-23 |
| Elliot Shaw | | 2026-01-23 |
| Mohammed Ibrahim Ali | | 2024-01-19 |
| Nicola Wood | | 2022-05-27 |
| Priyanka Khurana | | 2026-01-23 |
| Rhona Marsland | | 2024-07-05 |
| Susan Crighton | | 2022-05-27 |
| Tessa Dwyer | | 2024-01-19 |
| Zahir Nayani | | 2024-01-19 |

Walk Wheel Cycle Trust

England & Wales - Charity number 326550

Accounts

Sustrans annual report and financial statements 2024- 2025

Sustrans

Year ended 31 March 2025

| | |
|-----------------------|---|
| Charity Number | 326550 (England and Wales) SC039263 (Scotland) |
| Company Number | 1797726 (England and Wales) |

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Legal and administrative information

Sustrans is a company limited by guarantee and a registered charity governed by its Articles of Association.

| | |
|--------------------------|---|
| Registered Office | 2 Cathedral Square, Bristol BS1 5DD |
| Charity Number | 326550 (England and Wales) SC039263 (Scotland) |
| Company Number | 1797726 (England and Wales) |

Trustees and Directors

The Trustees¹ who were in office during the year and up to the date of signing the Annual Report and Financial Statements were:

| | |
|-----------------------------|----------------------------|
| Moray Macdonald (P) | Chair |
| Heather Preen (E, P) | Deputy Chair |
| Benita Mehra (E, F) | |
| Su Crighton (F, I) | |
| Alistair Gibbons (I) | |
| Nicola Wood MBE (P) | |
| Frank Swinton (E, I) | |
| Carol-Ann Boyter (I, P) | |
| Tessa Dwyer (F, P) | |
| Zahir Nayani (F, I) | |
| Mohammed Ibrahim Ali (E, F) | |
| Rhona Marsland (E) | (appointed on 5 July 2024) |
| Helen Simpson (F) | (retired 6 July 2024) |
| Fiona Westwood (F) | (retired 6 July 2024) |

E = Estate Committee
F = Finance Committee
I = Impact Committee
P = People Committee

Company Secretary Paul Clinton

Notes:

¹ Trustee biographies are available on our [website](#).

Executive Directors

The Executive Directors² in post during the year and up to the date of signing the Annual Report and Financial Statements were:

| | |
|----------------------------------|---|
| Xavier Brice | Chief Executive |
| Matt Winfield | Executive Director, Delivery ³ (from December 2024) |
| Paul Twocock | Executive Director, Strategy & Engagement ⁴ (from December 2024) |
| Susie Dunham | Executive Director, Impact (until December 2024) |
| Harry Hayer | Executive Director, Change ⁵ (from December 2024) |
| Sam Kemp | Executive Director, Finance, Fundraising and Resources (until October 2024) |
| Andrew Wilkinson-Sharpe 2025) | Interim Executive Director, Resources (from December 2024 – April 2025) |
| Ben Freeman | Interim Executive Director, Resources (from April 2025) |

Notes:

2 Executive Director biographies are available on our [website](#).

3 Matt Winfield was Chief Operating Officer until December 2024.

4 Paul Twocock was Executive Director, External Affairs, until December 2024.

5 Harry Hayer was Executive Director, People & Organisation Development, until December 2024.

Advisers

Independent auditors

Crowe UK LLP
Fourth Floor
St James House
St James Square
Cheltenham, GL50 3PR

Solicitors

Bevan Brittan LLP
1 Queen Street
Bristol, BS2 0HQ

Burness Paul LLP
50 Lothian Road
Edinburgh, EH3 9WJ

Investment Manager

Rathbone Greenbank
8 Finsbury Circus
London, ECM 7AZ

Bankers

Lloyds Bank plc
Bristol City Centre Branch
PO Box 1000, BX1 1LT

Clydesdale Bank plc
23 Bank Street
Airdrie, ML6 6AD3

Handelsbanken
66 Queen Square
Bristol, BS1 4JP

Santander UK plc
12 Baldwin Street
Bristol, BS1 1SD

Five years of creating healthier places and happier lives

Working with our partners and beneficiaries we have delivered positive change to places and lives in every UK nation and region, in this, the final year of our 2020-2025 strategy.

On the National Cycle Network we have delivered on the ambition set out in our Paths for Everyone report back in 2018. Over the last 5 years we have delivered over 700 miles of new or improved path, removed almost 2,000 barriers, and engaged just under 600 new community groups to help look after the Network and help new users access and enjoy it.

To create Liveable Cities and Towns we have helped deliver 18 exemplar places and empowered local leaders with the evidence needed to make the brave decisions that reverse the status quo and take us to a better future.

We have achieved this by living our values.

We are acting local and thinking big. Climate change affects the whole world, but our contribution starts close to home—improving paths and streets one mile at a time. These local actions add up. They demonstrate what's possible and show that a low-carbon future isn't about having less, but about gaining more—more joy, more health, and deeper connections with others.

We have included everyone. Decades of poor collective choices on transport have not impacted society equally, so nor does our work. Over the last five years our projects have shifted to prioritise those communities and groups most disadvantaged by the status quo.

We have got things done together and with others. UK and national devolved governments have generously grant funded our infrastructure work. Local and regional governments commission us to redesign, rejuvenate and animate streets and places. Trusts and foundations fund pilots and research that lay the foundations for change to come. And tens of thousands of individuals make regular donations to help us protect and grow the National Cycle Network. And what we do only works because it is done in partnership with local people and other charities and organisations who know their communities best.

We have had the courage to question. From its founding, Sustrans has challenged the status quo. A car-dependent society will never be just, healthy or sustainable. We all deserve the freedom to choose how we move. We will keep making the argument for the difficult choices needed after decades of prioritising the car, but in a way that builds common ground not division, and that shows what positive change looks and feels like.

We are always learning. From innovative path surfaces to new approaches to community co-design we will continuously look for new and better ways to deliver change and show not just what works already but what *could* work in the future.

As we look to Sustrans' future with a new 2025-30 strategy we will remain an organisation that delivers real change on the ground. But more than that, a charity that delivers hope for a better future. Not in reports or rhetoric but in reality, delivering beautiful paths, welcoming streets and warm smiles.

Xavier Brice, Sustrans Chief Executive

Report of the Trustees

Public benefit

In setting our aims and objectives, carrying out our activities, and reporting on our achievements, we have complied with the requirements of the Charities Act to have due regard to the public benefit guidance published by the Charity Commission. The remainder of this report describes how Sustrans has planned and delivered its public benefit.

Our aims and objectives

Sustrans' charitable objects, as set out in our Articles of Association, are:

- to promote and encourage, both in the UK and overseas, for the public benefit the development in the community and the provision of safe routes, paths and facilities for cycling, walking and other forms of low energy transport
- to undertake and carry on projects and activities of a charitable nature which will assist in promoting healthy recreation, the protection of the environment and the conservation of energy resources.

Our vision

Our vision is of a society where the way we travel creates healthier places and happier lives for everyone.

Our mission

Our mission is to make it easier for everyone to walk and cycle.

Our strategy

In the last year (2024-25) we have completed the final year of our 2020-2025 strategy for our Paths for Everyone and Liveable Cities and Towns strategic priorities.

Our strategic priorities

Making it easy to leave the car at home delivers a better environment for everybody. How we choose (or are forced) to travel, and our car-dependency is ruining our environment and contributing towards climate change. This is disproportionately affecting people from marginalised groups and those living in areas with high deprivation, particularly in inner cities.

Air pollution is the biggest environmental threat to health in the UK. What's more, communities already at risk of poorer health are being further disadvantaged by higher exposure to polluted air. Living near busy or dangerous roads can also prevent people from accessing green and public space.

It's because of these challenges that we have focused our work on two strategic priorities over the last five years:

Paths for everyone

The National Cycle Network provides a vital backbone to the country, connecting communities to each other and helping neighbourhoods come to life.

As custodians of this Network, we work to ensure it is accessible to everyone and easy to reach from towns and cities, so it continues to be a treasured national asset that is loved locally.

Liveable cities and towns for everyone

We believe the places where we live, work and enjoy ourselves should be planned around people, not cars.

To create more liveable cities and towns, we work with decision-makers looking to bring about positive change, helping them to plan and provide active travel options for their communities.

We work to shape policy, provide expertise on planning and building active travel infrastructure, and deliver programmes which shift people away from car use and help communities come to life.

We're for everyone

We're determined to be 'for everyone', recognising that to achieve this, we must address inequity by focusing our work where it can benefit the people most in need and have the greatest positive impact.

We make sure that communities are at the heart of everything we do. We listen to the needs and wants of people, particularly the most marginalised. And we talk to local communities all over the UK to find out what matters to the people who live there.

Together, we can make change happen

We are only able to create healthier places and happier lives for everyone with the support and involvement of others who share our vision.

Our work wouldn't be possible without our generous donors, our partners and our dedicated team of volunteers.

We are forever grateful to every individual, company, partner organisation, local authority, lottery funder, trust or foundation who contributes to our work.

With your support, collaboration and commitment we are helping communities across the UK to come to life.

Helping communities come to life in 2024-2025

Paths for everyone

Improving the quality of the Network

With the support of our strategic partners, 2024-25 has been a successful year for the Paths for Everyone programme. It is the conclusion of the 5-year business plan period and strong UK-wide momentum is building across the delivery themes, resulting in many miles of improved, well-signed and accessible paths to be enjoyed by everyone.

Improving accessibility on the Network

Despite the difficult financial environment, we have seen many targets surpassed, most notably:

Barrier removal and redesign to improve access (PfE-05)

To increase access to the Network, particularly for those using non-standard cycles and mobility aids, Sustrans teams removed/redesigned 730 barriers from the Network in 2024-25; the most ever recorded in a single financial year, and more than double the annual target of 355.

50 barriers were located on land owned or controlled by Sustrans, against a target of 20.

An important break-through in England was a partnership with the Canal and River Trust (CRT) that saw 14 very restrictive barriers removed along the well-used Birmingham Canal.

This precedent is significant as CRT have previously had concerns about removing barriers, due to issues with motorbikes and speeding cyclists. The 500 miles of traffic-free Network that run along canal towpaths are still constrained by over 1,700 inaccessible barriers so this is an important step forward.

Improving Network signage to improve user experience (PfE-07)

The annual target for the number of miles of Network with improved signage was exceeded by over 100% with 216 miles recorded against a target of 90 miles. The team in Wales delivered 88% of this, concentrating on several of the nation's major Network routes, including the popular Lon Las Cymru.

On road to traffic-free paths to improve safety (PfE-03)

To increase safety, 25 miles of Network have been converted from on road to traffic-free against an annual target of 9.2 miles, with 50% of the total being delivered in Scotland.

Engaging community and volunteer groups to improve network quality (PfE-10)

237 new or existing volunteer or community groups were involved on the Network, against an annual target of 140.

In October 2024 we published our Network Development Plans; the culmination of many years' work by the Network Development teams, with over 14,000 highlighted sections on the map detailing issues and suggested improvements.

An interactive Partner Collaboration Tool has enabled us to share a live view of these plans with key partners, including local authorities and national governments.

This was pioneered by the team in Scotland and rolled out to Scottish partners in March.

24 organisations signed up within a week and are helping to align the plans with local projects and priorities.

Increasing the diversity of Network users

We continue to work towards a UK-wide network of traffic-free paths for everyone. That is why we have been working hard to help new users discover the National Cycle Network (NCN).

Generously funded by Motability Foundation, in financial year (FY) 2023/24, phase one of our Accessible Digital Mapping project was completed; setting out to understand the needs of disabled users to access, plan and enjoy the National Cycle Network and how an accessible digital mapping tool might support this. A foundational tool was co-created with the support of our advisory board consisting of two pan-impairment groups, Wheels for Wellbeing and Transport for All.

Phase two for FY 2024/25, focused on testing with users to develop and validate the tool as a “minimum lovable product”. We have partnered with the charity AbilityNet to provide the core user research and will continue to collaborate with the advisory board and our development partner.

The outcome from phase two will provide insight that can be shared more broadly, helping to shape our data and how this might be valuable to partners and other service providers. This insight will put disabled people at the heart of digital solutions and highlight opportunities to enhance their experience with National Cycle Network and wider active travel initiatives.

Tracking our progress

To help make sure we are delivering the change we want to see, we track our progress against performance indicators and targets that we set at the start of each year. The table below summarises what we have achieved on our Paths for everyone priority at the end of 2024-2025.

| Performance indicator | Target | Actual | Commentary |
|---|---------------|---------------|---|
| % total Network miles good/very good | 65% | 66% | Target met |
| % Sustrans controlled traffic-free miles very good | 31% | 31% | Target met |
| # on-road to traffic-free miles delivered | 9.2 | 24.9 | Target met |
| # on-road to quiet-way miles delivered | 15.8 | 3.4 | Target not met. A number of projects have shifted delivery to 25/26 |
| # barriers removed or redesigned | 355 | 730 | Target met |
| # barriers removed or redesigned on Sustrans-owned land | 60 | 50 | Target not met. Original target of 20 was increased to 60. |
| # miles of improved signage | 90 | 216 | Target met |
| % removed and reclassified miles where signage has been addressed | 87% | 88% | Target met |
| # new community groups involved on the Network | 140 | 237 | Target met |
| % awareness of Sustrans as the charity behind the Network | >11% | 12.4% | Target met |
| Sub-standard crossings improved | 9 | 4 | Target not met. As sub-standard crossings are on-road, Sustrans needs to influence Highways Authorities to improve them. Unfortunately, we were unable to achieve our target for 2024-2025 as this is not a funding priority for some areas. |

Liveable cities and towns for everyone

For the last year of the Liveable Cities and Towns (LCT) strategic priority, we said that we would:

- Continue to adopt a people-centred, bottom-up approach to meet the unique needs of communities in the areas we work. Across our LCT delivery activities, we said we would work with local communities, and with relevant organisations and stakeholders, to agree objectives and the resources needed to achieve a collective ambition.
- Continue to deliver practical projects that make it easier for people to walk and cycle and that reduce traffic in our neighbourhoods – particularly in our focus cities and towns. Our people-centred, bottom-up approach can be seen both in specific projects that have sought to empower citizens in transport policy and practice across the UK, and in the way we have delivered practical projects in the localities that we have worked in.

Empowering citizens in transport policy and practice

In September 2024, we launched two reports that address physical and economic barriers that prevent people on low incomes from benefiting from cycling:

[The Cycling Opportunity](#), generously funded by abrdn Financial Fairness Trust, highlighted the financial barriers that stop people on low incomes or not in employment from accessing a cycle and enjoying the social and health benefits that come from cycling. Unlike others, people on a low income cannot access the Cycle to Work Scheme. It recommends a voucher scheme to help these individuals afford cycles, which could generate substantial societal benefits and improve public health far outweighing the cost.

[Residential cycle parking - Improving cycle parking for people on a low income](#), funded by Cyclehoop. This study found that only 12% of people on a low income or not in employment own and use a cycle, with 60% believing that access to secure cycle storage would encourage them to cycle more. The report recommends that local authorities increase residential cycle parking, especially in flats and deprived areas, and that governments set standards and invest in improving cycle parking.

In February 2025, we launched the first [Children's Walking and Cycling Index](#) and in April, the [Children's Walking and Cycling Index: Scotland](#), capturing the behaviours, barriers and attitudes affecting how young people aged 6-15 walk, wheel and cycle. As well as enabling decision-makers to pay more attention to children's journeys, the Children's Index also received significant mainstream media attention. The Children's Index was generously sponsored by Halfords, with funding for the Scotland report provided by Transport Scotland.

Our work delivering the main Walking and Cycling Index continues in 22 cities and regions across the UK and Ireland, in preparation for publication in March 2026. We continued to improve the publicly accessible data available on walking, wheeling and cycling from previous Index reports, through our [Walking and Cycling Index Data Tool](#). A review of the Index's impact is underway, and funding is being sought to enable the Index to maintain its coverage across all UK nations from 2026 onwards

Our practical delivery projects

In 2024-25, we continued to deliver infrastructure, behaviour change and advisory projects to make it easier for people to walk, wheel and cycle in urban neighbourhoods, taking a people-centred, bottom-up approach. This year marked the final year of our five-year strategy period, and we made significant strides in achieving our LCT goals.

Examples of our LCT projects this year are:

Improvements to the South City Way in Glasgow, where, with extensive community involvement, Sustrans delivered a direct, 3km uninterrupted route for cyclists and pedestrians, connecting the south side of Glasgow to the city centre. A Small Grants Fund supported various community-led projects along the route, from cycle training to public art installation, fostering a sense of ownership and pride among local residents. The scheme has improved conditions for active travel, reduced motor traffic and increased safety for all users. The project saw a 185% increase in cyclists and a 15% increase in pedestrians using the route for commuting.

The Connecting Woodside project, also in Glasgow, where we implemented an area-based scheme to improve streets and public spaces. The project included the construction of a segregated cycle route on Garscube Road, which saw a 300% increase in cyclists. The project also introduced 20mph zones, improved footway surfaces, and enhanced pedestrian crossing points, making the area safer and more accessible for all.

Low Traffic Neighbourhood (LTN) schemes, where through-movement is restricted for motor vehicles and improvements are typically made to an area of primarily residential streets. We delivered in our focus cities and towns, such as in Lambeth, London, where we converted temporary traffic filters into permanent changes to streets in five LTNs, and saw cycling increase in those areas by up to 107%.

School Streets, where through-traffic is restricted at the start and end of the school day, improving air quality, reducing traffic and making walking, wheeling or cycling to school safer and more appealing. Overall, we delivered over 30 School Streets in our focus cities and towns. [New guidance](#) from Active Travel England published in November 2024 was informed by Sustrans and Edinburgh Napier University [research funded by Road Safety Trust](#).

Reporting on the [success of our cycling hubs across the Tees Valley](#), where we refurbished bikes and distributed them to schools and people in need, provided personal travel planning, repaired people's cycles, taught cycle repair skills and ran social walks and rides.

The [Active Steps](#) social prescribing project in Bath and North East Somerset, where volunteers have supported led rides and walks and helped people increase their fitness and improve their mental health. Across the board, new and existing volunteer and community groups have been involved in over 200 of our LCT projects.

Our 15th annual [Big Walk and Wheel](#) competition generously sponsored by Schwalbe Tyres UK, took place March 24 to April 4, 2025, inspired over 2.8m active journeys to school across the UK, up from 2.3m last year.

The [FRideDays Bike Bus](#) project, also sponsored by Schwalbe Tyres UK, has achieved significant impact in promoting active travel for school journeys. The project has been presented at two active travel conferences for the Welsh Government and the National Active Travel Conference in Manchester concentrating on School Streets, demonstrating a growing appetite for safer, healthier, and more sustainable school commutes and further amplifying the project's positive message.

Tracking our progress

To help make sure we are delivering the change we want to see, we track our progress against performance indicators and targets that we set at the start of each year. The table below summarises what we have achieved on our Liveable cities and towns for everyone priority at the end of 2024-2025.

| Performance indicator | Target | Actual | Commentary |
|---|--------|--------|---|
| # of focus cities and towns | 38 | 40 | In our five-year business plan we set out that we would work to 'raise ambition for change' in a focused number of urban areas across the UK. This year we have worked to do this in the targeted number of cities and towns. |
| # of new and existing volunteer and community groups involved in our LCT projects | 160 | 209 | Target exceeded |
| # of School Streets initiatives delivered in focus cities and towns | 21 | 22 | We want to increase the work we are doing in focus cities and towns to build momentum towards Sustrans vision – these three KPIs track our progress in three specific areas. Progress against all targets has been good, particularly around behaviour change. |
| # of Low Traffic Neighbourhood initiatives delivered in focus cities and towns | 14 | 13 | |
| # of behaviour change initiatives delivered in focus cities and towns | 136 | 262 | |
| # of exemplar case studies developed | 10 | 4 | In our five-year business plan we committed to co-create 10 exemplar places by 2025. We have defined these as 'internationally recognisable' places, where urban leaders across and outside the UK recognise the positive change in the place and Sustrans' contribution. At the end of 2024-2025 we had published case studies covering 4 projects in Glasgow and London, with draft case studies on Sefton and Tees Valley. This is lower than anticipated due to resourcing challenges. |

In the coming year

2025/2026 promises to be a significant year for Sustrans. Most importantly, we will launch our new strategy which re-commits us to making it possible for everyone to walk, wheel and cycle.

This new strategy will focus on delivering outcomes for our Health, our Wellbeing and our World, through five long term strategic priorities.

We will:

- Build a walking, wheeling and cycling network that brings everyone closer to the place and people they love
- Make it possible for every child to walk, wheel and cycle to school, building fun, healthy, greener habits for life
- Make longer journey possible for everyone by making it easy to walk, wheel or cycle to catch a bus, tram or train
- Help new homes and communities to thrive by putting walking, wheeling and cycling at the heart of every new development
- Empower millions to walk, wheel and cycle for their Health, their Wellbeing and their World

2025/26 will be a transition year for Sustrans as not only will we implement our new strategy, but we will also launch a new brand that will inspire even more people to join us in transforming how we travel and how we live. During this rebrand programme of work (in 2024/2025), we have gathered input from many of our stakeholders including funders, partners, donors and volunteers as well as people who do not know Sustrans. The findings are clear; to create long-lasting change, we need to more clearly express what we stand for and invite more people to join us on this journey. And although the name 'Sustrans' has served us well over the years, we've found that our name can be a barrier for many people. A clearer name and identity will help more people understand our mission.

In 2025/2026 we will:

1. Connect people with the places and destinations they wish to reach by building 90 miles of new Network (NCN) across key routes
2. Offer people, particularly parents and guardians of young children, disabled people and other groups greater opportunities to walk, wheel and cycle by improving the accessibility of the NCN via the removal/improvement of over 350 barriers
3. Encourage people to love their NCN by delivering 14 projects via the Love Your Network and ArtRoots programmes
4. Deliver 35 School Streets, making it possible for children and guardians to walk, wheel and cycle the school run, with projects in each of the four UK nations
5. Increase biodiversity across the National Cycle Network by rolling out our Biodiversity Action Plan across 28 miles of traffic-free paths
6. Amplify the voices of children to transport and spatial planning decision-makers through the launch of our new Children's Walking and Cycling Index at a Summit in May 2025

Influencing for change

We will continue to campaign for more investment so that everyone has the choice to travel more healthily and affordably around our neighbourhoods. This is more crucial than ever in the context of a cost-of-living crisis and recent government budget cuts

UK Government (England)

In 2024/25 we worked to reverse funding cuts to active travel from the previous year. Importantly, we met with the Shadow Minister ahead of the election to highlight the need for long-term consistent funding and continued to influence this agenda after they became Minister following the election.

We also sent a Budget Submission making the case for long-term funding for the NCN to Active Travel England (ATE), His Majesty's Treasury (HMT) and the Special Advisor for the Secretary of State for Transport. This, and a proactive engagement programme with the Department for Transport and our advocates in parliament contributed towards the success of reversing the cuts and having £100 million added to the budget for walking, wheeling and cycling, including £25 million in funding for the NCN for the next year. Work will continue to secure long-term funding for the NCN in the next Cycling and Walking Investment Strategy.

In Scotland

The Scotland team has done targeted work to influence the Scottish Budget. We worked with Members of the Scottish Parliament across both governing and opposition parties to highlight the real-life impact of investment in active travel - calling on the parties to keep up the growing momentum by continuing to back this funding within their negotiations around the Scottish Government budget for 2025/26.

This work resulted in Members raising support for protecting investment in the National Cycle Network during budget hearings in the Holyrood chamber and contributed to overall funding support for active and sustainable travel being maintained for next year.

In Northern Ireland

In Northern Ireland we have continued to campaign for increased investment in active travel, making comparisons to the Republic of Ireland where investment is nearly six times higher than in Northern Ireland. We have had ongoing meetings with the Department for Infrastructure on Transport Sectoral Plans which should set out the 10% spend on active travel from the Transport budget as a result of the Climate Change Act. We have also pressed the Environment Minister on this matter given their responsibility for the Act.

After threatened cuts to our largest programme of work in Northern Ireland, the Active School Travel Programme, we have now secured an 18-month renewed contract from January 2025, with scope to extend this to two years.

We secured a further two years of funding for the Walking and Cycling Index reports for all six cities across the island of Ireland, including Belfast.

In Wales

In Wales, in advance of the 2025/26 budget decision there was an anticipated squeeze on active travel funding. We collaborated with partners to raise concerns and showcase good results from previous funding, with the result that the final budget settlement is similar to the previous financial year. We secured another year's continuation of the core grant from Welsh Government, that allows Sustrans to invest in the National Cycle Network in Wales and carry out targeted work to support adults to change their travel choices. From 2024/25, we secured two years of funding from the Welsh Government to support the Walking and Cycling Index in Wales.

Our people

The dedication of our people remains our most valued asset and over the last year we continued to recognise this and improve our offer to colleagues.

We know that pay is a significant part of the working experience, and we want to ensure that everyone is valued for their contributions and that we attract and retain talent in a competitive job market. That is why we made the bold decision to invest significantly in improving our colleagues' pay and benefits in 2024/25.

We are proud to say that we agreed a recognition agreement with Unite the Union and look forward to building a constructive and productive relationship.

As part of simplifying our structures and laying the foundation for clearer career structures we introduced job families for over a third of the organisation. We also launched a new Learning Management System that will vastly improve the ability of our colleagues to access learning just-in-time.

In the coming year

We want to develop our focus and offer around performance, learning and careers. We plan to introduce a learning curriculum for Line Managers and build on our job families with an associated learning curriculum.

Our colleagues tell us they want more support with their careers, so it's our aim to develop some talent management processes, tools and skills to enable this.

We will continue to enhance our colleague relations and engagement by developing our colleague networks and colleague forums to help ensure our colleagues have a voice in Sustrans.

Our Pay Gap

We are in a minority of organisations that report a pay gap on gender, disability, ethnicity and LGBTQIA+.

Our mean gender pay gap increased from 4.59% in 2023 to 6.36% in 2024. The disability pay gap decreased significantly from 2.3% in 2023 to an impressive -0.3% in 2024. The ethnicity pay gap increased from 4.35% in 2023 to 8.22% in 2024. The sexual orientation pay gap increased from 2% in 2023 to 3.74% in 2024.

The gender pay gap shows a general trend fluctuation over the years, with an overall decrease from 2020 – 2023, followed by an increase in 2024.

The ethnicity pay gap has increased significantly over the years, moving from a negative value to an apparent pay gap by 2022 and reaching 8.22% in 2024.

The sexual orientation pay gap has shown variability, with an increased gap in 2021, narrowing to -2% in 2022, and increasing again in 2024.

The disability pay gap improved significantly from 2020 (-1%) to 2021 (-5.9%) but reverted to a consistent increase in the pay gap for two years before reducing again in 2024. The review of the mean pay gaps indicates that while there have been fluctuations, narrowing some gaps, particularly in the earlier years (ethnicity and disability), it does reflect a good trend. However, the increasing positive gap for ethnicity highlights a concern that needs to be addressed.

Volunteering

Volunteering supports Sustrans to work with and for communities; reaching more people and increasing our impact by scaling up our delivery work.

Volunteering provides opportunities to broaden our voice and reach; connecting us to people, places and society; bringing knowledge, skills, and experience; bringing different perspectives; challenging the status quo; and providing long term commitment to improving communities.

Thousands of people across the UK volunteer their time to help look after their local communities by engaging with schools, supporting wildlife conservation, caring for the National Cycle Network and much more.

What we've achieved this year

Over the past year volunteering at Sustrans has seen many highlights. Over **20,000 hours** of volunteering activity were recorded by volunteers:

- **368** volunteers logged **1,925** activities caring for the National Cycle Network
- **227** volunteers logged **1,349** activities in communities
- **51** volunteers logged **119** sessions of administrative support and media volunteering.
- **7,738** NCN signs were ordered
- **300** led walks and ride were organised and delivered
- **23** community groups in Scotland were engaged through our Love Your Network and ArtRoots funding. Receiving a combined £52,000 in funding.

Telling the story of volunteering impact

Four case studies were put together by the Research and Monitoring Unit, with help from the volunteering team and the support of two research volunteers.

These can be accessed via the [Showcasing the impact that volunteers have Storymap](#)

Our [Celebrating volunteering 2024 video](#) provides a snapshot overview of volunteering impact stories that took place across the UK in 2024-2025.

We've delivered mandatory volunteer engagement training to 230 colleagues, strengthening our capacity to support the volunteering strategy. This applies to colleagues who manage volunteers or oversee colleagues in volunteer management.

Action Team Volunteering: New initiative

Action Team offers flexible volunteering opportunities, allowing individuals to engage in tasks that align with their skills and interests, without a regular time commitment.

Launched in Scotland in 2024, it quickly expanded to Wales and England, with over 800 volunteers now involved. Plans for Northern Ireland are underway for 2025.

Volunteers contribute to diverse activities that enhance community engagement, environmental sustainability, and promote active travel.

Here's a summary of some of our key activities and their impact:

- **Infrastructure Support:** Volunteers photographed NCN sites to assist in local assessments of conditions and barriers.
- **Site Maintenance:** Artworks and interpretation boards were documented, with volunteers clearing vegetation as needed.
- **Bike Safety:** Volunteers supported Dr Bike and Dr Scott activities, coding bikes and ensuring safety checks.
- **Wildlife & Habitat Conservation:** Participation in RSPB Birdwatch, Big Butterfly Count, and grassland management activities.
- **Route Cleanups:** Using #2minutecleanup bags to improve paths for people and wildlife.
- **Community Engagement:** Promoting Sustrans campaigns through school outreach, leaflet distribution, and event participation.

Volunteering for Everyone

Action Team links strongly with our Volunteering for Everyone principles as it aims to improve volunteering accessibility, flexibility and makes the work of Sustrans relevant and accessible to people in communities.

Decline in volunteering numbers

Our total amount of registered volunteers has reduced from around 3,000 to 2,000 volunteers. This decline is due to several factors:

- **National Volunteer Survey and audit:** Launched in January 2025 to gather direct feedback and improve volunteer engagement. Follow-ups helped re-engage volunteers or update records for those no longer active.
- **Reduction in Support Staff:** A 30% cut in April 2024, followed by a further 23% reduction, led to halted engagement activities, including open recruitment.
- **Impact on Volunteers:** UK-wide survey feedback highlights concern about reduced support, underscoring challenges in maintaining adequate engagement.

How we fund our work

Sustrans' approach to funding and fundraising

Sustrans collaborates with governments and local authorities throughout the UK to help people walk, wheel and cycle more. By working in partnership with decision-makers, Sustrans is able to transform communities and strives to create a fairer society by making affordable active travel options accessible to everyone. Much of the funding we receive from national or local government supports the creation and maintenance of infrastructure that enables more walking, wheeling and cycling to happen in a safer environment.

Additionally, we greatly benefit from the generosity of donors, trusts, foundations, corporate partners, philanthropists, and customers who make purchases from our e-commerce shop. These contributions allow us to maintain and enhance the National Cycle Network including protecting ecology and wildlife, implement programmes to support children to travel actively to school, deliver research projects, influence government policy, and support our volunteers.

Individual donors

Sustrans is enormously grateful to the generous donors who support our work. Many of our new donors are recruited through our face-to-face programme on the National Cycle Network, as well as at shows and exhibitions. In 2024-2025 the number of donors we engaged increased marginally by 1% (on the previous year), and we experienced a significant increase in the average monthly gift for new regular givers, rising from £9.24 to £9.81.

In 2024-25 we continued to expand our face-to-face programme. Our in-house team opened a new fundraising location in Brighton and increased activities in other established offices. Sustrans also continued to successfully test and scale our presence at shows and exhibitions where donor response remains strong. During this period, we closed face-to-face operations in low engagement areas, such as Cardiff, to reallocate resources to higher potential locations.

Throughout 2024-2025 we ran several campaigns to raise unrestricted income, including an upgrade campaign for existing regular donors, a raffle, and two appeals focused on caring for the National Cycle Network. Our digital engagement and acquisition efforts continued to evolve, with a focus on strengthening the recruitment of regular givers through online channels. Our value exchange programme was further refined throughout the year to improve donor conversion and retention. We also maintained steady investment in lead generation and single gift advertising.

Digital campaigns offering a downloadable traffic-free guide and those spotlighting the needs of the National Cycle Network remained the most effective in driving engagement and income. These approaches will continue to form a core part of our digital fundraising strategy going forward.

Our telephone fundraising programme, delivered in partnership with Ethicall, supported key donor development goals. Activities included a reactivation campaign, an upgrade campaign for existing supporters, and a conversion campaign targeting value exchange leads. These campaigns have shown strong return on investment. In addition, we began piloting a new value exchange offer in partnership with Angel Fundraising to explore further opportunities for regular donor acquisition.

To reinforce our commitment to donor stewardship, we also held an in-house Thank You Day, with colleagues sending personalised messages and calling donors to show appreciation and strengthen relationships.

Legacy giving

In 2024-2025 we continued to benefit from the generosity of those that left Sustrans a gift in their Will. Over the year we received a number of generous legacies, which exceeded our expectations. The commitment of our amazing supporters who leave Sustrans a gift in their will is incredibly meaningful and impactful to us and we are very grateful. In 2025-2026 we have plans to further develop our legacy offer proactively inviting supporters to remember Sustrans in this meaningful way.

Partnerships

Sustrans is incredibly grateful to all our corporate supporters, trusts and foundations, lottery funders and philanthropists, without whom we couldn't deliver some of our most innovative work. Our partnerships allow us to work right at the heart of communities, engage with schools across the UK, deliver research and connect people and places.

Notable partnerships we would like to give special thanks to include:

- Schwalbe Tyres UK Limited who kindly sponsored the Sustrans Big Walk and Wheel for a fourth year in a row and facilitated the expansion of the FRideDays Bike Bus initiative, enabling children across the UK to travel actively to school.
- Sport England support for Active Environments Demonstrator: Wayfinding Pilots to design and implement new, innovative approaches to wayfinding that put the most vulnerable at the heart of the decision-making process. Alongside grant support for essential bike storage for vulnerable people.
- Freshfield Foundation, who enabled us to engage and plan for the improvement of streets in Liverpool City Region and the continuation of the Walking and Cycling Index; instrumental in securing funding for active travel across England.
- The abrdn Financial Fairness Trust, The London Marathon Foundation, and City Bridge Foundation, (the funding arm of The City of London Corporation's charity, Bridge House Estates (1035628)), who supported us to make walking, wheeling, and cycling more accessible for underrepresented groups and disadvantaged communities.
- Motability Foundation, who supported us in the development of Accessible Digital Mapping for the National Cycle Network; to deliver a London-wide accessible cycle loan/training programme for disabled people in partnership with Wheels for Wellbeing and Peddle my Wheels; and to carry out user research to improve sustainable transport accessibility across the UK.
- The Gannochy Trust who has supported our work in Scotland to enable young people and communities to walk, wheel and cycle.
- The Greenham Trust support towards our partnership transforming the Kennet & Avon Canal towpath.

E-commerce

During 2024-2025 we focused on growing the number of visitors to our shop and developing new products. Sustrans shop specialises in our own range of maps, guides and digital downloads of our routes, as well as cycling merchandise

We have updated our bestselling Lands End to John O'Groats (LEJOG) guidebook, introduced a new range of Sustrans branded merchandise including mugs, signs and badges and have developed an exciting new product for families with young children.

We remain committed to ensuring our products, packaging, and methods are as sustainably sourced as possible, focusing on UK-based production.

Our environmental impact

Making active travel easily accessible delivers a better environment for everybody. We will focus on becoming even more environmentally positive throughout delivery of National Cycle Network infrastructure projects. To do this, we will continue to not only maintain but enhance biodiversity both on our land and in the projects we deliver, such as the Lias Line scheme in Warwickshire.

Read more about [how we're making space for nature on the National Cycle Network – Sustrans.org.uk](https://www.sustrans.org.uk/news/how-we-re-making-space-for-nature-on-the-national-cycle-network)

Biodiversity action plan

New walking and cycling infrastructures are being delivered while improving the natural environment. Biodiversity represents the quantity and variety of plants and animals in each area, and throughout our project lifecycle we are considering how this can be maximised to make new paths good for people and good for the environment.

The Lias Line in Warwickshire has provided a flagship opportunity for nature and biodiversity. We engaged with specialist contractors and local volunteers to reinstate and enrich over 2.5km of verge with locally native wildflowers. We also ran volunteer sessions to maintain trees and shrubs planted in 2022, and for the first time offered outreach to the local community in the form of a bat walk in July. As part of our wider commitment to biodiversity along the route we continue to monitor local amphibian populations which may have been impacted by the scheme and continued to evaluate the effectiveness of new approach to invasive weed control.

More broadly there has been proactive work to improve our existing green spaces along the NCN. Our Biodiversity and Estate Management Teams have worked together to develop new areas of wetland, including restoring ponds along the Solar System Way in York, and installing wildlife boxes of benefit to birds and bats across sections of the NCN owned, or managed by Sustrans.

We have maintained an ongoing partnership with Butterfly Conservation and continue to support their efforts across two sections of NCN located in the Midlands. We have also continued to run a series of introductory courses to help upskill and support Sustrans colleagues working in Design and Engineering, and Network Development roles to embed biodiversity principles across the organisation.

Sustainability and carbon reporting

As our approach to sustainability and carbon management continues to mature, two new targets have been established in 24/25 to provide interim milestones as we transition towards our long-term net zero goals (2030 for direct operations, 2040 for our supply chain):

- To reduce carbon emissions per km of Sustrans NCN construction by 22% by 2030/31 (from a 2025/26 baseline).

- By 2030 suppliers covering 70% of emissions from all purchased goods and services will have a near term (5-10 years) and a long-term, science-based carbon reduction target.

Overall, there has been a small increase to our direct carbon emissions this year, largely from increased vehicle use to maintain and inspect the land and structures we own or lease across the UK. Part of this increase can be attributed to managing the impacts of changing weather patterns and extreme weather events as a result of climate change. An extended growing season now requires more vegetation management to keep paths safe and clear for users, and storms and rainfall can cause flooding and tree damage also potentially obstructing paths. To guide both proactive and reactive management of paths within a changing climate, an Estates Management Climate Adaptation Plan has been developed to try and mitigate closures as much as possible.

A reduction in purchased goods and services this year has cut our scope 3 emissions significantly, however construction remains a considerable component of our overall footprint and therefore remains a key focus for carbon management. A bespoke carbon calculator tool has been developed this year to enable improved carbon accounting during infrastructure construction, as well as to inform design stage decisions on the carbon intensity of different types of materials. With projects being undertaken the length and breadth of the UK, in rural and urban contexts, there is no 'one size fits all solution' for low carbon active travel construction. However, by adopting this tool in collaboration with our contractors we can build up an evidence base so that we can design and specify the right materials for the right project, to create low carbon paths for walking, wheeling and cycling.

| | | Carbon emissions tCO ₂ e | | Fuel Use | |
|----------------------------|---|--|--------------|-------------|-------------|
| | | 2024/25 | 2023/24 | 2024/25 | 2023/24 |
| Scope 1 | Gas for offices | 15 | 14 | 81,880 kWh | 75,096 kWh |
| | Fuel for vehicles | 65 | 57 | 25,848 l | 22,677 l |
| | Fuel for site equipment | 9 | 9 | 3,646 l | 3,669 l |
| Scope 2 | Electricity for offices and hubs* | 18 (34) | 18 (34) | 165,066 kWh | 164,797 kWh |
| Total Scope 1 and 2 | | 107 | 98 | | |
| Scope 3 | Fuel and energy related activities | 26 | 24 | | |
| | Business Travel | 112 | 117 | | |
| | Employee Commuting | 47 | 53 | | |
| | Home working | 136 | 153 | | |
| | Supply Chain - construction spend** | 2,136 | 3,239 | | |
| | Supply Chain – non construction related spend**or | 2,218 | 2,637 | | |
| Total Scope 3 | | 4,675 | 6,224 | | |

N.B Methodological improvements have continued to be made to increase the accuracy and completeness of carbon reporting, and where estimated data was used for 23/24 reporting this has been updated with evidenced data where available. Of note, scope 2 reporting now encompasses all leased office premises, whereas previously this only included sites where energy was paid for directly or recharged via a landlord.

*In 2024-25 a combined market and location-based approach has been used to calculate Scope 2 electricity emissions. Where electricity is purchased directly from an energy supplier the specific carbon intensity of the tariff has been applied. Where electricity is recharged by a landlord, the exact fuel mix is unknown, so a location-based approach has been adopted using the UK grid average. For comparison purposes the location-based method is also shown in brackets, the difference representing the reduction in emissions through the purchase of green electricity tariffs.

**The reported carbon emissions for our supply chain activities are an estimate derived from financial spend (£) per sector. We acknowledge that this approach does not provide the same degree of accuracy as the other emissions reported, however this is included for transparency and to highlight the scale of the carbon impact of purchased goods and services in comparison to our core operational activities.

We are following GHG Protocol in our approach to carbon management.

Financial review

Sustrans is funded through a mixture of government grants, fundraising activity and paid contracted activities which deliver our objectives. There is investment in our agenda in all nations of the United Kingdom and by local authorities across these four countries.

The income that we generate is spent efficiently to deliver the best possible impact. As well as providing funding to others through our grant programmes, we also work in partnership with communities and with local and national governments to deliver projects and programmes that make it easier for people to walk and cycle.

We invest our fundraised income into managing the parts of the National Cycle Network that we own including land and ecology management, and in non NCN activities, such as encouraging children to walk wheel or cycle to school through Sustrans' Big Walk and Wheel and FRideDays Bike Bus project and our influencing and campaigning activities.

Our financial performance in 2024-2025

In 2024-2025 income of £111M and expenditure of £114M left a deficit for the year of £3M. Income and expenditure in the prior year were £146M and £145M respectively. This significant decrease in financial activity highlights the impact of reduced funding for our work, particularly in Scotland.

The deficit for the 2024-2025 year was caused by several factors, most notably an imbalance between our cost base and available income. For this reason, a restructure of the charity was undertaken through the 2nd half of the financial year which reduced the size of the organisation by 20% but, thanks to voluntary redundancies required only 12 compulsory redundancies.

The in-year deficit of £3M could be absorbed thanks to general reserves levels which had increased in recent years. The restructure has enabled a break-even budget to be prepared for 2025/26. Nonetheless, the charity continues to face considerable funding uncertainty, so the level of general reserves remains appropriate to mitigate the risks set out in following sections of this report.

Principal funding sources in 2024-2025

Charitable Activities contributed 94% (2023-2024 – 94%) of all income, with the balance provided by donations, legacies, and investments.

Our principal funding sources are government grants. In 2024-2025 we received £73M (2023-2024: £98M) from Transport Scotland, £15M (2023-2024: £23M) from the Department for Transport, and £1.1M (2023-2024: £1.4M) from the Welsh government (see note 18).

Contractual activity, mostly with local authorities and other public bodies, amounted to £9.3M (2023-2024 - £9.9M). Fundraising contributed £4.8M to our income in 2024-2025, up from £4.2M in the previous year. Investment income reduced from £4.9M in 2023-2024 to £1.9M in 2024-2025 due to reducing interest rates and cash balances.

In addition to the £4.8m Donations & Legacies income, the Fundraising and Supporter Engagement Team also contributed towards the Restricted Charitable Activities income with funding secured from Trusts & Foundations, Lottery, Major Donors and Corporate donors.

Our future financial picture and going concern status

We have several key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our reserves balance further mitigates remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2025-2026 and beyond. These are set out in the ‘principal risks’ section of this report.

We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity’s objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least 12 months from the date of approval of these financial statements. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The Trustees have considered specifically the financial risks associated with the current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

Our reserves policy

Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks (see following section on ‘Principal risks and uncertainties’), while ensuring we are making timely and strategic use of our funds. The policy focuses purely on general reserves, as these are the funds that can be deployed at the discretion of the trustees.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- temporary loss of income
- permanent fall in income, allowing time to adjust our cost base or business model

— incurring one-off costs that are not covered from donor funds.

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals. Our general reserves are matched by highly liquid investments so that we can draw on them quickly if necessary.

In 2024-2025 our target general reserves range was £8M to £10M; our closing general reserves of £7.3M are therefore below the target range. Ahead of approving the 2025-2026 financial budget, the Board has reviewed an update of the detailed risk assessment used to assess the level of general reserves that is appropriate for the charity to maintain. Based on the risk assessment, the Board decreased the target range for 2025-2026 to £5.5M to £7.5M.

Our investment policy

Project funds are held by Sustrans 'on trust' and are not to be considered for investment purposes. The principal consideration for these project funds is security. Credit worthiness is the overriding consideration, so project funds should only be held by banks holding a short-term credit rating of Good.

Sustrans has total reserves of approximately £12M. A portion of these reserves has been identified as long-term reserves available for investment. £3M was invested during the prior year and is managed by Rathbone Greenbank. The long-term reserves are invested, in line with our ethical policy, to grow at least in line with inflation over the long-term.

The Board of Sustrans has delegated investment decisions to the Finance Committee. Investment management is delegated to an authorised professional investment manager, regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Principal risks

Risk management is central to the successful achievement of our strategic aims and objectives.

The Board of Trustees has overall accountability for risk management and annually reviews the charity's principal risks. It sets risk appetite and risk tolerance limits and approves the risk management framework, which sets out the processes to identify, assess, respond, monitor, and report our risks.

The Finance Committee is responsible for oversight of the charity's Corporate Risk Register. It meets at least four times per year and scrutinises the most significant corporate risks facing the charity and the progress made in achieving target risk ratings.

There are five principal risks which reflect individual corporate risks or a combination of corporate risks that can seriously affect the performance or reputation of the charity:

1. Funding

A reliance on government funding coupled with the financial uncertainty of pressures on public sector budgets, and a more competitive environment for raising funds from other sources creates a risk around the loss of key funding for Sustrans.

To mitigate this risk, we proactively engage with our key funders to ensure we continue to deliver valuable outcomes, and we actively seek to diversify our sources of funding. We have reserves to ensure that the charity can remain operational in the event of the sudden loss of a significant source of funding, and we are improving our agility and responsiveness to financial opportunities and risks.

2. Capacity and capability

Financial challenge requires cost reduction and redundancies resulting in a loss of talent, which creates a risk to Sustrans' capacity and capability to deliver the impact that we want to see.

We are undertaking an organisational restructure to address the financial challenge and better position us to drive forward our new strategy for the next five years.

The new organisational structure has aligned capacity and capability required to deliver the strategy to available income and ensure financial sustainability. We have progressive policies around flexible working, and we believe that our culture and vision enable us to be an employer of choice, and we adopt a strategic approach to partnerships and collaboration with other organisations to support the delivery of our work.

3. Asset management

Managing the assets forming Sustrans' estate, which support the National Cycle Network involves managing engineered assets including former railway assets such as bridges, embankments, and drainage systems, as well as the land and habitats around our paths. Due to increasing occurrences of extreme weather events resulting from climate change, and the age of many of the assets, this creates a risk around ensuring the routes remain useable and accessible.

To mitigate this risk, we have a comprehensive inspection regime in place and a programme of planned maintenance for our assets. To address the impact of climate change on our assets, we are seeking to improve our understanding of how to develop more climate resilient paths. In addition, we are ensuring our land acquisition approval processes consider sustainability of the acquisition. We continually review our asset management strategy to consider the risk of climate change and to ensure that our strategy and resources can safely maintain our assets.

4. Safeguarding

Engaging with communities is a priority for Sustrans, but this creates a risk in ensuring that we are safeguarding the children and vulnerable adults that we work with.

To mitigate this risk, we regularly review our safeguarding policy and procedures, and we are committed to providing training to all colleagues and volunteers who work with children and vulnerable adults. We have additional training for our Directors and Trustees on their roles and responsibilities for safeguarding. We have a team of Designated Safeguarding Officers who oversee our safeguarding processes and implement changes to ensure we are upholding our responsibility to safeguarding in everything we do.

5. Cyber security

The dependence on information technology has dramatically increased in recent years, and this creates risks in relation to ensuring robust and reliable systems, data protection, and cyber security.

To mitigate these risks, we are moving core systems to the cloud, we regularly review and train colleagues in our data protection policies, and we comply with the Cyber Essentials standard.

Fundraising

Fundraising compliance and conforming to recognised standards

Sustrans is, and always has been, committed to ensuring a transparent and ethical approach to fundraising activities. We are registered with the Fundraising Regulator and committed to the Code of Fundraising Practice. We are also governed and guided by the Charity Commission.

Our colleagues are trained in accordance with the Fundraising Regulator's code, and this ensures that our fundraising activities are neither intrusive nor persistent. Our fundraising promise further demonstrates our clear commitment to how we treat our donors:

- we will commit to high standards
- we will be clear, honest, open, and respectful
- we will be fair and reasonable
- we will be accountable and responsible

All new fundraising colleagues are trained on fundraising compliance and particularly our key policies; Protecting vulnerable people in fundraising; Know your donor and suspicious donations; Working with professional fundraisers; Complaints; Ethical policy; and Refunds.

Our donors' personal data is held in accordance with the requirements of the Data Protection Act 2018 and UK General Data Protection Regulations (UK GDPR). All data is held securely and only for as long as required. We will never sell or share donors' details with other organisations to use for their own purposes, other than when we are required to do so by law.

Since 2022-2023 we have been operating under legitimate interest as our lawful basis for processing data, which is reflected in all our privacy policies on our website, and accessible to supporters every time they donate or purchase from our shop.

We make every effort to ensure that our fundraising activity never feels unreasonably intrusive, persistent or pressurised, but rather focuses on inspiring support and celebrating the impact of our donors and their gifts. Donors can manage their permissions by contacting our Supporter Care team. We always respect the wishes of donors who do not wish to receive fundraising communications, including those who have registered with the Fundraising Preference Service.

Fundraising complaints

Our ethical and open approach to fundraising is reflected in the low number of fundraising complaints that we have received, with 9 recorded in 2024-2025. The number of fundraising complaints received has decreased over the last year and no fundraising complaints have escalated further than Stage 1 of our complaints process.

At the end of 2023-24, we had one complaint escalated to the Fundraising Regulator. The complaint was about our Meta fundraising adverts, which focused on the ecology work our teams and volunteers have completed along the National Cycle Network. The complainant believed these to be misleading as Sustrans is best known for walking, wheeling and cycling. After an in depth and collaborative investigation, the Fundraising Regulator found Sustrans in breach of two rules in the Code of Fundraising Practice.

Aligned with our value of 'Always Learning', we paused our ecology adverts and took the complaint as an opportunity to work with the Fundraising Regulator to understand where we could improve

our fundraising communications. We have worked collaboratively with the Regulator to implement their recommendations to ensure our fundraising meets best practice going forwards.

In 2024-25 we updated our complaints policy and continue to be transparent and accessible to the public by sharing this on our website and by request. We are committed to ensuring our three-stage complaints process is always handled with empathy and diligence.

Face-to-face fundraising

A major strand of our fundraising activity engages new supporters face-to-face on the National Cycle Network. Although we partner with 'Inspired People' to recruit agency fundraisers on our behalf, all our in-house face-to-face fundraisers are trained and managed directly by Sustrans.

Our in-house fundraisers receive in-depth training, including recognising people in vulnerable circumstances, and are always required to be friendly, professional and never engage in actions that could be construed as pressurising or manipulative. Our team of fundraisers are supervised by a team leader, who assesses their performance and conduct on an ongoing daily basis. Regular coaching and formal performance reviews are conducted with all of our fundraisers.

In 2024-25 Sustrans tested an external mystery shopping audit with our in-house face-to-face fundraisers through the professional agency Green Light Sites. Although our team is in-house and carefully monitored, we felt this was a particularly important exercise given the Fundraising Regulator's findings from their market inquiry into subcontracted face-to-face fundraising. The findings have been very promising, and our fundraisers are outperforming the benchmarks for the sector.

Protecting people in vulnerable circumstances

Sustrans takes its responsibility in protecting vulnerable people very seriously and has clear procedures for reporting and managing any concerns. We ensure all fundraisers are trained to identify the needs of people in vulnerable circumstances. Our fundraisers are also trained to recognise someone who may not have the capacity to make an informed decision, and therefore not make a financial ask, and report their concerns to their manager. Any donation received via post or telephone is viewed in a similar way, with any concerns over the individual being reported to the Supporter Operations Manager.

In 2024-25 all internal fundraising colleagues also received training on our "Protecting Vulnerable People in Fundraising" policy.

Working with external fundraisers and agencies

We work with Ethicall, a professional telephone fundraising agency. They are registered with the Fundraising Regulator, the Chartered Institute of Fundraising, and are accredited by the Data and Marketing Association. We monitor their work through training and listening to phone calls and have been happy with their quality and ethical approach to fundraising. We will continue to build our relationship and monitor Ethicall's performance moving into 2024-2025.

We piloted working with Angel at the end of 2024-25 to deliver our Value Exchange programme. Angel are an award-winning contact centre and provide fulfilment solutions; with over 18 years of experience to some of the world's leading charities and businesses. Angel have been independently audited and accredited by Qualitas Veritas to ISO 27001:2017 standards and guidelines, showing their commitment to information security and data protection. We also monitor

Angel's work through training and call monitoring and are pleased with their ethical approach to fundraising.

Sustrans did not work with any face-to-face professional fundraising agencies in 2024-25. However, at the end of the year we did a mystery shopping test for our in-house fundraisers with the agency Green Light Sites with some very positive results. Green Light Sites are a fundraising sites strategy and compliance specialist. They are a certified B corporation.

Structure, governance and management

Governing document

Sustrans is a registered charity in England and Wales and in Scotland, and a private company limited by guarantee registered in England and Wales. It is governed by its Board of Trustees operating under the Articles of Association as amended in July 2023.

Charity Governance Code

Sustrans supports the principles of good governance set out in the Charity Governance Code (“Code”) for larger charities and adopted use of the Code in 2018. Trustees welcomed the refreshed version of the Code published in December 2020, with its enhanced principles of integrity, equality, diversity, and inclusion. The Board believes that the charity’s governance meets the requirements of the Code in all key areas.

Trustees

The Board of Trustees is responsible for the governance and strategy of Sustrans. The Articles of Association allow for between five and fifteen Trustees, who have full legal responsibility for the activities of Sustrans. They are the company Directors of Sustrans for the purposes of company law.

Trustees are appointed for a term of three years and can be re-appointed for a second consecutive term. In exceptional circumstances, a Trustee may be appointed for one further term.

The Board has a deep commitment to Sustrans’ value of ‘for everyone’ and to involving people with different and seldom-heard voices. The Board has been strengthening its practice in equality, diversity and inclusion to ensure that all Trustees feel welcomed and able to participate.

As of 31 March 2025, there were seven women and five men on the Board of Trustees.

None of the Trustees received any remuneration.

Role of Trustees

Trustees monitor and have overall responsibility for:

- Approving the overall strategy and annual budget of the organisation, ensuring the allocation of the necessary resources to achieve the objectives defined in the business plan.
- Ensuring that the charity has appropriate systems of controls, financial and otherwise.
- Keeping proper accounting records which comply with the Companies Act 2006 and the Charities’ Statement of Recommend Practice.
- Safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- Providing assurance that the charity is operating efficiently and effectively, carrying out a risk assessment to identify possible risks to the achievement of the charity’s objectives and establishing procedures, actions, and systems to mitigate them.

This monitoring of financial and other areas of performance ensures that the Trustees are continually appraised of progress, and the risks the charity faces.

The Trustees meet at least five times a year. Meetings are held virtually and in different geographical locations, giving the Trustees the opportunity to experience Sustrans work and/or engage with stakeholders.

In 2024-2025, the Board has been developing the new five-year strategy for 2025-2030 and has held eight Board meetings. Trustee attendance at Board meetings was:

| Meeting | Attendance ¹ |
|----------------------------|-------------------------|
| May 2024 | 100% (14/14) |
| July 2024 | 86% (12/14) |
| September 2024 | 100% (12/12) |
| October 2024 (additional) | 58% (7/12) |
| December 2024 (additional) | 92% (11/12) |
| January 2025 | 100% (12/12) |
| February 2025 (additional) | 92% (11/12) |
| March 2025 | 83% (10/12) |

Notes:

¹ Attendance is based on the number of Trustees eligible to attend at the time.

The Board has appointed Trustee Champions for Volunteering, Environmental, Impact, Fundraising, Safeguarding, Health & Safety, and Equality, Diversity, and Inclusion, to support the Board's governance role and to provide additional support to the Executive.

Board Committees

The Board Committee structure, which was updated from January 2024 consisting of a Finance Committee, Impact Committee, People Committee and Estate Committee, was embedded through 2024-2025. The Board Committees provide oversight across the following matters:

- Finance Committee: financial performance, internal financial controls, risk management, and matters regarding the external audit.
- People Committee: pay policies, people and culture matters, and recruitment of Trustees.
- Impact Committee: scrutiny of strategic and operational performance and the charity's delivery and reporting of impact.
- Estate Committee: monitoring of Sustrans' property portfolio, approvals of certain disposals and acquisitions, and asset management.

Each Board Committee is chaired by a Trustee, with Terms Reference delegated by the Board. Board Committees meet as required, typically quarterly. Minutes of meetings are circulated to all Trustees, and the Board Committee Chairs report to the following Board meeting.

Recruitment and appointment of Trustees

The Trustees have a wide range of skills and experience. The Trustees, together with the Executive, identify the skills, experience and background required of the Trustees to ensure that the Board delivers its duties, and supports and challenges the Executive.

The People Committee oversees the succession planning for, and the recruitment of, a skills-based Board. Trustee roles are advertised widely, including on Sustrans' website and a search agent is used. The Board has adopted a Board Succession and Diversity Statement to demonstrate its commitment to equity, diversity and inclusion when recruiting to the Board.

Trustee induction and training

The induction for new Trustees includes the provision of a Trustee Handbook containing key documentation, one-to-one meetings with key people, project visits, and attending externally provided Trustee induction and refresher training.

Trustees have appraisals with the Chair or Deputy Chair of the Board, which enables any development needs to be identified and addressed. Training, project visits and information sessions are all part of the ongoing development process to ensure Trustees are up to date on the charity and their responsibilities. All Trustees receive periodic updates and guidance on their role as Trustees of the charity.

Conflicts of interest

Each Trustee is required to disclose potential or actual conflicts of interest in recruitment and annually for inclusion in the register of interests and at Board or Board Committee meetings if relevant. The Register is included in the Board, and Board Committee, meeting papers.

Executive

The day-to-day running of the charity is delegated to the Chief Executive, who in turn delegates specific responsibilities to members of the Executive team. The Trustees set out delegated authority through the Scheme of Delegation, which is reviewed annually. The Chief Executive and members of the Executive team are not Directors for the purposes of company law.

The Executive team meets fortnightly to enable rapid, agile decision-making, as well as quarterly for an away day. Their purpose is to review the performance of the charity's work, and to address any issues and opportunities arising with regards to finance, health and safety, risk management, resourcing, programme delivery, or influencing work.

Executive remuneration

Sustrans is committed to ensuring that it has a fair, robust and evidence-based approach to setting levels of remuneration for all employees, appropriate for the roles people perform and the responsibilities they undertake to deliver the charity's aims, irrespective of gender, ethnicity, religion, sexual orientation, age, employment status, disability or marital status. The People

Committee is comprised of Trustees, with a remit to consider the charity's pay policy and to set parameters for Executive Director remuneration. The Board of Trustees sets the salary of the Chief Executive. Sustrans uses the Hay job evaluation system to assess the size and scope of job roles. It also uses established external, independent, and relevant pay data for benchmarking purposes to ensure that individual levels of pay are appropriate and comparable with similar roles in organisations of a similar size and complexity.

The annual salary for Executive Director roles at Sustrans as at 31 March 2025 is detailed here:

| Title | Key areas of responsibility | Annual Salary |
|--|---|---------------|
| Chief Executive | Overall executive leadership of the organisation with responsibility for delivering Sustrans' charitable purpose, strategy and governance. External facing role with partners and stakeholders. Leadership of the Executive Team. | £140-150K |
| Executive Director, Delivery ¹ | Responsibility for the delivery of services in Scotland, Wales, Northern Ireland and England. | £120-130K |
| Executive Director, Strategy & Engagement ² | Responsibility for public affairs, strategic communications, brand, volunteering and fundraising. | £100-110K |
| Executive Director, Resources ³ | Responsibility for oversight of Sustrans' financial management, people, IT, and planning, risk, compliance, and assurance. | £100-110K |
| Executive Director, Change ⁴ | Responsibility for the delivery of the organisational Change Programme. | £100-110K |

Notes:

1 Post created in December 2024 replacing Chief Operating Officer.

2 Post created in December 2024 replacing Exec Director, External Affairs, and Exec Director, Impact.

3 Post created in December 2024 replacing Exec Director, Finance, Fundraising and Resources.

4 Post created in December 2024 as a temporary post for the duration of the organisational Change Programme replacing Exec Director, People & Organisation Development.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Sustrans for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with Financial Reporting Standard FRS 102 applicable in the UK and Republic of Ireland.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of affairs, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with

reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The charitable company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

In line with charities' best practice, the Trustees have reviewed the criteria for charities, set out in the Charities Act 2011, and concluded that:

- Sustrans' purposes remain charitable.
- Sustrans satisfies the public benefit test.

Section 172 statement

Section 172 of the Companies Act 2006 requires Directors (the Trustees) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. It states that in doing so, the Directors should have regard, amongst other matters, to:

- Likely consequences of any decision in the long term.
- Interests of the charity's employees.
- Need to foster the charity's relationships with suppliers, customers, and others.
- Impact of the charity's operations on the community and the environment.
- Desirability of the charity maintaining a reputation for high standards of business conduct.
- Need to act fairly as between members of the company.

Our strategic priorities were developed as part of a long-term strategy to make it easier for people to walk, wheel and cycle. We routinely review external developments and horizon scan for future trends and ensure that our plans can be adapted as needed to meet changing circumstances.

The Trustees act in good faith to make decisions, the outcome of which, they consider will most likely be to promote the success of the charitable company both in current periods and in the long term.

In discharging their duties above, the Trustees carefully consider amongst other matters, the impact on and interests of other stakeholders in the charitable company and factor these into their decision-making processes.

Likely consequences of any decisions in the long term

When considering proposals and setting strategies the Trustees consider both long and short-term consequences. During the year, relevant matters Trustees considered included the financial situation and the development of Sustrans' 2025-2030 strategy.

Employees

Our colleagues are vital to Sustrans, and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular surveys and address any issues raised as quickly as possible through departmental action plans. Feedback from our employee representative forum and trade union representatives is shared regularly with our Executive team and Board.

We also have employee networks which have been set up to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social and professional networks.

We are committed to promoting a healthy workforce comprising both physical and mental wellbeing. Trustees receive information on various employee metrics. We keep colleagues informed of key issues through structured communication channels, including regular One Sustrans webinars. We promote inclusion in the workplace and provide training and development opportunities.

Customers and suppliers

Our relationships with partners and suppliers are key to our effectiveness. Sustrans seeks to pay all suppliers any undisputed amounts due and within agreed terms.

The Finance Committee has the authority to approve contracts on behalf of the Board in accordance with the Scheme of Delegation. In doing so, they provide assurance to the Board that the Procurement Policy has been complied with, and that the process was fair and robust.

Community and the environment

Working for and with communities is central to delivering our mission and strategic objectives. Board meetings offer Trustees the opportunity to visit projects and engage with local stakeholders.

The charity recognises the importance of its environmental responsibilities and has policies aimed at reducing any potential detrimental environmental impact of its activities.

Standards and conduct

The charity has a series of defined codes of practice regarding ethical standards and the conduct of business. These are clearly communicated to every colleague and adherence is expected and enforced.

Being fair and inclusive in everything we do

Inclusivity and fairness are important to the Trustees. The benefits of walking, wheeling, and cycling are not experienced in the same way by everyone. We prioritise work with people and in places where we can make the most difference to those who may feel excluded. We involve people with different and seldom-heard voices, to develop solutions that work for everyone. We keep questioning and asking if we can do more. We know we cannot do this on our own, so we work closely with others.

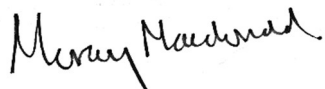
We are also committed to inclusivity inside the charity, supported by our groups and networks, promoted by the charity's For Everyone Strategic Framework, and underpinned by our values and the way in which leaders and their teams work.

Statement of disclosure of information to auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board of Trustees who approve the Strategic Report as Directors.



Moray Macdonald
Sustrans Chair of Trustees
4 July 2025

Independent auditor's report to the members and trustees of Sustrans

Opinion

We have audited the financial statements of Sustrans ('the charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Trustees' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement earlier in this document, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine 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 Trustees are responsible for assessing the charitable company'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 the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our 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 our 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 economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were taxation and employment legislation.

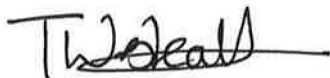
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Scottish Charity Regulator, designing and performing audit procedures over the timing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Date: 18 July 2025

Statement of Financial Activities for the year ended 31 March 2025

(Including an Income and Expenditure Account)

| | | Unrestricted Funds | Restricted Funds | Total Funds 2025 | Total Funds 2024 |
|--------------------------------------|-------|--------------------|------------------|------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | |
| Donations and Legacies | | 4,789 | 40 | 4,829 | 4,229 |
| Charitable activities | 2 | 9,294 | 94,620 | 103,914 | 137,230 |
| Investment income | | 1,930 | - | 1,930 | 4,946 |
| Total income | | 16,013 | 94,660 | 110,673 | 146,405 |
| Expenditure | | | | | |
| Raising funds | | 2,562 | - | 2,562 | 2,460 |
| Charitable activities | | 15,785 | 95,273 | 111,058 | 142,269 |
| Total expenditure | 3 | 18,347 | 95,273 | 113,620 | 144,729 |
| Net (loss) / gain on investments | 9 | (97) | - | (97) | 216 |
| Net (expenditure) / income | 5 | (2,431) | (613) | (3,044) | 1,892 |
| Transfers between funds | 12 | (95) | 95 | - | - |
| Net movement in funds | | (2,526) | (518) | (3,044) | 1,892 |
| Reconciliation of funds | | | | | |
| Fund balances brought forward | | 11,667 | 3,186 | 14,853 | 12,961 |
| Fund balances carried forward | | 9,141 | 2,668 | 11,809 | 14,853 |

The notes on pages 47 to 69 are an integral part of these financial statements.

All gains and losses recognised in the year are included in the Statement of Financial Activities. All income and expenditure relates to continuing operations.

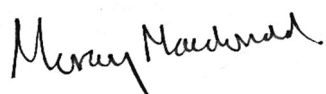
There is no difference between the net income for the years stated above and their historical cost equivalents.

Balance Sheet at 31 March 2025

Company Number 1797726 (England and Wales)

| | | Unrestricted Funds | Restricted Funds | Total Funds 2025 | Total Funds 2024 |
|---|-------|--------------------|------------------|------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 7 | 1,787 | 1,058 | 2,845 | 3,127 |
| Investments | 9 | 3,119 | - | 3,119 | 3,216 |
| | | 4,906 | 1,058 | 5,964 | 6,343 |
| Current assets | | | | | |
| Stock | | 235 | - | 235 | 214 |
| Debtors | 8 | 31,137 | - | 31,137 | 21,686 |
| Cash at bank and in hand | | 37,544 | 2,593 | 40,137 | 74,150 |
| Total Current Assets | | 68,916 | 2,593 | 71,509 | 96,050 |
| Creditors: amounts falling due within one year | 10 | (64,681) | (983) | (65,664) | (87,540) |
| Net current Assets | | 4,235 | 1,610 | 5,845 | 8,510 |
| Total Net Assets | | 9,141 | 2,668 | 11,809 | 14,853 |
| The Funds of the Charity | | | | | |
| Restricted | 12 | | | 2,668 | 3,186 |
| Unrestricted | | | | | |
| Designated | 13 | | | 1,787 | 2,063 |
| General | | | | 7,354 | 9,604 |
| | | | | 9,141 | 11,667 |
| Total Funds | | | | 11,809 | 14,853 |

The notes on pages 47 to 69 are an integral part of these financial statements. These financial statements on pages 44 to 69 including the notes, were approved by the trustees on 4th July 2025 and were signed on their behalf by:



Moray Macdonald
Chair

Statement of Cash Flows for the year ended 31 March 2025

| | Total Funds 2025 | Total Funds 2024 |
|---|------------------|------------------|
| | £'000 | £'000 |
| Net (expenditure) / income for the reporting period (as per the Statement of Financial Activities) | (3,044) | 1,892 |
| Adjustments for: | | |
| Depreciation charges | 254 | 308 |
| Interest and dividends from investments | (1,930) | (4,946) |
| (Profit) on the sale of fixed assets | (3) | (308) |
| (Increase) / decrease in stocks | (21) | 42 |
| (Increase) in debtors | (9,451) | (14,578) |
| (Decrease) in creditors | (21,876) | (75,391) |
| Losses / (gains) on investments | 97 | (216) |
| Net cash (used in) / provided by operating activities | (35,974) | (93,197) |
| Cash flows from investing activities: | | |
| Interest and dividends from investments | 1,930 | 4,946 |
| Proceeds from the sale of property, plant and equipment | 58 | 351 |
| Purchase of property, plant and equipment | (27) | (156) |
| (Purchase) of investments | - | (3,000) |
| Net cash provided by investing activities | 1,961 | 2,141 |
| Change in cash and cash equivalents in the reporting period | (34,013) | (91,056) |
| Cash and cash equivalents at the beginning of the reporting period | 74,150 | 165,206 |
| Cash and cash equivalents at the end of the reporting period | 40,137 | 74,150 |

There is no movement on net debt in the year other than cash.

Notes to the Financial Statements

1. Principle accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention in UK pounds sterling.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) for charities, which is based on the Financial Reporting Standard (FRS) 102 effective from 1st January 2019, the Charities Act 2011, the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005.

The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently. The financial statements have been prepared on the basis that it is a public benefit entity under FRS 102.

Sustrans has two wholly owned subsidiaries, which have not been consolidated on the basis that they are dormant.

b) Going concern

We have a number of key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our reserves balance further mitigates remaining financial risks.

We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the economy, environment and public health.

But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty.

The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

c) Fund Accounting

Unrestricted funds are funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose. The aim and use of designated funds is set out in Note 13 to the financial statements.

Restricted Funds - Income restricted to a specific purpose is treated as restricted funds. The description and purpose of these restricted funds are provided in Note 12.

d) Incoming Resources

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities.

Income is only recognised when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.
- If any of these criteria are not met but the cash has been received, then the income is deferred.
- Donations – Donations are accounted for in the year in which they are receivable.
- Legacies – For legacies, entitlement is taken as the earlier of: the date on which the Charity is aware that probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made; or when a distribution is received from the estate.
- Grants receivable – Grants from government bodies and other sources are received for specific projects and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.
- Investment income - investment income relates to interest receivable from bank accounts and dividends receivable. They are accounted for in the year in which they are receivable.

e) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs have been allocated to activities on the basis of full-time equivalent employee numbers. Non-recoverable VAT is attributed to the heading of cost where the expenditure is incurred.

All expenditure up to the year-end payable on projects under the management of the Charity has been included in the financial statements. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory regulations.

f) Tangible assets

Tangible fixed assets costing more than £2,000 are capitalised and included at cost. Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives on a straight-line basis. The rates of depreciation utilised are as follows:

| | |
|-----------------------|---------------------------------|
| IT Equipment | 25% per annum |
| Plant and machinery | 25% per annum |
| Office refurbishments | 10% per annum or the lease term |

Freehold land and buildings are not depreciated because (a) it is the Trustees' intention to hold the assets for the long term and (b) their residual value is at least equal to the carrying value. Assets not depreciated are subjected to an annual impairment review.

g) Investments

Investments are stated at fair value which is determined by reference to market value.

h) Key sources of estimation uncertainty and judgements

Preparation of the financial statements requires management to make estimates and judgements. The items in the financial statements where the most significant estimates and judgements have been made are:

- Income recognition on grants: Income is recognised when there is evidence of entitlement, the amount can be measured, and the receipt is probable. Where terms and conditions have not been met, or uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.
- Valuation of tangible fixed assets and assessment of the remaining useful lives of tangible fixed assets: see accounting policy (1f) for details of the estimate of useful economic lives applied and consideration of impairment.
- Valuation of debtors with regards to making an assessment for impairment: see accounting policy (1d).
- Accrued and deferred income: Income is recognised when there is evidence of entitlement, the amount can be measured, and the receipt is probable. Where terms and conditions have not been met, or uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.

i) Stock

The Charity holds stocks of maps which are recognised at cost and adjusted (where applicable) for any loss of service potential.

j) Maintenance

The Charity has a maintenance obligation over several disused railways where it owns the land and structures upon it. A planned maintenance policy is adopted with routine maintenance expenditure being funded from Restricted funds and Designated funds as appropriate. Significant short-term maintenance liabilities are provided for as and when there is a constructive obligation.

k) Taxation

The company, which is a registered Charity, is entitled to taxation exemptions on all income and gains properly applied for its charitable purposes.

l) Pension costs

The Charity makes contributions to a defined contribution pension scheme on behalf of certain employees. The cost of these contributions is charged in the financial statements as incurred. This scheme is available to all employees.

m) Operating leases

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis.

n) Grants

Grants payable in furtherance of the Charity's objects are recognised when the commitment is communicated to the grant recipient or when payment is due in accordance with the terms of the contract, which is normally upon providing evidence of the project work being undertaken.

o) Volunteers

The Charity benefits from gifts in kind in the form of volunteer time and unclaimed out of pocket expenses. As per the Charity SORP, these are not recognised in the accounts as they cannot be reliably valued, but further information is provided in the Trustees' annual report.

p) Financial instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Redundancies

Termination payments are accounted for in the period an obligation is made or liability incurred.

r) Cash

Cash includes UK bank balances available within 121 days.

2. Income from Charitable Activities

| | Unrestricted | Restricted | Total 2025 | Total 2024 |
|------------------|--------------|---------------|-----------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Central | 373 | 538 | 911 | 1,346 |
| England | 5,547 | 18,197 | 23,744 | 29,877 |
| London | 860 | 660 | 1,520 | 1,698 |
| Northern Ireland | 611 | - | 611 | 873 |
| Scotland | 647 | 74,039 | 74,686 | 100,715 |
| Wales | 1,256 | 1,186 | 2,442 | 2,721 |
| | <u>9,294</u> | <u>94,620</u> | <u>103,914</u> | <u>137,230</u> |

A considerable proportion of Sustrans' impact is delivered through the management of performance-related grants. In several cases this funding is paid to the charity in advance of delivery. Accordingly, the income is deferred until the performance related conditions are met and the income is then recognised. This can lead to the charity holding significant amounts as cash (please see the Balance Sheet) and deferred income (please see note 10). In contrast, funding can also be received in arrears, leading to accrued income where applicable.

3. Total Expenditure

| | Activities undertaken directly | Grant funding of activities (to institutions)* | Support costs | Total 2025 | Total 2024 |
|------------------------------|--------------------------------|--|---------------|----------------|------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 2,254 | - | 308 | 2,562 | 2,460 |
| Charitable Activities | | | | | |
| Central | 2,228 | 54 | 829 | 3,111 | 2,678 |
| England | 16,420 | 7,595 | 3,008 | 27,023 | 32,309 |
| London | 1,525 | 155 | 519 | 2,199 | 2,693 |
| Northern Ireland | 653 | - | 262 | 915 | 1,172 |
| Scotland | 12,911 | 59,389 | 2,634 | 74,934 | 100,271 |
| Wales | 2,222 | 107 | 547 | 2,876 | 3,146 |
| | 35,959 | 67,300 | 7,799 | 111,058 | 142,269 |
| Total expenditure | 38,213 | 67,300 | 8,107 | 113,620 | 144,729 |

*See Note 17.

Sustrans' charitable activities are delivered by geographically focussed teams across the UK.

4. Analysis of support costs

| | Chief Executive and Governance | Finance | IT | People | Reorg-anisation | Total 2025 | Total 2024 |
|-------------------|--------------------------------|--------------|--------------|--------------|-----------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 38 | 58 | 80 | 93 | 39 | 308 | 211 |
| Central | 103 | 156 | 215 | 250 | 105 | 829 | 578 |
| England | 373 | 567 | 780 | 907 | 381 | 3,008 | 2,325 |
| London | 64 | 98 | 135 | 156 | 66 | 519 | 486 |
| Northern Ireland | 33 | 49 | 68 | 79 | 33 | 262 | 227 |
| Scotland | 326 | 496 | 684 | 794 | 334 | 2,634 | 2,091 |
| Wales | 68 | 103 | 142 | 165 | 69 | 547 | 455 |
| Total 2025 | 1,005 | 1,527 | 2,104 | 2,444 | 1,027 | 8,107 | 6,373 |

5. Net (expenditure) / income

| | 2025 | 2024 |
|---|-----------|-----------|
| | £'000 | £'000 |
| This is stated after charging: | | |
| Trustees of the Charity are not paid | | |
| Travel and associated expenses incurred by employees and 14 (2024:15) Trustees for attendance at meetings | 13 | 15 |
| Fees payable for statutory audit | 22 | 21 |
| Trustee liability insurance | 2 | 2 |
| | 37 | 38 |
| Fees payable to the auditors for assurance services other than statutory audit | 5 | 4 |
| Depreciation of tangible fixed assets | 254 | 308 |

6. Employee costs

| | 2025 | 2024 |
|---|---------------|--------------|
| Average full-time equivalent number of employees | Number | Number |
| Raising Funds | 20.4 | 21.2 |
| Support Functions | 81.3 | 79.9 |
| Charitable Activities | | |
| Central | 55.1 | 58.0 |
| England | 199.9 | 233.4 |
| London | 34.5 | 48.8 |
| Northern Ireland | 17.5 | 22.7 |
| Scotland | 175.2 | 209.9 |
| Wales | 36.5 | 45.7 |
| | 620.4 | 719.6 |

The average head count (number of employees) during the year was 698 (2024: 811).

| | 2025 | 2024 |
|--|---------------|---------------|
| Staff costs (for the above employees) | £'000 | £'000 |
| Wages and salaries | 23,501 | 24,967 |
| Social Security costs | 2,400 | 2,374 |
| Employer's pension contributions | 2,302 | 2,222 |
| | 28,203 | 29,563 |

Statutory redundancy payments totalling £466K (2024: £196K) were made during the year.

| | 2025 | 2024 |
|--|---------------|--------|
| | Number | Number |
| The following number of employees received remuneration falling within the following ranges: | | |
| £60,000 to £69,999 | 7 | 13 |
| £70,000 to £79,999 | 10 | 5 |
| £90,000 to £99,999 | 2 | - |
| £100,000 to £109,999 | 1 | 4 |
| £110,000 to £119,999 | 2 | - |
| £140,000 to £149,999 | 1 | 1 |

The remuneration shown above is the only employee benefit received by key management personnel. All jobs are sized according to the Hay job evaluation system.

In the year the Trustees approved a new Executive Remuneration Policy for the CEO and Executive Team based on the Korn Ferry 'public sector and not-for-profit' benchmark at median level to calibrate the remuneration of Executive Team posts.

The key management personnel are the Executive team, and during the year, the total payroll cost for members of the Executive team was £817K (2024: £793K).

7. Tangible assets

| | Freehold land and buildings | Office refurbishment | IT Equipment | Plant and Machinery | Total |
|---------------------------------|-----------------------------------|-------------------------|-----------------|------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | |
| At 1 April 2024 | 2,199 | 1,058 | 154 | 849 | 4,260 |
| Additions | - | - | - | 27 | 27 |
| Disposals | (19) | - | (23) | (163) | (205) |
| At 31 March 2025 | 2,180 | 1,058 | 131 | 713 | 4,082 |
| Accumulated depreciation | | | | | |
| At 1 April 2024 | - | 357 | 153 | 623 | 1,133 |
| Charge for the year | - | 145 | 1 | 108 | 254 |
| Disposals | - | - | (23) | (127) | (150) |
| At 31 March 2025 | - | 502 | 131 | 604 | 1,237 |
| Net Book Value | | | | | |
| At 31 March 2025 | 2,180 | 556 | - | 109 | 2,845 |
| At 31 March 2024 | 2,199 | 701 | 1 | 226 | 3,127 |

Tangible fixed assets held in restricted funds total £1,058K (2024: £1,064K) and comprise the National Cycle Network Centre £903K (2024: £903K), land holdings in Yorkshire totalling £150K (2024: £150K), and plant and machinery £5K (2024: £11K).

As at 31 March 2025, there were no capital commitments (2024: nil).

8. Debtors

| | 2025 | 2024 |
|--------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Trade Debtors | 3,366 | 4,368 |
| Accrued income | 26,434 | 16,099 |
| Sundry debtors and prepayments | 1,337 | 1,219 |
| | 31,137 | 21,686 |

9. Investments

| | | | | 2025 | 2024 |
|--|-----------|------------|--------------------------|--------------|--------------|
| | Cash | T-bills | Other listed investments | Total | Total |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Valuation as 1 st April 2024 | 88 | 345 | 2,783 | 3,216 | - |
| Additions | - | - | - | - | 3,000 |
| Purchases | (897) | 480 | 417 | - | - |
| Disposals | 793 | (421) | (475) | (103) | (36) |
| Interest receivable | 39 | - | - | 39 | 20 |
| Dividends receivable | 64 | - | - | 64 | 16 |
| Investment management fee | (23) | - | - | (23) | (3) |
| Net (loss) / gain on investments | - | (11) | (63) | (74) | 219 |
| Valuation at 31 st March 2025 | 64 | 393 | 2,662 | 3,119 | 3,216 |
| Liquidity | | | | 917 | 920 |
| Equity-type risk | | | | 1,903 | 2,010 |
| Diversifiers | | | | 299 | 286 |
| | | | | 3,119 | 3,216 |

Investments are reported at market value at year end. The net total of investment management fees and (loss) / gain on investments is shown as net (loss) / gain on investments on the Statement of Financial Activities.

10. Creditors: amounts falling due within one year

| | 2025 | 2024 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Trade Creditors | 9,427 | 10,362 |
| Payments received on account for contracts or performance related grants | 31,843 | 36,159 |
| Accruals | 23,095 | 39,721 |
| Taxation and social security | 1,299 | 1,298 |
| | 65,664 | 87,540 |

Reconciliation of payments received on account for contracts or performance related grants

| | 2025 | 2024 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Brought forward as at 1 April 2024 | 36,159 | 126,530 |
| Released in the year | (17,565) | (96,550) |
| New balances deferred | 13,249 | 6,179 |
| Carried forward as at 31 March 2025 | 31,843 | 36,159 |

The new balances deferred in the year of £13.2M (2024: £6.2M) includes funding from the Department of Transport of £7.7M (2024: £4.5M). Of the Department of Transport funds brought forward £13.8M (2024: £21.9M) was released in the year.

11. Financial instruments

| | 2025 | 2024 |
|--|----------|----------|
| | £'000 | £'000 |
| Financial Assets | | |
| Cash | 40,137 | 74,150 |
| Accrued income | 26,434 | 16,099 |
| Trade debtors (settlement amount after trade discount) | 3,366 | 4,368 |
| Investments (stated at market value) | 3,119 | 3,216 |
| Financial Liabilities | | |
| Trade creditors (settlement amount after trade discount) | (9,427) | (10,362) |
| Accruals | (23,095) | (39,721) |

12. Restricted income funds

| | Notes | Balance at 1 Apr 2024 | Income | Expenditure | Transfers from / (to) unrestricted funds | Balance at 31 Mar 2025 |
|------------------------------------|-------|-----------------------|---------------|-----------------|--|------------------------|
| | | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett & Sunderland Railway Path | | - | 8 | (36) | 28 | - |
| Paisley to Kilwinning & Kilmacolm | | 145 | - | - | - | 145 |
| York to Selby Railway Path | | 461 | 12 | (2) | - | 471 |
| Worthington Railway Path – Derby | | - | 1 | (30) | 29 | - |
| Mirehouse Railway Path | | - | 20 | (65) | 45 | - |
| Historic railway path funds | (1) | 606 | 41 | (133) | 102 | 616 |
| National Cycle Network Centre | (2) | 128 | - | (10) | - | 118 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 83 | - | - | - | 83 |
| Catterick maintenance fund | (5) | 15 | - | (7) | - | 8 |
| Castleford Greenway | (6) | 119 | - | - | - | 119 |
| Lune Valley Cycleway | (7) | 2,103 | - | (505) | - | 1,598 |
| Asda Parklet | (8) | 21 | - | - | - | 21 |
| Big Give | (9) | 11 | - | (6) | - | 5 |
| Inclusive cycle loans | (10) | - | 183 | (183) | - | - |
| Online accessibility route planner | (11) | - | 134 | (134) | - | - |
| Inwood Inclusive Cycle Hub | (12) | - | 13 | (13) | - | - |
| Riverside Hostels | (13) | - | 50 | (43) | (7) | - |
| abrdn Financial Fairness Trust | (14) | - | 60 | (60) | - | - |
| Transforming Mobility | (15) | - | 155 | (155) | - | - |
| Frome Missing Link | (16) | - | 34 | (34) | - | - |
| | | 2,580 | 629 | (1,150) | (7) | 2,052 |
| Central | | - | 189 | (189) | - | - |
| England | | - | 18,162 | (18,162) | - | - |
| London | | - | 414 | (414) | - | - |
| Northern Ireland | | - | - | - | - | - |
| Scotland | | - | 74,039 | (74,039) | - | - |
| Wales | | - | 1,186 | (1,186) | - | - |
| | | - | 93,990 | (93,990) | - | - |
| | | 3,186 | 94,660 | (95,273) | 95 | 2,668 |

1. The historic railway path funds cover routes acquired from BRB (Residuary) Ltd. Agreements with the relevant local authority state that income arising from the land must be ring-fenced to that land. Where unrestricted funds have been spent on these routes these are shown as transfers into the fund.
2. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605k was received from the Millennium Commission to assist with the purchase. An appeal to supporters and trusts raised a further £332k. This restricted fund is used to maintain the building.
3. A maintenance fund from Yorkshire Water to be spent on the network within Kirklees.
4. A fund restricted to the long-term maintenance of the Two Tunnels in Bath.
5. Funds received for the long-term maintenance of the Connect 2 project at Catterick, Yorkshire.
6. Funds received in 2017/18 from the Railway Heritage Trust for the viaduct and greenway phases connecting to the Castleford Greenway in Yorkshire.
7. Funds received from an individual donor for the Lune Valley Cycleway in Lancashire.
8. A donation received from a major supermarket to create a pocket park near the NCN 66 in Leeds.
9. Funds received from individual donors and match funding from the Big Give to undertake ecology work along the National Cycle Network.
10. Funds received from the Motability Foundation to deliver an accessible cycle loan/training programme for disabled people.
11. Funds received from the Motability Foundation to develop an online accessibility map and route planner for the National Cycle Network.
12. Funds from the London Marathon Foundation to expand the Inwood Inclusive Cycle Hub.
13. Funds received from City Bridge Foundation to empower hostel residents with long-term mental health conditions to feel more confident with active travel decisions.
14. The grant is to demonstrate the demand for, and benefits from, providing financial support to people who need a cycle but currently cannot access the Cycle to Work scheme. These are people not in employment, or on low incomes.
15. Funds received from the Motability Foundation to ensure disabled people are represented as places transform mobility.
16. Funds received from an individual donor for the Frome Missing Link on the NCN in Somerset.

13. Designated funds

| | | Balance at 1 April 2024 | Income | Expenditure | Transfers (to) / from unrestricted funds | Balance at 31 March 2025 |
|------------------|-------|-------------------------------|----------|--------------|---|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed asset fund | (1) | 2,063 | - | (248) | (28) | 1,787 |
| | | 2,063 | - | (248) | (28) | 1,787 |

- (1) The fixed asset fund has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.

14. Limitation by guarantee

The Company is limited by guarantee and does not have a share capital. The liability for members in the event of winding up is limited to an amount not exceeding £1 per member.

15. Financial commitments

| | 2025 | 2024 |
|--|------------|------------|
| | £'000 | £'000 |
| The total of future minimum lease payments under non-cancellable operating leases for each of the following periods: | | |
| 1. Not later than one year | 368 | 340 |
| 2. Later than one year and not later than five years | 344 | 466 |
| | <u>712</u> | <u>806</u> |
| Lease payments recognised as an expense | <u>421</u> | <u>447</u> |

16. Legal charges

In December 1995 the Charity entered into a debenture with the Millennium Commission giving a floating charge over the assets of the Charity as part of the agreement for grants from the Millennium Commission. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605,000 was received from the Millennium Commission to assist with this purchase. A charge over the building was created, in addition to the existing Debenture held by the Commission, in October 2005.

When the Millennium Commission was abolished in November 2006 these charges transferred to its successor, the Big Lottery Fund. In August 2014 the Big Lottery Fund released Sustrans from the floating charge, but the fixed charge over the building in central Bristol remains.

Over a number of years Sustrans acquired disused railway lines in England which were covered by a fixed charge in favour of the appropriate authority. The legal charges in existence are as follows:

- Land situated at Naburn, Escrick and Riccall, North Yorkshire is covered by a fixed charge in favour of Selby District Council
- Land on the Consett to Sunderland Railway is covered by a fixed charge in favour of Derwentside and Chester-le-Street District Councils (now Durham County Council) and Sunderland City Council
- Land forming the track bed of part of the disused railway in Cumbria is covered by a fixed charge in favour of Copeland Borough Council
- The Worthington Branch Line is covered by a fixed charge in favour of Derbyshire County Council and Leicestershire County Council
- The Foss Island branch line is covered by a fixed charge in favour of the City of York Council.

17. Grants paid to institutions

During the reporting year grants of more than £400K have been paid to the following institutions as reimbursement for project delivery:

| | 2025 | 2024 |
|------------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Aberdeen City Council | 637 | 908 |
| Aberdeenshire Council | 631 | 956 |
| Angus Council | 8,459 | 3,329 |
| Argyll & Bute Council | 422 | 904 |
| Canal & River Trust | 736 | 4,238 |
| Cheshire East Council | - | 551 |
| City of Doncaster Council | 454 | 428 |
| City of Edinburgh Council | 9,395 | 20,449 |
| Coventry City Council | 1,520 | 368 |
| Dorset County Council | - | 668 |
| Dumfries & Galloway Council | 80 | 732 |
| Dundee City Council | 1,747 | 10,779 |
| East Ayrshire Council | - | 1,626 |
| East Lothian Council | 1,255 | 755 |
| East Renfrewshire Council | 5,111 | 3,513 |
| Edinburgh & Lothians Greenspace | 82 | 1,496 |
| Fife Council | 715 | 2,600 |
| First MTR South Western Trains Ltd | - | 555 |
| Glasgow City Council | 12,075 | 4,644 |
| Green Action Trust | 507 | 1,109 |
| Highland Council | 2,139 | 2,515 |
| Inverclyde Council | 3,665 | 2,724 |
| KPT Development Trust | 126 | 805 |
| Leeds City Council | 524 | - |
| National Trust for Scotland | 892 | - |
| North Ayrshire Council | 2,064 | 714 |
| North Tyneside Council | 826 | 190 |
| Nottingham City Council | 608 | 452 |
| Queens Cross Housing Association | 64 | 3,000 |
| Redcar & Cleveland Borough Council | 410 | 399 |
| Scotrail Railways | 237 | 841 |
| Scottish Borders Council | 495 | 3,521 |
| Scottish Canals | 1,805 | 2,388 |
| SE Trains Limited | 23 | 287 |
| South Ayrshire Council | 2,156 | 836 |
| Staffordshire County Council | 851 | - |
| Stirling Council | 3,970 | 3,502 |
| Others less than £400K | 2,619 | 10,309 |
| | 67,300 | 93,091 |

18. Grants received from government bodies

During the year grants of more than £100K were received from government bodies in relation to a wide number of projects that fall under the Charity's objectives as outlined in the Trustees' Report. The granting government bodies were:

| | 2025 | 2024 |
|--------------------------------|---------------|----------------|
| | £'000 | £'000 |
| Transport Scotland | 72,710 | 97,933 |
| Department for Transport | 14,829 | 22,526 |
| National Highways | 2,413 | 254 |
| Welsh Government | 1,128 | 1,408 |
| Warwickshire County Council | 504 | 1,781 |
| Buckinghamshire County Council | 247 | - |
| Other government bodies | 239 | 107 |
| Total | 92,070 | 124,009 |

19. Net Assets

| | 2025 | | 2024 | | 2024 Total |
|-------------------------------|---------------------|-----------------------|---------------------|-----------------------|---------------|
| | Restricted Funds | Unrestricted Funds | Restricted Funds | Unrestricted Funds | |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | 1,058 | 4,906 | 5,964 | 1,064 | 5,279 |
| Current assets | 2,593 | 68,916 | 71,509 | 2,988 | 93,062 |
| Creditors due within one year | (983) | (64,681) | (65,664) | (866) | (86,674) |
| Total | 2,668 | 9,141 | 11,809 | 3,186 | 14,853 |

20. Railway Paths Limited

Railway Paths Limited was established as a Charity in May 1998 to take ownership of a number of disused railway lines from Rail Property Ltd as to transform them into walking, horse-riding and cycling routes for the benefit of the public.

Although Sustrans and Railway Paths Limited are not legally connected entities, we have disclosed the transactions between the two organisations below in the interests of transparency.

During the year Sustrans charged Railway Paths Limited £35K (2024: £121K), for estate management services. Railway Paths Limited charged Sustrans £113K (2024: £60K) for bridge and estate management services.

At the 31st March 2025 £25K (2024: £19K) was owed by Sustrans to Railway Paths Limited, and £8K (2024: £42K) was owed by Railway Paths Limited to Sustrans.

There were no other related party transactions in the current or prior year.

21. Subsidiaries

The following were subsidiary undertakings of Sustrans:

| Name | Company Number | Class of shares | Holding |
|-------------------------------|----------------|-----------------|---------|
| Sustrans (Trading) Limited | 03635468 | Ordinary | 100% |
| Sustainable Transport Limited | 03732011 | Ordinary | 100% |

The financial results of the subsidiaries for the year ended 31 March 2025 were:

| Name | Net assets (£) |
|-------------------------------|----------------|
| Sustrans (Trading) Limited | 1 |
| Sustainable Transport Limited | 1 |

Both subsidiaries are dormant entities and had no trading activity during this or the prior year. Both subsidiaries have the same registered office or principal place of business as Sustrans.

22. Comparative notes from 2023/24 financial statements

Statement of Financial Activities

| | | Unrestricted Funds | Restricted Funds | Total Funds 2024 |
|--------------------------------------|-------|-----------------------|---------------------|---------------------|
| | Notes | £'000 | £'000 | £'000 |
| Income | | | | |
| Donations and Legacies | | 4,224 | 5 | 4,229 |
| Charitable activities | 2 | 9,919 | 127,311 | 137,230 |
| Investment income | | 4,946 | - | 4,946 |
| Total income | | 19,089 | 127,316 | 146,405 |
| Expenditure | | | | |
| Raising funds | | 2,460 | - | 2,460 |
| Charitable activities | | 14,572 | 127,697 | 142,269 |
| Total expenditure | 3 | 17,032 | 127,697 | 144,729 |
| Net gain on investments | | 216 | - | 216 |
| Net income / (expenditure) | 5 | 2,273 | (381) | 1,892 |
| Transfers between funds | | (146) | 146 | - |
| Net movement in funds | | 2,127 | (235) | 1,892 |
| Reconciliation of funds | | | | |
| Fund balances brought forward | | 9,540 | 3,421 | 12,961 |
| Fund balances carried forward | | 11,667 | 3,186 | 14,853 |

23. Comparative notes from 2023/24 financial statements

Balance Sheet at 31 March 2024

| | Notes | Unrestricted Funds £'000 | Restricted Funds £'000 | Total Funds 2024 £'000 |
|---|-------|-----------------------------|---------------------------|------------------------------|
| Fixed assets | | | | |
| Tangible assets | 7 | 2,063 | 1,064 | 3,127 |
| Investments | 9 | 3,216 | - | 3,216 |
| Current assets | | 5,279 | 1,064 | 6,343 |
| Stock | | 214 | - | 214 |
| Debtors | 8 | 21,686 | - | 21,686 |
| Cash at bank and in hand | | 71,162 | 2,988 | 74,150 |
| Total Current Assets | | 93,062 | 2,988 | 96,050 |
| Creditors: amounts falling due within one year | 10 | (86,674) | (866) | (87,540) |
| Net current Assets | | 6,388 | 2,122 | 8,510 |
| Total Net Assets | | 11,667 | 3,186 | 14,853 |
| The Funds of the Charity | | | | |
| Restricted | 12 | | | 3,186 |
| Unrestricted | | | | |
| Designated | 13 | | | 2,063 |
| General | | | | 9,604 |
| | | | | 11,667 |
| Total Funds | | | | 14,853 |

24. Comparative notes from 2023/24 financial statements

Restricted funds

| | Balance at 1 April 2023 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2024 |
|-------------------------------------|-------------------------------|----------------|------------------|--|-----------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett and Sunderland Railway Path | - | 3 | (62) | 59 | - |
| Paisley to Kilwinning and Kilmacolm | 113 | 58 | (26) | - | 145 |
| York to Selby Railway Path | 450 | 12 | (1) | - | 461 |
| Worthington Railway Path – Derby | - | - | (25) | 25 | - |
| Mirehouse Railway Path | - | - | (55) | 55 | - |
| Historic railway path funds | 563 | 73 | (169) | 139 | 606 |
| National Cycle Network Centre | 139 | - | (11) | - | 128 |
| Kirklees maintenance fund | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | 83 | - | - | - | 83 |
| Catterick maintenance fund | 17 | - | (2) | - | 15 |
| Castleford Greenway | 121 | - | (2) | - | 119 |
| Lune Valley Cycleway | 2,360 | 5 | (262) | - | 2,103 |
| Asda Parklet | 21 | - | - | - | 21 |
| Big Give | 17 | - | (6) | - | 11 |
| Inclusive cycle loans | - | 87 | (87) | - | - |
| Online accessibility route planner | - | 104 | (104) | - | - |
| Inwood Inclusive Cycle Hub | - | 17 | (17) | - | - |
| Riverside Hostels | - | 50 | (57) | 7 | - |
| abrdn Financial Fairness Trust | - | 40 | (40) | - | - |
| | 2,858 | 303 | (588) | 7 | 2,580 |
| Central | - | 589 | (589) | - | - |
| England | - | 25,079 | (25,079) | - | - |
| London | - | 180 | (180) | - | - |
| Northern Ireland | - | 38 | (38) | - | - |
| Scotland | - | 99,633 | (99,633) | - | - |
| Wales | - | 1,421 | (1,421) | - | - |
| | - | 126,940 | (126,940) | - | - |
| | 3,421 | 127,316 | (127,697) | 146 | 3,186 |

25. Comparative notes for 2023/24 financial statements

Designated funds

| | Balance at 1 April 2023 | Income | Expenditure | Transfers (to) / from unrestricted funds | Balance at 31 March 2024 |
|------------------|-------------------------------|----------|--------------|---|-----------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed asset fund | 2,252 | - | (302) | 113 | 2,063 |
| | 2,252 | - | (302) | 113 | 2,063 |

Walk Wheel Cycle Trust

England & Wales - Charity number 326550

Accounts

Sustrans annual report and financial statements 2023- 2024

Sustrans

Year ended 31 March 2024

| | |
|-----------------------|---|
| Charity Number | 326550 (England and Wales) SC039263 (Scotland) |
| Company Number | 1797726 (England and Wales) |

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Legal and administrative information

Sustrans is a company limited by guarantee and a registered charity governed by its Articles of Association.

| | |
|--------------------------|---|
| Registered Office | 2 Cathedral Square, Bristol BS1 5DD |
| Charity Number | 326550 (England and Wales) SC039263 (Scotland) |
| Company Number | 1797726 (England and Wales) |

Trustees and Directors

The trustees¹ who were in office during the year and up to the date of signing the Annual Report and Financial Statements were:

| | |
|-----------------------------|--------------------------------|
| Moray Macdonald (R, P) | Chair |
| Heather Preen (AR, E, P) | Vice Chair ² |
| Helen Simpson (AR, F) | |
| Su Crighton (E, F, I) | |
| Alistair Gibbons (FP, I) | |
| Catherine Max (AR) | (retired 27 February 2024) |
| Stuart Mills (FP, E) | (resigned 20 January 2024) |
| Frank Swinton (FP, R, E, I) | |
| Fiona Westwood (FP, R, F) | |
| Nicola Wood MBE (AR, R, P) | |
| Benita Mehra (E, F) | (appointed on 7 July 2023) |
| Carol-Ann Boyter (I, P) | (appointed on 7 July 2023) |
| Tessa Dwyer (F, P) | (appointed on 19 January 2024) |
| Zahir Nayani (F, I) | (appointed on 19 January 2024) |
| Mohammed Ibrahim Ali (F, E) | (appointed on 19 January 2024) |

AR = Audit and Risk Committee (until January 2024)

FP = Finance and Performance Committee (until January 2024)

E = Estates Committee

R = Remuneration Committee (until January 2024)

F = Finance Committee (from January 2024)

I = Impact Committee (from January 2024)

P = People Committee (from January 2024)

Rhona Marsland was appointed in the year as a non-Trustee Associate of the Board.

Company Secretary Paul Clinton³

Notes:

1 Trustee biographies are available on our [website](#).

2 Helen Simpson was Vice Chair until 19 January 2024.

3 Andy Appleby was Company Secretary until 7 July 2023.

Executive Directors

The Executive Directors⁴ in post during the year and up to the date of signing the Annual Report and Financial Statements were:

| | |
|---------------|---|
| Xavier Brice | Chief Executive |
| Sally Copley | Executive Director, External Affairs (until September 2023) |
| Paul Twocock | Executive Director, External Affairs (from April 2024) |
| Susie Dunham | Executive Director, Impact |
| Harry Hayer | Executive Director, People and Organisational Development |
| Sam Kemp | Executive Director, Finance, Fundraising and Resources |
| Matt Winfield | Chief Operating Officer (from October 2023) ⁵ |

Notes:

4 Executive Director biographies are available on our [website](#).

5 Matt Winfield was Executive Director, England, Wales and Northern Ireland until September 2023. Scotland was represented at Exec by the Scotland Director, Karen McGregor until September 2023.

Advisers

Independent auditors

Crowe UK LLP
Fourth Floor
St James House
St James Square
Cheltenham, GL50 3PR

Solicitors

Bevan Brittan LLP
1 Queen Street
Bristol, BS2 0HQ

Burness Paul LLP
50 Lothian Road
Edinburgh, EH3 9WJ

Investment Manager

Rathbone Greenbank
8 Finsbury Circus
London, ECM 7AZ

Bankers

Lloyds Bank plc
Bristol City Centre Branch
PO Box 1000, BX1 1LT

Clydesdale Bank plc
23 Bank Street
Airdrie, ML6 6AD3

Handelsbanken
66 Queen Square
Bristol, BS1 4JP

Santander UK plc
12 Baldwin Street
Bristol, BS1 1SD

Creating change together: Our vision for healthier places and happier lives

Sustrans is the charity making it easier for everyone to walk, wheel and cycle. We want to see a society where the way we all travel creates healthier places and happier lives for everyone.

In today's complex and uncertain world, the need to achieve Net Zero is widely recognised. The role of transport as well as its impact on people and places is pivotal.

Transport produced 27% of the UK's total emissions in 2019. Of this, the majority (91%) came from road transport vehicles. This needs to be addressed urgently.

That's why we work across the UK to help people walk, wheel and cycle more – and feel better connected and healthier from doing so. We're passionate about making it easier to leave the car at home by creating safe routes that link up with public transport and active travel alternatives.

As custodians of the National Cycle Network, in the last year (2023-2024) we've delivered hundreds of projects up and down the country, removed hundreds of restrictive barriers and opened up access to new users of the Network. And we have continued to work in tandem with communities to inspire them to change the way we all travel every day, forging closer connections with our neighbours and reducing traffic to create a more sustainable society for us all.

But we haven't done this alone. It is thanks to the support of our generous donors, our dedicated volunteers and our partners, that we've been able to reach even more people, empowering them to make healthier travel choices.

In the years to come, we will continue our vital work to create a fairer society by making affordable active travel options accessible to everyone. Because we know that by doing this, we can improve health and wellbeing, increase social connection and improve the environment.

– **Xavier Brice, Sustrans Chief Executive**

Public benefit

In setting our aims and objectives, carrying out our activities, and reporting on our achievements, we have complied with the requirements of the Charities Act to have due regard to the public benefit guidance published by the Charity Commission. The remainder of this report describes how Sustrans has planned and delivered its public benefit.

Our aims and objectives

Sustrans' charitable objects, as set out in our articles of association, are:

- to promote and encourage, both in the UK and overseas, for the public benefit the development in the community and the provision of safe routes, paths and facilities for cycling, walking and other forms of low energy transport
- to undertake and carry on projects and activities of a charitable nature which will assist in promoting healthy recreation, the protection of the environment and the conservation of energy resources.

Our vision

Our vision is of a society where the way we travel creates healthier places and happier lives for everyone.

Our mission

Our mission is to make it easier for everyone to walk and cycle.

Our strategy

Last year Sustrans completed the fourth year of our 2020-2025 strategy. We have made significant progress in achieving our goals under our Paths for Everyone and Liveable Cities and Towns strategic priorities.

Towards the end of the year, we began work on developing our next five-year strategy, which will be in place by April 2025. We will be reviewing how Sustrans can best make progress towards our vision between 2025 and 2030.

Our strategic priorities

Making it easy to leave the car at home delivers a better environment for everybody. How we choose (or are forced) to travel, and our car-dependency is ruining our environment and contributing towards climate change. This is disproportionately affecting people from marginalised groups and those living in areas with high deprivation, particularly in inner cities.

Air pollution is the biggest environmental threat to health in the UK. What's more, communities already at risk of poorer health are being further disadvantaged by higher exposure to polluted air. Living near busy or dangerous roads can also prevent people from accessing green and public space.

It's because of these challenges that we focus our work on two strategic priorities:

Paths for everyone

The National Cycle Network provides a vital backbone to the country, connecting communities to each other and helping neighbourhoods come to life.

As custodians of this Network, we work to ensure it is accessible to everyone and easy to reach from towns and cities, so it continues to be a treasured national asset that is loved locally.

Liveable cities and towns for everyone

We believe the places where we live, work and enjoy ourselves should be planned around people, not cars.

To create more liveable cities and towns, we work with decision-makers looking to bring about positive change, helping them to plan and provide active travel options for their communities.

We work to shape policy, provide expertise on planning and building active travel infrastructure, and deliver programmes which shift people away from car use and help communities come to life.

We're for everyone

We're determined to be 'for everyone', recognising that to achieve this, we must address inequity by focusing our work where it can benefit the people most in need and have the greatest positive impact.

We make sure that communities are at the heart of everything we do. We listen to the needs and wants of people, particularly the most marginalised. And we talk to local communities all over the UK to find out what matters to the people who live there.

Together, we can make change happen

We are only able to create healthier places and happier lives for everyone with the support and involvement of others who share our vision.

Our work wouldn't be possible without our generous donors and our dedicated team of volunteers.

We are forever grateful to every individual, company, partner organisation, local authority, lottery funder, trust or foundation who contributes to our work.

With your support, collaboration and commitment we are helping communities across the UK to come to life.

Helping communities come to life in 2023-2024

Putting people first

Working for and with communities is central to delivering our mission and strategic objectives. This year, we supported long-established volunteer and community groups and worked with many new groups across the UK to help turn our vision into reality.

In December 2023, we completed our evaluation for a project that put community involvement at the heart of the National Cycle Network. Supported by Sport England's Together Fund, we administered £150,000 to 26 community groups so that they could help more than 2,500 people from culturally diverse communities get involved in and enjoy the National Cycle Network. We focussed on reaching low socio-economic groups, disabled people and people with long-term health conditions. On average they rated their overall experience of the projects as a 9.5 out of 10. 95% of these participants said they enjoyed the project they were involved in, and 91% said the project increased their confidence to be more active.

In London, we supported Cycle Sisters to offer guided rides run by local female Muslim volunteers, creating an inclusive and culturally sensitive space for women to try cycling and discover local routes. While our Riverside Hostels Project involved people at risk of homelessness living in riverside hotels in led rides, walks and local conservation, generously funded by the City Bridge Foundation. We also helped to deliver the All-Ability Cycling Hub in Inwood Park, Hounslow. It's open to people who live, work or study in Hounslow, and there really is a cycle to suit everyone. Some are side-by-side, others have wheelchair platforms attached to them, and there are tricycles and bicycles too. Everyone says how much happier and healthier they feel after the sessions. This project was generously funded by The London Marathon Foundation.

In England, local community groups and people got involved in a range of projects across the National Cycle Network including painting a bridge on National Cycle Network route 6 in Swarkestone, Derbyshire, and celebrating local heroes through our portrait benches project across the Network including former Southampton footballer Aman Dosanj, the first British South Asian to represent England at any level.

In Wales, we engaged school children in developing designs for improvements and re-painting of the Millenium Mileposts that dot the National Cycle Network across the nation.

In Scotland, we worked with a community group with £11,000 of 'seed funding' for engagement activities, including the creation of a promotional video, to develop a long distance (22 miles) active travel route in Ayrshire – The Culzean Way (between Ayr and Girvan).

Many communities up and down the country have helped us roll out School Streets – working with schools and local authorities to close roads to vehicles during school drop-off and pick-up times.

Paths for everyone

Improving the quality of the Network

With the support of our strategic partners, this year we completed over 356 projects across the UK to improve the National Cycle Network. These included the construction of new traffic-free routes, resurfacing and improving access on existing routes, and removing and redesigning barriers along the Network.

Improving accessibility on the Network

There are thousands of restrictive barriers on traffic-free sections of the Network that prevent many people from accessing and enjoying their local routes. This year we removed or redesigned 615 barriers across the country, exceeding our target of 320.

Josh runs a free service which allows people with mobility issues to experience the joys of traffic-free routes through his trishaw rides. However, a restrictive barrier on Route 2 of the National Cycle Network stopped him in his tracks, having to get off the trishaw and precariously navigate through a pair of close-set bollards and past a chicane barrier. With support and guidance from Sustrans colleagues and local Sustrans volunteers, the barrier was redesigned - opening up the route and making it much more accessible.

“It’s so easy to get through now compared to what it was like before. When I do led rides everyone is really pleased about it. We did a Facebook post on the barrier too and there were some local people who use mobility scooters who made some nice comments about how it’s made things more accessible for them too, which is great.”

— Josh

Read his story: [How I redesigned a barrier on the National Cycle Network: Josh's story - Sustrans.org.uk](https://www.sustrans.org.uk/news/how-i-redesigned-a-barrier-on-the-national-cycle-network-josh-s-story)

Increasing the diversity of Network users

We continue to work towards a UK-wide network of traffic-free paths for everyone. That is why we have been working hard to help new users discover the National Cycle Network.

In Market Harborough, we transformed a one mile stretch of the National Cycle Network which runs along the Grand Union Canal. Working with the Canal & River Trust and Harborough District Council, in just 15 weeks, the path underwent a transformative resurfacing with a natural stone chip layer, providing a smoother experience for cyclists, walkers and wheelchair users alike. With accessibility as a top priority, the path's width has been increased, ensuring a comfortable passage for everyone, regardless of mobility.

Towards the end of the newly resurfaced section, the path reaches Wellington Place - a large new housing estate. Like many new housing developments, this site is on the edge of town and the development could have risked locking in further car-dependency. However, the improvements to Route 6 mean that residents of the new estate have better options. With Route 6 they have the choice of a 10-minute cycle into town, and a 15-minute ride to the train station.

Read more about this project: [A path reborn: Market Harborough's Grand Union Canal undergoes transformation - Sustrans.org.uk](https://www.sustrans.org.uk/news/a-path-reborn-market-harboroughs-grand-union-canal-undergoes-transformation)

Tracking our progress

To help make sure we are delivering the change we want to see, we track our progress against performance indicators and targets that we set at the start of each year. The table below summarises what we have achieved on our Paths for everyone priority at the end of 2023-2024.

| Performance indicator | Target | Actual | Commentary |
|---|--------|--------|---|
| % total Network miles good/very good | 64% | 64% | Several construction projects have been delayed into 2024-2025, impacting achievement of some targets, but nevertheless we have exceeded our target for the delivery of on-road to traffic-free miles. |
| % Sustrans controlled traffic-free miles very good | 29% | 27% | |
| # on-road to traffic-free miles delivered | 11 | 15.5 | |
| # on-road to quiet-way miles delivered | 17 | 11.5 | |
| # barriers removed or redesigned | 320 | 615 | Target exceeded |
| # barriers removed or redesigned on Sustrans-owned land | 65 | 67 | Target exceeded |
| # activation projects delivered by December 2023 | 50 | 53 | Target exceeded |
| % removed and reclassified miles where signage has been addressed | 79% | 75% | Removal and reclassification of high speed and high volume on-road National Cycle Network routes in 2020 left a legacy of Network branded signs across 3,733 miles. These signs now need to be amended. Progress is slow due to difficulties in securing Highway Authority permissions in some areas, and an overall challenge of securing funding for this work. |
| # new community groups involved on the Network | 132 | 177 | Target exceeded |
| % awareness of Sustrans as the charity behind the Network | >11% | 11% | Awareness maintained at 2022-2023 level. |
| Sub-standard crossings improved | 4 | 3 | As sub-standard crossings are on-road, Sustrans needs to influence Highways Authorities to improve them. Unfortunately, we were unable to achieve our target for 2023-2024 as this is not a funding priority for some areas. |

In the coming year

Continuing to improve the quality and accessibility of the Network

We will continue to make improvements to the Network, developing new traffic-free routes, resurfacing existing paths, making access improvements and redesigning barriers. We have now finalised our UK-wide Network Development Plan, a blueprint for the Network of the future. We will work with our partners to align this with their national, regional and local plans for walking, wheeling and cycling.

Prioritising the environment in our Network development

We will focus on becoming even more environmentally positive throughout delivery of National Cycle Network infrastructure projects. To do this, we will continue to not only maintain but enhance biodiversity both on our land and in the projects we deliver, such as the Lias Line scheme in Warwickshire. Read more about [how we're making space for nature on the National Cycle Network – Sustrans.org.uk](#)

Improved mapping and information

With generous funding from the Motability Foundation, we have delivered the first phase of our digital transformation project to improve our mapping of the National Cycle Network for disabled people. We will now deliver the next phase of this important work.

Liveable cities and towns for everyone

During 2023-2024, our teams worked hard to encourage ambitious change in our towns and cities, demonstrate what's possible and to amplify seldom-heard voices in urban areas – particularly within our focus cities and towns.

Across the UK, we have sought to increase political support for walking, wheeling and cycling, reinforcing the need for continued investment. We have:

- worked with schools to get more children walking, wheeling and cycling
- engaged communities to create changes to neighbourhoods that they want to see
- taken a more place-based approach working with volunteers and communities
- in consultation with residents and communities, planned and delivered key elements of Low Traffic Neighbourhoods.

Encouraging ambitious change

In March we released the 2024 Walking and Cycling Index. The Index is the biggest ever survey of walking, wheeling and cycling in urban areas across the UK and Ireland. Each area reports on the progress they have made towards making walking, wheeling and cycling more attractive, everyday ways to travel. Since our first reports in 2015, this data has informed policy decisions, justified investment and enabled cities to develop more ambitious action plans for walking, wheeling and cycling.

Demonstrating what's possible

Our schools programme continues to help more children walk, wheel and cycle to school safely across the UK. For example, in Northern Ireland we celebrated 10 years of work in this area. Over the past decade we have seen an increase in pupils travelling actively to school from 30% to 42%. Pupils being driven to school decreased from 62% to 49%. And there are now 27 schools across Northern Ireland that have achieved Gold awards for excellence in building and sustaining a culture of active school travel.

Across the rest of the UK, as well as completing a range of local improvements to help more children travel to school actively, Sustrans managed distribution of children's bikes with funding from our 'Start the Cycle' campaign. And we co-delivered Cycle to School Week with The Bikeability Trust, producing resources for schools (downloaded 1,252 times) and provided direct support to 11 bike buses through the FRideDays project, generously funded by Schwalbe.

In Scotland our George Street First New Town project was runner up at the Pineapple Awards for 'Best Future Public Space'. The project is part of Edinburgh's plan for greater pedestrianised spaces and a greener, more accessible urban experience of the world heritage site. Meanwhile we also opened a range of projects to connect people to green spaces including the Perth Creative Exchange Community Garden, the Eddleston Water Path and the Papdale Park project in Orkney.

We have set up active travel hubs across the UK to help more people discover healthier, more affordable ways to travel. This year, our hubs hosted activities to help build peoples' confidence on a bike. They offered free bike parking, information on local walking and cycling routes, and bike maintenance sessions to help people fix up their bikes. We opened new hubs in Belfast, Hartlepool and Middlesbrough.

We held our annual UK-wide inter-school Big Walk and Wheel challenge between 11-22 March 2024. The challenge saw 2.3 million trips to school logged by over 2,200 schools. The two weeks were once again generously supported by headline sponsor cycle tyre manufacturer Schwalbe.

Tracking our progress

To help make sure we are delivering the change we want to see, we track our progress against performance indicators and targets that we set at the start of each year. The table below summarises what we have achieved on our Liveable cities and towns for everyone priority at the end of 2023-2024.

| Performance indicator | Target | Actual | Commentary |
|---|--------|--------|--|
| # of focus cities and towns | 38 | 38 | In our five-year business plan we set out that we would work to 'raise ambition for change' in a focused number of urban areas across the UK. This year we have worked to do this in the targeted number of cities and towns. |
| Increase in # of project sites that are part of a place-based approach | >565 | 325 | Place-based working is a people-centred, bottom-up approach used to meet the unique needs of communities in a given location. Though we have not met our target, we have been working hard to ensure more of our projects are delivered in this way. |
| # of new and existing volunteer and community groups involved in our LCT projects | 131 | 156 | Target exceeded |
| # of School Streets initiatives delivered in focus cities and towns | 42 | 20 | We want to increase the work we are doing in focus cities and towns to build momentum towards Sustrans vision – these three KPIs track our progress in three specific areas. Though funding constraints have meant we have not achieved all of our targets, progress has been made. |
| # of Low Traffic Neighbourhood initiatives delivered in focus cities and towns | 17 | 13 | |
| # of behaviour change initiatives delivered in focus cities and towns | 163 | 177 | |
| # of exemplar places identified | 12 | 10 | In our five-year business plan we committed to co-create 10 exemplar places by 2025. We have defined these as 'internationally recognisable' places, where urban leaders across and outside the UK recognise the positive change in the place and Sustrans' contribution. At the end of 2023-2024 we have identified 10 exemplar places. We hope to identify more in the final year of our business plan. |

In the coming year

We will continue to campaign for more investment so that everyone has the choice to travel more healthily and affordably around our neighbourhoods. This is more crucial than ever in the context of a cost-of-living crisis and recent government budget cuts.

We will continue to adopt a people-centred, bottom-up approach to meet the unique needs of communities in the areas we work. This will involve working with people who live locally, as well as organisations and stakeholders, to agree objectives and the resources needed to achieve a collective ambition.

We will continue to deliver practical projects that make it easier for people to walk and cycle and that reduce traffic in our neighbourhoods – particularly in our focus cities and towns.

The future funding environment is likely to present many challenges. These challenges will require us to respond effectively so we can continue to have impact at scale whilst achieving efficiencies across all our work.

Influencing for change

Across the UK and the UK Government

We believe everyone should have the right to walk, wheel or cycle around our neighbourhoods with ease, independence, and confidence. That's why we're campaigning to increase investment in active travel, stop parking on the pavement, and for new developments to be built where all the essentials are close by. To do this, we have been amplifying the voices of those who are seldom heard and building robust evidence to demonstrate the positive impact of active travel.

Sustrans has had many campaign wins across the year including maintaining funding for Active Travel Fund 4, the expansion of the ULEZ in London, the introduction of 20mph speed limits in Wales, local authority powers to prohibit pavement parking in Scotland, Environmental Land Management Schemes include payments for permissive access and Labour signalling to set targets for modal shift to lower emissions from the transport sector.

Long-term National Cycle Network funding and political support

We are pushing for a shift towards long-term funding certainty for the National Cycle Network, away from one-off grants and taking this to Government and shadow ministers. This included feeding into parliamentary debates, via our Parliamentary Champions to ensure that the relevant ministers are regularly reminded of the importance of the Network in constituencies across the country and of every political persuasion. In parallel, we have delivered eight visits and campaign events on the Network with Champions and high-profile MPs including Ed Miliband, Alex Chalk and Anneliese Dodds.

The Walking and Cycling Index

In summer 2023 Sustrans released an interactive Walking and Cycling Index Data Tool. It includes behavioural and attitudinal dashboards that allow anyone to explore and compare our data in much more detail. This includes, for the first time, the ability for decision makers, officers, academics and campaign groups to draw comparisons across cities, years, member authorities and demographic groups.

Walking and Cycling Index city reports were released in March with press releases going out in each region and launch events featuring key decision makers taking place in most areas. Media coverage was good in many areas, especially across Ireland and for the launch of the UK report later that month which also featured our first ever parliamentary roundtable in an important election year.

Stopping parking on the pavement

We delivered a report for the Local Government Association (LGA) on Inclusive Pavements that received widespread media coverage. This included national, regional and trade news coverage and an interview with Xavier Brice on BBC Breakfast. This work was inspired by our own Disabled Citizens Inquiry and supported work by Sustrans that pulled together active travel and disability charities and the LGA working on pavement parking to prevent a united front in a meeting with Labour, led by the lived experience of disabled people.

Spatial planning to support walkable neighbourhoods

Our Stepping off the Road to Nowhere report was launched with Create Streets in early 2024. Working in partnership with Create Streets we were generously funded by The Rees Jeffreys Road Fund and Foundation for Integrated Transport. The report looked at a proposed (subsequently cancelled) housing development in Chippenham, Wiltshire. It demonstrates that 'gentle densification' could build the same 7,500 homes on 40% of the land and the £75 million subsidy for a new road could instead be spent on active travel links, public transport and town centre improvements.

The report was covered in the Sunday Times. We have been discussing it with political and civil service contacts for some time, we now plan to present it to them more comprehensively. It is politically timely as political parties are making ambitious claims about building new homes including within party manifestos. The report demonstrates a way forward that would counter some of the opposition to new housing developments.

We also proposed an amendment to the Levelling Up and Regeneration Act which received large levels of cross-party support and led to a commitment from civil servants to work together on policy change to enable health inequalities to be considered in the planning system.

Increasing access to nature

We have ensured that the National Cycle Network forms part of the Government's solution, as they develop plans to meet their commitment that everyone should live within a 15-minute walk of nature. This included positioning the Network as an asset across the entire country to help people access nature and nature in its own right. This Government ambition spearheaded the creation of our new Biodiversity Strategy for the Network. We have been discussing this with Labour, including advisors to ministers. There is potential for the Network to be better recognised as both a route to natural spaces, and green space in its own right.

In Northern Ireland

Northern Ireland Assembly

With the return of the Northern Ireland Assembly in February 2024, we have met with the Infrastructure Minister and presented to the NIA Committee on Infrastructure.

The All-Party Group on Cycling has continued to meet, and we have played a prominent role in influencing its agenda. We gave a briefing on the Active School Travel programme and the School Streets initiative. During the absence of a sitting Stormont Executive, we kept the pressure on the Department for Infrastructure to build the Belfast Cycling Network and ensure that 10% of the transport budget is allocated to active travel, as legislated by the Climate Change Act. We play an active role in the Stakeholder Forum with the Department for Infrastructure on active travel. We successfully lobbied (with Cycling UK Northern Ireland) the Department for Infrastructure to reverse its decision to stop funding the Active School Travel programme which has now worked in more than 500 schools over a decade recording year-on-year improvements in active travel in participating schools. A recent [RMU study highlighted the economic benefits](#) of the programme too.

We play an active role on the Healthy NI Forum. We recently met with the Agriculture and Environment Minister and continue to push for a Clean Air Act.

We made strong responses to a Consultation on Hospital Car Parking Charges and a strategy on Obesity Prevention.

Championing accessibility

As part of our aim to be a charity for everyone, we delivered a cycle skills course to newcomers to Northern Ireland through the Belfast Community Active Travel programme in the summer of 2023. Through a partnership with other local organisations, [the participants were given upcycled bicycles at the end of their training](#) to enable them to seek out job opportunities as well as get to know the areas they had moved to better.

Strategic Transport Planning

The Department for Infrastructure commissioned the development of Regional Transport Plans. We are a delivery partner in the development of the Eastern Transport Plan (formerly the Belfast Metropolitan Area) which will set the framework for making transport policy and investment decisions up until 2035.

In Scotland

Delivering fairer transport choice in the heart of Scotland's cities

We worked with Scotland's local authorities and communities to give people fairer and better journey choices in our biggest cities. In July 2023, the South City Way in Glasgow was completed up to the Clyde. This new 2.5km segregated route, delivered through partnership between our Places for Everyone programme and Glasgow City Council, means people can now easily and safely walk, wheel and cycle into the city centre. Already, monitoring shows that 13% of all journeys along Victoria Road are now made by bike thanks to the new route. In Edinburgh, the completion of the City Centre West to East Link in March 2024 has created a traffic-free cycling route through the heart of the city centre, alongside major improvements to pavements, crossings, and street landscaping.

Creating safer, healthier connections across rural Scotland

In April 2023, we supported Orkney Council in delivering Papdale Park in Kirkwall - creating a safe and accessible walking, wheeling and cycling connection to school as well as a play space for children and young people. At the opposite end of the country, in July 2023, the Eddleston Water Path in the Scottish Borders was completed. This 6km path has enabled people to safely walk, wheel and cycle between Peebles and Eddleston for the first time via a protected, segregated route alongside a national speed limit road.

Working with Scotland's communities to create liveable neighbourhoods

We supported a community-led design project to transform a [busy area of Dundee into a more valuable and attractive space](#) to travel through and spend time in. Working with the [Stobswell Forum](#) community group and partners Dundee City Council and Scottish Water, permanent enhancements suggested by the community were designed and installed on five routes off Albert Street in Dundee. The team effort means there is now better signage and wayfinding links to benefit those living, working and travelling through the district.

Improving data-led transport planning in Scotland

A new Network Planning Tool, developed by Sustrans and the University of Leeds using funding from Transport Scotland, uses trip 'origin-destination' data to estimate the relative potential for cycling uptake on most streets and paths across Scotland. It provides an evidence base to develop data-led cycle network plans in their local area. The Network Planning Tool is already being used to inform network planning across Scotland, including the Tactran Regional Active Travel Network.

A key role in delivering Scotland's new Cycling Framework for Active Travel

In 2023, the Scottish Government published the [Cycling Framework for Active Travel - A plan for everyday cycling](#). Sustrans Scotland is a key delivery partner supporting Transport Scotland's national objectives around network planning, safe infrastructure, fair access and monitoring. The framework [commits to creating a Scotland-wide network blueprint](#), using investment in the National Cycle Network to connect communities across the country.

In Wales

In October, we hosted a webinar "Creating happier, healthier neighbourhoods in Wales". Our invited expert speakers provided an exploration of latest practice in Wales and the UK, and was an opportunity to share ideas and ask questions on how all parts of Wales can develop in a way that puts people first. Over 100 elected members and senior decision-makers attended online, with almost 300 viewing the recording.

Yn mis Hydref, cynhalion ni gweminar "Creu cymdogaethau hapusach, iachach yng Nghymru". Rhoddodd ein siaradwyr arbenigol gwadd archwiliad o'r ymarfer diweddaraf yng Nghymru a'r DU, ac roedd yn gyfle i rannu syniadau a gofyn cwestiynau ar sut gall pob rhan o Gymru datblygu mewn ffordd sy'n blaenoriaethu pobl. Mynychodd dros 100 o aelodau etholedig ac uwch penderfynwyr yn rhithwir, efo bron i 300 yn gwyllo'r recordiad.

In February, Sustrans Cymru published 'Walk, Wheel and Thrive: Well-being and the National Cycle Network'. The report set out the contribution of the Network against all seven of Wales' National Wellbeing Goals. For example, it highlighted the numerous benefits to people's lives in terms of health and well-being, the economic benefits, the way the Network supports access to green space and supports biodiversity, and the links it provides residents and visitors to cultural and historical sites in Wales. Alongside the positive benefits the report highlighted a need for urgent action to protect the Network for future generations. The report forms the basis of ongoing visits with elected members, business in the Senedd and a communications campaign in Wales.

Yn mis Chwefror, cyhoeddodd Sustrans Cymru 'Cerdded, Olwyno, a Ffynnu: Lles a'r Rhwydwaith Beicio Cenedlaethol'. Gosododd yr adroddiad cyfraniad y Rhwydwaith yn erbyn pob un o saith Amcan Lles Cenedlaethol Cymru. Er enghraifft, amlygodd y nifer o fanteision i fywydau pobl yn nhermau iechyd a lles, manteision economaidd, sut mae'r Rhwydwaith yn cefnogi mynediad at fannau gwyrdd a chefnogi bioamrywiaeth, a'r cysylltiadau mae'n darparu i breswylwyr ac ymwelwyr i leoliadau diwylliannol a hanesyddol yng Nghymru. Yn gyfochrog a'r manteision cadarnhaol, mae'r adroddiad yn amlygu'r angen am weithrediad ar frys er mwyn diogelu'r Rhwydwaith er lles cenedlaethau'r dyfodol. Yr adroddiad yw sylfaen ymweliadau cyfredol ag aelodau etholedig, busnes yn y Senedd ac ymgyrch cyfathrebu yng Nghymru.

There were many notable pieces of legislation and new policy in Wales during the year. Sustrans Cymru played a significant role in contributing to their development and we continue to work to support their implementation. Default 20mph speed limits on restricted roads were introduced in September, covering around 97% of roads that were previously 30mph. The North Wales Transport Commission published its final report and recommendations in December. The Environment (Air Quality and Soundscapes) (Wales) Act gained royal assent in January, which included new powers for local authorities to enforce motor vehicle engine idling, new powers to introduce road user charging on trunk roads, and a new duty for public authorities to promote active travel.

Roedd yna lawer o ddeddfwriaethau nodedig a pholisïau newydd yng Nghymru yn ystod y flwyddyn, a chwaraeodd Sustrans Cymru rhan sylweddol gan gyfrannu tuag at eu datblygiad a pharhawn yn ein gwaith i gefnogi'u gweithrediad. Cafodd terfynau cyflymder safonol o 20mya ar hewlydd cyfyngedig eu cyflwyno yn mis Medi, yn effeithio ar oddeutu 97% o ffyrdd oedd cynt yn 30mya. Cyhoeddodd Comisiwn Trafnidiaeth Gogledd Cymru ei adroddiad a'i argymhellion olaf yn mis Rhagfyr. Enillodd Bil yr Amgylchedd (Ansawdd Aer a Seinweddau) (Cymru) cydsyniad brenhinol yn mis Ionawr, sy'n cynnwys pwerau newydd ar ran awdurdodau lleol er mwyn iddynt orfodi segura motor cerbyd modur, pwerau newydd i gyflwyno codi tal ar ddefnyddwyr ffyrdd, a dyletswydd newydd ar awdurdodau lleol i hyrwyddo teithio llesol.

Our people

The dedication of our people remains our most valued asset and over the last year we continued to recognise this and improve our offer to colleagues.

We know that pay is a significant part of the working experience, and we want to ensure that everyone is valued for their contributions and that we attract and retain talent in a competitive job market. That is why we made the bold decision to invest significantly in improving our colleagues' pay and benefits in 2024.

We are proud to say that we agreed a recognition agreement with Unite the Union and look forward to building a constructive and productive relationship.

As part of simplifying our structures and laying the foundation for clearer career structures we introduced job families for over a third of the organisation. We also launched a new Learning Management System that will vastly improve the ability of our colleagues to access learning just-in-time.

In the coming year

We want to develop our focus and offer around performance, learning and careers. We plan to introduce a learning curriculum for Line Managers and build on our job families with an associated learning curriculum.

Our colleagues tell us they want more support with their careers, so it's our aim to develop some talent management processes, tools and skills to enable this.

We will continue to enhance our colleague relations and engagement by developing our colleague networks and colleague forums to help ensure our colleagues have a voice in Sustrans.

Our Pay Gap

We are in a minority of organisations that report a pay gap on gender, disability, ethnicity and LGB+.

In 2023 our mean gender pay gap was 4.59% and our median gender pay gap has reduced to 0%. This is a decrease from our median pay gap of 4.38% in 2022, and a significant shift after remaining approximately the same since 2019, following a 2018 pay review that considerably reduced our gender pay gap.

Our mean disability pay gap increased from 1% in 2022 to 2.3% in 2023 and our median disability pay gap has remained constant at 0%.

Only 11% of large charities report on their ethnicity pay gap. In 2023 our mean ethnicity pay gap was 4.35%, representing an increase from 3.2% in 2022. Our median ethnicity pay gap was 0% in 2023.

Sustrans is one of only three large charities to report on sexual orientation pay gap. In 2023 our mean sexual orientation pay gap was 1.6% and our median sexual orientation pay gap was 0%.

Our pay structure and pay policy are relatively prescriptive and standardised and therefore our main opportunities for improving our pay gap are to increase the diversity of colleagues at higher grades and improve the retention of colleagues.

Further actions in 2024-2025:

- Undertake analysis of how flexible working is taken up by different demographics within our workforce, and across different pay grades, and whether this impacts on pay and progression.
- Monitor the uptake of shared parental leave by the different demographics in our workforce, so that we can understand the impact of recent changes to our leave policies, including our shared parental leave policy.
- Review our progress on implementing the For Everyone Strategic Framework and action plans on a quarterly basis.

Volunteering

Volunteering supports Sustrans to work with and for communities; reaching more people; increasing our impact by scaling up our delivery work, voice and empowering legacy.

Volunteering provides opportunities to broaden our voice and reach; connect us to people, places and society; bring knowledge, skills, and experience; bring different perspective and challenge the status quo; and provide long term commitment to place.

Thousands of people across the UK volunteer their time to help look after their local communities by engaging with schools, supporting wildlife conservation, caring for the National Cycle Network and much more.

Sustrans volunteering helps create happier and healthier lives for everyone.

What we've achieved this year

Over the past year volunteering at Sustrans has seen many highlights. Over **15,000 hours** of volunteering activity were recorded by volunteers:

- **660** volunteers logged **5,100** activities caring for the National Cycle Network
- **170** volunteers logged **1,200** activities in communities
- **40** volunteers logged **120** sessions of admin support and media volunteering.

230 volunteers were trained and sent out to check the condition and safety of 900 Millenium Mileposts.

In addition, 12,894 standard Network signs were sent out for volunteers to install. This is a clear indication of the effort invested into ensuring the Network is well-signed and navigable.

In 2023-2024 we have worked to develop an ArcGIS Signage and Wayfinding app, process, guidance and training. This will be trialled in 2024-2025 before rolling out to volunteers and colleagues to provide a more transparent and co-ordinated approach to signage activities.

As well as this, over 300 led walks and rides were organised and delivered by volunteers, supporting more people to walk, wheel and cycle in their local community.

Telling the story of volunteering impact

Four case studies were put together by the Research and Monitoring Unit, with help from the volunteering team and the support of two research volunteers.

These can be accessed via the [Showcasing the impact that volunteers have Storymap](#)

[Volunteering stories from across the UK](#) and [Celebrating volunteering 2023](#) storymaps provide a more snapshot overview of dozens of volunteering impact stories that took place across the UK in 2023-2024.

Volunteer engagement training has been rolled out internally to 230 colleagues across the charity, building our capacity to deliver great work in line with the volunteering strategy. This is mandatory training for anyone directly managing volunteers or line managing a colleague who line manages volunteers.

Implementation of the new Volunteer engagement platform

Following the launch of Assemble in 2022-2023, our Volunteer Engagement platform, we focused work on its successful implementation with both colleagues and volunteers. By the end of the financial year 2023-2024 over 50% of volunteers are now regularly engaging on the platform.

The system makes it easier for volunteers to access opportunities, guidance, training and the latest news from their region, as well as to record the impact they deliver.

Our [Volunteering for everyone standard](#)

People volunteering with Sustrans should expect to be treated with respect, dignity and kindness by other volunteers and our employees at all times.

This is why we've developed a Volunteering for everyone standard. The guidance is there to ensure that everyone feels safe, welcome and included when volunteering with Sustrans.

The standard sets out the values and behaviours we expect of people engaged with volunteering activities. It also explains how to recognise when behaviour is unacceptable and how to address this.

How we fund our work

Sustrans' approach to funding and fundraising

Sustrans collaborates with governments and local authorities throughout the UK to help people walk, wheel and cycle more. By working in partnership with decision-makers, Sustrans is able to transform communities and strives to create a fairer society by making affordable active travel options accessible to everyone. Much of the funding we receive from national or local government supports the creation and maintenance of infrastructure that enables more walking, wheeling and cycling to happen in a safer environment.

Additionally, we greatly benefit from the generosity of donors, trusts, foundations, corporate partners, philanthropists, and customers who make purchases from our e-commerce shop. These contributions allow us to maintain and enhance the National Cycle Network, including protecting ecology and wildlife, implement programmes to support children to travel actively to school, deliver research projects, influence government policy, and support our volunteers.

Individual donors

Sustrans is enormously grateful to the generous donors who consistently support our work. Many of our new donors are recruited through our face-to-face programme on the National Cycle Network. In 2023-2024 the number of donors we engaged increased by 41% (on the previous year), and we experienced a significant increase in the average monthly gift for new regular givers, rising from £8.85 to £9.24.

In 2023-2024, we continued to expand our face-to-face programme. Our in-house team opened a new fundraising location in Glasgow and increased activities in other established offices. During this time, we stopped delivering our face-to-face programme in areas with limited engagement such as Liverpool, Plymouth, and York, which allowed us to reallocate resources to more promising locations.

We also ran a pilot with an external professional fundraising agency, Appco, between May and September 2023. Appco conducted face-to-face fundraising activities on behalf of Sustrans on the National Cycle Network and tested our proposition at events and private sites. Sustrans is now analysing the outcomes of these test activities to determine future use of professional fundraising agencies.

Throughout 2023-2024 we ran several campaigns to raise unrestricted income, including an upgrade campaign for existing regular donors, a raffle, and a spring appeal which focused on protecting the National Cycle Network. The spring appeal became the most successful fundraising campaign since 2016 and greatly surpassed its fundraising goal.

We successfully tested various digital engagement offers, including a new value exchange programme, lead generation, and adverts for single donations. The best performing adverts offered a traffic-free guide download, and gifts to support our ecology work on the National Cycle Network. We will continue to test, monitor and develop these activities next year.

For our telephone work, we partnered with Ethicall, who assisted us in delivering our annual upgrade campaign, a reactivation telephone campaign, and a campaign to convert new leads generated through a digital value exchange activity into regular donors. We plan to continue these activities on a rolling basis during 2024-2025.

Legacy giving

In 2023-2024 we continued to benefit from the generosity of those that left Sustrans a gift in their Will. In 2024-2025 we have exciting plans to further develop our legacy offer proactively inviting supporters to remember Sustrans in this meaningful way.

Partnerships

Sustrans is incredibly grateful to all our corporate supporters, trusts and foundations, lottery funders and philanthropists, without whom we couldn't deliver some of our most innovative work. Our partnerships allow us to work right at the heart of communities, engage with schools across the UK, deliver research and connect people and places.

Notable partnerships we would like to give special thanks to include:

- The Sport England Together Fund who helped us to empower community organisations on, or near, the National Cycle Network disproportionately affected by COVID-19 and the cost-of-living crisis to engage in walking, cycling and wheeling.
- The Freshfield Foundation, who enabled us to engage and plan for the improvement of streets in Liverpool City Region and the continuation of the Walking and Cycling Index; instrumental in securing funding for active travel across England.
- The abrdn Financial Fairness Trust, The London Marathon Foundation, and City Bridge Foundation, (the funding arm of The City of London Corporation's charity, Bridge House Estates (1035628)), who supported us to make walking, wheeling, and cycling more accessible for underrepresented groups and disadvantaged communities.
- Motability Foundation, who supported us in the Phase One development of the Online Accessibility Map and Route Planner for the National Cycle Network and to deliver a London-wide accessible cycle loan/training programme for disabled people, in partnership with Wheels for Wellbeing and Peddle my Wheels.
- Schwalbe Tyres UK Limited who kindly sponsored the Sustrans Big Walk and Wheel for a third year in a row and facilitated the expansion of the new FRideDays Bike Bus initiative, enabling children across the UK to travel actively to school.

E-commerce

During 2023-2024 we focused on growing our E-commerce audience to increase sales from our online shop, which specialises in our own range of maps, guides and digital downloads of our routes. We remain committed to ensuring our products, packaging, and methods are as sustainably sourced as possible, focusing on UK-based production.

We have also focused on product development and increased our product range by launching GPX files for our long-distance routes; introduced more third-party guidebooks; as well as cycling accessories and gifts. We will remain focused on product development in 2024-2025, and due to increasing demand for digital products, we will be testing a wider range of digital products. Excitingly, since introducing EU shipping in 2022-2023, we have seen an increase in sales from Europe, especially the Netherlands, Germany and Switzerland.

Our environmental impact

Making active travel easily accessible delivers a better environment for everybody. We are committed to continuously improving our environmental performance, and we recognise that the activities which underpin our work can negatively affect the environment through emissions, impacts on nature along our paths and the use of resources.

Biodiversity Action Plan

As custodians of the National Cycle Network, it's our responsibility to ensure that greenways contribute to improving national biodiversity. As well as being custodians, we are landowners and developers, so it's within our gift to make a positive difference to the natural world. We do this by improving the management of our existing routes and by protecting and enhancing habitats when designing new ones. In 2023-2024 we set out our Biodiversity Action Plan which sets out how we will help develop the National Cycle Network into a network for wildlife, as well as people over the coming years.

Sustainability and carbon reporting

Having formalised our carbon reduction targets in 2023 (net zero for our direct operations by 2030, and net zero for all indirect activities including supply chain by 2040), we are taking a more coordinated and proactive approach to sustainability and carbon management across the charity.

Construction activity to create new or improve existing active travel infrastructure is our most carbon intensive activity. This year we have explored more detailed carbon assessments to better understand how to design and contract construction activities to reduce carbon. The coming year will see more consistent processes being introduced so that carbon management and the principles of PAS2080:2023 (Carbon Management in Infrastructure standard) are adopted in a proportionate way for the type and scale of works Sustrans contracts.

The adoption of a new 'preferred supplier' process is providing the basis for more sustainable procurement. By engaging with our biggest suppliers, we are identifying how mature their decarbonisation plans are and how this aligns with our 2040 net zero goal. We will continue to work proactively with our preferred suppliers to show demand for low carbon supply chains and will support Sustrans colleagues to adopt more sustainable procurement principles when purchasing new goods and services.

In addition to carbon mitigation, we are also taking more practical steps to manage the risks of the climate emergency through climate change adaptation measures. Risks from floods, storms, extreme heat are all of relevance to the National Cycle Network, and we are mapping how this will affect our infrastructure in the medium to long term future to inform maintenance procedures and design plans.

The methodology used to calculate the 2023-2024 Sustrans carbon footprint has built upon previous years reporting to improve the overall accuracy and completeness of the annual assessment. Most noticeable changes can be seen for gas which in 2023-2024 reports much higher emissions, and in the supply chain which reports much lower emissions. These changes are purely data and processing improvements and do not reflect any substantive changes to buildings or spending. Continued efforts are being made to work with our supply chain partners to provide a 'bottom-up' carbon footprint for high spend or high carbon sectors which would significantly improve the accuracy of our supply chain carbon accounting.

| | | Carbon emission tCO ₂ e | | Fuel Use | |
|----------------------------|---|---------------------------------------|---------------|-------------|-------------|
| | | 2023/24 | 2022/23 | 2023/24 | 2022/23 |
| Scope 1 | Gas for offices | 19 | 10 | 102,952 kWh | 54,640 kWh |
| | Fuel for vehicles | 57 | 60 | 22,677 l | 23,656 l |
| | Fuel for site equipment | 8 | 7 | 3,442 l | 2,852 l |
| Scope 2 | Electricity for offices* | 14 (28) | (28) | 136,590 kWh | 143,790 kWh |
| Total Scope 1 and 2 | | 98 | 105 | | |
| Scope 3 | Fuel and energy related activities | 23 | 27 | | |
| | Business Travel | 116 | 122 | | |
| | Employee Commuting | 53 | 53 | | |
| | Home working | 153 | 153 | | |
| | Supply Chain - construction spend** | 3,239 | 4,900 | | |
| | Supply Chain – non construction related spend** | 2,637 | 5,400 | | |
| | Total Scope 3 | 6,221 | 10,655 | | |

*In 2023-2024 a combined market and location-based approach has been used to calculate Scope 2 electricity emissions. Where electricity is purchased directly from an energy supplier the specific carbon intensity of the tariff has been applied. Where electricity is recharged by a landlord, the exact fuel mix is unknown, so a location-based approach has been adopted using the UK grid average. For comparison purposes the location-based method is also shown in brackets, the difference representing the reduction in emissions through the purchase of green electricity tariffs.

**The reported carbon emissions for our supply chain activities are an estimate derived from financial spend (£) per sector. We acknowledge that this approach does not provide the same degree of accuracy as the other emissions reported, however this is included for transparency and to highlight the scale of the carbon impact of purchased goods and services in comparison to our core operational activities.

We are following GHG Protocol in our approach to carbon management.

Financial review

Sustrans is funded through a mixture of government grants, fundraising activity and paid contracted activities which deliver our objectives. There is investment in our agenda in all nations of the United Kingdom and by local authorities across these four countries.

The income that we generate is spent efficiently to deliver the best possible impact. As well as providing funding to others through our grant programmes, we also work in partnership with communities and with local and national governments to deliver projects and programmes that make it easier for people to walk and cycle.

We invest our fundraising income into managing the parts of the National Cycle Network that we own, and in supporting our unfunded activities, such as our influencing and campaigning activity.

Our financial performance in 2023-2024

In 2023-2024 income of £146.4M and expenditure of £144.5M left a surplus for the year of £1.9M. Income and expenditure in the prior year were £112.5M and £109.7M respectively. This significant increase in financial activity highlights the impact Sustrans is having across the UK.

The surplus for the 2023-2024 year, from a break-even budget, was achieved in the main thanks to better than anticipated bank interest on deposit. The surplus of £1.9M is welcome at a time when the charity is facing considerable funding uncertainty. This has resulted in an increase to the general reserves fund to better mitigate the risks set out in following sections of this report.

Principal funding sources in 2023-2024

Charitable Activities contributed 94% (2022-2023 – 93%) of all income, with the balance provided by donations, legacies, and investments.

Our principal funding sources are government grants. In 2023-2024 we received £98M (2022-2023: £64M) from Transport Scotland, £23M (2022-2023: £27M) from the Department for Transport, and £1.4M (2022-2023: £0.9M) from the Welsh government (see note 18).

Contractual activity, mostly with local authorities and other public bodies, amounted to £9.9M (2022-2023 - £9.7M).

Fundraising contributed £4.2M to our income in 2023-2024 (2022-2023: £5.8M), of which £0.0M (2022-2023: £1.6M) was restricted.

Investment income rose from £2.5M in 2022-2023 to £4.9M in 2023-2024 due to rising interest rates.

Our future financial picture and going concern status

We have several key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our reserves balance further mitigates remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2024-2025 and beyond. These are set out in the ‘principal risks’ section of this report.

We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity’s objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least 12 months from the date of approval of these financial statements. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The Trustees have considered specifically the financial risks associated with the current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

Our reserves policy

Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks (see following section on ‘Principal risks and uncertainties’), while ensuring we are making timely and strategic use of our funds. The policy focuses purely on general reserves, as these are the funds that can be deployed at the discretion of the trustees.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- temporary loss of income
- permanent fall in income, allowing time to adjust our cost base or business model
- incurring one-off costs that are not covered from donor funds.

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals. Our general reserves are matched by highly liquid investments so that we can draw on them quickly if necessary.

In 2023-2024 our target general reserves range was £6.3m-£7.8M; our closing general reserves of £9.6M are therefore above the target range. Ahead of approving the 2024-2025 financial budget, the Board has reviewed an update of the detailed risk assessment used to assess the level of general reserves that is appropriate for the charity to maintain.

Based on the risk assessment, the Board increased the target range for 2024-2025 to £8M-£10M.

Our investment policy

Project funds are held by Sustrans 'on trust' and are not to be considered for investment purposes. The principal consideration for these project funds is security. Credit worthiness is the overriding consideration, so project funds should only be held by banks holding a short-term credit rating of Good.

Sustrans has total reserves of approximately £15M. A portion of these reserves has been identified as long-term reserves available for investment. £3M was invested during the year and is managed by Rathbone Greenbank. The long-term reserves are invested, in line with our ethical policy, to grow at least in line with inflation over the long-term.

The Board of Sustrans has delegated investment decisions to the Finance Committee. Investment management is delegated to an authorised professional investment manager, regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Principal risks

Risk management is central to the successful achievement of our strategic aims and objectives.

The Board of Trustees has overall accountability for risk management and annually reviews the charity's principal risks. It sets risk appetite and risk tolerance limits and approves the risk management framework, which sets out the processes to identify, assess, respond, monitor, and report our risks.

The Finance Committee is responsible for oversight of the charity's Corporate Risk Register. It meets at least four times per year and scrutinises the most significant corporate risks facing the charity and the progress made in achieving target risk ratings.

There are six principal risks which reflect individual corporate risks or a combination of corporate risks that can seriously affect the performance or reputation of the charity:

1. Financial sustainability

A reliance on government funding coupled with the financial uncertainty of pressures on public sector budgets, external factors such as the cost-of-living crisis and inflation, and a more competitive environment for raising funds from other sources creates a risk around the loss of key funding for Sustrans.

To mitigate this risk, we proactively engage with our key funders to ensure we continue to deliver valuable outcomes, and we are actively seeking to diversify our sources of funding. We have embarked on a programme to improve the efficiency and effectiveness of our operating model which will improve our agility and responsiveness to financial opportunities and risks. We have also established reserves to ensure that the charity can remain operational in the event of the sudden loss of a significant source of funding.

2. Turnover and vacancies

There is increasing competition for skills and experience, which creates a risk to Sustrans' capacity and capability to deliver the impact that we want to see. To mitigate this risk, we have reviewed our pay policy to ensure that it is transparent, fair and we can attract and retain great people. We engage positively with the structures and arrangements put in place following a vote to recognise a union.

We have adopted progressive policies around flexible working, and we believe that our culture and vision enable us to be an employer of choice and build greater diversity across our teams. We recognise that we need to be agile and responsive to emerging opportunities, so adopt a strategic approach to partnerships and collaboration with other organisations to support the delivery of our work.

3. Deterioration and damage to our assets

Maintaining the National Cycle Network and Sustrans' estate involves managing engineered structures and ex-railway assets such as bridges, embankments, and drainage systems, as well as the land and ecologies around our paths. Due to the age and history of the assets and additional complications caused by climate change and extreme weather events, this creates a risk around ensuring the routes remain useable and accessible.

To mitigate this risk, we have put in place a comprehensive inspection regime and a programme of planned maintenance for all our assets. An asset ranking tool has been implemented to identify those assets we need to prioritise for maintenance. We have an Estates Committee as a sub-committee of our Board of Trustees to oversee the management of our assets and to mitigate the risks associated with asset management. To address the impact of climate change on our assets, we are seeking to improve our understanding of how to develop more climate resilient paths. In addition, we are ensuring our land acquisition approval processes consider potential climate impacts. We continually review our assets strategy to consider the risk of climate change and to ensure that our strategy and resources can safely maintain our assets.

4. False perceptions of our work

False perceptions and reports of what we do have increased in media and social media in recent years due to campaigning by some against investment in making it easier for people to walk, wheel and cycle. If these false perceptions are repeated and spread without mitigation it could negatively impact on support for our work from individuals, partners, local and national governments.

To mitigate this risk, we monitor media and social media, so where effective we can correct misconceptions. We proactively tell the story of positive impact of our work through campaigns, our communications channels and in direct conversations with our stakeholders. Where campaigners directly criticise our work, we aim to foster constructive dialogue with them, rather than polarised conflict through social media or media, so we can understand their concerns and feedback and have an opportunity explain the positive impact we are trying to have in communities.

5. Children or vulnerable adults may be harmed in connection with our activities

Engaging with communities is a priority for Sustrans, but this creates a risk in ensuring that we are safeguarding the children and vulnerable adults that we work with.

To mitigate this risk, we regularly review our safeguarding policy and procedures, and we are committed to providing training to all colleagues and volunteers who work with children and vulnerable adults. We have additional training for our Directors and Trustees on their roles and responsibilities for safeguarding. We have a team of Designated Safeguarding Officers who oversee our safeguarding processes and implement changes to ensure we are upholding our responsibility to safeguarding in everything we do.

6. Data breaches and disruption to our services

The dependence on information technology has dramatically increased in recent years, and this creates risks in relation to ensuring robust and reliable systems, information governance, and cyber security.

To mitigate these risks, we have developed an IT strategy as part of our improving our operating model strategic priority. This includes implementing integrated systems that support productivity, and identifying ways of working that will better meet our future needs. We regularly review and train colleagues in our data protection policies. We comply with the Cyber Essentials standard and are moving core systems to the cloud.

Fundraising

Fundraising compliance and conforming to recognised standards

Sustrans is, and always has been, committed to ensuring a transparent and ethical approach to fundraising activities. We are registered with the Fundraising Regulator and committed to the Code of Fundraising Practice. We are also governed and guided by the Charity Commission.

Our colleagues are trained in accordance with the Fundraising Regulator's code, and this ensures that our fundraising activities are neither intrusive nor persistent. Our fundraising promise further demonstrates our clear commitment to how we treat our donors:

- we will commit to high standards
- we will be clear, honest, open, and respectful
- we will be fair and reasonable
- we will be accountable and responsible.

In 2023-2024 we undertook an internal review of our fundraising compliance. From this review, four new policies were created to help us govern compliance including 'Protecting Vulnerable People in Fundraising', 'Know your Donor and Suspicious Donations', 'Refunds', and 'Working with Professional Fundraisers'. These policies have helped shape how we train our teams around compliance and empower them.

Personal data and consent

Our donors' personal data is held in accordance with the requirements of the Data Protection Act 2018 and UK General Data Protection Regulations (UK GDPR). All data is held securely and only for as long as required. We will never sell or share donors' details with other organisations to use for their own purposes, other than when we are required to do so by law.

Since 2022-2023 we have been operating under legitimate interest as our lawful basis for processing data, which is reflected in all our privacy policies on our website, and accessible to supporters every time they donate or purchase from our shop.

We make every effort to ensure that our fundraising activity never feels unreasonably intrusive, persistent or pressurised, but rather focuses on inspiring support and celebrating the impact of our donors and their gifts. Donors can manage their permissions by contacting our Supporter Care team. We always respect the wishes of donors who do not wish to receive fundraising communications, including those who have registered with the Fundraising Preference Service.

Fundraising complaints

Our ethical and open approach to fundraising is reflected in the low number of fundraising complaints that we have received, with 11 recorded in 2023-2024. The number of fundraising complaints received has increased over the last year, by five. This has coincided with Sustrans' new and expanding fundraising activities.

Our complaints process and policy continue to be transparent and accessible to the public on our website and by request, and we are committed to ensuring our three-stage complaints process is always handled with empathy and diligence.

Face-to-face fundraising

A major strand of our fundraising activity engages new supporters face-to-face on the National Cycle Network. Although we partner with 'Inspired People' to recruit agency fundraisers on our behalf, all our in-house face-to-face fundraisers are trained and managed directly by Sustrans.

Our in-house fundraisers receive in-depth training, including recognising people in vulnerable circumstances, and are always required to be friendly, professional and never engage in actions that could be construed as pressurising or manipulative. Our team of fundraisers are supervised by a team leader, who assesses their performance and conduct on an ongoing daily basis. Regular coaching and formal performance reviews are conducted with all of our fundraisers.

In 2023-2024 Sustrans also ran a face-to-face pilot with the professional fundraising agency, Appco, between May and September. Sustrans had oversight of Appco's in-house training and monitored Appco's performance and fundraising compliance throughout the pilot.

Protecting people in vulnerable circumstances

Sustrans takes its responsibility in protecting vulnerable people very seriously and has clear procedures for reporting and managing any concerns. We ensure all fundraisers are trained to identify the needs of people in vulnerable circumstances. Our fundraisers are also trained to recognise someone who may not have the capacity to make an informed decision, and therefore not make a financial ask, and report their concerns to their manager. Any donation received via post will be viewed in a similar way, with any concerns over the individual being reported to the Supporter Operations Manager.

In 2023-2024 Sustrans approved and rolled out its Protecting Vulnerable People in Fundraising policy. This policy is now embedded and readily available to all colleagues across Sustrans, and is shaping the training our colleagues receive.

Working with external fundraisers

We work with Ethicall, a professional telephone fundraising agency. They are registered with the Fundraising Regulator, the Chartered Institute of Fundraising, and are accredited by the Data and Marketing Association. We monitor their work through training and listening to phone calls and have been happy with their quality and ethical approach to fundraising. We will continue to build our relationship and monitor Ethicall's performance moving into 2024-2025.

In 2023-2024 Sustrans piloted working with the professional fundraising agency, Appco. They are registered with the Fundraising Regulator, and the Chartered Institute of Fundraising in England and Scotland. We monitored Appco through the pilot scheme with regular meetings and performance reviews, as well as monitoring complaints and feedback received about the fundraisers. We also monitored their welcome calls with supporters through call listening, rating their performance and compliance. We did spot-check mystery shopping during the pilot, and we had oversight of their compliance training, which was delivered in-house by Appco. We were happy that Appco remained compliant to the Code and our expectations of ethical fundraising throughout the pilot.

Structure, governance and management

Governing document

Sustrans is a registered charity in England and Wales and in Scotland, and a private company limited by guarantee registered in England and Wales. It is governed by its Board of Trustees operating under the terms of the Articles of Association as amended in July 2023.

Charity Governance Code

Sustrans supports the principles of good governance set out in the Charity Governance Code (“Code”) for larger charities and adopted use of the Code in 2018. Trustees welcomed the refreshed version of the Code published in December 2020, with its enhanced principles of integrity, equality, diversity, and inclusion.

As part of its approach to continuous improvement of governance arrangements, the Board reviewed the charity’s practice against the Code’s requirements as well as conducting a wider Board effectiveness review. The recommendations informed an improvement schedule which was approved by the Board in July 2023.

Over the course of 2023-2024, the Board continued to work through the improvement schedule. The Board’s improvement work included:

- Strengthening its practice in equality, diversity, and inclusion, including in its recruitment of new Trustees.
- Reviewing the current Board committee structure and membership to ensure that it is fit for purpose.
- Strengthening the induction process for new Trustees.
- Revising the Deputy Chair role description to clarify specific responsibilities.
- Reviewing the policy framework, with this work continuing into 2024-2025.
- Continuing to improve the format of meetings to increase the efficiency of Board time.

The Board believes that the charity’s governance meets the requirements of the Code in all key areas and particular focus continues to be given to the areas highlighted in the improvement schedule.

Trustees

The Board of Trustees is responsible for the governance and strategy of Sustrans. The Articles of Association allow for between five and fifteen Trustees, who have full legal responsibility for the activities of Sustrans. They are the company Directors of Sustrans for the purposes of company law.

Trustees are appointed for a term of three years and can be re-appointed for a second consecutive term. In exceptional circumstances a Trustee may be appointed for one further term. To support succession planning, Fiona Westwood was appointed for a third term in September 2023 to end in July 2024. At this point, Fiona will have served six and a half years on the Board, which is still within the good practice guidelines set out in the Code.

The Board has a deep commitment to Sustrans' value of 'for everyone' and to involving people with different and seldom-heard voices. The Board has been strengthening its practice in equality, diversity and inclusion to ensure that all Trustees feel welcomed and able to participate.

As of 31 March 2024, there were eight women and five men on the Board of Trustees.

None of the Trustees received any remuneration.

Role of Trustees

Trustees monitor and have overall responsibility for:

- Approving the overall strategy and annual budget of the organisation, ensuring the allocation of the necessary resources to achieve the objectives defined in the business plan.
- Ensuring that the charity has appropriate systems of controls, financial and otherwise.
- Keeping proper accounting records which comply with the Companies Act 2006 and the Charities' Statement of Recommend Practice.
- Safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- Providing assurance that the charity is operating efficiently and effectively, carrying out a risk assessment to identify possible risks to the achievement of the charity's objectives and establishing procedures, actions, and systems to mitigate them.

This monitoring of financial and other areas of performance ensures that the Trustees are continually appraised of progress, and the risks the charity faces.

The Trustees meet at least five times a year. Meetings are held virtually and in different geographical locations, giving the Trustees the opportunity to experience Sustrans work and/or engage with stakeholders. In 2023-2024, the Board held five Board meetings. Trustee attendance at Board meetings was:

| Meeting | Attendance ¹ |
|----------------|-------------------------|
| May 2023 | 90% (9/10) |
| July 2023 | 75% (9/12) |
| September 2023 | 83% (8/12) |
| January 2024 | 93% (14/15) |
| March 2024 | 100% (13/13) |

Notes:

¹ Attendance is based on the number of Trustees eligible to attend at the time.

The Board has appointed 'Trustee Champions' in specific areas such as safeguarding and equality, diversity, and inclusion, to support the Board's governance role and to provide additional support to the Executive.

Board Committees

In September 2023, the Board reviewed the committee structure to ensure that the charity has a robust governance model in place. The new committee structure consisting of a Finance Committee, Impact Committee, People Committee and Estates Committee was approved by the Board and implemented in January 2024. Ensuring that the charity is impact-led is a priority for the Board. The changes to the committee structure enable Trustees to have greater scrutiny of our impact. As the charity looks to deepen its approach to equity, diversity and inclusion and following the recognition of a Trade Union, the new structure also enables greater focus from Trustees on people-related issues. The new committees provide oversight on the following matters:

- Finance Committee: financial performance, internal financial controls, risk management, and matters regarding the external audit.
- People Committee: pay policies, people and culture matters, and recruitment of Trustees.
- Impact Committee: scrutiny of strategic and operational performance and the charity's delivery and reporting of impact.
- Estates Committee: monitoring of Sustrans' property portfolio, approvals of certain disposals and acquisitions, and asset management.

Each committee is chaired by a Trustee, with terms of reference and functions delegated by the Board. Committees meet as required, typically quarterly. Minutes of meetings are circulated to all Trustees, and committee Chairs provide a report to the following Board meeting.

Recruitment and appointment of Trustees

The Trustees have a wide range of skills and experience. The Trustees, together with the Executive, identify the skills, experience and background required of the Trustees to ensure that the Board can deliver its duties, and to support and challenge the Executive.

The People Committee oversees the succession planning for, and the recruitment of, a skills-based Board. Trustee roles are advertised widely, including on Sustrans' website and a search agent is used. The Board has adopted a Board Succession and Diversity Statement to demonstrate its commitment to equity, diversity and inclusion when recruiting to the Board.

In 2023, the Board appointed a Board Associate. This is a 12-month development role for aspiring Trustees. The Board Associate is not a Trustee or Director of Sustrans in law and has no associated responsibilities or voting rights. They can gain insight into the role of Trustee by observing Board meetings, having access to a Board mentor and other learning and development opportunities.

Trustee induction and training

The induction for new Trustees includes the provision of a Trustee Handbook containing key documentation, one-to-one meetings with key people, project visits, and attending externally provided Trustee induction and refresher training.

In 2023, the Board strengthened its induction process for new Trustees, including a review of key onboarding documents for incoming Trustees. Feedback from recently recruited Trustees will be taken onboard to further improve this process.

Trustees have appraisals with the Chair of the Board, which enables any development needs to be identified and addressed. Training, project visits and information sessions are all part of the

ongoing development process to ensure Trustees are up to date on the charity and their responsibilities. All Trustees receive periodic updates and guidance on their role as Trustees of the charity.

Conflicts of interest

Each Trustee is required to disclose potential or actual conflicts of interest in recruitment and annually for inclusion in the register of interests and at Board or Committee meetings if relevant. The Register is included in Board and Committee meeting papers.

Executive

The day-to-day running of the charity is delegated to the Chief Executive, who in turn delegates specific responsibilities to members of the Executive team. The Trustees set out delegated authority through the Scheme of Delegation, which is reviewed annually. The Chief Executive and members of the Executive team are not Directors for the purposes of company law.

The Executive team meets fortnightly to enable rapid, agile decision-making, as well as quarterly for an away day. Their purpose is to review the performance of the charity's work, and to address any issues and opportunities arising with regards to finance, health and safety, risk management, resourcing, programme delivery, or influencing work.

Executive remuneration

Sustrans is committed to ensuring that it has a fair, robust and evidenced-based approach to setting levels of remuneration for all employees, appropriate for the roles people perform and the responsibilities they undertake to deliver the charity's aims, irrespective of gender, ethnicity, religion, sexual orientation, age, employment status, disability or marital status. The People Committee is comprised of Trustees, with a remit to consider the charity's pay policy and to set parameters for Executive Director remuneration. The Board of Trustees sets the salary of the Chief Executive. Sustrans uses the Hay job evaluation system to assess the size and scope of job roles. It also uses established external, independent and relevant pay data for benchmarking purposes to ensure that individual levels of pay are appropriate and comparable with similar roles in organisations of a similar size and complexity.

The annual salary for Executive Director roles at Sustrans for the year ended 31 March 2024 is detailed here:

| Title | Key areas of responsibility | 2023-2024 Salary |
|---|---|------------------|
| Chief Executive | Overall executive leadership of the organisation with responsibility for delivering Sustrans' charitable purpose, strategy and governance. External facing role with partners and stakeholders. Leadership of the Executive Team. | £140-150K |
| Chief Operating Officer ¹ | Lead Executive Director for the delivery of operational strategy and services in Scotland, Wales, Northern Ireland and England. | £110-120K |
| Executive Director, People and Organisation Development | Responsible for the oversight, development and delivery of people and volunteering strategies, policy frameworks and approaches. | £100-110K |
| Executive Director, Finance, Fundraising and Resources ² | Responsibility for oversight and management of Sustrans' overall financial performance and sustainability, business and commercial development, fundraising and supporter engagement, IT and health and safety. | £100-110K |
| Executive Director, Impact | Responsible for research and monitoring, infrastructure, estates, urbanism, paths for everyone and safeguarding. | £100-110K |
| Executive Director, External Affairs ³ | Responsible for policy, public affairs, strategic communications and brand. | £100-110K |

Notes:

1 Post created in October 2023.

2 Post given additional responsibility for fundraising in October 2023.

3 Post vacant from September 2023.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Sustrans for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with Financial Reporting Standard FRS 102 applicable in the UK and Republic of Ireland.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of affairs, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and

Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The charitable company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

In line with charities' best practice, the Trustees have reviewed the criteria for charities, set out in the Charities Act 2011, and concluded that:

- Sustrans' purposes remain charitable.
- Sustrans satisfies the public benefit test.

Section 172 statement

Section 172 of the Companies Act 2006 requires Trustees (the Directors) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. It states that in doing so, the Directors should have regard, amongst other matters, to:

- Likely consequences of any decision in the long term.
- Interests of the charity's employees.
- Need to foster the charity's relationships with suppliers, customers, and others.
- Impact of the charity's operations on the community and the environment.
- Desirability of the charity maintaining a reputation for high standards of business conduct.
- Need to act fairly as between members of the company.

Our strategic priorities were developed as part of a long-term strategy to make it easier for people to walk, wheel and cycle. We routinely review external developments and horizon scan for future trends and ensure that our plans can be adapted as needed to meet changing circumstances.

The Trustees act in good faith to make decisions, the outcome of which, they consider will most likely be to promote the success of the charitable company both in current periods and in the long term.

In discharging their duties above, the Trustees carefully consider amongst other matters, the impact on and interests of other stakeholders in the charitable company and factor these into their decision-making processes.

Likely consequences of any decisions in the long term

When considering proposals and setting strategies the Trustees consider both long and short-term consequences. During the year, relevant matters Trustees considered included the financial situation and the development of Sustrans' 2025-2030 strategy.

Employees

Our colleagues are vital to Sustrans, and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular surveys and address any issues raised as quickly as possible through departmental action plans. Feedback from our employee representative forum and trade union representatives is shared regularly with our Executive team and Board.

We also have employee networks which have been set up to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social and professional networks.

We are committed to promoting a healthy workforce comprising both physical and mental wellbeing. Trustees receive information on various employee metrics. We keep colleagues informed of key issues through structured communication channels, including monthly One Sustrans webinars. We promote inclusion in the workplace and provide training and development opportunities.

Customers and suppliers

Our relationships with partners and suppliers are key to our effectiveness. Sustrans seeks to pay all suppliers any undisputed amounts due and within agreed terms.

In 2023, the Board approved a new Procurement Policy for the charity that seeks to introduce and embed an approach to procurement which draws on best practice and strengthens our relationships with our key suppliers.

The Finance Committee has the authority to approve contracts on behalf of the Board in accordance with the Scheme of Delegation. In doing so, they provide assurance to the Board that the Procurement Policy has been complied with, and that the process was fair and robust.

Community and the environment

Working for and with communities is central to delivering our mission and strategic objectives. Board meetings offer Trustees the opportunity to visit projects and engage with local stakeholders.

In September 2023, Trustees attended a roundtable discussion with some of the charity's key stakeholders from the Wales Council for Voluntary Action, the Future Generations Commissioner, and Transport for Wales to explore how we can work in partnership to support Sustrans' vision across Wales.

The charity recognises the importance of its environmental responsibilities and has policies aimed at reducing any potential detrimental environmental impact of its activities.

In 2023, the Board approved the charity's new Environmental Policy and established a Carbon Reduction Plan. Progress against the plan is reported annually to the Impact Committee. At its January meeting, the Board received a presentation on Sustrans' Biodiversity Strategy.

Standards and conduct

The charity has a series of defined codes of practice regarding ethical standards and the conduct of business. These are clearly communicated to every colleague and adherence is expected and enforced.

Being fair and inclusive in everything we do

Inclusivity and fairness are important to the Trustees. The benefits of walking, wheeling, and cycling are not experienced in the same way by everyone. We prioritise work with people and in places where we can make the most difference to those who may feel excluded. We involve people with different and seldom-heard voices, to develop solutions that work for everyone. We keep questioning and asking if we can do more. We know we cannot do this on our own, so we work closely with others.

We are also committed to inclusivity inside the charity, supported by our groups and networks, promoted by the charity's For Everyone Strategic Framework, and underpinned by our values and the way in which leaders and their teams work. The Board is taking active steps to improve its diversity when seeking new Trustees and to ensure that it is fully inclusive.

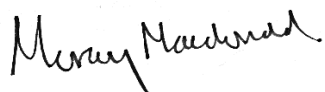
In 2023, the Board approved the For Everyone Strategic Framework, including an internal and external Equity, Diversity, and Inclusion Action Plan. It aims to demonstrate visible leadership, provide shape to the charity's external work, and inform the development of Sustrans' 2025-2030 strategy. Progress against the action plans is reported quarterly to the Board. An annual report will be published on Sustrans' website.

Statement of disclosure of information to auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board of Trustees who approve the Strategic Report as Directors.



Moray Macdonald
Sustrans Chair of Trustees
5 August 2024

Independent auditor's report to the members and trustees of Sustrans

Opinion

We have audited the financial statements of Sustrans ('the charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Trustees' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement earlier in this document, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine 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 Trustees are responsible for assessing the charitable company'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 the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our 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 our 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 economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.


We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Scottish Charity Regulator, designing and performing audit procedures over the timing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and

regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Date: 13 August 2024

Statement of Financial Activities for the year ended 31 March 2024

(Including an Income and Expenditure Account)

| | | Unrestricted Funds | Restricted Funds | Total Funds 2024 | Total Funds 2023 |
|--------------------------------------|-------|--------------------|------------------|------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | |
| Donations and Legacies | | 4,224 | 5 | 4,229 | 5,827 |
| Charitable activities | 2 | 9,919 | 127,311 | 137,230 | 104,159 |
| Investment income | | 4,946 | - | 4,946 | 2,477 |
| Total income | | 19,089 | 127,316 | 146,405 | 112,463 |
| Expenditure | | | | | |
| Raising funds | | 2,460 | - | 2,460 | 2,150 |
| Charitable activities | | 14,572 | 127,697 | 142,269 | 107,534 |
| Total expenditure | 3 | 17,032 | 127,697 | 144,729 | 109,684 |
| Net gain on investments | 9 | 216 | - | 216 | - |
| Net income / (expenditure) | 5 | 2,273 | (381) | 1,892 | 2,779 |
| Transfers between funds | 12 | (146) | 146 | - | - |
| Net movement in funds | | 2,127 | (235) | 1,892 | 2,779 |
| Reconciliation of funds | | | | | |
| Fund balances brought forward | | 9,540 | 3,421 | 12,961 | 10,182 |
| Fund balances carried forward | | 11,667 | 3,186 | 14,853 | 12,961 |

The notes on pages 49 to 71 are an integral part of these financial statements.

All gains and losses recognised in the year are included in the Statement of Financial Activities. All income and expenditure relates to continuing operations.

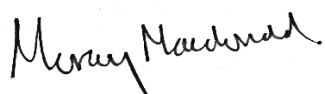
There is no difference between the net income for the years stated above and their historical cost equivalents.

Balance Sheet at 31 March 2024

Company Number 1797726 (England and Wales)

| | | Unrestricted Funds | Restricted Funds | Total Funds 2024 | Total Funds 2023 |
|---|-------|-----------------------|---------------------|---------------------|---------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 7 | 2,063 | 1,064 | 3,127 | 3,322 |
| Investments | 9 | 3,216 | - | 3,216 | - |
| | | 5,279 | 1,064 | 6,343 | 3,322 |
| Current assets | | | | | |
| Stock | | 214 | - | 214 | 256 |
| Debtors | 8 | 21,686 | - | 21,686 | 7,108 |
| Cash at bank and in hand | | 71,162 | 2,988 | 74,150 | 165,206 |
| Total Current Assets | | 93,062 | 2,988 | 96,050 | 172,570 |
| Creditors: amounts falling due within one year | 10 | (86,674) | (866) | (87,540) | (162,931) |
| Net current Assets | | 6,388 | 2,122 | 8,510 | 9,639 |
| Total Net Assets | | 11,667 | 3,186 | 14,853 | 12,961 |
| The Funds of the Charity | | | | | |
| Restricted | 12 | | | 3,186 | 3,421 |
| Unrestricted | | | | | |
| Designated | 13 | | | 2,063 | 2,252 |
| General | | | | 9,604 | 7,288 |
| | | | | 11,667 | 9,540 |
| Total Funds | | | | 14,853 | 12,961 |

The notes on pages 49 to 71 are an integral part of these financial statements. These financial statements on pages 46 to 71 including the notes, were approved by the trustees on 5th August 2024 and were signed on their behalf by:



Moray Macdonald
Chair

Statement of Cash Flows for the year ended 31 March 2024

| | Total Funds 2024 | Total Funds 2023 |
|---|------------------|------------------|
| | £'000 | £'000 |
| Net income for the reporting period (as per the Statement of Financial Activities) | 1,892 | 2,779 |
| Adjustments for: | | |
| Depreciation charges | 308 | 337 |
| Interest and dividends from investments | (4,946) | (2,477) |
| (Profit) on the sale of fixed assets | (308) | (271) |
| (Increase) / decrease in stocks | 42 | (23) |
| (Increase) in debtors | (14,578) | (811) |
| Increase / (decrease) in creditors | (75,391) | 7,984 |
| (Gains) on investments | (216) | - |
| Net cash (used in) / provided by operating activities | (93,197) | 7,518 |
| Cash flows from investing activities: | | |
| Interest and dividends from investments | 4,946 | 2,477 |
| Proceeds from the sale of property, plant and equipment | 351 | 299 |
| Purchase of property, plant and equipment | (156) | (426) |
| (Purchase) of investments | (3,000) | - |
| Net cash provided by investing activities | 2,141 | 2,350 |
| Change in cash and cash equivalents in the reporting period | (91,056) | 9,868 |
| Cash and cash equivalents at the beginning of the reporting period | 165,206 | 155,338 |
| Cash and cash equivalents at the end of the reporting period | 74,150 | 165,206 |

There is no movement on net debt in the year other than cash.

Notes to the Financial Statements

1. Principle accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention in UK pounds sterling.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) for charities, which is based on the Financial Reporting Standard (FRS) 102 effective from 1st January 2019, the Charities Act 2011, the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005.

The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently. The financial statements have been prepared on the basis that it is a public benefit entity under FRS 102.

Sustrans has two wholly owned subsidiaries, which have not been consolidated on the basis that they are dormant.

b) Going concern

We have a number of key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our reserves balance further mitigates remaining financial risks.

We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the economy, environment and public health.

But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty.

The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

c) Fund Accounting

Unrestricted funds are funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose. The aim and use of designated funds is set out in Note 13 to the financial statements.

Restricted Funds - Income restricted to a specific purpose is treated as restricted funds. The description and purpose of these restricted funds are provided in Note 12.

d) Incoming Resources

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities.

Income is only recognised when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.
- If any of these criteria are not met but the cash has been received, then the income is deferred.
- Donations – Donations are accounted for in the year in which they are receivable.
- Legacies – For legacies, entitlement is taken as the earlier of: the date on which the Charity is aware that probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made; or when a distribution is received from the estate.
- Grants receivable – Grants from government bodies and other sources are received for specific projects and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.
- Investment income - investment income relates to interest receivable from bank accounts and dividends receivable. They are accounted for in the year in which they are receivable.

e) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs have been allocated to activities on the basis of full-time equivalent employee numbers. Non-recoverable VAT is attributed to the heading of cost where the expenditure is incurred.

All expenditure up to the year-end payable on projects under the management of the Charity has been included in the financial statements. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory regulations.

f) Tangible assets

Tangible fixed assets costing more than £2,000 are capitalised and included at cost. Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives on a straight-line basis. The rates of depreciation utilised are as follows:

| | |
|-----------------------|---------------------------------|
| IT Equipment | 25% per annum |
| Plant and machinery | 25% per annum |
| Office refurbishments | 10% per annum or the lease term |

Freehold land and buildings are not depreciated because (a) it is the Trustees' intention to hold the assets for the long term and (b) their residual value is at least equal to the carrying value. Assets not depreciated are subjected to an annual impairment review.

g) Investments

Investments are stated at fair value which is determined by reference to market value.

h) Key sources of estimation uncertainty and judgements

Preparation of the financial statements requires management to make estimates and judgements. The items in the financial statements where the most significant estimates and judgements have been made are:

- Income recognition on grants: Income is recognised when there is evidence of entitlement, the amount can be measured, and the receipt is probable. Where terms and conditions have not been met, or uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.
- Valuation of tangible fixed assets and assessment of the remaining useful lives of tangible fixed assets: see accounting policy (1f) for details of the estimate of useful economic lives applied and consideration of impairment.
- Valuation of debtors with regards to making an assessment for impairment: see accounting policy (1d).
- Accrued and deferred income: Income is recognised when there is evidence of entitlement, the amount can be measured, and the receipt is probable. Where terms and conditions have not been met, or uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.

i) Stock

The Charity holds stocks of maps which are recognised at cost and adjusted (where applicable) for any loss of service potential.

j) Maintenance

The Charity has a maintenance obligation over several disused railways where it owns the land and structures upon it. A planned maintenance policy is adopted with routine maintenance expenditure being funded from Restricted funds and Designated funds as appropriate. Significant short-term maintenance liabilities are provided for as and when there is a constructive obligation.

k) Taxation

The company, which is a registered Charity, is entitled to taxation exemptions on all income and gains properly applied for its charitable purposes.

l) Pension costs

The Charity makes contributions to a defined contribution pension scheme on behalf of certain employees. The cost of these contributions is charged in the financial statements as incurred. This scheme is available to all employees.

m) Operating leases

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis.

n) Grants

Grants payable in furtherance of the Charity's objects are recognised when the commitment is communicated to the grant recipient or when payment is due in accordance with the terms of the contract, which is normally upon providing evidence of the project work being undertaken.

o) Volunteers

The Charity benefits from gifts in kind in the form of volunteer time and unclaimed out of pocket expenses. As per the Charity SORP, these are not recognised in the accounts as they cannot be reliably valued, but further information is provided in the Trustees' annual report.

p) Financial instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Redundancies

Termination payments are accounted for in the period an obligation is made or liability incurred.

r) Cash

Cash includes UK bank balances available within 121 days.

2. Income from Charitable Activities

| | Unrestricted | Restricted | Total 2024 | Total 2023 (restated) |
|------------------|--------------|------------|----------------|--------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Central | 526 | 820 | 1,346 | 707 |
| England | 4,783 | 25,094 | 29,877 | 32,631 |
| London | 1,451 | 247 | 1,698 | 2,134 |
| Northern Ireland | 835 | 38 | 873 | 950 |
| Scotland | 1,024 | 99,691 | 100,715 | 65,464 |
| Wales | 1,300 | 1,421 | 2,721 | 2,273 |
| | 9,919 | 127,311 | 137,230 | 104,159 |

A considerable proportion of Sustrans' impact is delivered through the management of performance-related grants. In a number of significant cases this funding is paid to the charity in advance of delivery. Accordingly the income is deferred until the performance related conditions are met and the income is then recognised. This can lead to the charity holding significant amounts as cash (please see the Balance Sheet) and deferred income (please see note 10).

For 2023/24 a 'central' category has been introduced to reflect charitable activities delivered across the UK. The 2022/23 number is restated to provide a comparative figure on the same basis.

3. Total Expenditure

| | Activities undertaken directly | Grant funding of activities (to institutions)* | Support costs | Total 2024 | Total 2023 (restated) |
|------------------------------|--------------------------------|--|---------------|----------------|-----------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 2,249 | - | 211 | 2,460 | 2,081 |
| Charitable Activities | | | | | |
| Central | 2,100 | - | 578 | 2,678 | 2,047 |
| England | 18,252 | 11,732 | 2,325 | 32,309 | 34,458 |
| London | 2,136 | 71 | 486 | 2,693 | 2,830 |
| Northern Ireland | 934 | 11 | 227 | 1,172 | 1,285 |
| Scotland | 17,169 | 81,011 | 2,091 | 100,271 | 64,221 |
| Wales | 2,425 | 266 | 455 | 3,146 | 2,762 |
| | 43,016 | 93,091 | 6,162 | 142,269 | 107,603 |
| Total expenditure | 45,265 | 93,091 | 6,373 | 144,729 | 109,684 |

*See Note 17.

Sustrans' charitable activities are delivered by geographically focussed teams across the UK.

For 2023/24 a 'central' category has been introduced to reflect charitable activities delivered across the UK. The 2022/23 number is restated to provide a comparative figure on the same basis.

The introduction of the 'central' category has changed the allocation of support costs, a consequence of which is that the comparative figure for 'raising funds' has changed.

4. Analysis of support costs

| | Chief Executive and Governance | Finance | IT | People | Total 2024 | Total 2023 (restated) |
|-----------------------|--------------------------------|--------------|--------------|--------------|--------------|-----------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 34 | 42 | 73 | 62 | 211 | 185 |
| Central | 94 | 114 | 201 | 169 | 578 | 532 |
| England | 379 | 459 | 809 | 678 | 2,325 | 2,154 |
| London | 79 | 96 | 169 | 142 | 486 | 562 |
| Northern Ireland | 37 | 45 | 79 | 66 | 227 | 234 |
| Scotland | 341 | 413 | 727 | 610 | 2,091 | 1,853 |
| Wales | 74 | 90 | 158 | 133 | 455 | 442 |
| Total 2024 | 1,038 | 1,259 | 2,216 | 1,860 | 6,373 | 5,962 |
| Total 2023 (restated) | 783 | 1,061 | 2,322 | 1,796 | 5,962 | |

For 2023/24 a 'central' category has been introduced to reflect charitable activities delivered across the UK. The 2022/23 number is restated to provide a comparative figure on the same basis.

5. Net income / (expenditure)

| | 2024 | 2023 |
|---|-----------|-----------|
| | £'000 | £'000 |
| This is stated after charging: | | |
| Trustees of the Charity are not paid | | |
| Travel and associated expenses incurred by employees and 15 (2023:11) Trustees for attendance at meetings | 15 | 14 |
| Fees payable for statutory audit | 21 | 20 |
| Trustee liability insurance | 2 | 2 |
| | 38 | 36 |
| Fees payable to the auditors for assurance services other than statutory audit | 4 | 2 |
| Depreciation of tangible fixed assets | 308 | 337 |

6. Employee costs

| | 2024 | 2023 (restated) |
|---|---------------|--------------------|
| Average full-time equivalent number of employees | Number | Number |
| Raising Funds | 21.2 | 19.4 |
| Support Functions | 79.9 | 72.6 |
| Charitable Activities | | |
| Central | 58.0 | 56.0 |
| England | 233.4 | 226.6 |
| London | 48.8 | 59.1 |
| Northern Ireland | 22.7 | 24.7 |
| Scotland | 209.9 | 194.9 |
| Wales | 45.7 | 46.5 |
| | 719.6 | 699.8 |

The average head count (number of employees) during the year was 811 (2023: 779). For 2023/24 a 'central' category has been introduced to reflect charitable activities delivered across the UK. The 2022/23 number is restated to provide a comparative figure on the same basis.

| | 2024 | 2023 |
|--|---------------|---------------|
| Staff costs (for the above employees) | £'000 | £'000 |
| Wages and salaries | 24,967 | 22,619 |
| Social Security costs | 2,374 | 2,193 |
| Employer's pension contributions | 2,222 | 1,609 |
| | 29,563 | 26,421 |

Statutory redundancy payments totalling £196K (2023: £22K) were made during the year.

| | 2024 | 2023 |
|--|---------------|---------------|
| | Number | Number |
| The following number of employees received remuneration falling within the following ranges: | | |
| £60,000 to £69,999 | 13 | 12 |
| £70,000 to £79,999 | 5 | 1 |
| £90,000 to £99,999 | - | 6 |
| £100,000 to £110,000 | 4 | - |
| £130,000 to £139,999 | - | 1 |
| £140,000 to £149,999 | 1 | - |

The remuneration shown above is the only employee benefit received by key management personnel.

All jobs are sized according to the Hay job evaluation system.

In the year the Trustees approved a new Executive Remuneration Policy for the CEO and Executive Team based on the Korn Ferry 'public sector and not-for-profit' benchmark at median level to calibrate the remuneration of Executive Team posts.

The key management personnel are the Executive team, and during the year, the total payroll cost for members of the Executive team was £793K (2023: £810K).

7. Tangible assets

| | Freehold land and buildings | Office refurbishment | IT Equipment | Plant and Machinery | Total |
|---------------------------------|-----------------------------------|-------------------------|-----------------|------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | |
| At 1 April 2023 | 2,167 | 1,058 | 179 | 930 | 4,334 |
| Additions | 35 | - | - | 121 | 156 |
| Disposals | (3) | - | (25) | (202) | (230) |
| At 31 March 2024 | 2,199 | 1,058 | 154 | 849 | 4,260 |
| Accumulated depreciation | | | | | |
| At 1 April 2023 | - | 212 | 171 | 629 | 1,012 |
| Charge for the year | - | 145 | 7 | 156 | 308 |
| Disposals | - | - | (25) | (162) | (187) |
| At 31 March 2024 | - | 357 | 153 | 623 | 1,133 |
| Net Book Value | | | | | |
| At 31 March 2024 | 2,199 | 701 | 1 | 226 | 3,127 |
| At 31 March 2023 | 2,167 | 846 | 8 | 301 | 3,332 |

Tangible fixed assets held in restricted funds total £1,064K (2023: £1,070K) and comprise the National Cycle Network Centre £903K (2023: £903K), land holdings in Yorkshire totalling £150K (2023: £150K), and plant and machinery £11K (2023: £17K).

As at 31 March 2024, there were no capital commitments (2023: nil).

8. Debtors

| | 2024 | 2023 |
|--------------------------------|---------------|--------------|
| | £'000 | £'000 |
| Trade Debtors | 4,368 | 3,251 |
| Accrued income | 16,099 | 2,688 |
| Sundry debtors and prepayments | 1,219 | 1,169 |
| | 21,686 | 7,108 |

9. Investments

| | | | | 2024 | 2023 |
|--|---------|---------|--------------------------|--------------|----------|
| | Cash | T-bills | Other listed investments | Total | Total |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Valuation as 1 st April 2023 | - | - | - | - | - |
| Additions | 3,000 | - | - | 3,000 | - |
| Purchases | (9,489) | 6,713 | 2,776 | - | - |
| Disposals | 6,544 | (6,402) | (178) | (36) | - |
| Interest receivable | 20 | - | - | 20 | - |
| Dividends receivable | 16 | - | - | 16 | - |
| Investment management fee | (3) | - | - | (3) | - |
| Net gain on investments | - | 34 | 185 | 219 | - |
| Valuation at 31 st March 2024 | 88 | 345 | 2,783 | 3,216 | - |
| Liquidity | | | | 920 | - |
| Equity-type risk | | | | 2,010 | - |
| Diversifiers | | | | 286 | - |
| | | | | 3,216 | - |

Investments are reported at market value at year end.

10. Creditors: amounts falling due within one year

| | 2024 | 2023 |
|--|---------------|----------------|
| | £'000 | £'000 |
| Trade Creditors | 10,362 | 7,153 |
| Payments received on account for contracts or performance related grants | 36,159 | 126,530 |
| Accruals | 39,721 | 28,155 |
| Taxation and social security | 1,298 | 1,093 |
| | 87,540 | 162,931 |

Reconciliation of payments received on account for contracts or performance related grants

| | 2024 | 2023 |
|--|---------------|----------------|
| | £'000 | £'000 |
| Brought forward as at 1 April 2023 | 126,530 | 132,979 |
| Released in the year | (96,550) | (73,099) |
| New balances deferred | 6,179 | 66,650 |
| Carried forward as at 31 March 2024 | 36,159 | 126,530 |

The new balances deferred in the year of £6.2M (2023: £66.7M) includes funding from the Department of Transport of £4.5M (2023: £2.9M) and Transport Scotland of £0.0M (2023: £58.9M). Of the Transport Scotland funds brought forward £72.7M (2023: £43.4M) was released in the year. Of the Department of Transport funds brought forward £21.9M (2023: £27.0M) was released in the year.

11. Financial instruments

| | 2024 | 2023 |
|--|----------|----------|
| | £'000 | £'000 |
| Financial Assets | | |
| Cash | 74,150 | 165,206 |
| Accrued income | 16,099 | 2,688 |
| Trade debtors (settlement amount after trade discount) | 4,368 | 3,251 |
| Investments (stated at market value) | 3,216 | - |
| Financial Liabilities | | |
| Trade creditors (settlement amount after trade discount) | (10,362) | (7,153) |
| Accruals | (39,721) | (28,155) |

12. Restricted income funds

| | | Balance at 1 Apr 2023 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 Mar 2024 |
|------------------------------------|-------|-----------------------------|----------------|------------------|---|------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett & Sunderland Railway Path | | - | 3 | (62) | 59 | - |
| Paisley to Kilwinning & Kilmacolm | | 113 | 58 | (26) | - | 145 |
| York to Selby Railway Path | | 450 | 12 | (1) | | 461 |
| Worthington Railway Path – Derby | | - | - | (25) | 25 | - |
| Mirehouse Railway Path | | - | - | (55) | 55 | - |
| Historic railway path funds | (1) | 563 | 73 | (169) | 139 | 606 |
| National Cycle Network Centre | (2) | 139 | - | (11) | - | 128 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 83 | - | - | - | 83 |
| Catterick maintenance fund | (5) | 17 | - | (2) | - | 15 |
| Castleford Greenway | (6) | 121 | - | (2) | - | 119 |
| Lune Valley Cycleway | (7) | 2,360 | 5 | (262) | - | 2,103 |
| Asda Parklet | (8) | 21 | - | - | - | 21 |
| Big Give | (9) | 17 | - | (6) | - | 11 |
| Inclusive cycle loans | (10) | - | 87 | (87) | - | - |
| Online accessibility route planner | (11) | - | 104 | (104) | - | - |
| Inwood Inclusive Cycle Hub | (12) | - | 17 | (17) | - | - |
| Riverside Hostels | (13) | - | 50 | (57) | 7 | - |
| abrdn Financial Fairness Trust | (14) | - | 40 | (40) | - | - |
| | | 2,858 | 303 | (588) | 7 | 2,580 |
| Central | | - | 589 | (589) | - | - |
| England | | - | 25,079 | (25,079) | - | - |
| London | | - | 180 | (180) | - | - |
| Northern Ireland | | - | 38 | (38) | - | - |
| Scotland | | - | 99,633 | (99,633) | - | - |
| Wales | | - | 1,421 | (1,421) | - | - |
| | | - | 126,940 | (126,940) | - | - |
| | | 3,421 | 127,316 | (127,697) | 146 | 3,186 |

1. The historic railway path funds cover routes acquired from BRB (Residuary) Ltd. Agreements with the relevant local authority state that income arising from the land must be ring-fenced to that land. Where unrestricted funds have been spent on these routes these are shown as transfers into the fund.
2. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605k was received from the Millennium Commission to assist with the purchase. An appeal to supporters and trusts raised a further £332k. This restricted fund is used to maintain the building.
3. A maintenance fund from Yorkshire Water to be spent on the network within Kirklees.
4. A fund restricted to the long-term maintenance of the Two Tunnels in Bath.
5. Funds received for the long-term maintenance of the Connect 2 project at Catterick, Yorkshire.
6. Funds received in 2017/18 from the Railway Heritage Trust for the viaduct and greenway phases connecting to the Castleford Greenway in Yorkshire.
7. Funds received from a major donor for the Lune Valley Cycleway in Lancashire.
8. A donation received from a major supermarket to create a pocket park near the NCN 66 in Leeds.
9. Funds received from individual donors and match funding from the Big Give to undertake ecology work along the National Cycle Network.
10. Funds received from the Motability Foundation to deliver an accessible cycle loan/training programme for disabled people.
11. Funds received from the Motability Foundation to develop an online accessibility map and route planner for the National Cycle Network.
12. Funds from the London Marathon Foundation to expand the Inwood Inclusive Cycle Hub.
13. Funds received from City Bridge Foundation to empower hostel residents with long-term mental health conditions to feel more confident with active travel decisions.
14. The grant is to demonstrate the demand for, and benefits from, providing financial support to people who need a cycle but currently cannot access the Cycle to Work scheme. These are people not in employment, or on low incomes

13. Designated funds

| | | Balance at 1 April 2023 | Income | Expenditure | Transfers (to) / from unrestricted funds | Balance at 31 March 2024 |
|------------------|-------|-------------------------------|----------|--------------|---|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed asset fund | (1) | 2,252 | - | (302) | 113 | 2,063 |
| | | 2,252 | - | (302) | 113 | 2,063 |

- (1) The fixed asset fund has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.

14. Limitation by guarantee

The Company is limited by guarantee and does not have a share capital. The liability for members in the event of winding up is limited to an amount not exceeding £1 per member.

15. Financial commitments

| | 2024 | 2023 |
|--|------------|------------|
| | £'000 | £'000 |
| The total of future minimum lease payments under non-cancellable operating leases for each of the following periods: | | |
| 1. Not later than one year | 340 | 355 |
| 2. Later than one year and not later than five years | 466 | 567 |
| | 806 | 922 |
| Lease payments recognised as an expense | 447 | 334 |

16. Legal charges

In December 1995 the Charity entered into a debenture with the Millennium Commission giving a floating charge over the assets of the Charity as part of the agreement for grants from the Millennium Commission. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605,000 was received from the Millennium Commission to assist with this purchase. A charge over the building was created, in addition to the existing Debenture held by the Commission, in October 2005.

When the Millennium Commission was abolished in November 2006 these charges transferred to its successor, the Big Lottery Fund. In August 2014 the Big Lottery Fund released Sustrans from the floating charge, but the fixed charge over the building in central Bristol remains.

Over a number of years Sustrans acquired disused railway lines in England which were covered by a fixed charge in favour of the appropriate authority. The legal charges in existence are as follows:

- Land situated at Naburn, Escrick and Riccall, North Yorkshire is covered by a fixed charge in favour of Selby District Council
- Land on the Consett to Sunderland Railway is covered by a fixed charge in favour of Derwentside and Chester-le-Street District Councils (now Durham County Council) and Sunderland City Council
- Land forming the track bed of part of the disused railway in Cumbria is covered by a fixed charge in favour of Copeland Borough Council
- The Worthington Branch Line is covered by a fixed charge in favour of Derbyshire County Council and Leicestershire County Council
- The Foss Island branch line is covered by a fixed charge in favour of the City of York Council.

17. Grants paid to institutions

During the reporting year grants of more than £500K have been paid to the following institutions as reimbursement for project delivery:

| | 2024 | 2023 |
|------------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Aberdeen City Council | 908 | 86 |
| Aberdeenshire Council | 956 | 83 |
| Angus Council | 3,329 | 393 |
| Argyll & Bute Council | 904 | 250 |
| Canal & River Trust | 4,238 | 1,013 |
| Cheshire East Council | 551 | - |
| City of Edinburgh Council | 20,449 | 13,458 |
| Cornwall Council | - | 581 |
| Dorset County Council | 668 | 516 |
| Dumfries & Galloway Council | 732 | 24 |
| Dundee City Council | 10,779 | 4,100 |
| East Ayrshire Council | 1,626 | 14 |
| East Lothian Council | 755 | 709 |
| East Renfrewshire Council | 3,513 | 321 |
| Edinburgh & Lothians Greenspace | 1,496 | 657 |
| Fife Council | 2,600 | 476 |
| First MTR South Western Trains Ltd | 555 | 487 |
| Glasgow City Council | 4,644 | 3,046 |
| Gloucestershire County Council | - | 1,000 |
| Green Action Trust | 1,109 | 352 |
| Hampshire County Council | - | 521 |
| Highland Council | 2,515 | 1,089 |
| Inverclyde Council | 2,724 | 316 |
| KPT Development Trust | 805 | 279 |
| Lancashire County Council | - | 406 |
| North Ayrshire Council | 714 | 236 |
| North Somerset Council | - | 800 |
| Queens Cross Housing Association | 3,000 | 38 |
| Scotrail Railways | 841 | 1,462 |
| Scottish Borders Council | 3,521 | 9,324 |
| Scottish Canals | 2,388 | 2,956 |
| SE Trains Limited | 287 | 1,039 |
| South Ayrshire Council | 836 | 1,067 |
| Stirling Council | 3,502 | 752 |
| Others less than £500K | 12,145 | 10,645 |
| | 93,091 | 58,495 |

18. Grants received from government bodies

During the year grants of more than £100K were received from government bodies in relation to a wide number of projects that fall under the Charity's objectives as outlined in the Trustees' Report. The granting government bodies were:

| | 2024 | 2023 |
|-----------------------------|----------------|---------------|
| | £'000 | £'000 |
| Transport Scotland | 97,933 | 63,664 |
| Department for Transport | 22,526 | 27,349 |
| Warwickshire County Council | 1,781 | - |
| Welsh Government | 1,408 | 948 |
| National Highways | 254 | 160 |
| Other government bodies | 107 | 288 |
| Total | 124,009 | 92,409 |

19. Net Assets

| | 2024 | | | 2023 | | |
|-------------------------------|------------------|--------------------|---------------|------------------|--------------------|---------------|
| | Restricted Funds | Unrestricted Funds | Total | Restricted Funds | Unrestricted Funds | Total |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | 1,064 | 5,279 | 6,343 | 1,070 | 2,252 | 3,322 |
| Current assets | 2,988 | 93,062 | 96,050 | 3,134 | 169,436 | 172,570 |
| Creditors due within one year | (866) | (86,674) | (87,540) | (783) | (162,148) | (162,931) |
| Total | 3,186 | 11,667 | 14,853 | 3,421 | 9,540 | 12,961 |

20. Railway Paths Limited

Railway Paths Limited was established as a Charity in May 1998 to take ownership of a number of disused railway lines from Rail Property Ltd as to transform them into walking, horse-riding and cycling routes for the benefit of the public.

Although Sustrans and Railway Paths Limited are not legally connected entities, we have disclosed the transactions between the two organisations below in the interests of transparency.

During the year Sustrans charged Railway Paths Limited £121K (2023: £121K), for expenses management, bookkeeping and other services. Railway Paths Limited charged Sustrans £60K (2023: £68K) for bridge and estate management services.

At the 31st March 2024 £19K (2023: £15K) was owed by Sustrans to Railway Paths Limited, and £42K (2023: £43K) was owed by Railway Paths Limited to Sustrans.

There were no other related party transactions in the current or prior year.

21. Subsidiaries

The following were subsidiary undertakings of Sustrans:

| Name | Company Number | Class of shares | Holding |
|-------------------------------|----------------|-----------------|---------|
| Sustrans (Trading) Limited | 03635468 | Ordinary | 100% |
| Sustainable Transport Limited | 03732011 | Ordinary | 100% |

The financial results of the subsidiaries for the year ended 31 March 2024 were:

| Name | Net assets (£) |
|-------------------------------|----------------|
| Sustrans (Trading) Limited | 1 |
| Sustainable Transport Limited | 1 |

Both subsidiaries are dormant entities and had no trading activity during this or the prior year. Both subsidiaries have the same registered office or principal place of business as Sustrans.

22. Comparative notes from 2022/23 financial statements

Statement of Financial Activities

| | | Unrestricted Funds | Restricted Funds | Total Funds 2023 |
|--------------------------------------|-------|-----------------------|---------------------|---------------------|
| | Notes | £'000 | £'000 | £'000 |
| Income | | | | |
| Donations and Legacies | | 4,271 | 1,556 | 5,827 |
| Charitable activities | 2 | 9,727 | 94,432 | 104,159 |
| Investment income | | 2,477 | - | 2,477 |
| Total income | | 16,475 | 95,988 | 112,463 |
| Expenditure | | | | |
| Raising funds | | 2,150 | - | 2,150 |
| Charitable activities | | 12,786 | 94,748 | 107,534 |
| Total expenditure | 3 | 14,936 | 94,748 | 109,684 |
| Net income / (expenditure) | 5 | 1,539 | 1,240 | 2,779 |
| Transfers between funds | | (155) | 155 | - |
| Net movement in funds | | 1,384 | 1,395 | 2,779 |
| Reconciliation of funds | | | | |
| Fund balances brought forward | | 8,156 | 2,026 | 10,182 |
| Fund balances carried forward | | 9,540 | 3,421 | 12,961 |

23. Comparative notes from 2022/23 financial statements

Balance Sheet at 31 March 2023

| | Notes | Unrestricted Funds £'000 | Restricted Funds £'000 | Total Funds 2023 £'000 |
|---|-------|-----------------------------|---------------------------|------------------------------|
| Fixed assets | | | | |
| Tangible assets | 7 | 2,252 | 1,070 | 3,322 |
| Current assets | | | | |
| Stock | | 256 | - | 256 |
| Debtors | 8 | 7,108 | - | 7,108 |
| Cash at bank and in hand | | 162,072 | 3,134 | 165,206 |
| Total Current Assets | | 169,436 | 3,134 | 172,570 |
| Creditors: amounts falling due within one year | 10 | (162,148) | (783) | (162,931) |
| Net current Assets | | 7,288 | 2,351 | 9,639 |
| Total Net Assets | | 9,540 | 3,421 | 12,961 |
| The Funds of the Charity | | | | |
| Restricted | 12 | | | 3,421 |
| Unrestricted | | | | |
| Designated | 13 | | | 2,252 |
| General | | | | 7,288 |
| | | | | 9,540 |
| Total Funds | | | | 12,961 |

24. Comparative notes from 2022/23 financial statements

Restricted funds

| | Balance at 1 April 2022 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2023 |
|-------------------------------------|-------------------------------|---------------|-----------------|--|-----------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett and Sunderland Railway Path | - | 3 | (71) | 68 | - |
| Paisley to Kilwinning and Kilmacolm | 108 | 5 | - | - | 113 |
| York to Selby Railway Path | 443 | 12 | (5) | - | 450 |
| Worthington Railway Path – Derby | - | - | (34) | 34 | - |
| Mirehouse Railway Path | - | - | (44) | 44 | - |
| Historic railway path funds | 551 | 20 | (154) | 146 | 563 |
| National Cycle Network Centre | 223 | - | (84) | - | 139 |
| Kirklees maintenance fund | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | 83 | - | - | - | 83 |
| Catterick maintenance fund | 17 | - | - | - | 17 |
| Castleford Greenway | 122 | - | (1) | - | 121 |
| Lune Valley Cycleway | 862 | 1,530 | (32) | - | 2,360 |
| Beadnell to Dunston Steads | 3 | - | (12) | 9 | - |
| Asda Parklet | 21 | - | - | - | 21 |
| Camel Trail access improvements | 3 | - | (3) | - | - |
| Big Give | 41 | - | (24) | - | 17 |
| | 1,475 | 1,530 | (156) | 9 | 2,858 |
| England | - | 28,761 | (28,761) | - | - |
| London | - | 360 | (360) | - | - |
| Northern Ireland | - | 99 | (99) | - | - |
| Scotland | - | 64,239 | (64,239) | - | - |
| Wales | - | 979 | (979) | - | - |
| | - | 94,438 | (94,438) | - | - |
| | 2,026 | 95,988 | (94,748) | 155 | 3,421 |

25. Comparative notes for 2022/23 financial statements

Designated funds

| | Balance at 1 April 2022 | Income | Expenditure | Transfers (to) / from unrestricted funds | Balance at 31 March 2023 |
|------------------|-------------------------------|--------|--------------|---|-----------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed asset fund | 2,208 | - | (331) | 375 | 2,252 |
| NCN repairs fund | 1,000 | - | - | (1,000) | - |
| Restructure fund | 2,966 | - | - | (2,966) | - |
| | 6,174 | - | (331) | (3,591) | 2,252 |

Walk Wheel Cycle Trust

England & Wales - Charity number 326550

Accounts

Sustrans annual report and financial statements 2022- 2023

Year ended 31 March 2023.

Charity Number 326550 (England and Wales)
SC039263 (Scotland)

Company Number 1797726 (England and Wales)

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Legal and administrative information

Sustrans is a company limited by guarantee and a registered charity governed by its Articles of Association.

Registered Office 2 Cathedral Square, Bristol BS1 5DD

Charity Number 326550 (England and Wales)
SC039263 (Scotland)

Company Number 1797726 (England and Wales)

Trustees and Directors

The Trustees who were in office during the year and up to the date of signing the Annual Report and Financial Statements were:

| | |
|-------------------------------|---|
| Lynne Berry (RC) | Chair (resigned 1 April 2022) |
| Helen Simpson (AR) | Vice Chair |
| Horace Carter-Allen (AR) (RC) | (resigned 6 January 2023) |
| Su Crighton (E) | (appointed 27 May 2022) |
| Alistair Gibbons (FP) | (appointed 27 May 2022) |
| Moray Macdonald (RC) | Chair (appointed as Chair 23 June 2022) |
| Catherine Max (AR) (E) | |
| Stuart Mills (FP) (E) (RC) | |
| Heather Preen (E) (AR) | |
| Frank Swinton (FP) (RC) | |
| Fiona Westwood (FP) (RC) | |
| Nicola Wood (AR, RC) | (appointed 27 May 2022) |

AR = Audit and Risk Committee

FP = Finance and Performance Committee

E = Estates Committee

RC = Remuneration Committee

Rhona Marsland was appointed in the year as a non-Trustee advisory member of the Estates Committee.

Company Secretary Andy Appleby¹

Notes:

¹ Emily Wilson was Company Secretary until 13 December 2022.

Executive Directors

| | |
|----------------|---|
| Xavier Brice | Chief Executive |
| Sally Copley | Executive Director, External Affairs |
| Susie Dunham | Executive Director, Impact |
| Harry Hayer | Executive Director, People and Organisational Development |
| Sam Kemp | Executive Director, Finance and Resources |
| Karen McGregor | Executive Director, Scotland ² |
| Matt Winfield | Executive Director, England, Wales and Northern Ireland |

Notes:

² Stewart Carruth was Interim Executive Director, Scotland until 31 July 2022.

Advisers

Independent auditors

Crowe UK LLP
Fourth Floor
St James House
St James Square
Cheltenham, GL50 3PR

Solicitors

Bevan Brittan LLP
Kings Orchard, 1 Queen Street,
Bristol BS2 0HQ

McCartney Stewart
1B Paisley Road
Renfrew PA4 8JH

Bankers

Lloyds Bank plc
Bristol City Centre Branch
PO Box 1000, BX1 1LT

Handelsbanken
66 Queen Square
Bristol BS1 4JP

Clydesdale Bank plc
23 Bank Street
Airdrie, ML6 6AD3

Santander UK plc
12 Baldwin Street
Bristol BS1 1SD

Creating change together: Our vision for healthier places and happier lives

Sustrans is the charity making it easier for everyone to walk, wheel and cycle. We want to see a society where the way we all travel creates healthier places and happier lives for everyone.

In today's complex and uncertain world, the need to achieve Net Zero is widely recognised. The role of transport as well as its impact on people and places is pivotal.

Transport produced 27% of the UK's total emissions in 2019. Of this, the majority (91%) came from road transport vehicles. This needs to be addressed urgently.

That's why we work across the UK to help people walk, wheel and cycle more – and feel better connected and healthier from doing so. We're passionate about making it easier to leave the car at home by creating safe routes that link up with public transport and active travel alternatives.

This last year (2022-2023) we have focussed on creating spaces that are safer and easier for people to move around in. And we have worked closely with communities to inspire them to change the way we all travel every day, forging closer connections with our neighbours and reducing traffic to create a more sustainable society for us all.

But we haven't done this alone. It is thanks to the support of our generous donors, supporters, our dedicated volunteers, and our partners, that we've been able to reach even more people, empowering them to make healthier travel choices.

In the years to come, we will continue our vital work to create a fairer society by making affordable active travel options accessible to everyone. Because we know that by doing this, we can improve health and wellbeing, increase social connection and improve the environment.



– Xavier Brice, Sustrans Chief Executive



– Moray Macdonald, Chair of Trustees

Public benefit

In setting our aims and objectives, carrying out our activities, and reporting on our achievements, we have complied with the requirements of the Charities Act to have due regard to the public benefit guidance published by the Charity Commission.

The remainder of this report describes how Sustrans has planned and delivered its public benefit.

Strategic Report

Our aims and objectives

Sustrans' charitable objects, as set out in our articles of association, are:

- to promote and encourage, both in the UK and overseas, for the public benefit the development in the community and the provision of safe routes, paths and facilities for cycling, walking and other forms of low energy transport and
- to undertake and carry on projects and activities of a charitable nature which will assist in promoting healthy recreation, the protection of the environment and the conservation of energy resources.

Our vision

Our vision is of a society where the way we travel creates healthier places and happier lives for everyone.

Our mission

Our mission is to make it easier for everyone to walk and cycle.

A revised strategy for Sustrans

Like most organisations, Sustrans has a five-year strategy and, also like most organisations, it's usual to review and refresh that strategy halfway through to ensure it's the best it can be to help us meet our vision and mission.

In the last year we reviewed and refreshed our organisational strategy. This allowed us to highlight exciting new approaches to what we do and how we do it. Also, informed by the refresh, we have evolved how we talk about ourselves.

The refreshed strategy builds upon the great work we have already done to achieve our vision and mission, retains our strategic objectives but strengthens our focus delivering impact at scale, working for and with communities and using our voice to campaign for

change. It will also see us evolving our voice to be bolder, talking more about the positive environmental impacts of our work and the need to reduce car dependency.

[Download our revised strategy from the Sustrans website.](#)

Our strategic priorities

Making it easy to leave the car at home delivers a better environment for everybody. How we choose (or are forced) to travel, and our car-dependency is ruining our environment and contributing towards climate change. This is disproportionately affecting people from marginalised groups and those living in areas with high deprivation, particularly in inner cities.

Air pollution is the biggest environmental threat to health in the UK. What's more, communities already at risk of poorer health are being further disadvantaged by higher exposure to polluted air. Living near busy or dangerous roads can also prevent people from accessing green and public space.

It's because of these challenges that we focus our work on two strategic priorities:

Paths for everyone

The National Cycle Network provides a vital backbone to the country, connecting communities to each other and helping neighbourhoods come to life. As custodians of this Network, we work to ensure it is accessible to everyone and easy to reach from towns and cities, so it continues to be a treasured national asset that is loved locally.

Liveable cities and towns for everyone

We believe the places where we live, work and enjoy ourselves should be planned around people, not cars. To create more liveable cities and towns, we work with decision-makers looking to bring about positive change, helping them to plan and provide active travel options for their communities.

We work to shape policy, provide expertise on planning and building active travel infrastructure, and deliver programmes which shift people away from car use and help communities come to life.

We're for everyone

We're determined to be 'for everyone', recognising that to achieve this, we must address inequity by focusing our work where it can benefit the people most in need and have the greatest positive impact.

We make sure that communities are at the heart of everything we do. We listen to the needs and wants of people, particularly the most marginalised. And we talk to local communities all over the UK to find out what matters to the people who live there.

Together, we can make change happen

We are only able to create healthier places and happier lives for everyone with the support and involvement of others who share our vision.

Our work wouldn't be possible without our generous donors and our dedicated team of volunteers.

We are forever grateful to every individual, company, partner organisation, local authority, trust or foundation who contributes to our work.

With your support, collaboration and commitment we are helping communities across the UK to come to life.

Helping communities come to life in 2022-2023

Putting people first

Working for and with communities is central to delivering our mission and strategic objectives. This year, we supported long-established volunteer and community groups and worked with 165 new groups across the UK to help turn our vision into reality.

We put community involvement at the heart of the National Cycle Network. Supported by Sport England's Together Fund, we administered £150,000 to 26 community groups so that they can support the involvement of culturally diverse communities on the Network. We focussed on reaching low socio-economic groups, disabled people and people with long-term health conditions.

In London, we supported Cycle Sisters to offer guided rides run by local female Muslim volunteers, creating an inclusive and culturally sensitive space for women to try cycling and discover local routes.

In Northern Ireland, we worked with The Conservation Volunteers to provide environmental knowledge and learning to local people and visitors to Forth Meadow Community Greenway.

In England, our ecology volunteers have been protecting the habitats of animals and plants on their local National Cycle Network routes helping to increase biodiversity of our native species. Across the UK we have involved communities in shaping our towns and cities. And we have worked with them to find solutions to help more people get active in their neighbourhoods.

In Scotland, our volunteers have been supporting projects that aim to help young people develop the skills they need to travel actively, safely and confidently to school.

Many communities up and down the country have helped us roll out School Streets – working with schools and local authorities to close roads to vehicles during school drop-off and pick-up times.

Paths for everyone

Improving the quality of the Network

With the support of our strategic partners, this year we completed 113 projects across the UK to improve the National Cycle Network. These included the construction of new traffic-free routes, resurfacing and improving access on existing routes, and removing and redesigning barriers along the Network.

We converted 25 miles of on-road routes to traffic-free and delivered 1.8 miles of quiet-ways. We were short of the ambitious targets that we set ourselves in these areas, however this is due to some projects being delayed and moved into 2023-2024.

We know that we have more to do to improve the quality of traffic-free miles that Sustrans controls (Sustrans owns only 1.5% and has access rights over a further 1.5% of the Network). At the end of the year 27% of these miles are very good, against a target of 40%.

Improving accessibility on the Network

There are thousands of restrictive barriers on traffic-free sections of the Network that prevent many people from accessing and enjoying their local routes. This year we removed or redesigned 377 barriers across the country, exceeding our target of 218. This included 106 on our own land. Thanks to a phenomenal effort from our volunteers, we also audited and mapped every remaining barrier along 5,100 traffic-free miles, so that we can better understand whether they need to be removed or redesigned.

A volunteer based in Hampshire, initially helped by auditing barriers on the Isle of Wight and the south coast. She enjoyed the activity so much that once her area was complete, she volunteered to help audit some of the routes in Yorkshire. Meeting up and working with volunteers from another area of the country was a real highlight for Joy, and it has really helped to encourage her to get back into active volunteering.

We know that the signs on the Network are inconsistent. That is why we are committed to improving signage so that everyone can easily navigate any National Cycle Network route without having to rely on a map or smartphone. This year, we developed a high-level strategy for how this will be achieved, and work continues to turn this into practical next steps.

Increasing the diversity of Network users

We want to see a UK-wide network of traffic-free paths for everyone. That is why we have been working hard to help new users discover the National Cycle Network. In Scotland we celebrated Black History Month in October with art installations and community events across the Network. For example, singer-songwriter Becky Sikasa gave a series of performances in Leith on National Route 75.

This was followed by a focus on Disability History Month in November, where we hosted a series of art installations and events along the Network. Poet, performer and theatre-maker, Ellen Renton sums the events perfectly:

“Disability history is so often neglected, and so being able to not only shed some light on it, but to do so in a free, public space, is a real joy.”

Our Network usage monitoring showed that the number of users per traffic-free mile is down 17% compared with 2020, when we saw new usage patterns during the Covid-19 pandemic. However, it is up 3% compared with 2019. We have also seen an increase in the number of women using the Network.

| KPI | Annual target | Actual |
|--|------------------------------|---|
| 1: % total Network miles good/very good | 65% | 64% |
| 2: % Sustrans controlled traffic-free miles very good | 40% | 27% |
| 3: # on-road to traffic-free miles delivered | 38.9 | 25 |
| 4: # on-road to quiet-way miles delivered | 34.6 | 1.8 |
| 5a: # barriers removed or redesigned | 218 | 377 |
| 5b: # barriers removed or redesigned on Sustrans-owned land | 110 | 106 |
| 5c: % traffic-free Network miles with completed volunteer or staff led audit of barriers | 99% | 100% |
| 5d: Strategy and plan agreed for how we will achieve our 2040 wayfinding ambition | High-level Strategy complete | High-level strategy complete |
| 6: % traffic-free miles going through areas of high deprivation | 30% | 26% |
| 7: # activation projects delivered | 41 | 43 |
| 8a: % of network miles with a stage 2 plan in place | 99% | 96% |
| 8b: # Stage 3 feasibility studies completed by March 2023 | 32 | 14 |
| 9: Increase net promotor score | +53 | +60 |
| 10: % removed and reclassified miles where signage has been addressed * | 95% | 54% |
| 11: % increase in # users per traffic-free mile | Increase | 2021 - down 17% (compared with 2020) but up 3% (c/w 2019) |
| 12: Increase representation of the UK population amongst NCN users | Increase | Increase in women using the Network |
| 13: # new community groups involved on the Network (C) | 64 | 92 |
| 14: % awareness of Sustrans as the charity behind the Network | Baseline | 11% |
| 15: Increased level of political support from 2021 baseline | 135 | 175 politicians and Special Advisors engaged |
| 17: Total number of new/growth miles | Track | 61.4 |
| 18: sub-standard crossings improved ** | 16 | 2 |

*Removal and reclassification of high speed and high volume on-road National Cycle Network routes in 2020 left a legacy of Network branded signs across 3,733 miles. These signs now need to be amended. Progress is slow due to difficulties in securing Highway Authority permissions in some areas.

**As sub-standard crossings are on-road, Sustrans needs to influence highways authorities to improve them. Progress is slow due to this not being a priority for many areas.

Looking forward

Continuing to improve the quality and accessibility of the Network

We will continue to make improvements to the Network, developing new traffic-free routes, resurfacing existing paths, making access improvements and redesigning barriers. We will also finalise our UK-wide Network Development Plan (which was 96% complete at the close of this year), working with our partners to align this with their national, regional and local plans for walking, wheeling and cycling.

Prioritising the environment in our Network development

We will focus on becoming even more environmentally positive throughout delivery of National Cycle Network infrastructure projects. To do this, we will be finding ways to reduce and eliminate our carbon emissions wherever possible and continue to maintain and improve biodiversity on our land.

Improved mapping and information

We are embarking on a digital transformation project to improve our mapping of the National Cycle Network. For this, we aim to provide better accessibility information by displaying the results of our recent barriers audit along with other key route data to members of the public via an online map. This will allow people to more easily plan their journeys, whilst we are working to redesign barriers and improve access on routes.

Liveable cities and towns for everyone

During 2022-2023, our teams worked hard to raise ambition for change, demonstrate what's possible and to amplify seldom-heard voices in urban areas, particularly in our 47 focus cities and towns. We are working with partners in these priority locations to develop 'exemplar places' that demonstrate what a happier and healthier community looks like.

Across the UK, we have sought to increase political support for walking, wheeling and cycling, reinforcing the need for continued investment. We have:

- worked with schools to get more children walking, wheeling and cycling
- engaged communities to create changes to neighbourhoods that they want to see
- taken a more place-based approach working with volunteers and communities
- in consultation with residents and communities, planned and delivered key elements of Low Traffic Neighbourhoods.

We have engaged 74 new volunteer and community groups in our urban projects. Despite falling short of our ambitious target (104 groups), we are proud of the difference this has made to the communities we work for and with.

Raising ambition for change

In May we released the Walking and Cycling Index. The Index is the biggest ever survey of walking, wheeling and cycling in 18 urban areas across the UK and Ireland. Each area reports on the progress they have made towards making walking, wheeling and cycling more attractive, everyday ways to travel. Since our first reports in 2015, this data has informed policy decisions, justified investment and enabled cities to develop more ambitious action plans for walking, wheeling and cycling.

We found that the level of ambition in the cities and towns we are focusing on has remained largely the same, though we continue to push for an increase. We have worked hard to raise the level of political support for liveable cities and towns amongst politicians and special advisors (engaging 175 against a target of 135). However, we know that we have more to do to increase public awareness and support for our urban work and will continue this into 2023-2024.

Demonstrating what's possible

We have set up active travel hubs across the UK to help more people discover healthier, more affordable ways to travel. This year, our hubs hosted activities to help build peoples' confidence on a bike. They offered free bike parking, information on local walking and cycling routes, and bike maintenance sessions to help people fix up their bikes. Our hubs also refurbished donated bikes and sold them to the community for a small, affordable fee so that more people could access a bike. In 2022-2023, we set up hubs in Ayr and Kilmarnock, three in Belfast, and one in Derry. Our Crisp Street Hub in Tower Hamlets was shortlisted for a Chartered Institute of Highways and Transport Award in the Healthy Transport category. And we secured funding to establish five more hubs across the Tees Valley.

We held our annual UK-wide inter-school Big Walk and Wheel challenge between 20-31 March. The challenge saw 2.7 million trips to school logged by over 2,500 schools, which is the highest number of journeys ever recorded for this event. The two weeks culminated with the launch of FRideDays Bike Bus, in partnership with our sponsor the cycle tyre manufacturer Schwalbe, including an event in an inner-city junior school in Leicester with Dame Sarah Storey and TikTok influencer Dom Whiting (DJ on a Bike).

Our schools programme continues to deliver impact across the UK. For example, in Northern Ireland we achieved an increase in pupils travelling actively to school from 30% to 41%. Pupils being driven to school decreased from 62% to 51%.

Progress on our Key Performance Indicators (KPI)

Note: Where it is noted that the target was to baseline, we have done so, and will now track progress against this baseline, going forward.

| KPI | Annual target | Actual |
|--|----------------|--|
| 1: # of focus cities and towns | None/ track | 47 |
| 2: % increase in leadership ambition amongst focus cities and towns | <3.3 | 1% decrease to baseline |
| 3: Increased level of political support from 2021 baseline | 135 | 175 politicians and Special Advisors engaged |
| 4: Public awareness and support (UK, national and regional) for Sustrans' work on liveable cities and towns for everyone | Baseline | 9% |
| 5: % of urban projects that are part of a place-based approach | Baseline | 15% |
| 6: Increase in % of LCT project sites focused in areas of high deprivation | 48% | 38% |
| 7: # partnership relationships built with organisations that are taking a place-based approach | 61 | 69 |
| 8: # new volunteer and community groups involved in our LCT projects | 104 | 74 |
| 9: # exemplar places | 6 | 11 |

Looking forward

We will continue to campaign for more investment so that everyone has the choice to travel more healthily and affordably around our neighbourhoods. This is more crucial than ever in the context of a cost-of-living crisis and recent government budget cuts.

We will continue to adopt a people-centred, bottom-up approach to meet the unique needs of communities in the areas we work. This will involve working with people who live locally, as well as organisations and stakeholders, to agree objectives and the resources needed to achieve a collective ambition.

We will continue to deliver practical projects that make it easier for people to walk and cycle and that reduce traffic in our neighbourhoods – particularly in our focus cities and towns.

The future funding environment is likely to present many challenges. These challenges will require us to respond effectively so we can continue to have impact at scale whilst achieving efficiencies across all our work.

Influencing for change

Across the UK

We believe everyone should have the right to walk, wheel or cycle around our neighbourhoods with ease, independence, and confidence. That's why we're campaigning for reductions in traffic, pavement parking and speed, and for green and public spaces to be accessible to everyone. To do this, we have been amplifying the voices of those who are seldom heard and building robust evidence to demonstrate the positive impact of active travel.

All Sustrans' influencing work begins with a solid evidence base. During the course of 2022-2023, our External Affairs Directorate has published a series of reports.

In May 2022, we used the [Walking and Cycling Index](#) to share our stance on the discrimination faced by pedestrians, especially those wheeling. This gained attention from outlets including [The Telegraph](#) and the [Daily Express](#) – who later conducted [their own survey](#) revealing 80% support for a ban on pavement parking, an explicit policy priority for us. Subsequently, we began on the development of an interactive dashboard for the Index which will allow a more in-depth exploration of our data set.

In the same month, we published the '[Walkable neighbourhoods: building in the right places to reduce car dependency](#)' report, which examines whether and how local planning authorities take into account the walkable proximity of services and amenities when allocating sites for new developments. It addresses issues of accessibility and the challenges associated with measuring it.

Our [Walking for everyone report](#) was presented at several key conferences over the summer, including Walk 21 in Dublin, Transport Practitioners Meeting in London and the European Transport Conference in Milan. It was also prominent at the National Planning Summit.

In October, we published our [Cost-of-living report](#) which highlighted the barriers and potential of walking, wheeling and cycling for people at risk of rising bills and poverty. The project demonstrated that walking, wheeling and cycling create an annual economic benefit of £36.5 billion for individuals and society across the UK.

Our [Disabled Citizens' Inquiry](#), in partnership with Transport for All and generously funded by the charity Motability, saw us host four two-day disabled citizens' workshops to explore barriers and solutions to making walking and wheeling better for all disabled people (in Manchester, Swansea, Norwich and online). We also conducted a survey of 1,100 disabled people across the UK with Ipsos Mori to gain further insight. We launched the final report in February 2023 with a very well-attended parliamentary event, extensive media coverage, and ongoing political engagement, including an opinion article from an MP and former Government Transport Minister supporting our call for local and central government to set up paid expert panels of disabled people to inform walking and wheeling policy decisions at those crucial early stages of the process, and throughout from an MP.

Notable highlights from our influencing and media coverage over the year include BBC Countryfile featuring our ecology work on the Lias in the Midlands region. We were also the only non-governmental organisation to be quoted in a Department for Transport ([DfT press releases](#)) and, following the announcement of hugely significant cuts to active travel in February, lead on a joint letter (alongside nearly 40 other organisations) published in the Times, calling on the Prime

Minister to overturn the decision. Subsequently, we rallied champions and supporters to address the funding cuts and got MPs to table many written and oral questions.

It was hugely significant that Sustrans' evidence was the only source cited in the DfT's **announcement of the Active Travel Fund 4 (ATF4)** in February, and that they have continued to quote this evidence since.

Our influence has also been impactful in planning. We actively led and gathered broad support for an amendment to the **Levelling Up and Regeneration Bill**. This was evident in the letter from Michael Marmot and other public health experts, and the vocal support expressed in the House of Lords.

In Northern Ireland

Secure cycle parking and shelters

We have advocated for the need for both casual, sheltered cycle parking and secure parking at destinations such as town centres to local councillors across Northern Ireland. Our efforts have largely been focused on Belfast City Council, the largest council area.

The Walking and Cycling Index for Belfast 2021 highlighted security and lack of parking as barriers to cycling. As a result, Belfast City Council is creating secure cycle parking at shopping centres in the city centre. One of these initiatives, the 'Bike Yard', opened last October and provides free, secure cycle parking for 24 cycles.

In addition, councillors from two different parties, the Social Democratic and Labour Party (SDL) and Alliance Party have passed motions in support of 20-Minute Neighbourhoods and a School Streets pilot project, both of which we have been advocating for. [Our Manifesto for local elections](#), which took place on 18 May across Northern Ireland, advocated for these initiatives and received cross-party support.

Northern Ireland Assembly

Prior to the [Assembly elections in May 2022](#), we had campaigned on a range of issues which received cross-party support. However, progress in delivering any of these initiatives has been limited by the instability in the Assembly and a lack of Executive Ministers.

The All-Party Group on Cycling has continued to meet, and we have played a prominent role in influencing its agenda. We gave a briefing on the cost-of-living crisis and the increased importance of walking and cycling. We also kept the pressure on the Department for Infrastructure to build the Belfast Cycling Network and ensure that 10% of the transport budget is allocated to active travel, as legislated by the Climate Change Act.

Championing accessibility

As part of our aim to be a charity for everyone, we work closely with the Inclusive Mobility and Transport Advisory Committee (IMTAC) in Northern Ireland. 2022-2023 successes have included pushing the government to deliver a pavement parking consultation. Although this was completed last year the implementation of the recommendation has been delayed.

In Scotland

Shaping the new Scottish Planning Framework

One significant area of focus was the development of the new Scottish Planning Framework. We provided evidence to the Net Zero, Energy and Transport Committee in February 2022 regarding the National Planning Framework (NPF4). Our contribution, along with our analysis of the draft and consultation response, played a crucial role in shaping the framework published in February 2023. Our efforts contributed to strengthening planning support for active travel and liveable neighbourhoods, towns, and cities.

Working with the Housing Sector

We worked on engaging with representatives of the Housing Sector and delivered several presentations on housing, 20-minute neighbourhoods, and decarbonisation of transport. We presented at the Scottish Housing Festival in May 2022, at the Cross-Party Group on Towns and Town Centres in September 2022 (on the topic of tackling the climate emergency with Liveable Cities and Towns for Everyone) and engaged with the Scottish Federation of Housing Associations (SFHA) in December 2022. We contributed to forums on decarbonising infrastructure and the Climate Emergency Response Group in Scotland.

Encouraging better representation in the transport sector

Gender mainstreaming and women's safety has been another focus for this year. We have engaged with Engender, Scotland's feminist organisation, with Sustrans colleagues presenting at a webinar on gender and policymaking. The objective was to make the case for more inclusion in the transport sector and prioritise women's safety when designing infrastructure and thinking about transport. On a related topic, we gave evidence to the Holyrood Health, Social Care and Sport Committee in March 2023 as part of their inquiry into women and girls' participation in sport and physical activity, presenting our #AndSheCycles campaign and making the case for more inclusive street design.

In Wales

Cymraeg

Cafodd Sustrans Cymru effaith ar y dirwedd wleidyddol blwyddyn ddiwethaf, gan ddechrau efo sesiwn blasu e-feiciau yn y Senedd.

Mynychodd sawl Aelod Seneddol a'u staff, o amrediad o'r pleidiau gwleidyddol, a chwason nhw eu hymhél â thrafodaeth ar yr angen am fuddsoddiad parhaol ac amgen mewn cefnogaeth ac isadeiledd teithio llesol yng Nghymru.

Aeth Lee Waters AS, Y Dirprwy Weinidog Newid Hinsawdd â chyfrifoldeb am Drafnidiaeth, ati i brynu e-feic trydanol ei hun ar ôl iddo geisio ar fodel Sustrans.

Daeth esiampl flaenllaw arall, efo Prif Weinidog Cymru'n cysylltu â'r tîm Gweithleoedd Iach trwy swyddfa ei etholaeth ar ôl clywed am y digwyddiad yn y Senedd.

Canlyniad hyn oedd Mark Drakeford oedd y person cyntaf i fenthyg e-feic trwy'r llyfrgell beiciau Siartr Teithio Llesol, ac yna fe brynodd y Prif Weinidog e-feic ei hun wrth iddo fynnu defnyddio trafndiaeth gynaliadwy ar gyfer ei deithiau etholaeth a phersonol.

Ym mis Mawrth, cyhoeddodd Sustrans Cymru *Gwneud y Cysylltiad*, adroddiad a arolygodd gwirionedd tlodi trafndiaeth yng Nghymru.

Arweiniodd lansiad yr adroddiad at ddi-ddordeb cynaledig gan y cyfryngau Cymreig, a chafwyd digwyddiad lansiad â thrafodaeth bord gron efo ASau a hapddalwyr y sector cyhoeddus.

Ers 'ny, mae'r adroddiad wedi cael ei gyfeirnodu sawl gwaith yn ystod Cyfarfodydd Llawn ac yn ystod Cwestiynau'r Prif Weinidog, gan gynnig ASau ar draws y pleidiau gwleidyddol sylfaen gallan nhw ddefnyddio i ymgyrchu am isadeiledd teithio llesol a thrafnidiaeth gyhoeddus well yn eu cymunedau.

Yn dilyn o'r etholiadau Llywodraeth Leol yng Nghymru ym Mai blwyddyn ddiwethaf, lansiodd Sustrans Cymru sesiynau ymgysylltu llwyddiannus efo Cynghorwyr ar led Cymru.

Cynhaliwyd cyfres o sesiynau briffio rhithwir er mwyn trwytho Cynghorwyr newydd a dychweledig ar y pwysigrwydd o deithio llesol, y gefnogaeth gall Sustrans cynnig wrth wella isadeiledd teithio llesol ac adeiladu perthnasau allweddol ar draws yr Awdurdodau Lleol yng Nghymru.

Amlygodd y sesiynau yma bod 'na diffyg gwybodaeth rhwng y Cynghorwyr a'r timoedd darparu yn eu Hawdurdodau Lleol, gan danlinellu'r gwerth sydd gan Sustrans Cymru o safbwynt adnabyddiaeth leol arbenigol.

Chwaraeodd Sustrans Cymru rhan hefyd wrth gyfrannu i newidiadau polisi allweddol yng Nghymru, yn bennaf y cyflwyniad o derfyniadau cyflymder safonol 20mya ar hewlydd cyfyngedig a Bil yr Amgylchedd (Ansawdd Aer a Seinweddau) (Cymru).

English

Last year saw Sustrans Cymru making some waves in the Welsh political landscape, starting off with an e-bike taster event at the Senedd.

Several Senedd Members (MSs) and their staff attended from across the political parties and were engaged in the discussion around the need for continued and improved investment in active travel support and infrastructure in Wales.

Lee Waters MS, Deputy Minister for Climate Change with responsibility for Transport, proceeded to buy his own electric cycle after trying one of the Sustrans models.

A higher profile example was to follow, with Wales' First Minister contacting the Healthy Workplaces team through his constituency office after hearing about the Senedd event.

This led to Mark Drakeford being the first person to borrow an e-bike through the Healthy Travel Charter bike library, and ultimately lead to the First Minister buying his own e-bike as he sought to make use of more sustainable transport for constituency and personal journeys.

In March, Sustrans Cymru published 'Making the Connection', a report that examined the reality of transport poverty in Wales.

The launch of the report led to sustained media interest, and a launch event took place with a roundtable of MSs and public sector stakeholders.

The report has subsequently been referenced repeatedly in Plenary sessions and during First Minister's Questions, offering MSs across the political parties a basis on which they can campaign for improved active travel and public transport infrastructure in their communities.

Following the Local Government elections in Wales in May last year, Sustrans Cymru launched successful engagement sessions with Councillors from across Wales.

A series of online briefings took place to inform newly elected and returned Councillors on the importance of active travel, the support that Sustrans can offer in improving active travel infrastructure and building key relationships across the Local Authorities in Wales.

These sessions highlighted that there is a knowledge gap between Councillors and the delivery teams in their Local Authorities, underlining the value that Sustrans Cymru offers in terms of expert local knowledge

Sustrans Cymru has also played a significant role in contributing to key upcoming policy changes in Wales, namely the introduction of default 20mph speed limits on restricted roads and the Environment (Air Quality and Soundscapes) (Wales) Bill.

Strengthening our ability to make a difference

Improving how we work to become a dynamic and agile charity

We have made significant progress in improving our operating model in 2022-2023.

Our 'Accelerating for everyone' initiative has strengthened inclusion across the charity and made our commitment to equity, diversity, and inclusion much more visible. Colleagues have come together through the creation and efforts of our groups and networks and there is an increased understanding of equity, diversity, and inclusion issues. And, we have appointed a strategic lead who will drive this work forward.

Through our 'Resourcing Strategy and Implementation' initiative, we have launched an Employee Value Proposition improving processes, applying expertise, and implementing attraction methods to increase the success rate of recruitment and diversity of hires. Our hard-to-fill roles have decreased, and our average time to hire aligns with the industry average.

We have established a single UK-wide management and governance framework for delivering projects, programmes, and portfolios across the charity. We have appointed a Director of Project Assurance and established a Centre of Excellence that will drive maturity of practice, continuously improve our processes, and support our delivery teams.

We have created an Assurance Function, piloted assurance reviews, and developed assurance capabilities across the charity instilling confidence in our project and programme delivery. We have also rolled out training in project management and in our new Delivery Framework across the charity.

We have adopted a new structure in our IT team based on the pillars of Design, Build, and Operate. We have appointed a Chief Information Officer and IT Change Director and made progress in implementing our IT strategy. Our 'Information Management and Sharing' initiative focuses on deploying Microsoft SharePoint and Teams across the charity, and soon we'll be launching a new intranet and migrating our files to cloud services.

With our 'Learning Management System' initiative we are consolidating our learning and development activities into a single system. We have identified requirements, evaluated options, and chosen a solution. We have also simplified our network infrastructure across the charity.

Our 'Environmentally Positive Sustrans' initiative has estimated our carbon baseline emissions with a view to enhance our positive impact and minimise our negative footprint as a charity. We have agreed to work towards a net zero target from our most direct operational emissions by 2030, and target net zero emissions for our wider supply chain from procurement and construction by 2040. We developed a carbon reduction plan which

will allow us to report on our carbon emissions year on year and delivered initial carbon literacy training.

As part of our 'Sustrans Approaches' initiative, we have reviewed our primary areas of delivery and established evidence-based standards to achieve our mission as a charity across these approaches. We have categorised our services under each of these approaches, forming products that we offer as a charity, and defined the delivery tools that are used across these products. We have started the process of reviewing evidence, preparing approach handbooks, product manuals, and delivery tool guides to ensure our delivery is evidence-led and strategically cohesive.

Improving our operating model for the future

We will continue to improve our operating model in 2023-2024 by:

- completing our 'Information Management and Sharing' initiative and embedding the use of Microsoft SharePoint and Teams across the charity
- delivering our 'Learning Management System' initiative and incorporating our learning and development resources into the new system
- progressing our 'Environmentally positive Sustrans' initiative, including the agreement of the required actions to achieve our net zero targets
- finalising our 'Sustrans approaches' initiative to ensure we are impact-led
- managing the interdependencies across our change portfolio efficiently and effectively
- beginning new initiatives in relation to Enterprise Resource Planning, Business Continuity, and other areas, as required to ensure we are an agile and dynamic charity.

Our people

The dedication of our people remains our most valued asset and over the last year we continued to recognise this and improve our offer to colleagues.

Following a comprehensive consultation across Sustrans, we have developed and launched our Employee Value Proposition. It captures the passion, purpose and teamwork that is the essence of working at Sustrans. Reflecting our employer brand and values will continue to demonstrate that Sustrans is a great place to work.

We know that pay is a significant part of the working experience, and we want to ensure that everyone is valued for their contributions and that we attract and retain talent in a competitive job market. That is why we made the bold decision to invest significantly in improving our colleagues' pay and benefits, with effect from next year (financial year 2023-2024). Our gender pay gap slightly increased between 2021-2022 and 2022-2023 (2021-2022 mean 5.75%, median 4.30%. 2022-2023 mean 6.98%, median 4.38%).

Sustrans has an ambitious agenda to be a charity for everyone which is strongly supported by colleagues. We have a set of principles that underpin our work:

- prioritising work with people and in places that challenges inequity, because we know the benefits of walking, wheeling, cycling and healthy places are not experienced equitably
- involving people with different and seldom-heard voices to develop solutions that work for everyone
- questioning and asking if we can do more, because being for everyone is not simply a box we can tick
- working with others to help us include everyone, as we cannot do this on our own.

To continue to make progress, our key priorities for next year are to:

- develop a Sustrans strategy that provides clarity, raises ambition, and increases transparency and accountability for delivering on our ambition to be a charity for everyone, both internally and externally
- establish senior-level oversight, governance, and scrutiny of Equity, Diversity and Inclusion work.

Specifically, regarding disability, Sustrans has a policy which includes:

- full and fair consideration of applications for employment made by disabled persons, having regard to their aptitudes and abilities
- continuing employment of, and arrangement of training for employees who have become disabled persons while employed
- training, career development and promotion of disabled persons.

Our volunteers

Sustrans works at the heart of communities and our volunteers support us to do this. They help look after their local communities by engaging with schools, supporting wildlife conservation, caring for the National Cycle Network and much more.

Sustrans volunteers are helping to create happier and healthier lives for everyone.

What we've achieved this year

Over the past year volunteering at Sustrans has seen many highlights. 5,607 activities and 14,189 hours were recorded by volunteers.

A significant part of this contribution was made during a barrier audit of the National Cycle Network. For the project, 400 volunteers were trained and sent out to conduct the largest data collection exercise ever delivered by Sustrans volunteers. 570 barriers were checked across the UK. The volunteers involved are now keen advocates for the removal and redesign of the barriers they identified along their Network.

In addition, 7,432 standard Network signs were sent out for volunteers to install. This is a clear indication of the effort invested into ensuring the Network is well-signed and navigable.

Volunteer engagement training has been rolled out internally to 130 colleagues across the charity, building our capacity to deliver great work in line with the volunteering strategy.

As well as this, over 300 led walks and rides were organised and delivered by volunteers, supporting more people to walk, wheel and cycle in their local community.

A new volunteer engagement platform

A significant piece of work was carried out during 2022-2023 to implement and launch Assemble; our Volunteer Engagement platform.

The system makes it easier for volunteers to access opportunities, guidance, training and the latest news from their region, as well as to record the impact they deliver.

As part of this programme of work, the processes and communications involved in the volunteer journey were reviewed and updated to improve inclusion.

Our Volunteering for everyone standard

People volunteering with Sustrans should expect to be treated with respect, dignity and kindness by other volunteers and our employees at all times.

This is why we've developed a [Volunteering for everyone standard](#). The guidance is there to ensure that everyone feels safe, welcome and included when volunteering with Sustrans.

The standard sets out the values and behaviours we expect of people engaged with volunteering activities. It also explains how to recognise when behaviour is unacceptable and how to address this.

How we fund our work

Sustrans' approach to funding and fundraising

Sustrans collaborates with governments and local authorities throughout the UK to help people walk, wheel and cycle more. By working in partnership with decision-makers, Sustrans is able to transform communities and strives to create a fairer society by making affordable active travel options accessible to everyone. Much of the funding we receive from national or local government supports the creation and maintenance of infrastructure that enables more walking, wheeling and cycling to happen in a safer environment.

Additionally, we greatly benefit from the generosity of donors, trusts, foundations, corporate partners, philanthropists, and customers who make purchases from our e-commerce shop. These contributions allow us to maintain and enhance the National Cycle Network, including protecting ecology and wildlife, implement programmes to support children to travel actively to school, deliver research projects such as the Disabled Citizens Inquiry, influence government policy, and support our volunteers.

Individual donors

Sustrans is enormously grateful to the generous donors who consistently support our work. Many of our new donors are recruited through our face-to-face programme on the National Cycle Network. In 2022-2023 the number of donors we recruited increased by 37%, and we experienced a significant increase in the average monthly gift for new regular givers, rising from £8.32 to £8.85.

In 2022-2023 we reviewed this programme of work with an external fundraising expert. As a result, we expanded our in-house programme geographically to include Cornwall, Liverpool, and Cardiff. We also explored how we could trial working with an external agency to expand our reach, both on the National Cycle Network and in other locations in 2023-2024.

Throughout 2022-2023 we ran several campaigns to raise unrestricted income, engaging our existing supporters and attracting new donors. These campaigns included an upgrade campaign for existing regular donors, a raffle, a winter appeal highlighting our work to support children to cycle, and a spring appeal which focused on the maintenance of the National Cycle Network. We also successfully tested various new digital engagement offers. The best performing adverts offered a traffic-free guide download and cash gifts to support our ecology work on the National Cycle Network. We will continue to test, monitor and develop these activities next year.

For our telephone work, we partnered with Ethicall, who assisted us in delivering our annual upgrade campaign, a reactivation telephone campaign, and a campaign to convert new leads generated through digital activities into regular donors. We plan to continue these activities on a rolling basis during 2023-2024.

Legacy giving

In 2022-2023 we continued to benefit from the generosity of those that left Sustrans a gift in their Will. In 2023-2024 we will further develop our legacy offer proactively inviting supporters to remember Sustrans in this meaningful way.

Partnerships

Sustrans is incredibly grateful to all our corporate supporters, trusts and foundations, lottery funders and philanthropists, without whom we couldn't deliver some of our most innovative work. Our partnerships allow us to work right at the heart of communities, engage with schools across the UK, deliver research and connect people and places.

Notable partnerships include:

- The charity Motability, who enabled us to deliver the Disabled Citizens Inquiry, giving people with disabilities a voice in walking and wheeling policy and practice.
- The Sport England Together Fund who helped us to empower community organisations on, or near, the National Cycle Network disproportionality affected by COVID-19 and the cost-of-living crisis to engage in walking, cycling and wheeling.
- The Freshfield Foundation, who enabled us to engage and plan for the improvement of streets in Liverpool City Region and the continuation of the Walking and Cycling Index; instrumental in securing funding for active travel across England in 2022-2023.
- Schwalbe Tyres UK Limited who kindly sponsored the Sustrans Big Walk and Wheel for a second year in a row and facilitated the launch of the brand new FRideDays Bike Bus initiative, enabling children across the UK to travel actively to school.

E-commerce

During 2022-2023 we focused on growing our E-commerce audience to increase sales from our online shop, which specialises in our own range of maps and guides. We remain committed to ensuring our products, packaging, and methods are as sustainably sourced as possible, focusing on UK-based production.

In 2022-2023 we introduced EU shipping, which allowed us to expand our reach. Building upon last year's efforts to regain control of the online market space for Sustrans' own products, we have been developing our trade accounts across the UK. A key area this year has been the use of digital channels to broaden our reach, engage with our audience, and increase sales.

Our environmental impact

Making active travel easily accessible delivers a better environment for everybody. We are committed to continuously improving our environmental performance, and we recognise that the activities which underpin our work can negatively affect the environment through emissions, impacts on nature along our paths and the use of resources.

Energy and carbon reporting

We have been reporting our Scope 1 and 2 carbon emissions in our annual report since 2019.

Starting this year, we will also report our estimated Scope 3 emissions according to the scope below.

Over the last year, we have refreshed our Environmental Policy, and developed and agreed our carbon reduction plan. We want to be ambitious in our environmental goals and therefore we have set ourselves the following targets:

- achieve net zero emissions in our operations by 2030, including Scopes 1,2 and elements of Scope 3
- achieve net zero emissions across all three scopes by 2040.

In the coming year, we plan to develop our approach to managing sustainability within our supply chains, adopt the PAS 2080:2023 Carbon Management in Infrastructure standard, and finalise our Biodiversity Action Plan. We are looking for opportunities to fund a hybrid van that will enable us to trial our planned approach to electrifying our fleet of maintenance vehicles.

| | | Carbon emissions (tCO2e) 2022/23 | Carbon emissions (tCO2e) 2021/22 | Fuel use 2022/23 | Fuel use 2021/22 |
|----------------------------|---|----------------------------------|----------------------------------|------------------|------------------|
| Scope 1 | Gas for offices | 10 | 4 | 54,640 kWh | 23,758 kWh |
| | Fuel for maintenance vans | 60 | 58 | 23,656 (l) | 22,826 (l) |
| | Fuel for site equipment | 7 | 7 | 2,852 (l) | 2,616 (l) |
| Scope 2 | Electricity for offices | 28 | 29 | 143,790 kWh | 123,351 kWh |
| Total Scope 1 and 2 | | 105 | 98 | | |
| Scope 3 | Purchased goods and services | | | | |
| | Procurement of goods and services (* approx.) | 5,400 | | | |
| | Construction activity (* approx.) | 4,900 | | | |
| | Fuel and energy-related activities | 27 | | | |
| | Business travel | 122 | | | |
| | Employee commuting | 53 | | | |
| | Homeworking | 153 | | | |
| Total Scope 3 | | 10,655 | | | |

*Our carbon emission estimates for procurement and construction activity were derived from our financial data on spend (£) and as such, they may not be accurate. However, we are reporting them for transparency and to highlight their importance in our approach to carbon management. For future reporting, we intend to move away from spend data by working with our suppliers to gain more accurate data.

We are following GHG Protocol in our approach to carbon management.

Financial review

Sustrans is funded through a mixture of government grants, fundraising activity and paid contracted activities which deliver our objectives. There is investment in our agenda in all four nations of the United Kingdom and by local authorities across the country.

The income that we generate is spent efficiently to deliver the best possible impact. As well as providing funding to others through our grant programmes, we also work in partnership with communities and with local and national governments to deliver projects and programmes that make it easier for people to walk and cycle.

We invest our fundraising income into managing the parts of the National Cycle Network that we own, and in supporting our unfunded activities, such as our influencing and campaigning activity.

Our financial performance in 2022-2023

In 2022-2023 income of £112.5M and expenditure of £109.7M left a surplus for the year of £2.8M. Income and expenditure in the prior year were £114.7M and £114.8M respectively. These measures suggest that activity was comparable year on year, but because a significant proportion of income and expenditure is through grant management, an arguably better measure of activity level is FTE staff numbers. These increased from 644 in 2021-2022 to 700 in 2022-2023 (note 6).

The surplus for the 2022-2023 year, from a break-even budget, was achieved in the main thanks to unbudgeted income from the Department for Transport for maintenance of the network, better than anticipated bank interest on deposit, and an unbudgeted donation restricted for specific routes in the north of England. The surplus of £2.8M is welcome at a time when the charity is facing funding uncertainty. Whilst approximately £1.4M of the surplus is restricted to specific projects, the balance will be held as general reserves to mitigate the risks set out in following sections of this report.

Principal funding sources in 2022-2023

Charitable Activities contributed 93% (2021-2022 – 96%) of all income, with the balance provided by donations, legacies, and investments.

Our principal funding sources are government grants. In 2022-2023 we received £64M (2021-2022: £82M) from Transport Scotland, £27M (2021-2022: £14M) from the Department for Transport, and £0.9M (2021-2022: £0.8M) from the Welsh government.

Contractual activity, mostly with local authorities and other public bodies, amounted to £9.7M (2021-2022 - £9.8M).

Fundraising contributed £5.8M to our income in 2022-2023 (2021-2022: £4.5M), of which £1.6M (2021-2022: £0.1M) was restricted.

Investment income rose from £250K in 2021-2022 to £2.5M in 2022-2023 due to rising interest rates.

Our future financial picture and going concern status

We have several key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our reserves balance further mitigates remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2023-2024.

We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the economy, environment, and public health. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

Our reserves policy

Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks (see following section on 'Principal risks and uncertainties'), while ensuring we are making timely and strategic use of our funds. The policy focuses purely on general reserves, as these are the funds that can be deployed at the discretion of the Trustees.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- temporary loss of income
- permanent fall in income, allowing time to adjust our cost base or business model
- incurring one-off costs that are not covered from donor funds.

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals. Our general reserves are matched by highly liquid investments so that we can draw on them quickly if necessary.

In 2022-2023 our target general reserves range was £4.8M to £6.5M; our closing general reserves of £7.3M are therefore above the target range. Ahead of approving the 2023-2024 financial budget, the Board reviewed an update of the detailed risk assessment used to assess the level of general reserves that is appropriate for the charity to maintain.

Based on the risk assessment, the Board increased the target range for 2023-2024 to £6.3M-£7.8M.

Our investment policy

Project funds are held by Sustrans 'on trust' and are not to be considered for investment purposes. The principal consideration for these project funds is security. Credit worthiness is the overriding consideration, so project funds should only be held by banks holding a short-term credit rating of Good.

Sustrans has total reserves of approximately £13M. A portion of these reserves has been identified as long-term reserves available for investment (currently £3M). The long-term reserves should be invested, in line with our ethical policy, to grow at least in line with inflation over the long-term.

The Board of Sustrans has delegated investment decisions to the Finance and Performance Committee. Investment management is delegated to an authorised professional investment manager, regulated by the FSA.

Principal risks and uncertainties

Risk management is central to the successful achievement of our strategic aims and objectives.

The Board of Trustees has established an Audit and Risk Committee that is responsible for the oversight of our risk management framework and the monitoring and reporting of the risks of the organisation.

The Board retains accountability for risk management and regularly reviews the charity's principal risks. This includes the appropriateness and impact of risk mitigations. The Board also approves the risk management framework which sets out the processes to identify, assess, report, and manage our risks.

The Audit and Risk Committee meet at least four times per year. The annual work plan for the committee includes regular risk reporting, detailed scrutiny of key strategic risks and reviewing the risk management framework.

There are seven principal risks considered by the Trustees:

Damage to land and structures: The impact of extreme weather events and climate change, and maintaining our assets

Maintaining the National Cycle Network and Sustrans' estate involves managing engineered structures and ex-railway assets such as bridges, embankments and drainage systems, as well as the land and ecologies around our paths. Due to the age and history of our assets and additional complications caused by climate change and extreme weather

events, maintaining the land and structures we use and ensuring these routes remain useable and accessible is an increasing challenge.

To mitigate this risk, we have put in place a comprehensive inspection regime and a programme of planned maintenance for all our assets. An asset ranking tool has been implemented to identify those assets we need to prioritise for maintenance. We have also set aside a designated fund for emergency repairs. The Board has established an Estates Committee to oversee the management of our assets and to mitigate the risks associated with asset management.

To address the impact of climate change on our assets, we are seeking to improve our understanding of how to develop more climate resilient paths. In addition, we are ensuring our land acquisition approval processes consider potential climate impacts. We continually review our assets strategy to consider the risk of climate change and to ensure that our strategy and resources can safely maintain our assets.

Funding

The reliance on a small number of major funders coupled with the current financial uncertainty of external factors such as the cost-of-living crisis, inflation and wider pressures on public sector funding creates a risk around the loss of key funding sources for Sustrans.

To mitigate this risk, we are implementing a fundraising strategy to diversify our sources of funding and to increase our unrestricted funds. We proactively engage with our key funders to ensure we continue to deliver valuable outcomes.

We have embarked on a programme to improve the efficiency and effectiveness of our operating model which will improve our agility and responsiveness to financial opportunities and risks. We have also established designated reserves to ensure that the charity can remain operational in the event of the sudden loss of a significant source of funding.

Capacity and capability

Many organisations across the UK experienced a high turnover of colleagues as we emerged from the Covid-19 pandemic, and Sustrans is no exception. There is increasing competition for skills and experience. This creates a risk to Sustrans' capacity and capability to deliver the impact that we want to see. However, we believe that our unique culture and our vision enable us to be an employer of choice and build greater diversity across our teams.

We are working to enhance our talent management and recruitment strategies to ensure that we can attract and retain great people. We regularly review our pay policy to ensure that it is transparent, fair and responsive to the challenges our colleagues face, like the current cost of living increase. We have adopted progressive policies around flexible working and try to maintain a kind and inspirational working culture. Our annual employee survey results indicate that our colleagues think Sustrans is a great place to work.

We also recognise that we need to be agile and responsive to emerging opportunities. We are developing a more strategic approach to partnerships and collaborating with other organisations to support the delivery of our work.

Opposition to our agenda

Perceived or actual opposition to our agenda leads to political leadership reducing its support for active travel measures. This then results in a decrease in funding awarded to Sustrans and a lack of public support of our vision.

We continue to campaign against cuts to active travel funding. And we have established communication plans which will help us publicly demonstrate the positive impact of our work. We are engaging politicians and stakeholders in our work to increase awareness of what our charity does and encourage them to support us. We have also worked to clarify what Sustrans does and does not have to respond to with respect to public enquiries.

Safeguarding

Engaging with communities and volunteers is a priority for Sustrans. And adequately safeguarding vulnerable people that we work with is critical.

We regularly review and update our safeguarding procedures and we are committed to providing training regular to all colleagues and volunteers who work with children and vulnerable adults. Where we work with schools and other organisations, we ensure that we are reporting and monitoring safeguarding concerns appropriately. We have arranged for additional training for our senior managers and Trustees on their roles and responsibilities to safeguarding. We have a team of designated safeguarding officers who oversee our safeguarding processes and implement changes to ensure we are upholding our responsibility to safeguarding in everything we do.

IT and Cyber Security

The dependence on information technology (IT) systems has dramatically increased in the last few years. Sustrans has embraced a flexible hybrid working policy allowing colleagues to work from home and in our various office hubs across the UK.

The risk of cyber security events has also increased in the last few years, including the heightened risks associated with the Covid-19 pandemic and the conflict in Ukraine. These events have led to us recognise the need to increase our investment in IT.

As part of our strategy to improve our operating model, we have developed and are now implementing an IT strategy. This includes creating integrated systems that support security and productivity, and identifying ways of working that will better meet our future needs. We are also strengthening our cyber security to provide robust and reliant systems for our colleagues and to meet the expectations of our stakeholders.

Fundraising

Fundraising compliance and conforming to recognised standards

Sustrans is, and always has been, committed to ensuring a transparent and ethical approach to fundraising activities. We are registered with the Fundraising Regulator and fully adhere to the Code of Fundraising Practice. We are also governed and guided by the Charity Commission.

Our colleagues are trained in accordance with the Fundraising Regulator's code, and this ensures that our fundraising activities are neither intrusive nor persistent. Our fundraising promise further demonstrates our clear commitment to how we treat our donors:

- we will commit to high standards
- we will be clear, honest, open, and respectful
- we will be fair and reasonable
- we will be accountable and responsible.

Personal data and consent

Our donors' personal data is held in accordance with the requirements of General Data Protection Regulations (GDPR). All data is held securely and only for as long as required. We will never sell or share donors' details with other organisations to use for their own purposes, other than when we are required to do so by law.

In 2022-2023 we updated our lawful basis for processing data from informed consent to legitimate interest for new supporters. All our privacy policies were actively updated to reflect this change, which is available to supporters every time they donate or purchase from our shop and can also be found on our website. This change has and will continue to benefit both Sustrans and our supporters by allowing us to communicate more effectively with information relevant to their interests.

We believe this will enable us to maintain long-term relationships with our supporters. Throughout this change, we have been committed to maintaining the highest standards of data protection and ethical practice in all our activities.

We make every effort to ensure that our fundraising activity never feels unreasonably intrusive, persistent or pressurised, but rather focuses on inspiring support and celebrating the impact of fundraised income.

Donors can manage their permissions by contacting our Supporter Care team. We always respect the wishes of donors who do not wish to receive fundraising communications, including those who have registered with the Fundraising Preference Service.

Fundraising complaints

Our ethical and open approach to fundraising is reflected in the low number of fundraising complaints that we have received, with six recorded in 2022-2023.

The number of complaints regarding our fundraising has remained consistent with 2021-2022, showing that our increased fundraising activities have not negatively impacted our supporters or the public.

Our complaints policy was updated during the year with a new three-stage escalation structure, and a new procedure was rolled out to all colleagues. This update has allowed us to continue improving our processes and response to fundraising complaints, handling them sensitively and professionally.

Face-to-face fundraising

A major strand of our fundraising activity engages new supporters face-to-face on the National Cycle Network. All our face-to-face fundraisers are trained and managed directly by Sustrans. The company 'Inspired People' recruits agency colleagues.

Our fundraisers receive in-depth training, including people in vulnerable circumstances, and are always required to be friendly, professional and never engage in actions that could be construed as pressurising or manipulative.

Our team of fundraisers are supervised by a team leader, who assesses their performance and conduct on a daily basis. Ongoing coaching and formal performance reviews are conducted with all of our fundraisers.

During the year, we engaged an external fundraising expert to conduct a comprehensive review of our face-to-face fundraising programme. Our aims were to ensure that our in-house programme was fully compliant and performing at its best, as well as to define plans for expansion in 2023-2024.

Protecting people in vulnerable circumstances

Sustrans takes its responsibility in protecting vulnerable people very seriously and has clear procedures for reporting and managing any concerns.

We ensure all fundraisers are trained to identify the needs of people in vulnerable circumstances.

Our fundraisers are also trained to recognise someone who may not have the capacity to make an informed decision, and therefore not make a financial ask, and report their concerns to their manager. Any donation received via post will be viewed in a similar way, with any concerns over the individual being reported to the Supporter Care Manager.

Sustrans is currently reviewing its 'Protecting Vulnerable People Policy', which will be followed by mandatory training across all relevant fundraising roles. We will be making this policy publicly available in 2023-2024.

Working with external fundraisers

We work with Ethicall, a professional telephone fundraising agency. They are registered with the Fundraising Regulator, the Chartered Institute of Fundraising, and are accredited by the Data and Marketing Association.

We monitor their work through training and listening to phone calls and have been happy with their quality and ethical approach to fundraising. We will continue to build our relationship and monitor Ethicall's performance moving into 2023-2024.

Structure, governance and management

Governing document

Sustrans is a registered charity in England and Wales and in Scotland, and a private company limited by guarantee registered in England and Wales.

It is governed by its Board of Trustees operating under the terms of the Articles of Association as amended in February 2021.

Subsidiaries

Sustrans has two wholly owned dormant subsidiaries registered in England and Wales, being Sustrans (Trading) Limited (company number 03635468) and Sustainable Transport Limited (company number 03732011).

Charity Governance Code

Sustrans supports the principles of good governance set out in the Charity Governance Code for larger charities and adopted use of the Code in 2018. Trustees welcomed the refreshed version of the Code published in December 2020, with its enhanced principles of integrity and equality, diversity and inclusion.

The recommended practice has been reviewed against our 'For Everyone' principles and the supporting practices and changes which were already being implemented. The Remuneration, Nominations and Governance Committee again reviewed the Charity's practice against the Code's requirement.

As part of its approach to continuous improvement of governance arrangements the Board approved the recommendations. These include carrying out a Board Effectiveness Review and focusing on strengthening its practice in equality, diversity and inclusion in 2023-24, including when recruiting new Trustees.

The Trustees

The Board of Trustees is responsible for the governance and strategy of Sustrans. The Articles allow for between five and twelve Trustees, who have full legal responsibility for the activities of Sustrans. They are the company directors of Sustrans for the purposes of company law. Trustees are appointed for a term of three years and can be re-appointed for a second consecutive term. In exceptional circumstances a Trustee may be appointed

for one further term. No current Trustee has served for more than six years. None of the Trustees received any remuneration.

Role of the Trustees

The Trustees meet at least six times a year to review strategy and performance, agree operating plans and annual budgets, and to meet with and hear from stakeholders and employees.

In 2022-23, the Board held five formal Board meetings, together with additional meetings as needed and a strategy away day. Meetings are held virtually and in different geographical locations, giving the Trustees the opportunity to experience Sustrans work and engage with stakeholders.

Trustees monitor and have overall responsibility for:

- approving the overall strategy and annual budget of the organisation, ensuring the allocation of the necessary resources to achieve the objectives defined in the business plan
- ensuring that the Charity has appropriate systems of controls, financial and otherwise
- keeping proper accounting records which comply with the Companies Act 2006 and the Charities' SORP
- safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities
- providing assurance that the Charity is operating efficiently and effectively, carrying out a risk assessment to identify possible risks to the achievement of the Charity's objectives and establishing procedures, actions and systems to mitigate them.

This monitoring of financial and other areas of performance ensures that the Trustees are continually appraised of progress and the risks the Charity faces.

As well as its Committees the Board has appointed 'Trustee Champions' in specific areas such as safeguarding and equality, diversity and inclusion, to support the Board's governance role and to provide additional support to the Executive.

Board Committees

The Board has established four committees to assist it in its role, including by providing advice to and making recommendations to the Board. Each Committee is chaired by a Trustee. Minutes of meetings are circulated to all Trustees and Chairs provide a report to the next following Board meeting.

The Committees provide oversight and assurance to the Board including in relation to the following matters:

1. The Audit and Risk Committee: internal financial controls, risk management and risk reporting and regarding the external audit.
2. The Estates Committee: monitoring Sustrans' property portfolio, approvals of certain disposals and acquisitions and asset management.

3. The Finance and Performance Committee: scrutinising and evaluating the financial and operational performance of Sustrans.
4. The Remuneration, Nominations and Governance Committee (previously the Remuneration Committee): The Committee's remit was expanded during the year and includes pay policies, recruitment of Trustees and good governance practices.

The Board delegates specific responsibilities to the Committees, which meet as required, typically quarterly. Each Committee has the authority to appoint external advisors to the Committee.

Recruitment and appointment of Trustees

The Trustees have a wide range of skills and experience. The Trustees, together with the Executive, identify the skills, experience and background required of the Trustees to ensure that the Board is able to deliver its duties, and to support and challenge the Executive.

The Remuneration, Nominations and Governance Committee oversees the succession planning for, and the recruitment of, a skills-based Board. Trustee roles are advertised widely, including on Sustrans' website and a search agent is used.

The Board has adopted a Board Succession and Diversity Statement to demonstrate its commitment to equity, diversity and inclusion when recruiting to the Board.

Trustee induction and training

The induction for new Trustees includes the provision of a Trustee Handbook containing key documentation, one-to-one meetings with key people, site and project visits, and attending an externally provided Trustee induction and refresher training.

Trustees have appraisals with the Chair of the Board, which enables any training and development needs to be identified and addressed. All Trustees receive periodic updates and guidance on their role as Trustees of the charity.

Conflicts of interest

Each Trustee is required to disclose potential or actual conflicts of interest in recruitment and annually for inclusion in the register of interests and at Board or Committee meetings if relevant. The Register is included in Board and Committee meeting papers.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Sustrans for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard FRS 102 applicable in the UK and Republic of Ireland.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the

incoming resources and application of resources, including the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006.

The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In line with Charities' best practice, Sustrans' Trustees have reviewed the criteria for charities, set out in the Charities Act 2011. The Trustees have concluded that:

- Sustrans' purposes remain charitable; and
- Sustrans satisfies the public benefit test.

Section 172 statement

Section 172 of the Companies Act 2006 requires the Trustees (the Directors) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the Directors should have regard, amongst other matters, to:

- the likely consequences of any decision in the long term

- the interests of the charity’s employees
- the need to foster the charity’s relationships with suppliers, customers and others
- the impact of the charity’s operations on the community and the environment
- the desirability of the charity maintaining a reputation for high standards of business conduct
- the need to act fairly between members.

Our strategic priorities were developed as part of a long-term strategy to make it easier for people to walk, wheel and cycle. We routinely review external developments and horizon scan for future trends and ensure that our plans can be adapted as needed to meet changing circumstances.

The Trustees act in good faith to make decisions, the outcome of which, they consider will most likely be to promote the success of the charitable company both in current periods and in the long term.

In discharging their duties above, the Trustees carefully consider amongst other matters, the impact on and interests of other stakeholders in the charitable company and factor these into their decision-making processes.

The likely consequences of any decisions in the long-run

When considering proposals and setting strategies the Trustees consider the long and short-term consequences.

During the year relevant matters Trustees considered include the financial situation and refreshing the Strategy Objectives.

The Executive

The day-to-day running of the Charity is delegated to the Chief Executive, who in turn delegates specific responsibilities to members of the Executive Team.

The Trustees set out delegated authority through the Delegated Authority Framework, which is reviewed annually. The Chief Executive and members of the Executive Team are not directors for the purposes of company law.

The Executive ensures that appropriate structures and processes are in place to enable effective oversight, scrutiny and decision-making across the organisation, that there is accountability for those decisions and that there is effective leadership of, and communication with, colleagues across the organisation.

The salary of the Chief Executive is set by the Board of Trustees. In the year the Trustees approved a new Executive Remuneration Policy for the CEO and Executive Team based on the Korn Ferry ‘public sector and not-for-profit’ benchmark at median level to calibrate the remuneration of Executive Team posts.

The senior executive committee is the Executive Team, which recommends strategies to the Board for approval and runs the Charity’s operations day-to-day. The Executive team

meets weekly to enable rapid, agile decision-making. Their purpose is to review the performance of the Charity's work, and to address any issues and opportunities arising with regards to finance, health and safety, risk management, resourcing, programmes of delivery and influencing work.

Management of risk

The Executive reviews the risk register monthly and tracks the movement of risk rating and the implementation of mitigation measures. The Executive escalates risks for the review of the Board and its Committees as deemed necessary.

The Audit and Risk Committee reviews the effectiveness of the risk management processes and reviews the entire Executive risk register at least annually.

Employees

Our colleagues are vital to Sustrans and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular surveys and address any issues raised as quickly as possible through departmental action plans. Feedback from our employee representative forum is shared regularly with our Executive team.

We also have employee networks which have been set up to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social and professional networks.

We are committed to promoting a healthy workforce comprising both physical and mental wellbeing. Trustees receive information on various employee metrics. And they keep colleagues informed of key issues through structured communication channels, promote inclusion in the workplace and provide training and development opportunities.

Customers and suppliers

Our relationships with partners and suppliers are key to our effectiveness. Sustrans seeks to pay all suppliers any undisputed amounts due and within agreed terms.

Community and the environment

Working for and with communities is central to delivering our mission and strategic objectives as set out previously.

The charity recognises the importance of its environmental responsibilities and has policies aimed at reducing any potential detrimental environmental impact of its activities. Information regarding our work to reduce our environmental impact is set out previously.

Standards and conduct

The charity has a series of defined codes of practice regarding ethical standards and the conduct of business. These are clearly communicated to every colleague and adherence is expected and enforced.

Being fair and inclusive in everything we do

Formally this is of limited application as the Trustees are also the members of the charitable company.

Inclusivity and fairness are important to the Trustees. The benefits of walking, wheeling, cycling and healthy places are not experienced in the same way by everyone. We prioritise work with people and in places where we can make the most difference to those who may feel excluded. We involve people with different and seldom-heard voices, to develop solutions that work for everyone. We keep questioning and asking if we can do more. We know we cannot do this on our own, so we work closely with others.

We are also committed to inclusivity inside the charity, supported by our EDI groups and networks, promoted by the accelerating for everyone programme, and underpinned by our values and the way in which leaders and their teams work. The Board is taking active steps to improve its diversity when seeking new Trustees and to ensure that it is fully inclusive.

Statement of disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board of Trustees who approve the Strategic Report as Directors.



Moray Macdonald, Sustrans Chair of Trustees

7th July 2023

Independent auditor's report to the members and Trustees of Sustrans

Opinion

We have audited the financial statements of Sustrans ('the charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken during our audit

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement earlier in this document, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 Trustees are responsible for assessing the charitable company'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 the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our 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 economic decisions of users taken based on these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members.

We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income, and the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of

irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Scottish Charity Regulator, designing audit procedures over the timing of grant and contract income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

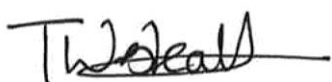
In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Date: 10 August 2023

Statement of financial activities for the year 2022-2023

The year ended 31 March 2023. This section includes income and expenditure accounts.

| | | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Total Funds 2022 |
|--------------------------------------|-------|--------------------|------------------|------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | |
| Donations and Legacies | | 4,271 | 1,556 | 5,827 | 4,475 |
| Charitable activities | 2 | 9,727 | 94,432 | 104,159 | 109,990 |
| Investment income | | 2,477 | - | 2,477 | 250 |
| Total income | | 16,475 | 95,988 | 112,463 | 114,715 |
| Expenditure | | | | | |
| Raising funds | | 2,150 | - | 2,150 | 1,732 |
| Charitable activities | | 12,786 | 94,748 | 107,534 | 113,087 |
| Total expenditure | 3 | 14,936 | 94,748 | 109,684 | 114,819 |
| Net income / (expenditure) | 5 | 1,539 | 1,240 | 2,779 | (104) |
| Transfers between funds | | (155) | 155 | - | - |
| Net movement in funds | | 1,384 | 1,395 | 2,779 | (104) |
| Reconciliation of funds | | | | | |
| Fund balances brought forward | | 8,156 | 2,026 | 10,182 | 10,286 |
| Fund balances carried forward | | 9,540 | 3,421 | 12,961 | 10,182 |

The notes on pages 52 to 72 are an integral part of these financial statements.

All gains and losses recognised in the year are included in the Statement of Financial Activities. All income and expenditure relates to continuing operations.

There is no difference between the net income for the years stated above and their historical cost equivalents.

Balance sheet as of 31 March 2023

Company Number 1797726 (England and Wales)

| | Notes | Unrestricted Funds £'000 | Restricted Funds £'000 | Total Funds 2023 £'000 | Total Funds 2022 £'000 |
|---|-------|-----------------------------|---------------------------|------------------------------|------------------------------|
| Fixed assets | | | | | |
| Tangible assets | 7 | 2,252 | 1,070 | 3,322 | 3,261 |
| Current assets | | | | | |
| Stock | | 256 | - | 256 | 233 |
| Debtors | 8 | 7,108 | - | 7,108 | 6,297 |
| Cash at bank and in hand | | 162,072 | 3,134 | 165,206 | 155,338 |
| Total Current Assets | | 169,436 | 3,134 | 172,570 | 161,868 |
| Creditors: amounts falling due within one year | 9 | (162,148) | (783) | (162,931) | (154,947) |
| Net current Assets | | 7,288 | 2,351 | 9,639 | 6,921 |
| Total Net Assets | | 9,540 | 3,421 | 12,961 | 10,182 |
| The Funds of the Charity | | | | | |
| Restricted | 11 | | | 3,421 | 2,026 |
| Unrestricted | | | | | |
| Designated | 12 | | | 2,252 | 6,174 |
| General | | | | 7,288 | 1,982 |
| | | | | 9,540 | 8,156 |
| Total Funds | | | | 12,961 | 10,182 |

The notes on pages 52 to 72 are an integral part of these financial statements.

These financial statements on pages 49 to 72 including the notes, were approved by the Trustees on 7th July 2023 and were signed on their behalf by:



Moray Macdonald, Sustrans Chair of Trustees

Statement of cash flows for the year of 2022-2023

| | Total Funds 2023 | Total Funds 2022 |
|---|---------------------|---------------------|
| | £'000 | £'000 |
| Net income / (expenditure) for the reporting period (as per the Statement of Financial Activities) | 2,779 | (104) |
| Adjustments for: | | |
| Depreciation charges | 337 | 257 |
| Interest from investments | (2,477) | (250) |
| (Profit) / Loss on the sale of fixed assets | (271) | 2 |
| (Increase) in stocks | (23) | (145) |
| (Increase) in debtors | (811) | (2,408) |
| Increase in creditors | 7,984 | 19,768 |
| Net cash provided by operating activities | 7,518 | 17,120 |
| Cash flows from investing activities: | | |
| Interest from investments | 2,477 | 250 |
| Proceeds from the sale of property, plant and equipment | 299 | - |
| Purchase of property, plant and equipment | (426) | (1,132) |
| Net cash provided by / (used in) investing activities | 2,350 | (882) |
| Change in cash and cash equivalents in the reporting period | 9,868 | 16,238 |
| Cash and cash equivalents at the beginning of the reporting period | 155,338 | 139,100 |
| Cash and cash equivalents at the end of the reporting period | 165,206 | 155,338 |

There is no movement on net debt in the year other than cash.

Notes to the Financial Statements

1. Principle accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention in UK pounds sterling.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) for charities, which is based on the Financial Reporting Standard (FRS) 102 effective from 1st January 2019, the Charities Act 2011, the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005.

The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently. The financial statements have been prepared on the basis that it is a public benefit entity under FRS 102.

Sustrans has two wholly owned subsidiaries, which have not been consolidated on the basis that they are dormant.

b) Going concern

We have a number of key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our healthy reserves balance further mitigates remaining financial risks.

The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2023-2024. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the economy, environment and public health.

But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty.

The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

c) Fund Accounting

Unrestricted funds are funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose. The aim and use of designated funds is set out in Note 12 to the financial statements.

Restricted Funds - Income restricted to a specific purpose is treated as restricted funds. The description and purpose of these restricted funds are provided in Note 11.

d) Incoming Resources

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities.

Income is only recognised when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement – the monetary value or amount of the income can be measured reliably, and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

If any of these criteria are not met but the cash has been received, then the income is deferred.

- Donations are accounted for in the year in which they are receivable.
- For legacies, entitlement is taken as the earlier of the date on which the Charity is aware that probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made; or when a distribution is received from the estate.
- Grants from government bodies and other sources are received for specific projects and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received, and the amount can be reliably

measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs have been allocated to activities on the basis of full-time equivalent employee numbers. Non-recoverable VAT is attributed to the heading of cost where the expenditure is incurred.

All expenditure up to the year-end payable on projects under the management of the Charity has been included in the financial statements. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory regulations.

f) Tangible assets

Tangible fixed assets costing more than £2,000 are capitalised and included at cost. Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives on a straight-line basis. The rates of depreciation utilised are as follows:

| | |
|-----------------------|---------------------------------|
| IT Equipment | 25% per annum |
| Plant and machinery | 25% per annum |
| Office refurbishments | 10% per annum or the lease term |

Freehold land and buildings are not depreciated because (a) it is the Trustees' intention to hold the assets for the long term and (b) their residual value is at least equal to the carrying value. Assets not depreciated are subjected to an annual impairment review.

g) Key sources of estimation uncertainty and judgements

Preparation of the financial statements requires management to make estimates and judgements. The items in the financial statements where the most significant estimates and judgements have been made are:

- Income recognition on grants: Income is recognised when there is evidence of entitlement, the amount can be measured, and the receipt is probable. Where terms and conditions have not been met, or uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.

- Valuation of tangible fixed assets and assessment of the remaining useful lives of tangible fixed assets: see accounting policy (1f) for details of the estimate of useful economic lives applied and consideration of impairment.
- Valuation of debtors with regards to making an assessment for impairment: see accounting policy (1d).
- Accrued and deferred income: Income is recognised when there is evidence of entitlement, the amount can be measured, and the receipt is probable. Where terms and conditions have not been met, or uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.

h) Stock

The Charity holds stocks of maps which are recognised at cost and adjusted (where applicable) for any loss of service potential.

i) Maintenance

The Charity has a maintenance obligation over several disused railways where it owns the land and structures upon it. A planned maintenance policy is adopted with routine maintenance expenditure being funded from Restricted funds and Designated funds as appropriate. Significant short-term maintenance liabilities are provided for as and when there is a constructive obligation.

j) Taxation

The company, which is a registered Charity, is entitled to taxation exemptions on all income and gains properly applied for its charitable purposes.

k) Pension costs

The Charity makes contributions to a defined contribution pension scheme on behalf of certain employees. The cost of these contributions is charged in the financial statements as incurred. This scheme is available to all employees.

l) Operating leases

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis.

m) Grants

Grants payable in furtherance of the Charity's objects are recognised when the commitment is communicated to the grant recipient or when payment is due in accordance with the terms of the contract, which is normally upon providing evidence of the project work being undertaken.

n) Volunteers

The Charity benefits from gifts in kind in the form of volunteer time and unclaimed out of pocket expenses. As per the Charity SORP, these are not recognised in the accounts as they cannot be reliably valued, but further information is provided in the Trustees' annual report.

o) Financial instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Redundancies

Termination payments are accounted for in the period an obligation is made, or liability incurred.

q) Cash

Cash includes UK bank balances available within 121 days.

2. Income from charitable activities

| | Unrestricted | Restricted | Total 2023 | Total 2022 |
|------------------|--------------|------------|------------|------------|
| | £'000 | £'000 | £'000 | £'000 |
| England | 4,554 | 28,755 | 33,309 | 19,658 |
| London | 1,779 | 355 | 2,134 | 2,548 |
| Northern Ireland | 851 | 99 | 950 | 944 |
| Scotland | 1,249 | 64,244 | 65,493 | 84,746 |
| Wales | 1,294 | 979 | 2,273 | 2,094 |
| | 9,727 | 94,432 | 104,159 | 109,990 |

A considerable proportion of Sustrans' impact is delivered through the management of performance-related grants. In several significant cases this funding is paid to the charity in advance of delivery.

Accordingly, the income is deferred until the performance related conditions are met and the income is then recognised. This can lead to the charity holding significant amounts as cash (please see the Balance Sheet) and deferred income (please see note 9).

3. Total Expenditure

| | Activities undertaken directly | Grant funding of activities (to institutions)* | Support costs | Total 2023 | Total 2022 |
|------------------------------|--------------------------------|--|---------------|----------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 1,896 | - | 254 | 2,150 | 1,732 |
| Charitable Activities | | | | | |
| England | 21,653 | 10,651 | 2,966 | 35,270 | 21,978 |
| London | 2,251 | 17 | 774 | 3,042 | 3,349 |
| Northern Ireland | 1,051 | - | 323 | 1,374 | 1,263 |
| Scotland | 14,548 | 47,819 | 2,553 | 64,920 | 84,090 |
| Wales | 2,312 | 8 | 608 | 2,928 | 2,407 |
| | 41,815 | 58,495 | 7,224 | 107,534 | 113,087 |
| Total expenditure | 43,711 | 58,495 | 7,478 | 109,684 | 114,819 |

*See Note 16.

Sustrans' charitable activities are delivered by geographically focussed teams across the UK.

4. Analysis of support costs

| | Chief Executive and Governance | Brand, Marketing, and Impact | Finance | IT | HR | Total 2023 | Total 2022 |
|-------------------|--------------------------------|------------------------------|--------------|--------------|--------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 27 | 60 | 36 | 79 | 52 | 254 | 199 |
| England | 310 | 698 | 421 | 921 | 616 | 2,966 | 2,420 |
| London | 81 | 182 | 110 | 240 | 161 | 774 | 819 |
| Northern Ireland | 34 | 76 | 46 | 100 | 67 | 323 | 273 |
| Scotland | 267 | 601 | 362 | 793 | 530 | 2,553 | 2,295 |
| Wales | 64 | 143 | 86 | 189 | 126 | 608 | 409 |
| Total 2023 | 783 | 1,760 | 1,061 | 2,322 | 1,552 | 7,478 | 6,415 |
| Total 2022 | 752 | 1,690 | 689 | 1,803 | 1,481 | 6,415 | |

5. Net income / expenditure

| | 2023 | 2022 |
|---|-----------|-----------|
| | £'000 | £'000 |
| This is stated after charging: | | |
| Trustees of the Charity are not paid | | |
| Travel and associated expenses incurred by employees and 11 (2022:10) Trustees for attendance at meetings | 14 | - |
| Fees payable for statutory audit | 20 | 18 |
| Trustee liability insurance | 2 | 2 |
| | 36 | 20 |
| Fees payable to the auditors for assurance services other than statutory audit | 2 | 2 |
| Depreciation of tangible fixed assets | 337 | 257 |

6. Employee costs

| | 2023 | 2022 |
|---|--------------|--------------|
| | Number | Number |
| Average full-time equivalent number of employees | | |
| Raising Funds | 19.4 | 16.7 |
| Support Functions | 128.6 | 108.9 |
| Charitable Activities | | |
| England | 226.6 | 201.8 |
| London | 59.1 | 68.4 |
| Northern Ireland | 24.7 | 22.8 |
| Scotland | 194.9 | 191.4 |
| Wales | 46.5 | 34.1 |
| | 699.8 | 644.1 |

The average head count (number of employees) during the year was 779 (2022: 713).

| | 2023 | 2022 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Staff costs (for the above employees) | | |
| Wages and salaries | 22,619 | 19,913 |
| Social Security costs | 2,193 | 1,815 |
| Employer's pension contributions | 1,609 | 1,435 |
| | 26,421 | 23,163 |

Statutory redundancy payments totalling £22K (2022: £51K) were made during the year.

| | 2023 | 2022 |
|--|--------|--------|
| | Number | Number |
| The following number of employees received remuneration falling within the following ranges: | | |
| £60,000 to £69,999 | 12 | 6 |
| £70,000 to £79,999 | 1 | - |
| £80,000 to £89,999 | - | 4 |
| £90,000 to £99,999 | 6 | - |
| £120,000 to £129,999 | - | 1 |
| £130,000 to £139,999 | 1 | - |

The remuneration shown above is the only employee benefit received by key management personnel.

All jobs are sized according to the Hay job evaluation system.

In the year the Trustees approved a new Executive Remuneration Policy for the CEO and Executive Team based on the Korn Ferry 'public sector and not-for-profit' benchmark at median level to calibrate the remuneration of Executive Team posts.

The key management personnel are considered to be the Executive team, and during the year, the total payroll cost for members of the Executive team was £810K (2022: £734K).

7. Tangible assets

| | Freehold land and buildings | Office refurbishment | IT Equipment | Plant and Machinery | Total |
|---------------------------------|-----------------------------------|-------------------------|-----------------|------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | |
| At 1 April 2022 | 2,167 | 778 | 183 | 848 | 3,976 |
| Additions | - | 280 | - | 146 | 426 |
| Disposals | - | - | (4) | (64) | (68) |
| At 31 March 2023 | 2,167 | 1,058 | 179 | 930 | 4,334 |
| Accumulated depreciation | | | | | |
| At 1 April 2022 | - | 67 | 167 | 481 | 715 |
| Charge for the year | - | 145 | 8 | 184 | 337 |
| Disposals | - | - | (4) | (36) | (40) |
| At 31 March 2023 | - | 212 | 171 | 629 | 1,012 |
| Net Book Value | | | | | |
| At 31 March 2023 | 2,167 | 846 | 8 | 301 | 3,322 |
| At 31 March 2022 | 2,167 | 711 | 16 | 367 | 3,261 |

Tangible fixed assets held in restricted funds total £1,070K (2022: £1,053K) and comprise the National Cycle Network Centre £903K (2022:£903K), land holdings in Yorkshire totalling £150K (2022: £150K), and plant and machinery £17K (2022: nil).

As at 31 March 2023, capital commitments with a value of £nil (2022: £302K) existed for office refurbishments.

8. Debtors

| | 2023 | 2022 |
|--------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Trade Debtors | 3,251 | 4,324 |
| Accrued income | 2,688 | 1,549 |
| Sundry debtors and prepayments | 1,169 | 424 |
| | 7,108 | 6,297 |

9. Creditors: amounts falling due within one year

| | 2023 | 2022 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Trade Creditors | 7,153 | 10,570 |
| Payments received on account for contracts or performance related grants | 126,530 | 132,979 |
| Accruals | 28,155 | 10,243 |
| Taxation and social security | 1,093 | 1,155 |
| | 162,931 | 154,947 |

Reconciliation of payments received on account for contracts or performance related grants

| | 2023 | 2022 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Brought forward as at 1 April 2022 | 132,979 | 131,437 |
| Released in the year | (73,099) | (60,603) |
| New balances deferred | 66,650 | 62,145 |
| Carried forward as at 31 March 2023 | 126,530 | 132,979 |

The new balances deferred in the year of £66.7M (2022: £62.1M) includes funding from the Department of Transport of £2.9M (2022: £38.9M) and Transport Scotland of £58.9M (2022: £20.4M).

Of the Transport Scotland funds brought forward £43.4M (2022: £44.6M) was released in the year. Of the Department of Transport funds brought forward £27.0M (2022: £13.4M) was released in the year.

10. Financial instruments

| | 2023 | 2022 |
|--|----------|----------|
| | £'000 | £'000 |
| Financial Assets | | |
| Cash | 165,206 | 155,338 |
| Accrued income | 2,688 | 1,549 |
| Trade debtors (settlement amount after trade discount) | 3,251 | 4,324 |
| Financial Liabilities | | |
| Trade creditors (settlement amount after trade discount) | (7,153) | (10,570) |
| Accruals | (28,155) | (10,243) |

11. Restricted income funds

| | Notes | Balance at 1 April 2022 £'000 | Income £'000 | Expenditure £'000 | Transfers from unrestricted funds £'000 | Balance at 31 March 2023 £'000 |
|-------------------------------------|-------|----------------------------------|-----------------|----------------------|--|-----------------------------------|
| Consett and Sunderland Railway Path | | - | 3 | (71) | 68 | - |
| Paisley to Kilwinning and Kilmacolm | | 108 | 5 | - | - | 113 |
| York to Selby Railway Path | | 443 | 12 | (5) | | 450 |
| Worthington Railway Path – Derby | | - | - | (34) | 34 | - |
| Mirehouse Railway Path | | - | - | (44) | 44 | - |
| Historic railway path funds | (1) | 551 | 20 | (154) | 146 | 563 |
| National Cycle Network Centre | (2) | 223 | - | (84) | - | 139 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 83 | - | - | - | 83 |
| Catterick maintenance fund | (5) | 17 | - | - | - | 17 |
| Castleford Greenway | (6) | 122 | - | (1) | - | 121 |
| Lune Valley Cycleway | (7) | 862 | 1,530 | (32) | - | 2,360 |
| Beadnell to Dunston Steads | (8) | 3 | - | (12) | 9 | - |
| Asda Parklet | (9) | 21 | - | - | - | 21 |
| Camel Trail access improvements | (10) | 3 | - | (3) | - | - |
| Big Give | (11) | 41 | - | (24) | - | 17 |
| | | 1,475 | 1,530 | (156) | 9 | 2,858 |
| England | | - | 28,761 | (28,761) | - | - |
| London | | - | 360 | (360) | - | - |
| Northern Ireland | | - | 99 | (99) | - | - |
| Scotland | | - | 64,239 | (64,239) | - | - |
| Wales | | - | 979 | (979) | - | - |
| | | - | 94,438 | (94,438) | - | - |
| | | 2,026 | 95,988 | (94,748) | 155 | 3,421 |

1. The historic railway path funds cover routes acquired from BRB (Residuary) Ltd. Agreements with the relevant local authority state that income arising from the land must be ring-fenced to that land. Where unrestricted funds have been spent on these routes these are shown as transfers into the fund.
2. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605k was received from the

Millennium Commission to assist with the purchase. An appeal to supporters and trusts raised a further £332k. This restricted fund is used to maintain the building.

3. A maintenance fund from Yorkshire Water to be spent on the network within Kirklees.
4. A fund restricted to the long-term maintenance of the Two Tunnels in Bath.
5. Funds received for the long-term maintenance of the Connect 2 project at Catterick, Yorkshire.
6. Funds received in 2017-2018 from the Railway Heritage Trust for the viaduct and greenway phases connecting to the Castleford Greenway in Yorkshire.
7. Funds received from a major donor for the Lune Valley Cycleway in Lancashire.
8. Funds received from a major donor to review off-road alternatives for the NCN 1 between Beadnell and Dunstan Steads in Northumbria.
9. A donation received from a major supermarket to create a pocket park near the NCN 66 in Leeds.
10. Funds received from a donor for access improvement works on the Camel Trail in Cornwall.
11. Funds received from individual donors and match funding from the Big Give to undertake ecology work along the National Cycle Network.

12. Designated funds

| | | Balance at 1 April 2022 | Income | Expenditure | Transfers (to) / from unrestricted funds | Balance at 31 March 2023 |
|------------------|-------|-------------------------------|--------|--------------|---|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed asset fund | (1) | 2,208 | - | (331) | 375 | 2,252 |
| NCN repairs fund | (2) | 1,000 | - | - | (1,000) | - |
| Restructure fund | (3) | 2,966 | - | - | (2,966) | - |
| | | 6,174 | - | (331) | (3,591) | 2,252 |

The fixed asset fund has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds.

The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.

In prior years the funds of the Charity included the following designated funds that had been set aside out of unrestricted funds by the Trustees:

2. There is a risk that there could be damage to the NCN which falls outside of the affordability provided by normal land management and maintenance budgets. The Trustees have set aside £1M designated funds to ensure that routes which are well used, and owned by Sustrans could be repaired and re-instated in the event of severe and unexpected damage.

- The restructure fund has been set up to cope with a scenario in which Sustrans has to restructure to reduce activities significantly because of a lack of funding but retain a core activity which could be funded by continuing charitable donations.

During the year the reserves policy was updated, removing the designated 'NCN repairs fund' and 'Restructure fund', and instead mitigating these risks with a 'General fund'.

13. Limitation by guarantee

The Company is limited by guarantee and does not have a share capital. The liability for members in the event of winding up is limited to an amount not exceeding £1 per member.

14. Financial commitments

| | 2023 | 2022 |
|--|------------|--------------|
| | £'000 | £'000 |
| The total of future minimum lease payments under non-cancellable operating leases for each of the following periods: | | |
| Not later than one year | 355 | 210 |
| Later than one year and not later than five years | 567 | 975 |
| | 922 | 1,185 |
| Lease payments recognised as an expense | 334 | 485 |

15. Legal charges

In December 1995 the Charity entered into a debenture with the Millennium Commission giving a floating charge over the assets of the Charity as part of the agreement for grants from the Millennium Commission.

In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605,000 was received from the Millennium Commission to assist with this purchase.

A charge over the building was created, in addition to the existing Debenture held by the Commission, in October 2005.

When the Millennium Commission was abolished in November 2006 these charges transferred to its successor, the Big Lottery Fund. In August 2014 the Big Lottery Fund released Sustrans from the floating charge, but the fixed charge over the building in central Bristol remains.

Over a number of years Sustrans acquired disused railway lines in England which were covered by a fixed charge in favour of the appropriate authority. The legal charges in existence are as follows:

- land situated at Naburn, Escrick and Riccall, North Yorkshire is covered by a fixed charge in favour of Selby District Council
- land on the Consett to Sunderland Railway is covered by a fixed charge in favour of Derwentside and Chester-le-Street District Councils (now Durham County Council) and Sunderland City Council
- land forming the track bed of part of the disused railway in Cumbria is covered by a fixed charge in favour of Copeland Borough Council
- the Worthington Branch Line is covered by a fixed charge in favour of Derbyshire County Council and Leicestershire County Council
- the Foss Island branch line is covered by a fixed charge in favour of the City of York Council.

16. Grants paid to institutions

During the reporting year grants of more than £400K have been paid to the following institutions as reimbursement for project delivery:

| | 2023 | 2022 |
|-------------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Aberdeen City Council | 86 | 1,775 |
| Angus Council | 393 | 1,012 |
| Argyll and Bute Council | 250 | 1,457 |
| Ayrshire Roads Alliance | 400 | 72 |
| Canal and River Trust | 1,013 | - |
| City of Edinburgh Council | 13,458 | 11,293 |
| Clackmannanshire Council | 481 | 1,283 |
| Clyde Gateway URC | - | 600 |
| Cornwall Council | 581 | - |
| Doncaster Council | 480 | - |
| Dorset County Council | 516 | - |
| Dundee City Council | 4,100 | 3,127 |
| East Ayrshire Council | 14 | 660 |
| East Lothian Council | 709 | 1,202 |
| East Renfrewshire Council | 321 | 930 |
| Edinburgh and Lothians Greenspace | 657 | 15 |
| Falkirk Council | 316 | 631 |
| Fife Council | 476 | 1,029 |
| First MTR South Western Trains Ltd | 487 | - |
| Glasgow City Council | 3,046 | 7,325 |
| Glasgow Science Centre | 12 | 1,318 |
| Gloucestershire County Council | 1,000 | - |
| Hampshire County Council | 521 | 128 |
| Highland Council | 1,089 | 3,176 |
| Lancashire County Council | 406 | 332 |
| NHS Grampian | 18 | 800 |
| North Ayrshire Council | 236 | 1,289 |
| North Lanarkshire Council | - | 989 |
| North Somerset Council | 800 | - |
| Northern Trains Limited | 487 | - |
| Northumberland County Council | 463 | - |
| Perth and Kinross Countryside Trust | 426 | 309 |
| Renfrewshire Council | 454 | 964 |
| Scotrail Railways | 1,462 | - |
| Scottish Borders Council | 9,324 | 3,384 |
| Scottish Canals | 2,956 | 10,291 |
| SE Trains Limited | 1,039 | - |
| South Ayrshire Council | 1,067 | 1,533 |
| South Lanarkshire Council | 8 | 1,502 |
| Staffordshire County Council | - | 509 |
| Stirling Council | 752 | 1,492 |
| The Moray Council | 436 | 71 |
| West Dunbartonshire Council | 172 | 2,557 |
| West Lothian Council | 345 | 1,114 |
| Others less than £400K | 7,238 | 7,814 |
| | 58,495 | 71,983 |

17. Grants received from government bodies

During the year grants of more than £100K were received from government bodies in relation to a wide number of projects that fall under the Charity's objectives as outlined in the Trustees' Report. The granting government bodies were:

| | 2023 | 2022 |
|--------------------------|---------------|---------------|
| | £'000 | £'000 |
| Transport Scotland | 63,664 | 82,493 |
| Department for Transport | 27,349 | 14,309 |
| Welsh Government | 948 | 817 |
| National Highways | 160 | - |
| Midlothian Council | - | 100 |
| Other government bodies | 288 | 297 |
| Total | 92,409 | 98,016 |

18. Net Assets

| | 2023 | | | 2022 | | |
|-------------------------------|------------------|--------------------|---------------|------------------|--------------------|---------------|
| | Restricted Funds | Unrestricted Funds | Total | Restricted Funds | Unrestricted Funds | Total |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Tangible fixed assets | 1,070 | 2,252 | 3,322 | 1,053 | 2,208 | 3,261 |
| Current assets | 3,134 | 169,436 | 172,570 | 1,672 | 160,196 | 161,868 |
| Creditors due within one year | (783) | (162,148) | (162,931) | (699) | (154,248) | (154,947) |
| Total | 3,421 | 9,540 | 12,961 | 2,026 | 8,156 | 10,182 |

19. Railway Paths Limited

Railway Paths Limited was established as a Charity in May 1998 to take ownership of a number of disused railway lines from Rail Property Ltd as to transform them into walking, horse-riding and cycling routes for the benefit of the public.

One of the charitable objectives of Railway Paths Limited is the support, promotion and encouragement of the charitable activities of Sustrans Ltd. We collaborate with Railway

Paths Limited to work as efficiently as possible and share resources to achieve our aligned objectives and vision.

Although the two organisations are not legally connected entities, we have disclosed the transactions between the two organisations below in the interests of transparency.

During the year Sustrans charged Railway Paths £121K (2022: £79K) for Finance, HR, Legal and Land management services. Railway Paths charged Sustrans £68K (2022: £41K) for Bridge and Estate management services. At the 31st March 2023 £15K (2022: £27K) was owed by Sustrans to Railway Paths, and £43K (2022: £30K) was owed by Railway Paths to Sustrans.

There were no other related party transactions in the current or prior year.

20. Subsidiaries

The following were subsidiary undertakings of Sustrans:

| Name | Company Number | Class of shares | Holding |
|-------------------------------|----------------|-----------------|---------|
| Sustrans (Trading) Limited | 03635468 | Ordinary | 100% |
| Sustainable Transport Limited | 03732011 | Ordinary | 100% |

The financial results of the subsidiaries for the year ended 31 March 2023 were:

| Name | Net assets (£) |
|-------------------------------|----------------|
| Sustrans (Trading) Limited | 1 |
| Sustainable Transport Limited | 1 |

Both subsidiaries are dormant entities and had no trading activity during this or the prior year. Both subsidiaries have the same registered office or principal place of business as Sustrans.

21. Comparative notes from 2021-2022 financial statements Statement of Financial Activities

| | | Unrestricted Funds | Restricted Funds | Total Funds 2022 | Total Funds 2021 |
|--------------------------------------|-------|--------------------|------------------|------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | |
| Donations and Legacies | | 4,431 | 44 | 4,475 | 4,432 |
| Charitable activities | 2 | 9,789 | 100,201 | 109,990 | 62,183 |
| Investment income | | 250 | - | 250 | 330 |
| Total income | | 14,470 | 100,245 | 114,715 | 66,945 |
| Expenditure | | | | | |
| Raising funds | | 1,732 | - | 1,732 | 911 |
| Charitable activities | | 12,461 | 100,626 | 113,087 | 65,350 |
| Total expenditure | 3 | 14,193 | 100,626 | 114,819 | 66,261 |
| Net (expenditure) / income | 5 | 277 | (381) | (104) | 684 |
| Transfers between funds | | (204) | 204 | - | - |
| Net movement in funds | | 73 | (177) | (104) | 684 |
| Reconciliation of funds | | | | | |
| Fund balances brought forward | | 8,083 | 2,203 | 10,286 | 9,602 |
| Fund balances carried forward | | 8,156 | 2,026 | 10,182 | 10,286 |

22. Comparative notes from 2021-2022 financial statements Balance Sheet at 31 March 2022

| | | Unrestricted Funds | Restricted Funds | Total Funds 2022 | Total Funds 2021 |
|---|-------|--------------------|------------------|------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 7 | 2,208 | 1,053 | 3,261 | 2,388 |
| Current assets | | | | | |
| Stock | | 233 | - | 233 | 88 |
| Debtors | 8 | 6,297 | - | 6,297 | 3,889 |
| Cash at bank and in hand | | 153,666 | 1,672 | 155,338 | 139,100 |
| Total Current Assets | | 160,196 | 1,672 | 161,868 | 143,077 |
| Creditors: amounts falling due within one year | 9 | (154,248) | (699) | (154,947) | (135,179) |
| Net current Assets | | 5,948 | 973 | 6,921 | 7,898 |
| Total Net Assets | | 8,156 | 2,026 | 10,182 | 10,286 |
| The Funds of the Charity | | | | | |
| Restricted | 11 | | | 2,026 | 2,203 |
| Unrestricted | | | | | |
| Designated | 12 | | | 6,174 | 5,301 |
| General | | | | 1,982 | 2,782 |
| | | | | 8,156 | 8,083 |
| Total Funds | | | | 10,182 | 10,286 |

23. Comparative notes from 2021-2022 financial statements Restricted funds

| | | Balance at 1 April 2021 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2022 |
|-------------------------------------|-------|-------------------------------|----------------|------------------|--|--------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett and Sunderland Railway Path | | - | 2 | (70) | 68 | - |
| Paisley to Kilwinning and Kilmacolm | | 108 | 4 | (4) | - | 108 |
| York to Selby Railway Path | | 443 | 12 | (34) | 22 | 443 |
| Worthington Railway Path – Derby | | - | - | (69) | 69 | - |
| Mirehouse Railway Path | | - | - | (43) | 43 | - |
| Historic railway path funds | (1) | 551 | 18 | (220) | 202 | 551 |
| National Cycle Network Centre | (2) | 363 | - | (140) | - | 223 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 83 | - | - | - | 83 |
| Catterick maintenance fund | (5) | 17 | - | - | - | 17 |
| Frome's missing link donations | | 6 | - | (6) | - | - |
| Track of the Ironmasters | | - | 38 | (40) | 2 | - |
| Castleford Greenway | (6) | 122 | - | - | - | 122 |
| Lune Valley Cycleway | (7) | 918 | - | (56) | - | 862 |
| Beadnell to Dunston Steads | (8) | 18 | - | (15) | - | 3 |
| Asda Parklet | (9) | 21 | - | - | - | 21 |
| Camel Trail access improvements | (10) | 4 | - | (1) | - | 3 |
| Big Give | (11) | - | 41 | - | - | 41 |
| | | 1,652 | 79 | (258) | 2 | 1,475 |
| England | | - | 15,269 | (15,269) | - | - |
| London | | - | 318 | (318) | - | - |
| Northern Ireland | | - | 105 | (105) | - | - |
| Scotland | | - | 83,580 | (83,580) | - | - |
| Wales | | - | 876 | (876) | - | - |
| | | - | 100,148 | (100,148) | - | - |
| | | 2,203 | 100,245 | (100,626) | 204 | 2,026 |

24. Comparative notes for 2021-2022 financial statements Designated funds

| | | Balance at 1 April 2021 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2022 |
|------------------|-------|-------------------------------|--------|--------------|--|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| NCN repairs fund | (1) | 1,000 | - | - | - | 1,000 |
| Fixed asset fund | (2) | 1,335 | - | (257) | 1,130 | 2,208 |
| Restructure fund | (3) | 2,966 | - | - | - | 2,966 |
| | | 5,301 | - | (257) | 1,130 | 6,174 |

Walk Wheel Cycle Trust

England & Wales - Charity number 326550

Accounts

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Legal and administrative information

Sustrans is a company limited by guarantee and a registered charity governed by its Articles of Association.

Registered Office 2 Cathedral Square, Bristol BS1 5DD

Charity Number 326550 (England and Wales)
SC039263 (Scotland)

Company Number 1797726 (England and Wales)

Trustees and Directors

The trustees who were in office during the year and up to the date of signing the Annual Report and Financial Statements were:

Lynne Berry CBE (RC) Chair (resigned 31 March 2022)

Horace Carter-Allen (AR) (RC)

Su Crighton

Alistair Gibbons

Moray Macdonald (FP) Chair (appointed 23 June 2022)

Catherine Max (AR) (E)

Stuart Mills (FP) (E) (RC)

Heather Preen (E) (AR)

Oliver Reichardt (FP) (resigned 28 July 2021)

Helen Simpson (AR) Vice Chair

Frank Swinton (FP) (RC)

Fiona Westwood (FP) (RC)

Nicola Wood

AR = Audit and Risk Committee

FP = Finance and Performance Committee

E = Estates Committee

RC = Remuneration Committee

Company Secretary Emily B Wilson¹

Notes:

¹ Andy Appleby was Company Secretary until 31 March 2022

Executive Directors

| | |
|-----------------|---|
| Xavier Brice | Chief Executive |
| Stewart Carruth | Interim Executive Director, Scotland ² (from 28 March 2022) |
| Sally Copley | Executive Director, External Affairs ³ (from 1 September 2021) |
| Susie Dunham | Executive Director, Impact |
| Harry Hayer | Executive Director, People and Organisational Development |
| Sam Kemp | Executive Director, Finance and Resources ⁴ |
| Matt Winfield | Executive Director, England & NI |

Notes:

² John Lauder was Deputy Chief Executive with responsibility for Scotland, Wales and Northern Ireland until 28 March 2022

³ Di Gornall was Acting Executive Director of External Affairs until 31 August 2021

⁴ Victoria Reynolds was Interim Executive Director Finance and Resources until 30 June 2021

Advisers

Independent auditors

Crowe UK LLP
Fourth Floor
St James House
St James Square
Cheltenham, GL50 3PR

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

Burness Paull LLP
50 Lothian Road
Edinburgh EH3 9WJ

Veal Wasborough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

McCartney Stewart
1B Paisley Road
Renfrew PA4 8JH

Bankers

Lloyds Bank plc
Bristol City Centre Branch
PO Box 1000, BX1 1LT

HSBC Bank plc
3 Temple Quay
Bristol BS1 6DZ

Clydesdale Bank plc
23 Bank Street
Airdrie, ML6 6AD3

Santander UK plc
12 Baldwin Street
Bristol BS1 1SD

Report of the trustees

About us

Sustrans is the charity making it easier for people to walk and cycle. We connect people and places, create liveable neighbourhoods, transform the school run and deliver a happier, healthier commute. Sustrans works in partnership, bringing people together to find the right solutions. We make the case for walking and cycling by using robust evidence and showing what can be done. We are grounded in communities and believe that grassroots support combined with political leadership drives real change, fast.

At Sustrans, we are committed to our work being for everyone, and the principle of being inclusive is at the heart of all we do.

Public benefit

In setting our aims and objectives, carrying out our activities, and reporting on our achievements, we have complied with the requirements of the Charities Act to have due regard to public benefit guidance published by the Charity Commission. The remainder of this report describes how Sustrans has planned and delivered its public benefit.

Strategic Report

Our aims and objectives

Sustrans' charitable objects, as set out in our articles of association, are:

- to promote and encourage, both in the UK and overseas, for the public benefit the development in the community and the provision of safe routes, paths and facilities for cycling, walking and other forms of low energy transport and
- to undertake and carry on projects and activities of a charitable nature which will assist in promoting healthy recreation, the protection of the environment and the conservation of energy resources.

Our vision

Our vision is of a society where the way we travel creates healthier places and happier lives for everyone.

Our mission

Our mission is to make it easier for people to walk and cycle.



For Everyone

We know that people, individually, benefit from walking and cycling, and society overall benefits when more of us are walking and cycling. But those benefits are not enjoyed equitably. Making it easier for people to walk and cycle leads to healthier places and happier lives, but not currently for everyone.

Some people are more likely to experience the negative impact of others' travel choices. They face greater barriers to walking, cycling, wheeling and accessing pleasant, healthy places.

To guide our work we are committed to embedding our 'For Everyone' principles in everything we do:

- The benefits of walking, cycling, wheeling and healthy places aren't experienced equitably, so we prioritise work with people and in places that challenges that inequity.
- So that we develop solutions that work for everyone, we involve people with different and seldom-heard voices.
- Being For Everyone isn't a box we can tick. We can't be complacent, or merely compliant; we have to keep questioning and asking if we can do more.
- We work with others to include everyone. We can't do this on our own.

Principle 1

The benefits of walking, cycling, wheeling and healthy places aren't experienced equitably, so we prioritise work with people and in places that challenges that inequity.

So, we will work:

- For the benefit of people whose lives are made most unhappy by how we travel;
- In places that have the most potential to be healthier by changing how people travel through them;
- With people whose travel behaviour has a significant impact on the places and people around them; and the partners and organisations that can influence that behaviour.

Principle 2

So that we develop solutions that work for everyone, we involve people with different and seldom-heard voices.

So, we will:

- Go the extra mile to understand the context;
- Bring beneficiary voices in early;
- Create inclusive places; for example, no steps on the Network.

Principle 3

Being for everyone isn't a box we can tick. We can't be complacent, or merely compliant; we have to keep questioning and asking if we can do more.

So, we will:

- Seek feedback / open ourselves up to criticism – ensure our platforms allow opportunities for two-way communication, not just broadcast;
- Go beyond our legal responsibilities in recruitment to achieve a more diverse workforce;
- Work in accordance with the public sector equality duty – even when it doesn't apply to us.

Principle 4

We work with others to include everyone. We can't do this on our own.

So, we will:

- Develop more mutually beneficial partnerships, where we maximise opportunities to learn from each other;
- Take a more active role in convening others and bringing together different perspectives to co-create solutions;
- Challenge and raise the ambitions of our partners, and encourage the same challenge from them.

'For Everyone' is a cross-cutting strategic theme that is central to both our strategic priorities: Paths for Everyone and Liveable Cities and Towns for Everyone, as well as how we work internally as a charity.

Our values

Our values guide us in everything that we do:

- We include everyone
- We have the courage to question
- We act local and think big
- We get things done, together
- We're always learning

Strategic Priorities

The following three strategic priorities set out how we will achieve our mission, and ultimately our vision:

1. **Paths for Everyone.** This was developed in 2018 following our wide-ranging and collaborative review of the National Cycle Network in our role as custodian .
2. **Liveable Cities and Towns for Everyone.** This was developed in 2019/20. Our goal is to help shape places that connect us to each other and what we need, where everyone can thrive without having to use a car.
3. Our third priority, developed during 2020/21, focuses on improving our operating model to ensure that Sustrans is **a Fit and Nimble charity for everyone** and is in great shape to deliver our strategy.

Paths for Everyone

As custodians of the National Cycle Network (NCN), Sustrans has a responsibility to steward this iconic national asset so that more and different users can enjoy it, today and into the future. Working with our supporters and volunteers, and partners across government and the public sector, and other charities we set a shared goal for the Network:

Our goal is to develop a UK-wide network of traffic-free paths for everyone, connecting cities, towns and countryside, loved by the communities they serve.

It has taken over 20 years to deliver 5,000 miles of traffic free infrastructure; we have now set ourselves, and our partners, the target of doubling this by 2040 to over 10,000 miles of traffic-free or segregated routes. The remainder of the Network will be turned into quiet-way routes, where speed limits are low, and walking and cycling can take priority. By 2040 the entire Network will be of a 'good' or 'very good' standard.

Through increasing the number of traffic-free routes, reducing speed limits, redesigning or removing all barriers, improving signage and wayfinding, the Network will become safer and more accessible for everyone. It will better meet the needs of those who are disabled or less physically active, women, new cyclists, children, parents with buggies, wheelchair users, and many more people beyond. Fundamentally, we want to make it easier and more enjoyable for more and different people to use the Network.

Liveable Cities and Towns for Everyone.

Since 1977, Sustrans has been leading the campaign to tackle car dominance on our streets, and we have been at the forefront of offering millions of people across the country sustainable and active alternatives to the car. Yet over the last four decades, car ownership and traffic levels in our cities and towns has continued to grow. We know this cannot continue. The climate crisis gives us just a decade to radically transform how we move. The solution is simple: we need fewer vehicles on our streets, and more people walking, cycling, scooting and wheeling for everyday journeys.

Over the years, Sustrans has pioneered work to improve the walkability and cycle-friendliness of our towns and cities. Working with our supporters, partners and the wider public we have developed a set of principles for what makes a town or city more liveable for everyone. A liveable city or town:

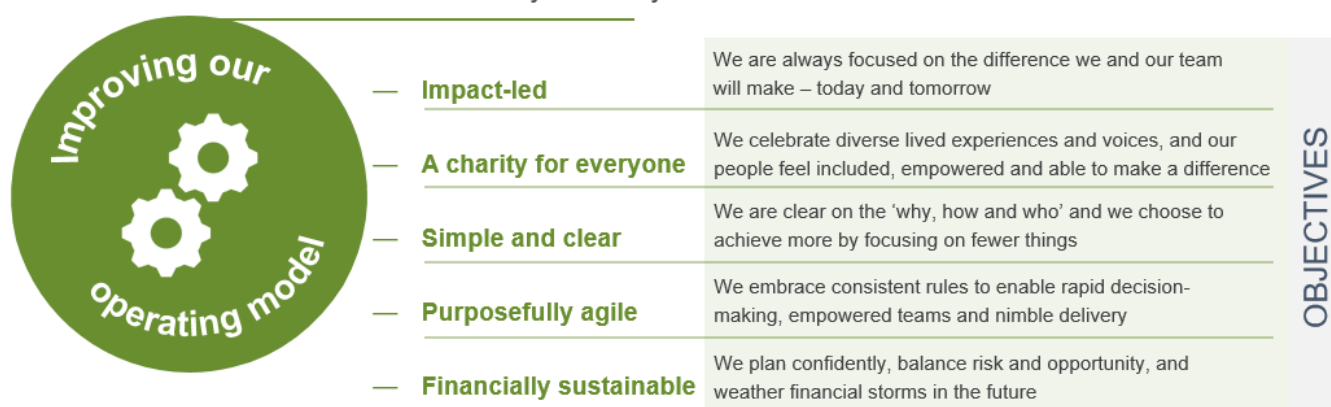
- Has social connection at its heart
- Has most of what you need just a short walk away
- Has roots and celebrates its unique character
- Is easy for everyone to move around healthily in
- Has clean air and green space for all to live and play in

A Fit and Nimble Charity for Everyone

During 2020-21, we developed a third strategic priority around improving our operating model. The priority is to be a fit and nimble charity for everyone – a Sustrans that is in great shape to deliver our strategy.

Underpinning this priority are five internal objectives, each described by our aspiration for Sustrans:

A fit and nimble charity for everyone



We have identified a portfolio of initiatives to make improvements to our operating model. We are taking an evolutionary and agile approach, aimed at making a succession of relatively small improvements, sometimes as tests and pilots, learning from those and then rolling out broader change over a two to three year period. We expect the portfolio to evolve.

An Internal Portfolio Board has been set up to oversee the work, with a fairly simple portfolio management process to coordinate and monitor the individual initiatives.

Our 2021/22 business plan objectives and targets

Impact against our strategic priorities

In 2021/22 we delivered against the following objectives, set out against our goals:

A UK-wide network of traffic-free paths for everyone, connecting cities, towns and countryside, loved by the communities they serve

OBJECTIVES

- **Improve the quality** of the existing traffic-free network
- **Convert** on-road to traffic-free or quiet-way miles
- **Remove or redesign** barriers
- Increase **community** involvement
- Increase the **number and diversity** of users
- Ensure partners and the public **love and value** it
- Improve **user experience**



Places that connect us to each other and what we need, where everyone can thrive without having to use a car

- **Raise ambition for change** by enabling and encouraging ambitious urban leadership
- **Demonstrate change** by improving liveability in cities or towns
- **Amplify voices for change** through local citizen and stakeholder engagement
- **Provide a credible voice** in shaping the future of cities and towns

OBJECTIVES

Delivery against these objectives is through specific programmes and projects owned by teams across Sustrans and is covered in achievements and performance below.

How we deliver our objectives

We deliver our objectives through a number of different types of activity.

We manage grant programmes to fund partner organisations to deliver their own walking and cycling projects. The policy of grant awards is to invest in projects that fit within Sustrans' strategic vision and objectives and are able to clearly demonstrate impact and value. We have specific written procedures for each of our grant programmes, which reflect our funders' requirements and the objectives of the grant programme. These procedures are guided by our own governance arrangements and our delegated authority framework. All of our grant award procedures include a robust application process, and rigorous assessment through an appropriately skilled and representative advisory panel. Formal funding agreements are in place for all approved grant awards.

We have quality assurance processes in place to ensure that schemes which are funded through our grant programmes meet our specifications and quality standards. In some cases, we also advise and support the design and delivery of projects that benefit from grant funding that we provide.

We also carry out projects with and on behalf of partner organisations. These projects range from working with communities to design solutions to make it easier for them to walk and cycle, conducting feasibility studies for infrastructure proposals, providing advice to partners, and helping enthuse and educate children around the benefits of walking and cycling as part of daily life.

We conduct research and carry out studies to demonstrate the impact of interventions to make it easier for people to walk and cycle; both our own projects and those of partner organisations. This in turn helps to improve the impact of those projects.

We work to influence government policy and funding for walking and cycling at all levels in the UK, including the UK Government, the devolved national governments, city regions, combined authorities, and local authorities.

We also promote walking and cycling to the general public, including the National Cycle Network of which we are custodians. We do this directly ourselves and increasingly through partner organisations.

We also manage our own estate, which carries sections of the National Cycle Network. These are managed to make it easy for people to walk, cycle and enjoy them, and also as ecological sites.

Our people

The dedication of our people has stood out across the year as we have adapted to the post pandemic world.

We have introduced hybrid working and opened our flagship Bristol Hub, as well as other locations, which will enable our colleagues to work flexibly and position us in the market to be able to attract from a wider talent pool. We continued to invest in our colleagues' wellbeing and have introduced a more comprehensive employee assistance programme.

The average number of people employed by Sustrans in 2021/22 was 713, up from 694 the previous year. Voluntary turnover increased to 20% in Quarter 4 of 2021/22, exceeding pre pandemic levels of c.17.5% per annum.

In Quarter 3, a pay and benefits review was conducted by Korn Ferry to strengthen our ability to attract and retain talent and place us in the optimal position to deliver our strategic priorities. Korn Ferry's recommendations are in the process of being implemented over a two-year period.

The labour market was challenging and we have continued to focus on improving our recruitment approach.

We continued to invest in the development of our people. A new leadership programme called 'Leading for Impact' was launched May 2021. This 3-month programme was successfully delivered to c100 leaders across the charity. We launched a new approach to the annual appraisal process called 'Personal Impact and Development', to help improve the consistency, quality, and frequency of performance and development conversations for all colleagues. The new approach enables greater alignment with how a colleague's work contributes to the charity's strategic priorities and reinforces our core values. In addition, we have strengthened our Equality, Diversity and Inclusion training provision by updating our e-learning training and delivering conscious inclusion training sessions.

Our fifth annual Colleague Engagement Survey took place in September 2021. The response rate was extremely high at 90%. The 'employee net promoter score' (eNPS) measuring responses such as 'how likely are you to recommend Sustrans as a place to work?', and giving an indication of levels of engagement, was +22. This was a decline on the previous year's score of +45 but still above the all-sector average (+5) and not-for-profit average (+18).

Our colleague forum continued to grow and provided a valuable sounding board on a range of people matters.

We prioritised employee empowerment and engagement through the creation of five new colleague networks and further developed equality, diversity and inclusion groups across the UK. Our commitment to diversity and inclusion continued through the delivery of our Accelerating for Everyone Programme. We also published a Race Equity statement and plan.

We celebrated National Inclusion week in September 2021 with a week of events to reinforce the importance of dignity and respect at work for all. Our equality, diversity, and inclusion groups and colleague networks created a range of safe spaces for people to raise concerns or ideas and to feel supported. This led to a variety of "learning For Everyone" events throughout the year on topics ranging from LGBTQiA – the basics, and menopause awareness to inclusion in cycling and discussing gender equality in transport for International Women's Day.

For the first time, in 2021, we published pay gaps for ethnicity, disability, and sexual orientation, as well as gender.

In interpreting the data, a positive percentage figure reveals that typically, or overall, the colleagues in that group (e.g. women, people of colour, disabled colleagues) have lower pay than colleagues not in that group. A negative percentage figure reveals that typically, or overall, the colleagues in that group (e.g. women, people of colour, disabled colleagues) have higher pay than colleagues not in that group. A zero percentage figure reveals no gap between the pay of the comparison groups.

| Pay gap | 2022 – Mean % | 2021 – Mean % | 2022 – Median % | 2021 – Median % | Comment |
|---|---------------|---------------|-----------------|-----------------|---|
| Gender | 5.75 | 6.67 | 4.3 | 4.49 | The proportion of women working at Sustrans has increased, but we still had more women in lower paid roles (60%) than in higher paid roles (40%). |
| Ethnicity – (ACEVO Voice4change method) | 1 | | 0 | | |
| Ethnicity – (ONS method) | -7 | | 1.26 | | This demonstrates the sensitivity of pay gap analysis when dealing with a small number of colleagues, particularly at higher grades. |
| Disability | -5.9 | | -6 | | Whilst this was skewed by a small number of senior colleagues, we know that we have proportionately more disabled colleagues in lower grades than any other pay quartile. We not only need to attract more disabled colleagues into Sustrans, we need to retain and help them to progress through our organisation. |

We undertook a structural review in Scotland to strengthen our operations and impact. The new structure provides greater clarity around roles, responsibilities and decision making and allows for greater flexibility to manage changing projects and capitalise on future opportunities.

Our volunteers

Volunteering is fundamental to Sustrans, and our 3,500 volunteers continue to broaden our reach; connecting us to places, people and society; bringing knowledge and skills, and ensuring the legacy of our work. During 2021/22 volunteers recorded over 21,000 hours, a change from the previous year's 7,000 hours which was very low due to the pandemic restrictions on activity.

Sustrans' volunteers, alongside colleagues, partners, community groups and supporters played a key role in actively enabling both our strategic priorities. Contributing to our mission we know their involvement had a direct impact on the key outcomes of stronger social connection, improved physical health and improved wellbeing.

Our 2022 national volunteering survey measured those outcomes in our volunteers: 44% feel closer to their community, 45% have more and/or stronger social connections, 36% increased their physical activity and 42% have improved wellbeing as a result of volunteering with Sustrans.

We have seen a significant improvement in our volunteering Net Promoter Score – “How likely are you to recommend Sustrans to friends and family as a good organisation to volunteer with?” This score rose in the two years since the last survey in 2020, from +2 to +25.

Our achievements and performance

Paths for Everyone

In February we published our new report, Paths for everyone: Three years on, updating on work completed across the UK, since we published the National Cycle Network review in 2018.

2021/22 has been a busy year on the Network. We improved the quality of existing traffic-free Network routes, and we converted on-road routes to traffic-free. Working with our partners we completed 12 new ‘activation’ projects that will increase walking and cycling on the Network, exceeding our annual target of 10.

Like the National Cycle Network, completed projects cover the breadth of the UK. For example, a 2km section of the Swiss Valley route, near Tumble in Wales, was resurfaced and drainage upgraded to provide a fully sealed surface – this brought the entire length of the Swiss Valley route up to NCN standards.

Scotland’s ‘Bowline’ project formally opened in September. This project included refurbishment of three former railway bridges, removal of a dangerous road crossing along Route 7, installation of a fully accessible ramp connection to Route 7 at Bowling Harbour, and creation of an attractive traffic-free link, including a linear park inspired by New York City’s Highline.

Many improvements took place across the Network in England, for example, in March we completed a project to widen and resurface a popular section of Hadrian’s Cycleway (National Cycle Network route 72) between Wylam in Northumberland and the city of Newcastle’s Newburn area. We repaired and widened the surface of the 2m path to create a 4m sealed surface along the riverside route, benches were installed, and planting improved the local environment.

To make the Network more accessible for all, we have removed or redesigned 423 barriers, exceeding our annual target of 213. In addition to removing and redesigning barriers, we undertook a volunteer-led audit of what the remaining barriers are and where they are, across the Network. We also completed a Barrier Removal Strategy and Action Plan which will guide our delivery going forward.

We continue to build community involvement, with 63 new community groups engaged, against a target of 35. For example, in Scotland, where communities continued to deliver exciting projects with support from our community art fund ‘ArtRoots’ - empowering them to feel more connected with the Network and to love and care for their local routes, as well as making them more exciting places to visit.

Increasing the number and diversity of users is a critical objective for us, and we want to ensure that all users enjoy their experience. In 21/22 - the number of traffic-free Network users increased by 24%, alongside an increased Net Promotor Score (+53, up from +47). We delivered a range of activities to attract people to the Network. For example, we launched a series of art installations and performances celebrating Black History Month along traffic-free National Cycle Network routes in Glasgow, Edinburgh, Dundee, North Ayrshire and West Dunbartonshire. Eight pieces along the routes celebrated notable Black people from Scotland's history, and key events that have made Scotland the country it is today.

2021/22 has been a challenging year, and we did not meet all of the targets that we set for ourselves. For example, we did not deliver the amount of traffic-free and quietway miles that we had hoped to, or address all the signage issues we had identified for action. A combination of external factors led to this, including delays in the award of funding, Covid impacts and cost inflation leading to reduced project scope. We work with local authority and other stakeholders to deliver our Paths for Everyone goal, and many have experienced similar constraints.

Despite this external context, we are proud of the impact we have achieved in collaboration with our partners, communities, volunteers and supporters.

Liveable Cities and Towns

We closed 2021/22 having consolidated our focus cities and towns - down from 58 in 2020/21 to 45 in 2021/22. Our focus cities and towns will continue to fluctuate over the course of our 5-year strategy, with some falling out of focus where practice is not meeting with ambition, and others moving into focus due to raised ambition/changes in the political and funding context.

Raising ambition for change

We continued to raise ambition for change – most notably through our work to support government and local authority active travel strategic planning. For example, in Northern Ireland, we worked with the Northern Ireland Climate Coalition to influence the Climate Change Bill, which was passed at Stormont in early March – this is a landmark piece of legislation that should ensure greater investment in active travel.

Following successful delivery of £29m of temporary infrastructure with Local Authorities in Scotland over Covid, we have been progressing the 'Route Map to Permanence' with Transport Scotland, focused on the most impactful projects.

In England, we supported the development of ambitious Local Cycling and Walking Implementation Plans, sharing concept designs with local authorities. We are now focused on influencing partners to turn their ambition into reality.

Demonstrating change

This year the number of our projects located within the most deprived areas (the two highest quintiles for deprivation) increased to 46%, exceeding the annual target of 44%.

We continued to demonstrate change, predominantly in our work to deliver Low Traffic Neighbourhoods across the UK. School Streets also continued to play a large role in our delivery. For example, Sustrans' Healthy Streets Officer team in London supported the delivery of more than 300 Schools Streets across the capital.

Our work in collaboration with partners has been award winning. Our cycling project supporting women and children staying in a refuge in Brighton was awarded 'Best Partnership' at the Modeshift National Sustainable Transport Awards 2021.

Amplifying voices for change

This year, we enjoyed the opportunity to get back to in-person public and stakeholder engagement focused on the changes people want to see to their local areas. In England we delivered 'Advocates Workshops', supporting people with the skills to advocate for Low Traffic Neighbourhoods.

We continued to use our voice and amplify voices for change at a UK level, through the delivery of initiatives like 'Big Walk and Wheel' - the UK's biggest interschool walking, wheeling and cycling competition. This year 2.2 million journeys were logged, with 796,000 pupils taking part from over 2,000 schools. Our Amazing Journeys theme encouraged pupils to see their local area from a new perspective whilst learning about the benefits of active travel.

Policy and influencing successes to make it easier for everyone to walk and cycle

UK wide

2021 saw the global climate summit COP26 take place in Glasgow. Together with the Sustainable Transport Alliance we delivered an event entitled 'People Make Transport' at the COP26 Green Zone on 'Transport Day'. Chaired by our Chief Executive, the panel spoke about the importance of coming together on public transport, on walking and cycling, and about ways of moving that connect us to ourselves, each other and our places.

Through years of positive influence and working in partnership seeking to make walking, wheeling and cycling more accessible and desirable, significant changes were made to the new Highway Code published in January 2022. The Highway Code now prioritises safety for all and introduces a hierarchy of road users. This means that those walking and cycling are now recognised as the most vulnerable road users, making their safety of paramount importance.

We were one of the few organisations asked to contribute to the draft Cycling and Walking Investment Strategy 2 and were successful in securing five years of funding for the National Cycle Network.

We undertook research to prepare six clear policy recommendations for our forthcoming work on spatial planning. This is work that is crucial to ensuring increased delivery of 20-minute neighbourhoods and therefore, liveable cities and towns for everyone. These policy recommendations also underpin our work on Paths for Everyone, calling for the National Cycle Network to be recognised as a nationally strategic piece of infrastructure akin to coastal paths.

February 2022 saw the publication of the Paths for Everyone, Three Years On report, which updates on the work completed by Sustrans teams across the UK's nations and regions to improve the access, safety, and public appeal of the Network. The report highlighted that 72% of users stated the Network is their best option for transport, with 95% using it for exercise. The use of the Network also dramatically increased throughout the Covid-19 pandemic: since 2019, approximately 121 million more trips were taken on the Network than the previous year and at the height of pandemic in 2020, the Network carried approximately 4.9 million users over 764.8 million trips.

Working in partnership with others continues to be important to us, and we worked in close collaboration with ARUP and Living Streets to publish our Walking for Everyone guidance, for inclusive walking and wheeling. Our research found that walking is often ignored in transport policy: 72% of disabled people would find fewer cars parked on the pavement useful to walk or wheel more. This guide was designed to support national and local governments including transport and spatial planning professionals, organisations helping to improve the lives of people who may be marginalised, and anyone helping to make walking and wheeling more inclusive. We launched the document at the first national Walking Summit in March 2022, a hybrid event which was also attended by a Minister and the Active Travel Commissioner for England.

Northern Ireland

The Climate Change Bill was passed at Stormont in early March 2022. This is a landmark piece of legislation that should ensure greater investment in active travel. It includes a clause that a minimum 10% of the transport budget should be spent on walking and cycling. We worked with the NI Climate Coalition on actions to achieve this. Northern Ireland continues to have the lowest investment in walking and cycling in the UK.

Following the success of our greenways/National Cycle Network workshop for all 11 councils in Northern Ireland, the Department for Infrastructure awarded Sustrans a grant of £50,000 in January 2022. This is to carry out an assessment of the current state of greenway development across Northern Ireland and to develop a phased programme for greenway delivery with councils.

A report has been completed and we hope to be awarded a further grant to coordinate delivery. The aim is to progress delivery of the greenway proposals, as set out in the government's plan 'Exercise Explore Enjoy: A Strategic Plan for Greenways'.

We have also responded to a careless driving consultation and a pavement parking consultation. In line with our policy position across Sustrans and our colleagues at The Inclusive Mobility and Transport Advisory Committee, we have called for Option 2 – a ban on pavement parking, with some exemptions.

The Belfast Cycling Network was published in June 2021 but without a delivery plan. Sustrans worked hard to make a case for a delivery plan as well as funding and a dedicated team to make it happen. The plan was finally published in March 2022 but we still await funding and a delivery team.

Scotland

2021/22 has been a very successful year in policy and public affairs in Scotland. Our Holyrood 2021 manifesto was published early in 2021. Out of our six Holyrood 2021 asks, most parties committed to allocating 10% of the transport budget to active travel. Three of the five major parties committed to at least four of our asks, with two parties committing to five.

The Scottish Parliament elections took place in May 2021, and the SNP formed a minority government with a co-operation agreement with the Scottish Green Party, where the Scottish Greens were given two ministerial posts. Party co-convenor, Patrick Harvie was given the post of Minister for Net Zero Buildings, Active Travel and Tenants' rights.

Our Manifesto asks featured strongly in the co-operation agreement, most importantly with a commitment secured by the Scottish Greens to an increase in funding for active travel to gradually increase to £320m by the end of the parliament.

Another Sustrans manifesto ask on giving access to bikes for children in disadvantaged areas was taken up in the new Scottish Government's Programme for Government, and Sustrans is now leading the pilot programme to deliver this.

On wider influencing, we worked closely with the UK Sustainable Transport Alliance (STA) to have a strong presence at the STA 'greenzone' event at COP26. We gained agreement from the Alliance for Sustrans' CEO, Xavier Brice to chair the session, secured Minister for Active Travel Patrick Harvie as a speaker and ensured active travel projects in Glasgow, funded by Sustrans and Glasgow City Council, were showcased.

In March 2022, we published our local government manifesto asks ahead of Scotland's local elections. The policy and public affairs team are finalising a post-election engagement plan, using the recently published Walking and Cycling Index as a starting point for engagement.

In terms of our policy work, since April 2021, we have responded to 10 national government consultations and 7 local or regional government consultations. These include a consultation on the new national planning framework, government proposals to achieve a 20% reduction in vehicle km, Cleaner Air for Scotland (strategy on air quality), LEZs, and the Strategic Transport Projects Review (STPR2), the latter of which is of significant importance to achieving our objectives on expanding active travel networks in Scotland.

We have given oral evidence to the Scottish Parliament Net Zero Committee on the National Planning Framework.

Wales

During 2021/22, we took steps to connect Members of the Senedd with the National Cycle Network and brief them on our overall priorities. During the summer recess, Members joined us on the Network in their constituency to enjoy a break from online meetings and experience the benefits the Network has to offer. It was a very popular opportunity and a third of Members joined us allowing us to open communication with members from all parties on a range of topics related to our work.

We secured funding for the National Cycle Network for the first time, with a £300k fund dedicated to improvements.

We supported the Welsh Government with 20mph pilots which have led to a proposal for default speed limits being put to the Senedd in the coming year.

We influenced the creation of a procurement framework which includes active travel and this is now being taken forward by Transport for Wales. The creation of this framework will make it easier for Local Authorities to procure specialist services and should drive skills and standards across the sector.

During 2021/22, the Welsh Government created a Transport Performance Board which our Director has been appointed to. We are also represented on the Core Reference Group which provides advice to Welsh Government on the delivery of the Wales Transport Strategy – Llwybr Newydd.

Finally, we now lead the newly created Inclusion Sub-Group which reports to the Wales Active travel Board. This has been created to ensure all voices are heard in the delivery of active travel priorities.

England

In England, delivery of our Paths for Everyone (PfE) and Liveable Cities and Towns for Everyone (LCTfE) priorities ramped up over 2021/22. We have built a one, five and ten year pipeline of NCN projects that will help us meet our targets for an improved Network. Delivery of new and improved routes continues at pace across England, including the Lias Line – a new connection between Leamington Spa and Rugby that connects rural communities and is the largest construction project that Sustrans has delivered in England. Elsewhere we are removing barriers, resurfacing and widening existing routes, realigning where better alternatives have become available. We are working with local communities to diversify users and increase usage. All of this can only be done with a range of partners.

Our LCTfE work has increasingly and deliberately focused on a shortlist of towns and cities (and boroughs) where we can have the greatest impact. This includes working in Lambeth to convert temporary infrastructure into permanent infrastructure and scoping a neighbourhood scale project in Liverpool to support the delivery of hundreds of school streets across the country. Our 'Local Cycle & Walking Infrastructure Plan' work, on behalf of the Department for Transport, continues to develop urban networks across England, with the ambition set out in the Westminster Government's 'Gear Change' policy allowing us to push for greater ambition. Our training of hundreds of local authority Members and Officers on the new design guidance (LTN 1/20) has helped raise ambition further.

Our range of projects partnering with excluded and seldom-heard people has grown. Examples include a project with jobseekers in Nottingham, work with a women's cycle hub in Tower Hamlets and an initiative working with refugees in Portsmouth.

We have been challenged by the increase in construction costs and the availability of suitable contractors. The current jobs market, and relative infancy of the active travel sector, has created resource pressures that we continue to address. But our talented team continue to deliver to a high standard in a positive working environment, with a Net Promotor Score of +38.

A fit and nimble charity – improving our operating model (IOM)

We took a number of significant steps towards improving our operating model in 2021/22. An IT strategy workstream identified some of the challenges of our current legacy systems, pointed towards a more coherent solution and created a roadmap of activity which will be undertaken over the coming years. This included scoping initiatives with delivery beginning from 22/23.

We updated our project management framework. This is being rolled out across England and will be further developed through a wider Project and Programme Assurance initiative in 22/23. Initiatives to improve performance included both investment in developing our leadership team and the adoption of a new approach to colleague development and performance. We also adopted hybrid working standards and redeveloped our Bristol office into a more collaborative working space – the first of our more hybrid-friendly ‘hubs’.

Other initiatives included work to accelerate progress on our long-standing commitment towards equality, diversity and inclusion (‘Accelerating for Everyone’), as well as streamlining our invoice approval process, creating greater agility in our Research and Monitoring Unit and adopting more effective cross-Sustrans approaches in Design and Engineering.

Fundraising

In addition to our government funded work, Sustrans relies on the generosity of supporters to deliver our mission, including individual donors; trusts; corporate partners; philanthropists and sales from our e-commerce shop.

Our main source of voluntary income is from individual donors, in particular our loyal base of regular givers; the majority of whom we currently engage through our face-to-face programme on the National Cycle Network. In 2021/22 we successfully maintained a low cancellation rate of 8% across all donors giving regularly and achieved a generous increase in the average monthly gift for new regular givers to £8.32. Throughout the year we ran an upgrade campaign for existing regular donors, a winter raffle and two appeals; one being an emergency appeal following the storms in February 2022. Investment in fundraising has increased for 2021/22 with the expectation of financial returns into the future.

Our face-to-face programme restarted in April 2021 post-lockdown, in a controlled manner with appropriate measures in place to keep our fundraisers and the public safe in line with ongoing restrictions and government guidelines. We have received positive results with increased giving levels and engagement.

Our legacy income continues to grow with only a small percentage of legacies coming from our notified pledges, showing there is room for growth in the long-term.

We were successful in securing generous restricted donations from a number of grant making trusts, corporates and major donors and are increasing our efforts in these areas of fundraising to deliver growth in line with our fundraising strategy.

In 2021/22, e-commerce sales remained a key income stream. During this period we invested in a new e-commerce strategy, launched a new e-commerce platform, retook control of the online market space for Sustrans’ own products and updated all our own maps, which account for 78% of e-commerce income.

Streamlined Energy and Carbon Reporting (SECR)

We are committed to the continuous improvement of our environmental performance. This is part of our overall goal of implementing the principles of sustainable development in all areas of our work. We are also committed to at the very least compliance with applicable governmental requirements. Additionally, we will optimise resources and continue to investigate ways of reducing resource use and minimising our environmental impact. We will also encourage our partners and suppliers to do the same.

Our aim is to ensure that environmental objectives are integrated into relevant business objectives in a cost-effective manner. Sustrans wishes to set standards of environmental best practice above and beyond relevant legislation in all its activities throughout the organisation within the resources available.

During 2021/22 we completed a major refurbishment of our owned premises in Bristol. We invested in an environmental survey and have created designs and a refurbishment which will reduce the environmental impact of this building as far as possible.

2021/22 is the third year that the data in the table below has been reported. Fuel used has been collated from expenditure records and converted to emissions using standard UK Government conversion factors.

Energy and emissions report 2021/22

| | Fuel used (kWh) | Conversion factor used | Associated Greenhouse gas emissions (KgCO ₂ e) 2021/22 | Associated Greenhouse gas emissions (KgCO ₂ e) 2020/21 |
|--|-----------------|------------------------|--|--|
| Electricity (kWh) | 123,351 | 0.23314 | 28,758 | 42,558 |
| Natural gas (kWh) | 23,758 | 0.18387 | 4,368 | 8,589 |
| Fuel for vehicles and site equipment (kWh) | 406,579 | 0.24057 | 97,811 | 82,906 |
| | 553,688 | | 130,937 | 134,053 |
| FTE staff | | | 644 | 591 |
| Intensity ratio - Emissions per FTE | | | 203 | 227 |

UK energy use covers all of the charity's activities.

Energy used in employee commuting, business travel, outsourced activities and disposal of waste is excluded. Associated greenhouse gases have been calculated using the UK Government GHG Conversion Factors for Company Reporting.

In the reporting period all staff and volunteers were encouraged to travel in a sustainable way wherever practical. Employees walk and cycle wherever practicable, longer journeys are by train, with car, taxi and air used only by exception.

Our plans for the future

During 2022/23 we will continue to pursue our strategic priorities and objectives, with Key Performance Indicators set for all our teams.

Paths for Everyone - 2022/23

New Paths for Everyone initiatives planned for this year include:

- Development of a strategy and plan for how we will achieve our 2040 wayfinding ambition.
- Work to understand the extent to which we are supporting volunteer and community groups to deliver activities that support Sustrans' Paths for Everyone objectives, particularly in areas of high deprivation.
- Work to increase the level of political support for the National Cycle Network.

| Ref | Metric | Target |
|-----|--|----------|
| 1 | % total Network miles good/very good | 65% |
| 2 | % Sustrans-controlled traffic-free miles very good | 40% |
| 3 | # on-road to traffic-free miles | 38.9 |
| 4 | # on-road to quiet-way miles | 34.6 |
| 5a | # barriers removed or redesigned | 218 |
| 5b | # barriers removed or redesigned on Sustrans-controlled land | 110 |
| 5c | % of Network miles with completed audit of barriers by March 2023 | 99% |
| 5d | Strategy and plan agreed for how we will achieve our 2040 wayfinding ambition by September 2023 | Complete |
| 6 | % miles going through areas of high deprivation | 30% |
| 7 | # activation projects delivered by March 2023 | 41 |
| 8a | % of the Network has a Stage 2 Plan in place by March 2023 | 99% |
| 8b | # feasibility studies complete by March 2023 | 32 |
| 9 | Increase net promoter score (annual KPI) | <53 |
| 10 | % reclassified miles where signage has been addressed by March 2023 | 95% |
| 11 | % increase in # users per traffic-free miles | Increase |
| 12 | Increased representation of the UK population amongst National Cycle Network users and involved community members (annual KPI) | Increase |
| 13a | # new volunteer and community groups involved on the Network | 64 |

| | | |
|-----|---|-------------------|
| 13b | £ funding granted to support existing and new volunteer and community groups to deliver activities which support Sustrans' work | Baseline |
| 13c | PfE-13d: % of existing and new supported volunteer and community groups in areas of deprivation | Baseline |
| 14 | PfE-14: % public awareness of the National Cycle Network (new measurement) | Baseline/increase |
| 15 | PfE-15: % awareness of Sustrans as the charity behind the Network (new measurement) | Baseline/increase |
| 16 | PfE-16: Increased level of political support from 2021 baseline | Increase |
| 17 | Total number of new/growth miles (running total) | No target/track |
| 18 | # sub-standard crossings improved | 16 |

Liveable Cities and Towns - 2022/23

New Liveable Cities and Towns for Everyone initiatives planned for this year include:

- Development of our place-based work, including the introduction of standard approaches to help us scale-up up what works in urban environments.
- Work to understand the extent to which we are supporting volunteer and community groups to deliver activities which deliver on Sustrans' urban objectives, particularly in areas of high deprivation.
- Work to increase the level of political support for our urban work.

| Ref | Metric | Target |
|-----|---|----------|
| 1 | # of focus cities and towns | 48 |
| 2 | % increase in leadership ambition amongst focus cities and towns | Increase |
| 3 | # of urban leaders that recognise positive change and Sustrans' contribution to this change in focus cities and towns | 75 |
| 4 | Increased level of political support from 2021 baseline | Increase |
| 5 | Supporter awareness and support (UK, national and regional) for Sustrans' work on liveable cities and towns for everyone | Baseline |
| 6 | Public awareness and support (UK, national and regional) for Sustrans' work on liveable cities and towns for everyone | Baseline |
| 7 | #/% of urban projects that are part of a place-based approach | Baseline |
| 8 | Increase in #/% of LCT project sites focused in areas of high deprivation | 48% |
| 9 | # partnership relationships built with organisations that are taking a place-based approach | 61 |
| 10a | # new volunteer and community groups involved in our LCT projects | 104 |
| 10b | £ funding granted to support existing and new volunteer and community groups to deliver activities which support Sustrans' work | Baseline |
| 10c | % of existing and new supported volunteer and community groups in areas of deprivation | Baseline |
| 11 | LCT-11: # exemplar places | 6 |
| 12 | As a result of involvement with Sustrans, people in our exemplar places feel more empowered | Baseline |

Improving our operating model

Improving our operating model (IOM) initiatives planned for 2022-23 include:

- Rolling out the first elements of our new IT roadmap – in particular, improving information management and sharing, and simplifying network infrastructure
- Better understanding, measuring and mitigating our negative environmental impacts through our Environmentally Positive Sustrans initiative
- Improving the effectiveness of our project and programme assurance
- Developing a resourcing strategy to meet our capability and capacity needs and take the first steps in its implementation

Financial review

Sustrans is funded through a mixture of government grants, fundraising activity and paid contracted activities which deliver our objectives. There is investment in our agenda in all four nations of the United Kingdom and by local authorities across the country. The income that we generate is spent efficiently to deliver the best possible impact. As well as providing funding to others through our grant programmes, we also work in partnership with communities and with local and national governments to deliver projects and programmes that make it easier for people to walk and cycle. We invest our fundraising income into managing the parts of the National Cycle Network that we own, and in supporting our unfunded activities, such as our influencing and campaigning activity.

Our financial performance in 2021/22

In 2021/22 we saw income and expenditure of approximately £115M, significantly higher than any previous financial year.

The small deficit for the year of £104K means that overall funds are maintained at £10.2M (2020/21: £10.3M). This was an improvement on the budgeted deficit of £608K.

The improvement over budget was due in the main to lower than budgeted support costs, despite a growing organisation. The strong performance was also attributable to our loyal regular supporters who continued to donate throughout the pandemic.

Principal funding sources in 2021/22

Our principal funding sources are government grants. In 2021/22 we received £82M (2020/21: £45M) from Transport Scotland, £14M (2020/21: £5M) from the Department for Transport, and £0.8M (2020/21: £0.2M) from the Welsh government (see note 17).

Fundraising contributed £4.5M to our income in 2021/22 (2020/21: £4.5M), of which £0.1M (2020/21: £0.7M) was restricted.

The balance of our funding comes from contractual activity, mostly with local authorities and other public bodies.

Going concern

We have a number of key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our healthy reserves balance further mitigates remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2022/23. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the recovery from the pandemic. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity’s objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

Principal risks and uncertainties

The Board of Trustees has established an Audit and Risk Committee that is responsible for oversight of risk management and the monitoring and reporting of the risks of the organisation. The Audit and Risk Committee meet at least four times per year and the annual workplan for the committee includes regular risk reporting, detailed scrutiny of key strategic risks and reviewing the risk management framework. The Board retains accountability for risk management and regularly reviews the charity's principal risks including the appropriateness and impact of risk mitigations, and also approves the risk management framework. The principal risks considered by the trustees are:

1. Damage to Land and Structures

Maintaining the National Cycle Network (NCN) and the Sustrans estate involves managing engineered structures and ex-railway assets such as bridges, embankments and drainage systems, as well as the land and ecologies around our paths. Due to the age and history of our assets and additional complications caused by climate change and extreme weather events, maintaining the land and structures we use and ensuring our networks remain useable and accessible is an increasing challenge. To address this risk, we have adopted a comprehensive inspection regime and deliver a programme of planned maintenance for all our assets. We also have a specific designated fund for emergency repairs. The Board has established an Estates Committee to oversee the management of our assets, including the risks around asset management.

2. Funding

With increasing focus on climate change and the need to address the environmental impacts of travel, funding for active travel is increasing, particularly from government sources. However, it is acknowledged that reliance on a small number of major funders creates risks around the loss of a key funding source for Sustrans.

To mitigate this risk we are implementing a fundraising strategy to diversify our sources of funding and to increase our unrestricted funds. We proactively engage with our key funders to ensure we continue to deliver valuable outcomes.

We are implementing a programme to improve the efficiency and effectiveness of our operating model which will improve our agility and responsiveness to financial opportunities and risks.

We have also established designated reserves to ensure that the Charity can remain operational in the event of the sudden loss of a significant source of funding.

3. IT and Cybersecurity

The dependence on information technology (IT) systems has dramatically increased in the last few years. Sustrans has embraced a flexible hybrid working policy allowing colleagues to work from home and/or an office 'hub'. We rely on complex data and analytics to design our programmes and monitor their impact. The risk of cyber security events has also increased in the last few years, including the heightened risks associated with the Covid-19 pandemic and the conflict in Ukraine.

These events have led to us recognise the need to increase our investment in IT. As part of our strategy to improve our operating model, we have developed and are implementing an IT strategy. This includes creating integrated systems that support security and productivity and identifies ways of working that will better meet our future needs. We are also strengthening our cybersecurity to provide robust and reliance systems for our colleagues and also meet the expectations of our stakeholders.

4. Complaints and conflict

Government and local authorities have an increasing focus on active travel to address issues like climate change, pollution, traffic congestion, health and wellbeing. As a response there has been a significant increase in investment leading to the development of better and more infrastructure to support active travel.

These developments can be perceived to be at the expense of other stakeholders, particularly where temporary infrastructure is installed with only light community engagement (as happened through the pandemic).

We have observed increasing misunderstanding and conflict within communities, including instances of abuse against our colleagues and partners. We ensure close co-ordination and communication with partners, supporters and volunteers and we carry out full consultation with each local community for every project and make sure that there is clarity about our role and the scheme purpose. We are delivering employee training in handling conflict and in resilience and negotiation, and will actively support any employee who encounters abuse of any kind. We have a robust complaints procedure for anyone to raise a complaint and know that it will be dealt with in a fair way.

5. Capacity and capability

Many (if not most) organisations across the UK experienced high turnover as we emerged from the Covid-19 pandemic, including Sustrans. With increasing funding available for active travel, there is also increasing competition for skills and experience. This creates a risk to Sustrans' capacity and capability to deliver the impact that we want to see. However, we believe that our culture and vision will support Sustrans to be an employer of choice and build greater diversity across our teams.

We are working on enhancing our talent management and recruitment strategies to ensure that we can attract and retain good people. We regularly review our pay policy to ensure that it is transparent and fair and is responsive to the challenges our colleagues face, like the current cost of living increase. We have adopted progressive policies around flexible working and promote work-life balance and try to maintain a kind and inspirational working culture. Our annual employee survey results indicate that our colleagues think Sustrans is a great place to work.

We also recognise that we need to be agile and responsive to emerging opportunities and are developing a more strategic approach to partnerships and other organisations to support delivery of our work.

6. Safeguarding

Engaging with communities and volunteers is a priority for Sustrans and therefore adequately safeguarding vulnerable people we work with is critical. We regularly review and update our safeguarding procedures and can demonstrate commitment to providing training to all of our colleagues and volunteers who work with children and vulnerable adults. Where we work with schools and other organisations we ensure that we are reporting and monitoring safeguarding concerns appropriately. We have also arranged for additional training for our senior managers and trustees on their roles and responsibilities in safeguarding and we have a team of designated safeguarding officers who oversee our safeguarding processes.

7. Colleague wellbeing

Sustrans managed well through the challenges of the Covid-19 pandemic largely because of the resilience and commitment of our colleagues. Ensuring the physical and mental well-being, and health and safety of employees in the last year has been of paramount importance. We have been following UK Government guidelines and ensuring that all employees were able to work effectively and safely from home. As we have emerged from the restrictions imposed by COVID-19, we have encouraged and supported colleagues to reconnect with and spend time with peers in a safe and responsible way. We have adopted flexible working practices and are updating our offices to accommodate a more flexible and changing workforce. We continue to review and monitor colleague wellbeing and actively consider additional measures to support our colleagues.

Our reserves policy

On the basis of the assessed risks facing the Charity, the Trustees have reviewed the level of reserves required in line with the guidance issued by the Charity Commission. The Trustees recognise the need to ensure that the reserves held enable financial stability, are adequate to meet working capital requirements and can safeguard the Charity's current commitments against fluctuations in income levels, particularly in the current uncertain economic climate.

The Trustees have set aside £1M designated funds to ensure that routes which are well used and owned by Sustrans could be re-instated in the event of severe and unexpected damage. The details of designated funds, including the 'NCN Repairs' fund, can be found in Note 12 to the financial statements.

The fixed asset fund of £2.2M has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.

The restructure fund of £2.9M has been set up to cope with a scenario in which Sustrans has to restructure to reduce activities significantly because of a lack of funding but retain a core activity which could be funded by continuing charitable donations.

The Trustees consider that the designated funds set aside, as mentioned above, are sufficient to respond to risk events. The trustees aim to invest the remaining 'available' or 'free' reserves in strategic initiatives to develop new or improved services, or to make internal improvements to systems or ways of working. Available reserves are released by the Trustees on an annual basis for inclusion in the business planning process, up to a maximum amount of £1M per annum. Available reserves at 31 March 2022 are £1.9M (2021 - £2.7M).

In the 2021/22 financial year Restricted funds decreased by £177K, Designated funds increased by £873K and Available reserves decreased by £800K. Total funds therefore decreased by £104K, to £10.1M.

This compares with the 2020/21 financial year where Restricted funds increased by £473K, Designated funds increased by £139K and Available reserves increased by £72K. Total funds therefore increased in 2020/21 by £684K.

The Trustees will continue to review the external environment and future needs to ensure that the funds set aside are prudent and the level of available reserves is adequate for planned operational activity and for strategic investment in new services or improved systems or ways of working.

An updated Reserves Policy was approved by the Board of Trustees on 24 June 2022 which will be reflected in the Financial Statements for the year ending 31 March 2023.

Our investment policy

We regularly review the investment policy to be applied to any cash deposits held by the charity. Cash balances are largely required for working capital and to meet short-term obligations. Owing to the volatility of equity and other markets, the Trustees have for many years adopted a 'no market risk' investment strategy to safeguard the charity's cash assets. In addition, given the potential calls on free reserves, it is imperative that funds are tied-up for no longer than 12 months. Over the year, we have sought to minimise the exposure of the charity by holding funds with five banks. Given the wider economic climate this policy is under constant review.

Fundraising

Our approach to fundraising and conforming to recognised standards

Sustrans is, and always has been, committed to employing a transparent and ethical approach to fundraising activities. We are registered with the Fundraising Regulator and fully adhere to the Code of Fundraising Practice.

Our colleagues are trained in accordance with the Fundraising Regulator's code and this ensures that our fundraising activities are neither intrusive nor persistent. Our fundraising promise further demonstrates our clear commitment to how we treat our donors:

- We will commit to high standards
- We will be clear, honest, open and respectful
- We will be fair and reasonable
- We will be accountable and responsible.

Personal data and consent

Our donors' personal data is held in accordance with the requirements of General Data Protection Regulations (GDPR). All data is held securely and only for as long as required. We will never sell or share donors' details with other organisations to use for their own purposes, other than when we are required to do so by law.

We make every effort to ensure that our fundraising activity never feels unreasonably intrusive, persistent or pressurised, but rather focuses on inspiring support and celebrating the impact of fundraised income. Donors can manage their permissions online or by contacting our supporter service centre. We always respect the wishes of donors who do not wish to receive fundraising communications, including those who have registered with the Fundraising Preference Service.

Fundraising complaints

Our ethical and open approach to fundraising is reflected in the low number of fundraising complaints that we have received, with 6 recorded in 2021/22 (3 in 2020/21). We have procedures in place to ensure that fundraising complaints are handled carefully and follow our clear fundraising complaints policy.

Face-to-face fundraising

A major strand of our fundraising activity engages new supporters face-to-face on the National Cycle Network. All our face-to-face fundraisers are trained and managed directly by Sustrans. The company 'Inspired People' recruits agency colleagues.

Our fundraisers receive in-depth training and are always required to be friendly, professional and never engage in actions that could be construed as pressurising or manipulative. Our team of fundraisers are supervised by a team leader, who assesses their performance and conduct on a daily basis. Ongoing coaching and formal performance reviews are conducted with all of our fundraisers.

Protecting people in vulnerable circumstances

Sustrans takes safeguarding responsibilities very seriously and has clear procedures for reporting and managing any concerns. In relation to fundraising, we ensure all fundraisers are trained to identify the needs of people in vulnerable circumstances. Where this is the case, fundraisers do not make a financial ask and will report their concerns to their manager. Any donations being received via post will be viewed in a similar way, with any concerns over the individual being reported to the Head of Individual Giving & E-Commerce.

Railway Paths Limited

Sustrans collaborates with Railway Paths Limited, which was set up in 1998 to manage a large portfolio of disused railway land for transforming into walking and cycling routes. The 'support, promotion and encouragement of the activities of Sustrans' is one of its charitable objects. Although the two organisations are not legally connected entities, we have disclosed the transactions between the two organisations in Note 19 to the Financial Statements in the interests of transparency.

Structure, governance and management

Governing document

Sustrans is a registered charity in England, Wales and Scotland, and a private company limited by guarantee. It is governed by its Board of Trustees operating under the terms of the Articles of Association as amended in February 2021.

Charity Governance Code

Sustrans supports the principles of good governance set out in the Charity Governance Code for larger charities. The Trustees welcomed the refreshed version of the Code, published in December 2020, with its focus on 'Principle 6. Equality, diversity and inclusion'. The recommended practice has been reviewed against our 'For Everyone' principles and the supporting practices and changes which were already being implemented. The Board will continue to review the charity's practice against the Code's requirements as part of its approach of continuous improvement of governance arrangements.

The Trustees

The Board of Trustees is responsible for the governance and strategy of Sustrans. The Articles allow for between five and twelve trustees, who have full legal responsibility for the activities of Sustrans. They are the company directors of Sustrans for the purposes of company law. They are appointed for a term of three years and can be re-elected for a second consecutive term. In exceptional circumstances a trustee may be elected for one further term.

Role of the trustees

The Trustees meet at least six times a year, to review strategy and performance, agree operating plans and annual budgets, and to meet with and hear from stakeholders and employees. The Board delegates specific responsibilities to the Finance and Performance Committee, the Audit and Risk Committee, the Estates Committee and the Remuneration Committee, which meet as required, typically quarterly. The members of these committees are shown on page 3.

Trustees monitor and have overall responsibility for:

- approving the overall strategy and annual budget of the organisation, ensuring the allocation of the necessary resources to achieve the objectives defined in the business plan;
- ensuring that the Charity has appropriate systems of controls, financial and otherwise;
- keeping proper accounting records which comply with the Companies Act 2006 and the Charities' SORP;
- safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities;
- providing assurance that the Charity is operating efficiently and effectively, carrying out a risk assessment to identify possible risks to the achievement of the Charity's objectives and establishing procedures, actions and systems to mitigate them.

This monitoring of financial and other areas of performance ensures that the Trustees are continually appraised of progress and the risks the Charity faces.

Recruitment and appointment of trustees

The Trustees have a wide range of skills and experience. The Trustees, together with the Executive, identify the skills, experience and background required of the Trustees to ensure that the board is able to deliver its duties, and to support and challenge the Executive. To improve oversight of both Trustee and employee recruitment and retention the Board has formed a Remuneration Committee, which first met in May 2021. Sustrans is committed to diversity and inclusiveness and welcomes applications from everyone.

Trustee induction and training

The induction for new Trustees includes the provision of a Trustee Handbook containing key documentation, one-to-one meetings with key people, site/project visits, and attending an externally provided Trustee induction and refresher training.

Trustees have appraisals with the Chair of the Board, this enables any training and development needs to be identified and addressed. All Trustees receive periodic updates and guidance on their role as Trustees of the charity.

Conflicts of interest

Each Trustee is required to disclose potential or actual conflicts of interest to the Chair for inclusion in the register of interests and also at Board or Committee meetings if relevant.

The Executive

The day-to-day running of the Charity is delegated to the Chief Executive, who in turn delegates specific responsibilities to members of the Executive Team. The Trustees set out delegated authority through the Delegated Authority Framework, which is reviewed annually.

The Executive ensures that appropriate structures and processes are in place to enable effective oversight, scrutiny and decision-making across the organisation, that there is accountability for those decisions and that there is effective leadership of, and communication with, colleagues across the organisation.

The salary of the Chief Executive is set by the Board of Trustees. Other roles are scored according to the Hay Job Evaluation system and graded accordingly.

The senior executive committee is the Executive team, which recommends strategies to the Board for approval and runs the Charity's operations day-to-day. During 2020/21, Executive team meetings moved to a weekly cycle of shorter meetings, to enable the rapid, agile decision-making demanded by the global pandemic. Their purpose being to review the performance of the Charity's work, and to address any issues and opportunities arising with regards to finance, health and safety, risk management, resourcing and programmes of delivery and influencing work. The weekly meeting cycle has since been maintained and supplemented by fortnightly discursive meetings for deeper exploration of topics, typically those shaping strategy.

Management of risk

The Trustees have revised their risk policy during the year. This review ensures that the arrangements are robust and provide for effective systems and processes to identify, assess, and escalate risks and the management of risk. As part of this policy review, the Trustees have reflected on their risk appetite in relation to a number potential areas of risk for Sustrans, in order to inform the control measures and other mitigation measures put in place.

The Executive reviews the risk register on a monthly basis and tracks the movement of risk rating and the implementation of mitigation measures. The Executive escalates risks for the review of the Board and its Committees as deemed necessary. The Audit and Risk Committee reviews the effectiveness of the risk management processes, and reviews the entire Executive risk register at least annually.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Sustrans Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of

the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In line with Charities' best practice, Sustrans' Trustees have reviewed the criteria for charities, set out in the Charities Act 2011. The Trustees have concluded that:

- Sustrans' purposes remain charitable
- Sustrans satisfies the public benefit test.

Section 172 statement

Section 172 of the Companies Act 2006 requires the Trustees (the Directors) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

- the likely consequences of any decision in the long term;
- the interests of the charity's employees;
- the need to foster the charity's relationships with suppliers, customers and others;
- the impact of the charity's operations on the community and the environment;
- the desirability of the charity maintaining a reputation for high standards of business conduct; and
- the need to act fairly.

Our strategic priorities were developed as part of a long-term strategy to make it easier for people to walk and cycle. We routinely review external developments and horizon scan for future trends and ensure that our plans can be adapted as needed to meet changing circumstances.

The Trustees act in good faith to make decisions, the outcome of which, they consider will most likely be to promote the success of the charitable company both in current periods and in the long term.

In discharging their duties above, the Trustees carefully consider amongst other matters, the impact on and interests of other stakeholders in the charitable company and factor these into their decision-making processes.

Employees

Our colleagues are vital to Sustrans and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular surveys and address any issues raised as quickly as possible through departmental action plans. Feedback from our employee representative forum is shared regularly with our Executive team. We also have employee networks which have been set up to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social and professional networks. We are committed to promoting a healthy workforce comprising both physical and mental wellbeing. Trustees receive information on various employee metrics. The Trustees keep colleagues informed of key issues through structured communication channels, promote inclusion in the workplace and also provide training and development opportunities.

Customers and suppliers

Our relationships with partners and suppliers are key to our effectiveness. We act to service our customer's needs to the highest standards and work quickly to resolve any isolated disagreements that may arise from time to time. Sustrans seeks to pay all suppliers any undisputed amounts due and within agreed terms.

Community and the environment

The charity recognises the importance of its environmental responsibilities and has policies aimed at reducing any potential detrimental environmental impact of its activities.

Standards and conduct

The charity has a series of defined codes of practice regarding ethical standards and the conduct of business. These are clearly communicated to every colleague and adherence is expected and enforced.

Inclusivity and fairness

The benefits of walking, cycling, wheeling and healthy places aren't experienced in the same way by everyone. We prioritise work with people and in places where we can make the most difference to those who may feel excluded. We involve people with different and seldom-heard voices, to develop solutions that work for everyone. We keep questioning

and asking if we can do more. We know we can't do this on our own so we work closely with others.

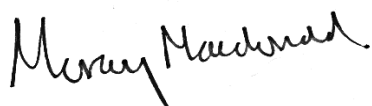
We are also committed to inclusivity inside the charity, supported by our EDI groups and networks, promoted by the accelerating for everyone programme, and underpinned by our values and the way in which leaders and their teams work.

Statement of disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board of Trustees who approve the Strategic Report as Directors.



Moray Macdonald
24 June 2022

Independent auditor's report to the members and trustees of Sustrans

Opinion

We have audited the financial statements of Sustrans ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 trustees are responsible for assessing the charitable company'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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our 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 our 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 economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for were taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission and Scottish Charity Regulator, designing audit procedures over the timing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Fourth Floor, St James House
St James Square
Cheltenham
GL50 3PR
Date: 5 August 2022

Statement of Financial Activities for the year ended 31 March 2022

(Including an Income and Expenditure Account)

| | | Unrestricted Funds | Restricted Funds | Total Funds 2022 | Total Funds 2021 |
|--------------------------------------|-------|--------------------|------------------|------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | |
| Donations and Legacies | | 4,431 | 44 | 4,475 | 4,432 |
| Charitable activities | 2 | 9,789 | 100,201 | 109,990 | 62,183 |
| Investment income | | 250 | - | 250 | 330 |
| Total income | | 14,470 | 100,245 | 114,715 | 66,945 |
| Expenditure | | | | | |
| Raising funds | | 1,732 | - | 1,732 | 911 |
| Charitable activities | | 12,461 | 100,626 | 113,087 | 65,350 |
| Total expenditure | 3 | 14,193 | 100,626 | 114,819 | 66,261 |
| Net (expenditure) / income | 5 | 277 | (381) | (104) | 684 |
| Transfers between funds | | (204) | 204 | - | - |
| Net movement in funds | | 73 | (177) | (104) | 684 |
| Reconciliation of funds | | | | | |
| Fund balances brought forward | | 8,083 | 2,203 | 10,286 | 9,602 |
| Fund balances carried forward | | 8,156 | 2,026 | 10,182 | 10,286 |

The notes on pages 46 to 64 are an integral part of these financial statements.

All gains and losses recognised in the year are included in the Statement of Financial Activities. All income and expenditure relates to continuing operations.

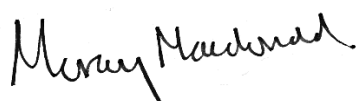
There is no difference between the net income for the years stated above and their historical cost equivalents.

Balance Sheet at 31 March 2022

Company Number 1797726 (England and Wales)

| | Notes | Unrestricted Funds £'000 | Restricted Funds £'000 | Total Funds 2022 £'000 | Total Funds 2021 £'000 |
|---|-------|-----------------------------|---------------------------|------------------------------|------------------------------|
| Fixed assets | | | | | |
| Tangible assets | 7 | 2,208 | 1,053 | 3,261 | 2,388 |
| Current assets | | | | | |
| Stock | | 233 | - | 233 | 88 |
| Debtors | 8 | 6,297 | - | 6,297 | 3,889 |
| Cash at bank and in hand | | 153,666 | 1,672 | 155,338 | 139,100 |
| Total Current Assets | | 160,196 | 1,672 | 161,868 | 143,077 |
| Creditors: amounts falling due within one year | 9 | (154,248) | (699) | (154,947) | (135,179) |
| Net current Assets | | 5,948 | 973 | 6,921 | 7,898 |
| Total Net Assets | | 8,156 | 2,026 | 10,182 | 10,286 |
| The Funds of the Charity | | | | | |
| Restricted | 11 | | | 2,026 | 2,203 |
| Unrestricted | | | | | |
| Designated | 12 | | | 6,174 | 5,301 |
| General | | | | 1,982 | 2,782 |
| | | | | 8,156 | 8,083 |
| Total Funds | | | | 10,182 | 10,286 |

The notes on pages 46 to 64 are an integral part of these financial statements. These financial statements on pages 43 to 64 including the notes, were approved by the trustees on 24 June 2022 and were signed on their behalf by:



Moray Madonald

Chair

Statement of Cash Flows for the year ended 31 March 2022

| | Total Funds 2022 | Total Funds 2021 |
|---|---------------------|---------------------|
| | £'000 | £'000 |
| Net (expenditure) / income for the reporting period (as per the Statement of Financial Activities) | (104) | 684 |
| Adjustments for: | | |
| Depreciation charges | 257 | 122 |
| Interest from investments | (250) | (330) |
| Loss on the sale of fixed assets | 2 | - |
| (Increase) / Decrease in stocks | (145) | 130 |
| (Increase) / Decrease in debtors | (2,408) | 3,323 |
| Increase in creditors | 19,768 | 32,860 |
| Net cash provided by operating activities | 17,120 | 36,789 |
| Cash flows from investing activities: | | |
| Interest from investments | 250 | 330 |
| Proceeds from the sale of property, plant and equipment | - | 13 |
| Purchase of property, plant and equipment | (1,132) | (164) |
| Net cash provided by investing activities | (882) | 179 |
| Change in cash and cash equivalents in the reporting period | 16,238 | 36,968 |
| Cash and cash equivalents at the beginning of the reporting period | 139,100 | 102,132 |
| Cash and cash equivalents at the end of the reporting period | 155,338 | 139,100 |

There is no movement on net debt in the year other than cash.

Notes to the Financial Statements

1. Principle accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention in UK pounds sterling. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) for charities, which is based on the Financial Reporting Standard (FRS) 102 effective from 1st January 2019, the Charities Act 2011, the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently. The financial statements have been prepared on the basis that it is a public benefit entity under FRS 102.

b) Going concern

We have key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our healthy reserves balance further mitigates any remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2022/23. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the recovery from the pandemic. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and cash and operational provisions to manage the loss of major funding streams.

c) Fund Accounting

Unrestricted funds are funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in Note 12 to the financial statements.

Restricted Funds - Income restricted to a specific purpose is treated as restricted funds. The description and purpose of these restricted funds are provided in Note 11.

d) Incoming Resources

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities.

Income is only recognised when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

If any of these criteria are not met but the cash has been received, then the income is deferred.

- Donations – Donations are accounted for in the year in which they are receivable.
- Legacies – For legacies, entitlement is taken as the earlier of: the date on which the Charity is aware that probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made; or when a distribution is received from the estate.
- Grants receivable – Grants from government bodies and other sources are received for specific projects and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

e) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs have been allocated to activities on the basis of full-time equivalent employee numbers. Non-recoverable VAT is attributed to the heading of cost where the expenditure is incurred.

All expenditure up to the year-end payable on projects under the management of the Charity has been included in the financial statements. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory regulations.

f) Tangible assets

Tangible fixed assets costing more than £2,000 are capitalised and included at cost. Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives on a straight-line basis. The rates of depreciation utilised are as follows:

| | |
|-----------------------|---------------------------------|
| IT Equipment | 25% per annum |
| Plant and machinery | 25% per annum |
| Office refurbishments | 10% per annum or the lease term |

Freehold land and buildings are not depreciated because (a) it is the Trustees' intention to hold the assets for the long term and (b) their residual value is at least equal to the carrying value. Assets not depreciated are subjected to an annual impairment review.

g) Key sources of estimation uncertainty and judgements

Preparation of the financial statements requires management to make estimates and judgements. The items in the financial statements where the most significant estimates and judgements have been made are:

- Income recognition on grants: Income is recognised when there is evidence of entitlement, the amount can be measured and the receipt is probable. Where terms and conditions have not been met, or, uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met
- Valuation of tangible fixed assets and assessment of the remaining useful lives of tangible fixed assets: see accounting policy (1f) for details of the estimate of useful economic lives applied and consideration of impairment;
- Valuation of debtors with regards to making an assessment for impairment: see accounting policy (1d).
- Accrued and deferred income: Income is recognised when there is evidence of entitlement, the amount can be measured and the receipt is probable. Where terms and conditions have not been met, or, uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.

h) Stock

The Charity holds stocks of maps which are recognised at cost, and adjusted (where applicable) for any loss of service potential.

i) Maintenance

The Charity has a maintenance obligation over a number of disused railways where it owns the land and structures upon it. A planned maintenance policy is adopted with routine maintenance expenditure being funded from Restricted funds and Designated funds as appropriate. Significant short-term maintenance liabilities are provided for as and when there is a constructive obligation.

j) Taxation

The company, which is a registered Charity, is entitled to taxation exemptions on all income and gains properly applied for its charitable purposes.

k) Pension costs

The Charity makes contributions to a defined contribution pension scheme on behalf of certain employees. The cost of these contributions is charged in the financial statements as incurred. This scheme is available to all employees.

l) Operating leases

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis.

m) Grants

Grants payable in furtherance of the Charity's objects are recognised when the commitment is communicated to the grant recipient or when payment is due in accordance with the terms of the contract, which is normally upon providing evidence of the project work being undertaken.

n) Volunteers

The Charity benefits from gifts in kind in the form of volunteer time and unclaimed out of pocket expenses. As per the Charity SORP, these are not recognised in the accounts as they cannot be reliably valued, but further information is provided in the Trustees' annual report on page 13.

o) Financial instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Redundancies

Termination payments are accounted for in the period an obligation is made or liability incurred.

q) Cash

Cash includes UK bank balances available within 121 days.

2. Income from Charitable Activities

| | Unrestricted | Restricted | Total 2022 | Total 2021 |
|------------------|--------------|----------------|----------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| England | 4,337 | 15,321 | 19,658 | 10,634 |
| London | 2,230 | 318 | 2,548 | 2,525 |
| Northern Ireland | 841 | 103 | 944 | 781 |
| Scotland | 1,163 | 83,583 | 84,746 | 47,310 |
| Wales | 1,218 | 876 | 2,094 | 933 |
| | 9,789 | 100,201 | 109,990 | 62,183 |

A considerable proportion of Sustrans' impact is delivered through the management of performance-related grants. In a number of significant cases this funding is paid to the charity in advance of delivery. Accordingly the income is deferred until the performance related conditions are met and the income is then recognised. This can lead to the charity holding significant amounts as cash (please see the Balance Sheet) and deferred income (please see note 9).

3. Total Expenditure

| | Activities undertaken directly | Grant funding of activities (to institutions)* | Support costs | Total 2022 | Total 2021 |
|------------------------------|--------------------------------|--|---------------|----------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 1,533 | - | 199 | 1,732 | 911 |
| Charitable Activities | | | | | |
| England | 16,878 | 2,680 | 2,420 | 21,978 | 12,727 |
| London | 2,530 | - | 819 | 3,349 | 3,532 |
| Northern Ireland | 990 | - | 273 | 1,263 | 1,159 |
| Scotland | 12,502 | 69,293 | 2,295 | 84,090 | 46,567 |
| Wales | 1,988 | 10 | 409 | 2,407 | 1,365 |
| | 34,888 | 71,983 | 6,216 | 113,087 | 65,350 |
| Total expenditure | 36,421 | 71,983 | 6,415 | 114,819 | 66,261 |

* See Note 16.

Sustrans' charitable activities are delivered by geographically focussed teams across the UK.

4. Analysis of support costs

| | Chief Executive and Governance | Brand, Marketing, & Impact | Finance | IT | HR | Total 2022 | Total 2021 |
|-------------------|--------------------------------|----------------------------|------------|--------------|--------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 23 | 53 | 21 | 56 | 46 | 199 | 100 |
| England | 284 | 637 | 260 | 680 | 559 | 2,420 | 1,865 |
| London | 96 | 216 | 88 | 230 | 189 | 819 | 750 |
| Northern Ireland | 32 | 72 | 29 | 77 | 63 | 273 | 231 |
| Scotland | 269 | 604 | 247 | 645 | 530 | 2,295 | 2,001 |
| Wales | 48 | 108 | 44 | 115 | 94 | 409 | 240 |
| Total 2022 | 752 | 1,690 | 689 | 1,803 | 1,481 | 6,415 | 5,187 |
| Total 2021 | 629 | 1,328 | 748 | 1,301 | 1,181 | 5,187 | |

5. Net income

| | 2022 | 2021 |
|---|------------|-------|
| | £'000 | £'000 |
| This is stated after charging: | | |
| Trustees of the Charity are not paid | - | - |
| Travel and associated expenses incurred by employees and 10 (2021:11) Trustees for attendance at meetings | - | 2 |
| Fees payable for statutory audit | 18 | 18 |
| Trustee liability insurance | 2 | 2 |
| | 20 | 22 |
| Fees payable to the auditors for assurance services other than statutory audit | 2 | 2 |
| Depreciation of tangible fixed assets | 257 | 122 |

6. Employee costs

| | 2022 | 2021 |
|---|---------------|---------------|
| Average full-time equivalent number of employees | Number | Number |
| Raising Funds | 16.7 | 9.6 |
| Support Functions | 108.9 | 95.2 |
| Charitable Activities | | |
| England | 201.8 | 178.7 |
| London | 68.4 | 71.8 |
| Northern Ireland | 22.8 | 22.2 |
| Scotland | 191.4 | 191.6 |
| Wales | 34.1 | 23.0 |
| | 644.1 | 592.1 |

The average head count (number of employees) during the year was 713 (2021: 694).

| | 2022 | 2021 |
|--|---------------|---------------|
| Staff costs (for the above employees) | £'000 | £'000 |
| Wages and salaries | 19,913 | 17,975 |
| Social Security costs | 1,815 | 1,646 |
| Employer's pension contributions | 1,435 | 1,177 |
| | 23,163 | 20,798 |

Statutory redundancy payments totalling £51k (2021: £6k) were made during the year.

| | 2022 | 2021 |
|--|---------------|---------------|
| | Number | Number |
| The following number of employees received remuneration falling within the following ranges: | | |
| £60,000 to £69,999 | 6 | 2 |
| £70,000 to £79,999 | - | 4 |
| £80,000 to £89,999 | 4 | 1 |
| £110,000 to £119,999 | - | 1 |
| £120,000 to £129,999 | 1 | - |

The remuneration shown above is the only employee benefit received by key management personnel. The salary of the Chief Executive is set by the Board of Trustees. Other roles are scored according to the Hay Job Evaluation system and graded accordingly.

The key management personnel are considered to be the Executive team, and during the year, the total payroll cost for members of the Executive team was £734k (2021: £715k).

7. Tangible assets

| | Freehold land and buildings | Office refurbishment | IT Equipment | Plant and Machinery | Total |
|---------------------------------|-----------------------------|----------------------|--------------|---------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | |
| At 1 April 2021 | 2,167 | - | 224 | 534 | 2,925 |
| Additions | - | 778 | 3 | 351 | 1,132 |
| Disposals | - | - | (44) | (37) | (81) |
| At 31 March 2022 | 2,167 | 778 | 183 | 848 | 3,976 |
| Accumulated depreciation | | | | | |
| At 1 April 2021 | - | - | 200 | 337 | 537 |
| Charge for the year | - | 67 | 11 | 179 | 257 |
| Disposals | - | - | (44) | (35) | (79) |
| At 31 March 2022 | - | 67 | 167 | 481 | 715 |
| Net Book Value | | | | | |
| At 31 March 2022 | 2,167 | 711 | 16 | 367 | 3,261 |
| At 31 March 2021 | 2,167 | - | 24 | 197 | 2,388 |

Tangible fixed assets held in restricted funds total £1,053K (2021: £1,053K) and comprise the National Cycle Network Centre £903K (2021:£903K) and land holdings in Yorkshire totalling £150K (2021: £150K).

As at 31 March 2022, capital commitments with a value of £302K (2021: £nil) existed for office refurbishments.

8. Debtors

| | 2022 | 2021 |
|--------------------------------|--------------|-------|
| | £'000 | £'000 |
| Trade Debtors | 4,324 | 2,030 |
| Accrued income | 1,549 | 1,411 |
| Sundry debtors and prepayments | 424 | 448 |
| | 6,297 | 3,889 |

9. Creditors: amounts falling due within one year

| | 2022 | 2021 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Trade Creditors | 10,570 | 1,691 |
| Payments received on account for contracts or performance related grants | 132,979 | 131,437 |
| Accruals | 10,243 | 1,075 |
| Taxation and social security | 1,155 | 976 |
| | 154,947 | 135,179 |

Reconciliation of payments received on account for contracts or performance related grants

| | 2022 | 2021 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Brought forward as at 1 April 2021 | 131,437 | 96,026 |
| Released in the year | (60,603) | (30,655) |
| New balances deferred | 62,145 | 66,066 |
| Carried forward as at 31 March 2022 | 132,979 | 131,437 |

The new balances deferred in the year of £62.1M (2021: £66.1M) includes funding from the Department of Transport of £38.9M (2021: £23.0M) and Transport Scotland of £20.4M (2021: £40.6M). Of the Transport Scotland funds brought forward £44.6M (2021: £23.9M) was released in the year.

10. Financial instruments

| | 2022 | 2021 |
|--|----------|---------|
| | £'000 | £'000 |
| Financial Assets | | |
| Cash | 155,338 | 139,100 |
| Accrued income | 1,549 | 1,411 |
| Trade debtors (settlement amount after trade discount) | 4,324 | 2,030 |
| Financial Liabilities | | |
| Trade creditors (settlement amount after trade discount) | (10,570) | (1,691) |
| Accruals | (10,243) | (1,075) |

11. Restricted income funds

| | | Balance at 1 April 2021 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2022 |
|------------------------------------|-------|-------------------------------|----------------|------------------|--|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett & Sunderland Railway Path | | - | 2 | (70) | 68 | - |
| Paisley to Kilwinning & Kilmacolm | | 108 | 4 | (4) | - | 108 |
| York to Selby Railway Path | | 443 | 12 | (34) | 22 | 443 |
| Worthington Railway Path – Derby | | - | - | (69) | 69 | - |
| Mirehouse Railway Path | | - | - | (43) | 43 | - |
| Historic railway path funds | (1) | 551 | 18 | (220) | 202 | 551 |
| National Cycle Network Centre | (2) | 363 | - | (140) | - | 223 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 83 | - | - | - | 83 |
| Catterick maintenance fund | (5) | 17 | - | - | - | 17 |
| Frome's missing link donations | | 6 | - | (6) | - | - |
| Track of the Ironmasters | | - | 38 | (40) | 2 | - |
| Castleford Greenway | (6) | 122 | - | - | - | 122 |
| Lune Valley Cycleway | (7) | 918 | - | (56) | - | 862 |
| Beadnell to Dunston Steads | (8) | 18 | - | (15) | - | 3 |
| Asda Parklet | (9) | 21 | - | - | - | 21 |
| Camel Trail access improvements | (10) | 4 | - | (1) | - | 3 |
| Big Give | (11) | - | 41 | - | - | 41 |
| | | 1,652 | 79 | (258) | 2 | 1,475 |
| England | | - | 15,269 | (15,269) | - | - |
| London | | - | 318 | (318) | - | - |
| Northern Ireland | | - | 105 | (105) | - | - |
| Scotland | | - | 83,580 | (83,580) | - | - |
| Wales | | - | 876 | (876) | - | - |
| | | - | 100,148 | (100,148) | - | - |
| | | 2,203 | 100,245 | (100,626) | 204 | 2,026 |

- (1) The historic railway path funds cover routes acquired from BRB (Residuary) Ltd. Agreements with the relevant local authority state that income arising from the land must be ring-fenced to that land. Where unrestricted funds have been spent on these routes these are shown as transfers into the fund.
- (2) In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605k was received from the Millennium Commission to assist with the purchase. An appeal to supporters and trusts raised a further £332k. This restricted fund is used to maintain the building.
- (3) A maintenance fund from Yorkshire Water to be spent on the network within Kirklees.
- (4) A fund restricted to the long-term maintenance of the Two Tunnels in Bath.
- (5) Funds received for the long-term maintenance of the Connect 2 project at Catterick, Yorkshire.
- (6) Funds received in 2017/18 from the Railway Heritage Trust for the viaduct and greenway phases connecting to the Castleford Greenway in Yorkshire.
- (7) Funds received from a major donor for the Lune Valley Cycleway in Lancashire.
- (8) Funds received from a major donor to review off-road alternatives for the NCN 1 between Beadnell and Dunstan Steads in Northumbria.
- (9) A donation received from a major supermarket to create a pocket park near the NCN 66 in Leeds.
- (10) Funds received from a donor for access improvement works on the Camel Trail in Cornwall.
- (11) Funds received from individual donors and match funding from the Big Give to undertake ecology work along the National Cycle Network.

12. Designated funds

| | | Balance at 1 April 2021 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2022 |
|------------------|-------|-------------------------------|--------|--------------|--|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| NCN repairs fund | (1) | 1,000 | - | - | - | 1,000 |
| Fixed asset fund | (2) | 1,335 | - | (257) | 1,130 | 2,208 |
| Restructure fund | (3) | 2,966 | - | - | - | 2,966 |
| | | 5,301 | - | (257) | 1,130 | 6,174 |

The funds of the Charity include the following designated funds that have been set aside out of unrestricted funds by the trustees:

- (1) There is a risk that there could be damage to the NCN which falls outside of the affordability provided by normal land management and maintenance budgets. The Trustees have set aside £1M designated funds to ensure that routes which are well used, and owned by Sustrans could be repaired and re-instated in the event of severe and unexpected damage.
- (2) The fixed asset fund has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.
- (3) The restructure fund has been set up to cope with a scenario in which Sustrans has to restructure to reduce activities significantly because of a lack of funding but retain a core activity which could be funded by continuing charitable donations.

13. Limitation by guarantee

The Company is limited by guarantee and does not have a share capital. The liability for members in the event of winding up is limited to an amount not exceeding £1 per member.

14. Financial commitments

| | 2022 | 2021 |
|--|--------------|------------|
| | £'000 | £'000 |
| The total of future minimum lease payments under non-cancellable operating leases for each of the following periods: | | |
| 1. Not later than one year | 210 | 266 |
| 2. Later than one year and not later than five years | 975 | 59 |
| | 1,185 | 325 |
| Lease payments recognised as an expense | 485 | 522 |

15. Legal charges

In December 1995 the Charity entered into a debenture with the Millennium Commission giving a floating charge over the assets of the Charity as part of the agreement for grants from the Millennium Commission. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605,000 was received from the Millennium Commission to assist with this purchase. A charge over the building was created, in addition to the existing Debenture held by the Commission, in October 2005.

When the Millennium Commission was abolished in November 2006 these charges transferred to its successor, the Big Lottery Fund. In August 2014 the Big Lottery Fund released Sustrans from the floating charge, but the fixed charge over the building in central Bristol remains.

Over a number of years Sustrans acquired disused railway lines in England which were covered by a fixed charge in favour of the appropriate authority. The legal charges in existence are as follows:

- Land situated at Naburn, Escrick and Riccall, North Yorkshire is covered by a fixed charge in favour of Selby District Council
- Land on the Consett to Sunderland Railway is covered by a fixed charge in favour of Derwentside and Chester-le-Street District Councils (now Durham County Council) and Sunderland City Council
- Land forming the track bed of part of the disused railway in Cumbria is covered by a fixed charge in favour of Copeland Borough Council
- The Worthington Branch Line is covered by a fixed charge in favour of Derbyshire County Council and Leicestershire County Council
- The Foss Island branch line is covered by a fixed charge in favour of the City of York Council

16. Grants paid to institutions

During the reporting year grants of more than £200K have been paid to the following institutions as reimbursement for project delivery:

| | 2022 | 2021 |
|-------------------------------------|---------------|---------------|
| | £'000 | £'000 |
| City of Edinburgh Council | 11,293 | 5,134 |
| Scottish Canals | 10,291 | 7,506 |
| Glasgow City Council | 7,325 | 5,310 |
| Scottish Borders Council | 3,384 | 173 |
| Highland Council | 3,176 | 1,143 |
| Dundee City Council | 3,127 | 872 |
| West Dunbartonshire Council | 2,557 | - |
| Aberdeen City Council | 1,775 | 1,095 |
| South Ayrshire Council | 1,533 | 376 |
| South Lanarkshire Council | 1,502 | - |
| Stirling Council | 1,492 | 141 |
| Argyll and Bute Council | 1,457 | 150 |
| Glasgow Science Centre | 1,318 | 206 |
| North Ayrshire Council | 1,289 | 205 |
| Clackmannanshire Council | 1,283 | 839 |
| East Lothian Council | 1,202 | 866 |
| West Lothian Council | 1,114 | 511 |
| Fife Council | 1,029 | 390 |
| Angus Council | 1,012 | 115 |
| North Lanarkshire Council | 989 | 314 |
| Renfrewshire Council | 964 | 1,369 |
| East Renfrewshire Council | 930 | - |
| NHS Grampian | 800 | - |
| East Ayrshire Council | 660 | - |
| Falkirk Council | 631 | - |
| Clyde Gateway URC | 600 | - |
| Staffordshire County Council | 509 | - |
| Perth and Kinross Council | 397 | 817 |
| Cambridgeshire County Council | 368 | 200 |
| Buckinghamshire County Council | 364 | - |
| Inverclyde Council | 361 | - |
| Abellio East Midlands Limited | 340 | 144 |
| North East of Scotland Transport | 334 | - |
| Lancashire County Council | 332 | - |
| Tactran | 315 | 196 |
| Perth and Kinross Countryside Trust | 309 | 419 |
| Aberdeenshire Council | 308 | - |
| SEPA | 281 | 184 |
| The Chiltern Railway Company | 275 | 565 |
| Hertfordshire County Council | 271 | - |
| Renfrewshire City Deal | 270 | - |
| Queens Cross Housing Association | 201 | - |
| Others less than £200K | 4,015 | 5,990 |
| | 71,983 | 35,230 |

17. Grants received from government bodies

During the year grants of more than £100K were received from government bodies in relation to a wide number of projects that fall under the Charity's objectives as outlined in the Trustees' Report. The granting government bodies were:

| | 2022 | 2021 |
|-----------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Transport Scotland | 82,493 | 45,189 |
| Department for Transport | 14,309 | 4,634 |
| Welsh Government | 817 | 154 |
| Midlothian Council | 100 | - |
| Coronavirus Job Retention Support | 19 | 360 |
| West Yorkshire Combined Authority | 9 | 344 |
| Other government bodies | 269 | 240 |
| Total | 98,016 | 50,921 |

18. Net Assets

| | 2022 | | 2021 | | 2021 Total |
|-------------------------------|---------------------|-----------------------|---------------------|-----------------------|---------------|
| | Restricted Funds | Unrestricted Funds | Restricted Funds | Unrestricted Funds | |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Tangible fixed assets | 1,053 | 2,208 | 3,261 | 1,053 | 1,335 |
| Current assets | 1,672 | 160,196 | 161,868 | 1,710 | 141,367 |
| Creditors due within one year | (699) | (154,248) | (154,947) | (560) | (134,619) |
| Total | 2,026 | 8,156 | 10,182 | 2,203 | 8,083 |

19. Railway Paths Limited

Railway Paths Limited was established as a Charity in May 1998 to take ownership of a number of disused railway lines from Rail Property Ltd as to transform them into walking, horse-riding and cycling routes for the benefit of the public. One of the charitable objectives of Railway Paths Limited is the support, promotion and encouragement of the charitable activities of Sustrans Ltd. We collaborate with Railway Paths Limited to work as efficiently as possible and share resources to achieve our aligned objectives and vision. Although the two organisations are not legally connected entities, we have disclosed the transactions between the two organisations below in the interests of transparency.

During the year Sustrans charged Railway Paths £79K (2021: £83K) for Finance, HR, Legal and Land management services. Railway Paths charged Sustrans £41K (2021: £80K) for Bridge and Estate management services. At the 31st March 2022 £27K (2021: £29K) was owed by Sustrans to Railway Paths, and £30K (2021: £25K) was owed by Railway Paths to Sustrans.

There were no other related party transactions in the current or prior year.

20. Comparative notes from 2020/21 financial statements

Statement of Financial Activities

| | | Unrestricted Funds | Restricted Funds | Total Funds 2021 |
|--------------------------------------|-------|-----------------------|---------------------|---------------------|
| | Notes | £'000 | £'000 | £'000 |
| Income | | | | |
| Donations and Legacies | | 3,758 | 674 | 4,432 |
| Charitable activities | 2 | 9,800 | 52,383 | 62,183 |
| Investment income | | 330 | - | 330 |
| Total income | | 13,888 | 53,057 | 66,945 |
| Expenditure | | | | |
| Raising funds | | 911 | - | 911 |
| Charitable activities | | 12,638 | 52,712 | 65,350 |
| Total expenditure | 3 | 13,549 | 52,712 | 66,261 |
| Net income | 5 | 339 | 345 | 684 |
| Transfers between funds | | (128) | 128 | - |
| Net movement in funds | | 211 | 473 | 684 |
| Reconciliation of funds | | | | |
| Fund balances brought forward | | 7,872 | 1,730 | 9,602 |
| Fund balances carried forward | | 8,083 | 2,203 | 10,286 |

21. Comparative notes from 2020/21 financial statements

Balance Sheet at 31 March 2021

| | | Unrestricted Funds | Restricted Funds | Total Funds 2021 |
|---|-------|-----------------------|---------------------|---------------------|
| | Notes | £'000 | £'000 | £'000 |
| Fixed assets | | | | |
| Tangible assets | 7 | 1,335 | 1,053 | 2,388 |
| Current assets | | | | |
| Stock | | 88 | - | 88 |
| Debtors | 8 | 3,889 | - | 3,889 |
| Cash at bank and in hand | | 137,390 | 1,710 | 139,100 |
| Total Current Assets | | 141,367 | 1,710 | 143,077 |
| Creditors: amounts falling due within one year | 9 | (134,619) | (560) | (135,179) |
| Net current Assets | | 6,748 | 1,150 | 7,898 |
| Total Net Assets | | 8,083 | 2,203 | 10,286 |
| The Funds of the Charity | | | | |
| Restricted | 11 | | | 2,203 |
| Unrestricted | | | | |
| Designated | 12 | | | 5,301 |
| General | | | | 2,782 |
| | | | | 8,083 |
| Total Funds | | | | 10,286 |

22. Comparative notes from 2020/21 financial statements

Restricted funds

| | | Balance at 1 April 2020 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2021 |
|------------------------------------|-------|-------------------------------|---------------|-----------------|--|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett & Sunderland Railway Path | | - | 4 | (46) | 42 | - |
| Paisley to Kilwinning & Kilmacolm | | 95 | 19 | (6) | - | 108 |
| York to Selby Railway Path | | 443 | 11 | (26) | 15 | 443 |
| Worthington Railway Path – Derby | | - | - | (42) | 42 | - |
| Mirehouse Railway Path | | - | - | (42) | 42 | - |
| Historic railway path funds | (1) | 538 | 34 | (162) | 141 | 551 |
| National Cycle Network Centre | (2) | 450 | - | (87) | - | 363 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 164 | - | (81) | - | 83 |
| Catterick maintenance fund | (5) | 22 | - | (5) | - | 17 |
| Frome's missing link donations | (6) | 12 | - | - | (6) | 6 |
| Track of the Ironmasters | (7) | - | 93 | (86) | (7) | - |
| Castleford Greenway | (8) | 122 | - | - | - | 122 |
| Lune Valley Cycleway | (9) | 260 | 669 | (11) | - | 918 |
| Beadnell to Dunston Steads | (10) | 32 | - | (14) | - | 18 |
| Asda Parklet | (11) | 24 | - | (3) | - | 21 |
| Camel Trail access improvements | (12) | 6 | - | (2) | - | 4 |
| | | 1,192 | 762 | (289) | (13) | 1,652 |
| England | | - | 5,568 | (5,568) | - | - |
| London | | - | 83 | (83) | - | - |
| Northern Ireland | | - | 43 | (43) | - | - |
| Scotland | | - | 46,411 | (46,411) | - | - |
| Wales | | - | 156 | (156) | - | - |
| | | - | 52,261 | (52,261) | - | - |
| | | 1,730 | 53,057 | (52,712) | 128 | 2,203 |

23. Comparative notes for 2020/21 financial statements

Designated funds

| | | Balance at 1 April 2020 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2021 |
|------------------|-------|-------------------------------|----------|--------------|--|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| NCN repairs fund | (1) | 1,000 | - | - | - | 1,000 |
| Fixed asset fund | (2) | 1,306 | - | (122) | 151 | 1,335 |
| Restructure fund | (3) | 2,856 | - | - | 110 | 2,966 |
| | | 5,162 | - | (122) | 261 | 5,301 |

Walk Wheel Cycle Trust

England & Wales - Charity number 326550

Accounts

Annual Report and Financial Statements 2020/21

Sustrans

Year ended 31 March 2021

Charity Number 326550 (England and Wales)
SC039263 (Scotland)

Company Number 1797726 (England and Wales)

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Legal and administrative information

Sustrans is a company limited by guarantee and a registered charity governed by its Articles of Association.

Registered Office 2 Cathedral Square, Bristol BS1 5DD

Charity Number 326550 (England and Wales)
SC039263 (Scotland)

Company Number 1797726 (England and Wales)

Trustees and Directors

The trustees who were in office during the year and up to the date of signing the Annual Report and Financial Statements were:

| | |
|-------------------------------|----------------------------|
| Lynne Berry (RC) | Chair |
| Helen Simpson (AR) | Vice Chair |
| Horace Carter-Allen (AR) (RC) | |
| Edward Condry (E) | (resigned 7 December 2020) |
| Moray Macdonald (FP) | |
| Catherine Max (E) (AR) | |
| Stuart Mills (FP) (E) (RC) | |
| Heather Preen (E) (AR) | |
| Oliver Reichardt (FP) | |
| Frank Swinton (FP) (RC) | |
| Fiona Westwood (FP) (RC) | |

AR = Audit and Risk Committee

FP = Finance and Performance Committee

E = Estates Committee

RC = Remuneration Committee

Company Secretary Andy Appleby

Executive Directors

| | |
|---------------|---|
| Xavier Brice | Chief Executive Officer |
| Di Gornall | Acting Executive Director of External Affairs |
| Susie Dunham | Executive Director of Impact |
| Harry Hayer | Executive Director of People and Organisational Development |
| John Lauder | Deputy Chief Executive Officer ¹ |
| Sam Kemp | Executive Director of Finance and Resources ² (from 1 July 2021) |
| Matt Winfield | Executive Director for England |

Notes:

1 The Deputy Chief Executive has executive responsibility for Scotland, Wales and Northern Ireland

2 Victoria Reynolds was Interim Executive Director of Finance and Resources from November 2020 to July 2021.

Advisers

Independent auditors

Crowe UK LLP
Fourth Floor
St James House
St James Square
Cheltenham, GL50 3PR

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham B3 2ES

Veal Wasborough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

Burness Paull LLP
50 Lothian Road
Edinburgh EH3 9WJ

McCartney Stewart
1B Paisley Road
Renfrew PA4 8JH

Bankers

Lloyds Bank plc
Bristol City Centre Branch
PO Box 1000, BX1 1LT

Clydesdale Bank plc
23 Bank Street
Airdrie, ML6 6AD3

HSBC Bank plc
3 Temple Quay
Bristol BS1 6DZ

Santander UK plc
12 Baldwin Street
Bristol BS1 1SD

Triodos Bank
Deanery Road
Bristol BS1 5AS

Report of the trustees

About us

Sustrans is the charity making it easier for people to walk and cycle. We connect people and places, create liveable neighbourhoods, transform the school run and deliver a happier, healthier commute. Sustrans works in partnership, bringing people together to find the right solutions. We make the case for walking and cycling by using robust evidence and showing what can be done. We are grounded in communities and believe that grassroots support combined with political leadership drives real change, fast.

Public benefit

In setting our aims and objectives, carrying out our activities, and reporting on our achievements, we have complied with the requirements of the Charities Act to have due regard to public benefit guidance published by the Charity Commission. The remainder of this report describes how Sustrans has planned and delivered its public benefit.

Strategic Report

Our aims and objectives

Sustrans' charitable objects, as set out in our articles of association, are:

- to promote and encourage, both in the UK and overseas, for the public benefit the development in the community and the provision of safe routes, paths and facilities for cycling, walking and other forms of low energy transport and
- to undertake and carry on projects and activities of a charitable nature which will assist in promoting healthy recreation, the protection of the environment and the conservation of energy resources.

Our vision

Our vision is of a society where the way we travel creates healthier places and happier lives for everyone.

Our mission

Our mission is to make it easier for people to walk and cycle.



For Everyone

Central to our vision is the idea of **'For Everyone'**. This is about ensuring that the benefits of walking and cycling are enjoyed by everyone equitably.

We know that people, individually, benefit from walking and cycling, and society overall benefits when more of us are walking and cycling. But those benefits are not enjoyed equitably. Making it easier for people to walk and cycle leads to healthier places and happier lives, but not currently for everyone.

Some people are more likely to experience the negative impact of others' travel choices. They face greater barriers to walking, cycling, wheeling and accessing pleasant, healthy places.

To guide our work we are committed to embedding our 'For Everyone' principles in everything we do:

1. The benefits of walking, cycling, wheeling and healthy places aren't experienced equitably, so we prioritise work with people and in places that challenges that inequity.
2. So that we develop solutions that work for everyone, we involve people with different and seldom-heard voices.
3. Being For Everyone isn't a box we can tick. We can't be complacent, or merely compliant; we have to keep questioning and asking if we can do more.
4. We work with others to include everyone. We can't do this on our own.

Principle 1

The benefits of walking, cycling, wheeling and healthy places aren't experienced equitably, so we prioritise work with people and in places that challenges that inequity.

So, we will work:

- For the benefit of people whose lives are made most unhappy by how we travel;
- In places that have the most potential to be healthier by changing how people travel through them;
- With people whose travel behaviour has a significant impact on the places and people around them; and the partners and organisations that can influence that behaviour.

Principle 2

So that we develop solutions that work for everyone, we involve people with different and seldom-heard voices.

So, we will:

- Go the extra mile to understand the context;
- Bring beneficiary voices in early;
- Create inclusive places; for example, no steps on the Network.

Principle 3

Being for everyone isn't a box we can tick. We can't be complacent, or merely compliant; we have to keep questioning and asking if we can do more.

So, we will:

- Seek feedback / open ourselves up to criticism – ensure our platforms allow opportunities for two-way communication, not just broadcast;
- Go beyond our legal responsibilities in recruitment to achieve a more diverse workforce;
- Work in accordance with the public sector equality duty – even when it doesn't apply to us.

Principle 4

We work with others to include everyone. We can't do this on our own.

So, we will:

- Develop more mutually beneficial partnerships, where we maximise opportunities to learn from each other;
- Take a more active role in convening others and bringing together different perspectives to co-create solutions;
- Challenge and raise the ambitions of our partners, and encourage the same challenge from them.

'For Everyone' is a cross-cutting strategic theme that is central to both our strategic priorities: Paths for Everyone and Liveable Cities and Towns for Everyone, as well as how we work internally as a charity.

Our values

Our values guide us in everything that we do:

- We include everyone
- We have the courage to question
- We act local and think big
- We get things done, together
- We're always learning

Strategic Priorities

The following three strategic priorities set out how we will achieve our mission, and ultimately our vision:

1. **Paths for Everyone.** This was developed in 2018 following our wide-ranging and collaborative review of our role as custodian of the National Cycle Network.
2. **Liveable Towns and Cities for Everyone.** This was developed in 2019/20. Our goal is to help shape places that connect us to each other and what we need, where everyone can thrive without having to use a car.
3. Our third priority, developed during 2020/21, focuses on improving our operating model to ensure that Sustrans is a **Fit and Nimble charity** and is in great shape to deliver our strategy.

1. Paths for Everyone

As custodians of the National Cycle Network (NCN), Sustrans has a responsibility to steward this iconic national asset so that more and different types of people can enjoy it, today and into the future. Working with our supporters and volunteers, and partners across government and the public sector, and other charities we set a shared goal for the Network:

Our goal is to develop a UK-wide network of traffic-free paths for everyone, connecting cities, towns and countryside, loved by the communities they serve.

It has taken over 20 years to deliver 5,000 miles of traffic free infrastructure; we have now set ourselves, and our partners, the target of doubling this by 2040: over 10,000 miles of traffic-free or segregated routes. The remainder of the Network will be turned into quiet-way routes, where speed limits are low, and walking and cycling can take priority. By 2040 the entire Network will be of a good or very good standard.

Through increasing the number of traffic-free routes, reducing speed limits, redesigning/removing all barriers, improving signage and wayfinding, the Network will become safer and more accessible for everyone. It will better meet the needs of those who are disabled or less physically active, women, new cyclists, children, parents with buggies, wheelchair users, and many more people beyond. Fundamentally, we want to make it easier and more enjoyable for more and different people to use the Network.

2. Liveable Towns and Cities for Everyone.

Since 1977, Sustrans has been leading the campaign to tackle car dominance on our streets, and we have been at the forefront of offering millions of people across the country sustainable and active alternatives to the car. Yet over the last four decades, car ownership and traffic levels in our cities and towns has continued to grow. We know this cannot continue. The climate crisis gives us just a decade to radically transform how we move. The solution is simple: we need fewer vehicles on our streets, and more people walking, cycling, scooting and wheeling for everyday journeys.

Over the years, Sustrans has pioneered work to improve the walkability and cycle-friendliness of our towns and cities. Working with our supporters, partners and the wider public we have developed a set of principles for what makes a town or city more liveable for everyone. A liveable city or town:

- Has social connection at its heart
- Has most of what you need just a short walk away
- Has roots and celebrates its unique character
- Is easy for everyone to move around healthily in
- Has clean air and green space for all to live and play in

3. A Fit and Nimble Charity

During 2020-21, we developed a third strategic priority around improving our operating model. The priority is to be a fit and nimble charity for everyone – a Sustrans that is in great shape to deliver our strategy.

Underpinning this priority are five internal objectives, each described by our aspiration for Sustrans:

A fit and nimble charity for everyone

| | | | |
|---|----------------------------------|--|------------|
|  | — Impact-led | We are always focused on the difference we and our team will make – today and tomorrow | OBJECTIVES |
| | — A charity for everyone | We celebrate diverse lived experiences and voices, and our people feel included, empowered and able to make a difference | |
| | — Simple and clear | We are clear on the 'why, how and who' and we choose to achieve more by focusing on fewer things | |
| | — Purposefully agile | We embrace consistent rules to enable rapid decision-making, empowered teams and nimble delivery | |
| | — Financially sustainable | We plan confidently, balance risk and opportunity, and weather financial storms in the future | |

We have identified a portfolio of initiatives to make improvements to our operating model. We are taking an evolutionary and agile approach, aimed at making a succession of relatively small improvements, sometimes as tests and pilots, learning from those and then rolling out broader change over a two to three year period. We expect the portfolio to evolve.

An Internal Portfolio Board has been set up to oversee the work, with a fairly simple portfolio management process to coordinate and monitor the individual initiatives.

Our 2020/21 business plan objectives and targets

Impact against our strategic priorities

In 2020/21 we delivered against the following objectives, set out against our goals:

A UK-wide network of traffic-free paths for everyone, connecting cities, towns and countryside, loved by the communities they serve

OBJECTIVES

- **Improve the quality** of the existing traffic-free network
- **Convert** on-road to traffic-free or quiet-way miles
- **Remove or redesign** barriers
- Increase **community** involvement
- Increase the **number and diversity** of users
- Ensure partners and the public **love and value** it
- Improve **user experience**



Places that connect us to each other and what we need, where everyone can thrive without having to use a car

- **Raise ambition for change** by enabling and encouraging ambitious urban leadership
- **Demonstrate change** by improving liveability in cities or towns
- **Amplify voices for change** through local citizen and stakeholder engagement
- **Provide a credible voice** in shaping the future of cities and towns

OBJECTIVES

Delivery of these targets is through specific projects owned by teams across Sustrans and is covered in achievements and performance below.

How we deliver our objectives

We deliver our objectives through a number of different types of activity.

We manage grant programmes to fund partner organisations to deliver their own walking and cycling projects. The policy of grant awards is to invest in projects that fit within Sustrans' strategic vision and objectives and are able to clearly demonstrate impact and value. We have specific written procedures for each of our grant programmes, which reflect our funders' requirements and the objectives of the grant programme. These procedures are guided by our own governance arrangements and our delegated authority framework. All of our grant award procedures include a robust application process, and rigorous assessment through an appropriately skilled and representative advisory panel. Formal funding agreements are in place for all approved grant awards.

We have quality assurance processes in place to ensure that schemes which are funded through our grant programmes meet our specifications and quality standards. In some cases, we also advise and support the design and delivery of projects that benefit from grant funding that we provide.

We also carry out projects with and on behalf of partner organisations. These projects range from working with communities to design solutions to make it easier for them to walk and cycle, conducting feasibility studies for infrastructure proposals, providing advice to partners, and helping enthuse and educate children around the benefits of walking and cycling as part of daily life.

We conduct research and carry out studies to demonstrate the impact of interventions to make it easier for people to walk and cycle; both our own projects and those of partner organisations. This in turn helps to improve the impact of those projects.

We work to influence government policy and funding for walking and cycling at all levels in the UK, including the UK Government, the devolved national governments, city regions, combined authorities, and local authorities.

We also promote walking and cycling to the general public, including the National Cycle Network of which we are custodians. We do this directly ourselves and increasingly through partner organisations.

We also manage our own estate, which carries sections of the National Cycle Network. These are managed to make it easy for people to walk, cycle and enjoy them, and also as ecological sites.

Our people

Sustrans is committed to reducing inequality, valuing diversity, enabling inclusion, and ensuring all people are treated with dignity and respect. We believe that these are the essential attributes of any Charity that seeks to promote valuable and lasting change in our society.

The average number of people employed by Sustrans in 2020/21 was 694, up 17% on the previous year, of which up to 10% were subject to the coronavirus job retention scheme during the year. Voluntary turnover dropped to 50% of the normal turnover rate.

Our colleagues are based across the UK. Approximately 24% of employees are on fixed-term contracts aligned to time-limited funding. Our female: male ratio is 51:49. 7.3% of employees have a self-reported disability and 5.4% of employees are non-white. 11.4% of employees are LGBTQ+.

Our gender pay gap closed further in 2021 compared to the year before, from 6.67% to 5.75% (mean) and from 4.49% to 4.3% (median).

We have much more to do to improve the diversity and inclusivity of our workforce. We have active Equality Diversity and Inclusion groups and networks across the Charity, and they are closely involved in accelerating our work on 'for everyone' through to 2022.

In September 2020 we asked our colleagues 24 questions about their experience as an employee at Sustrans. The results from the survey were extremely positive and the response rate was very high at 92%. The 'employee net promoter score' (eNPS) measuring responses such as 'how likely are you to recommend Sustrans as a place to work?', and giving an indication of levels of engagement, increased from +22 (2017) to

+36 (2018) to +39 (2019) to +45 (September 2020), compared to a benchmark of +15 in the charity sector, putting Sustrans in the top 20% of all employers in all sectors for employee experience and engagement.

Our volunteers

We also deliver our objectives through over 3,500 volunteers who give their time and energy to educate and inform the general public about walking and cycling, to help maintain and promote the National Cycle Network, and in support of many of our projects in towns and cities across the UK.

During 2020/21 volunteers recorded 7,095 hours, a very significant reduction from the prior year's 34,000 hours, due to the pandemic.

Our volunteers, alongside our colleagues, partners, community groups and supporters play a key role in actively enabling both our strategic priorities. Contributing to our mission we know their involvement has a direct impact on our key outcomes of stronger social connection, improved physical health and improved wellbeing.

Every two years we conduct a national volunteer survey which reports the outcomes volunteering for Sustrans has directly on our volunteers. This reported last year and will report again next year.

Our 2020 national volunteer survey reported the outcomes volunteering for Sustrans has directly on our volunteers:

- 39% feel closer to their community
- 33% increased their physical activity
- 34% improved their wellbeing

Our 2020 national volunteer survey reported a significant improvement in the Net Promoter Score – “How likely are you to recommend Sustrans to friends and family as a good organisation to volunteer for?” This score rose by 8% in the two years since the last survey in 2018, from a negative score of -6% to +2%. Further analysis identified the relationship between this improved engagement against feeling more valued, informed, and being provided a clear vision and direction by Sustrans.

Our ‘What makes a happy volunteer’ report, published January 2020, provided a detailed analysis to see what Sustrans needed to do to get a more positive engagement score in the future and improve the proportion of volunteers who report increased physical activity, wellbeing and sense of community as a result of volunteering. We have been working on implementing some of these improvements during 2020/21.

A major development in volunteering was the launch of our new 5-year Volunteering Strategy in January 2021, with five strategic pillars: for everyone, putting volunteering at the heart of Sustrans, enhancing capability, building capacity and reimagining volunteering.

Our achievements and performance

Paths for Everyone

Despite the ongoing pandemic, local restrictions and limitations on the capacity of our partners, in 2020/21 we made real, tangible progress against our Paths for Everyone goal.

Working with partners we delivered seven activation projects during the year. Like the National Cycle Network, the completed projects cover the breadth of the UK. For example, we converted two miles of on-road route to a traffic-free greenway in Scotland through the completion of the Salachan Burn to Duror village link, creating 49 continuous miles of high quality traffic-free path along the Caledonia Way. In Wales, we delivered a series of improvements to the Taff Trail focused on accessibility improvement.

We removed or redesigned 242 barriers to continue our work to make the Network more accessible for everyone. For example, 69 barriers were removed or redesigned between Edinburgh and Glasgow on the Forth-Clyde and Union Canals. There are no barriers on the highland canals, so the canal network in Scotland is now either barrier free or 'for everyone' compliant. 51 barriers were redesigned or removed in Greater Manchester, with the support of Local Authorities, landowners and Greater Manchester Police. We were pleased to receive a 'Good Access Scheme' award from the disability charity Open Country. This was particularly as a result of our work between Thorp Arch and Newton Kyme, and on Castleford Greenway in Yorkshire.

In England, we modified restrictive barriers in Reading at Waterloo Meadows and Fobney Lock. We engaged with local residents, the Canal & River Trust, Reading Borough Council and the police to ensure that there was widespread support for the project. Surface improvements to the Waterloo Meadows path and a new link to the Kennet Island development enabled more people to use the path throughout the year. The quality of this work was recognised through an Oxford Preservation Trust Award in the Landscape and Public Realm category.

Removal and reclassification of high speed on-road sections of the Network early in the year left a legacy of signs which were no longer accurate across 3,827 miles. We planned to work with our volunteers to address this issue, but Covid-related restrictions on volunteering meant that our progress was limited.

During those months where we were unable to deliver planned projects with our partners and volunteers due to restrictions, we prioritised the development of a strategic 'master plan' for the Network, setting out the improvements needed to achieve our 2040 Paths for Everyone vision.

Over the course of the year, and in the context of Covid, we saw the Network grow in popularity with a 25% increase in trips per traffic-free mile, compared to 2019. Usage increased on weekday and weekends, but the increase was larger at weekends.

Paths for Everyone – year 2 performance

| Ref | Metric | 2020/21 performance |
|-----|---|-----------------------|
| 1 | % of network good/very good | Maintained at 63% |
| 2 | % Sustrans-controlled traffic-free miles are very good | Increased to 16% |
| 3 | Number of on-road miles to traffic-free delivered | Increased by 14 miles |
| 4 | Number of on-road to quietway miles delivered | Increased by 10 miles |
| 5 | Number of barriers removed or re-designed | Increased by 242 |
| 6 | Number of activation projects delivered | Increased by 7 |
| 7 | UK-wide Master Plan in place for 100% of the Network by December 2020 | Achieved |
| 8 | % of removed or reclassified miles where signage has been addressed | 4% |
| 9 | New community groups involved on the Network | Increased by 44 |
| 10 | Improved prompted recognition of the National Cycle Network | Increased to 23%. |
| 11 | Improved recognition of Sustrans as the charity behind the National Cycle Network | Maintained at 54% |

Liveable Cities and Towns

In 2019/20 we successfully defined our Liveable Cities and Towns priority through engagement with multiple stakeholders, including our beneficiaries – citizens of towns and cities. We began 2020/21 with an impact-led plan for delivery of our priority. Almost immediately the pandemic hit, disrupting the plans we had set, and presenting new issues, risks and opportunities. We responded with purpose and agility, working with our partners to make it easier for people to walk and cycle for essential journeys.

Raising ambition for change and demonstrating change

With our Walking and Cycling Alliance partners we influenced and supported the announcement of a £250 million UK government emergency active travel fund - the first stage of a £2 billion investment. We worked with Scottish Government to develop and deliver the first UK temporary infrastructure fund - 'Spaces for People', allocating £40m to C-19 response projects. Response projects included protected cycle lanes, wider footpaths, barriers to close streets to motor traffic, and reduced speed limits.

Across the UK, we supported our partners to put emergency measures in place. For example, in England, we delivered social distancing support interventions at 28 schools in Leicester - ranging from one-way signage, pavement widening, parking suspensions to School Streets. We adapted existing projects, distributing 90 reconditioned bikes to hospital workers in Bedford, and a further 51 to jobseekers in Derby.

Whilst the C-19 context restricted the practical delivery of some of our planned urban programmes and projects during the year, we overcame constraints by taking delivery online, as far as possible. For example, through our ‘Sustrans Outside In’ campaign we provided a four-week activity pack full of cycling, walking and scooting themed activities, supporting parents who were home schooling.

As restrictions lifted, we initiated major urban projects such as Greater Manchester Active Neighbourhoods and Liverpool City Region Liveable Neighbourhoods.

Amplifying voices for change

We adapted our methods to undertake public engagement and co-design remotely, where necessary. We created ‘Space to Move’ – an online map illustrating the latest temporary infrastructure changes located across the UK and asked members of the public to provide their feedback on these changes. This feedback has enabled Sustrans and our partners to amplify voices to make the most impactful changes permanent.

In Northern Ireland, we heard from over 1000 local people during stakeholder engagement as part of the delivery of the Newry Mourne and Down Active Travel Masterplan.

In London, we delivered engagement and co-design with local communities in the City of London to inform development of the first ‘sensory’ parklet, informed by local people with experience of autism.

Providing a credible voice

Our work to raise the profile of Sustrans as a credible urban voice has been strong as we responded to the narrative about the impact of the pandemic on the environment and active travel. The need for investment in active travel was covered in UK and global titles as well as a wide range of trade publications.

Liveable Cities and Towns for Everyone – year 2 performance

| Ref | Metric | 2020/21 performance |
|-----|--|---------------------|
| 1 | Focus cities and towns prioritised | 58 |
| 2 | % projects in cities and towns with ambitious leadership and the appetite for change | 81% |
| 3 | % projects focus on improvements across Sustrans’ liveability criteria | 97% |
| 4 | % projects that engage the public | 90% |

Policy and influencing successes to make it easier for everyone to walk and cycle

UK wide

Through working individually and in partnership Sustrans has had great success in the last year in policy and influencing despite a hard year due to the pandemic.

We increased our profile working with the Walking and Cycling Alliance in leading the 'Cycles for Keyworkers' campaign which helped keyworkers locate cycle shops where they could obtain and repair cycles to help them get to work safely during the pandemic. We also run a 'Life after Lockdown' policy series to highlight Sustrans' views on what needs to happen in the recovery from Covid-19 to create liveable neighbourhoods.

Working behind the scenes we influenced an ambitious policy document from UK Government: 'Gear Change' which also contained a long-term funding commitment for the National Cycle Network following our work with the Department for Transport, which was a huge win. We also influenced proposed changes to the Highway Code to make walking and cycling safer for everyone and set up a Sustrans External Planning Advisory Board to help advise us on our 20-minute neighbourhood work and other planning issues.

Cycling for Everyone, a new report by Sustrans and Arup highlights inequalities within cycling participation in urban areas between different demographics, including those from ethnic minority groups, women, disabled people, older people, and those at greater risk of deprivation.

Our award-winning research showed that people want to cycle but we are not doing enough to address their needs. For example, Sustrans' Bike Life programme in 2019 showed 55% of people from ethnic minority groups, 36% of women, and 31% of disabled people who do not cycle would like to start.

Since the launch of Cycling for Everyone Sustrans has been working to improve how we better lead, educate and challenge ourselves and our sector to do more to ensure cycling prioritises disadvantaged groups and is truly for everyone.

Northern Ireland

We recently organised a greenways/NCN workshop for all 11 Councils in Northern Ireland to inspire and promote greenways development. The majority of them attended and gave positive feedback.

Our work on the Air Quality Steering Group at Belfast City Council has borne fruit with the publication of a new 5 Year Action Plan that has active travel as a key component. We are also members of the Northern Ireland Climate Coalition which has drafted a Climate Change Bill for NI that is currently going through the Assembly. Sustrans drafted a Transport Briefing Paper for this.

Sustrans is secretariat for the All Party Group on Cycling at the NI Assembly. This is an important channel for lobbying Stormont. We have raised our profile through this group on Safe Routes to School campaign; an Active Travel Bill; proper resourcing for active travel and greenways.

We have worked with IMTAC (Inclusive Mobility and Transport Advisory Committee) on a range of issues including removal of barriers on the NCN; pavement parking and cycling infrastructure around bus stops.

We have raised the profile of the 20-Minute Neighbourhood concept with presentations at local Councils. This has led to interest in an Active Travel Hub in two market towns Bangor and Newtownards, in Co Down.

Our lobbying has led to a revised Cycling Network Plan for Belfast to include more direct, protected cycle lanes across the city. The Plan is set to be published June 2021.

Scotland

Over the last year we have worked with colleagues to respond to nine Government or Parliamentary consultations and have directly generated four Mentions about active travel or Sustrans in the Scottish Parliament (Motions/Debates/PQs).

We have informed the process of getting active travel embedded into the Strategic Transport Projects Review 2 (STPR2). This includes the success of the announcement by government of new Active Freeways to be included in STPR2.

We researched and published our manifesto for 2021 Scottish Parliament elections. This included Designing and delivering a targeted pre-election engagement strategy which focussed on engaging with manifesto leads of all parties and transport spokespeople of all parties. This also included meeting with two separate Special Advisors, responsible for transport and environment to influence party manifestos to adopt our manifesto asks. Following this engagement every major party in Scotland committed to increasing the active travel budget with most parties committing to increasing it to 10% of overall transport budget- our number one ask. Out of our six asks, three of the five major parties committed to at least four of them, with two parties committing to five. We have developed a comprehensive post-election engagement strategy.

We also developed Key Messages to share with all Scotland colleagues (our position on hot topics and general topics asked by press, stakeholders and politicians).

Wales

We have been supporting the development of amended Active Travel Design Guidance. We have also been supporting Transport for Wales to administer the Active Travel Fund on behalf of Welsh Government (£75 million).

We have successfully influenced Welsh Government to commit £2.5 million for the development of leisure routes. Additionally we have influenced Wales' new Transport Strategy, Llwybr Newydd, to deliver accessible and inclusive transport for all through the development and leadership of the Transform Cymru coalition. The strategy sets the goal for Wales to become an active travel nation by 2030.

We launched our 2021 Manifesto: Tomorrow's Wales, for Everyone and built relationships with key researchers, manifesto writers and/or shadow ministers in each party to influence party manifestos. Every party committed more support for active travel and every party committing to a Clean Air Act.

We have succeeded in making the case for a training sub group on the Active Travel Board which has led to the development of a training programme for the sector.

Following an invitation to join the Ministerial Town Centre Action group, we have now secured commitment from Welsh Government to work with us in three of our priority towns.

A fit and nimble charity – Improving our operating model (IOM)

A number of initiatives within the portfolio commenced and two strategic initiatives related to Northern Ireland and volunteering were completed and new ways of working were incorporated into business plans for 2021-22.

We have started to see changes in mind-set and language used amongst colleagues, informed by the IOM work. Colleagues are thinking of flatter structures and more flexible resource allocation and are keen to contribute to new leadership models, professional progression frameworks and simplified role definitions.

The Internal Portfolio Board and associated oversight processes have now been established providing co-ordination, challenge and support for initiatives.

Fundraising

In addition to our funded work, Sustrans relies on voluntary income and retail sales to achieve its mission. Our main source of voluntary income is from individual donors, in particular our loyal base of regular givers, the majority of whom we recruit through face to face on the National Cycle Network. In 2020/21 we were able to maintain an overall cancellation rate of 8% across all people giving regularly and achieved a generous increase in the average monthly gift for existing and new regular givers to £7.56. In addition, we ran an upgrade for existing regular donors, a digital appeal at Christmas and worked throughout the year to improve engagement with our existing donors.

Our face-to-face fundraising was, of course, affected by the COVID-19 pandemic. The activity was paused for most of the year, however we were able to return between August and October. Following a review and risk assessment, we relaunched several teams in a controlled manner to ensure fundraisers and the general public's safety. During this short time we had a great response from the general public and increased recruitment beyond pre-Covid times. We have included an estimate of the impact of this cessation of activity in our financial forecasts. Fortunately, the loyalty of our supporters is likely to protect us from any significant financial impact in this regard. The renewed interest in our agenda as a result of the uptake in walking and cycling during the pandemic will also provide us with an opportunity to reach out to new and different potential donors.

Our legacy income continues to grow with only a small percentage of legacies coming from our notified pledges, showing there is room for growth in the long-term with a modest amount of investment. We were successful in securing restricted donations from a number of grant making trusts and major donors and are re-focusing our efforts in these areas of fundraising to deliver growth in line with our fundraising strategy.

Despite a drop in orders in the first few months, likely due to lockdown restriction, our online retail shop remains a key income stream. Engaging with an audience similar to our donors, we received 16,392 orders in 2020/21, reporting an increase of 17% on previous year. Our pocket maps range continues to see an increase in sales, accounting for 49% of the net profit.

Our response to COVID-19

We have continued to prioritise the safety and wellbeing of our colleagues and volunteers throughout the pandemic. We have worked closely with our partners in order to adapt our services. Throughout the pandemic the number one objective has been ensuring that we look after ourselves and each other and stay safe.

Covid-19 has affected our ability to deliver the impact we had planned for the year. Restrictions on travel and construction resulted in projects being delayed and the closure of schools meant our school-based engagement activity switched to on-line support and activities. But we have kept working, and our teams have kept making a difference, including working with partners to help ensure that the UK Government continued to allow cycling and walking through lockdown and that cycle shops remained open. We have looked after Sustrans but also looked out to support wider society at a time of need.

Going concern

Sustrans has felt the impact of COVID-19 in terms of its financial position. At the start of 2020/21 a number of our projects and programmes were paused, meaning that we could not draw down funding. The Government Coronavirus Job Retention Scheme has helped us to mitigate some of this financial impact. We now continue to benefit from investment in our agenda – not least through emergency walking and cycling infrastructure measures being implemented across the UK.

We have a number of key funding streams – notably our government-funded programmes – which also offer us financial protection in the near term. Our healthy reserves balance further mitigates any remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2021/22. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the recovery from the pandemic. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity’s objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the COVID-19 pandemic and current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels, and has adequate reserves and operational provisions to manage the loss of major funding streams.

Streamlined Energy and Carbon Reporting (SECR)

Sustrans is committed to the continuous improvement of its environmental performance, as part of our overall goal of implementing the principles of sustainable development in all areas of our work. Sustrans is committed at the very least to compliance with applicable governmental requirements, and in addition we will optimise resources and go on investigating ways of reducing resource use and minimising environmental impact. We will also encourage our partners and suppliers to do the same.

Our aim is to ensure that environmental objectives are integrated into relevant business objectives in a cost-effective manner. Sustrans wishes to set standards of environmental best practice above and beyond relevant legislation in all its activities throughout the organisation within the resources available.

During 2020/21 we have designed and planned a major refurbishment of our owned premises in Bristol. We invested in an environmental survey and have created designs and refurbishment which will reduce the environmental impact of this building as far as possible.

2020/21 is the second year that the data in the table below has been reported. Fuel used has been collated from expenditure records and converted to emissions using standard UK Government conversion factors.

Energy and emissions report 2020/21

| | Fuel used (kWh) | Conversion factor used | Associated Greenhouse gas emissions (KgCO₂e) | Associated Greenhouse gas emissions (KgCO ₂ e) |
|--|------------------------|-------------------------------|--|---|
| | | | 2020/21 | 2019/20 |
| Electricity (kWh) | 182,542 | 0.23314 | 42,558 | 63,111 |
| Natural gas (kWh) | 46,710 | 0.18387 | 8,589 | 12,159 |
| Fuel for vehicles and site equipment (kWh) | 344,622 | 0.24057 | 82,906 | 103,763 |
| | <u>573,874</u> | | <u>134,052</u> | <u>179,033</u> |
| FTE staff | | | 591 | 536 |
| Intensity ratio - Emissions per FTE | | | 227 | 334 |

UK energy use covers all of the charity's activities.

Energy used in employee commuting, business travel, outsourced activities and disposal of waste is excluded. Associated Greenhouse gases have been calculated using the UK Government GHG Conversion Factors for Company Reporting.

In the reporting period all staff and volunteers were encouraged to travel in a sustainable way wherever practical. Employees walk and cycle wherever practicable, longer journeys are by train, with car, taxi and air used only by exception.

Our plans for the future

We have clear objectives for our strategic priorities and Key Performance Indicators for 2021/22, as shown below. Behind these sit detailed plans for all of our directorates.

Paths for Everyone targets for 2021/22

| Ref | Metric | 2021/22 target |
|-----|---|----------------------|
| 1 | % of network good/very good | Increase to 64% |
| 2 | % Sustrans-controlled traffic-free miles are very good | Increase to 37% |
| 3 | Number of on-road miles to traffic-free delivered | Increase by 21 miles |
| 4 | Number of on-road to quietway miles delivered | Increase by 36 miles |
| 5 | Number of barriers removed or re-designed | Increase by 213 |
| 6 | Number of activation projects delivered | Increase by 10 |
| 8 | % of removed or reclassified miles where signage has been addressed | 79% |
| 9 | New community groups involved on the Network | Increase by 33 |
| 10 | Improved prompted recognition of the National Cycle Network | Increase to 25% |
| 11 | Improved recognition of Sustrans as the charity behind the National Cycle Network | Maintain at 54% |

Liveable Cities and Towns targets for 2021/22

| Ref | Metric | 2021/22 target |
|-----|--|----------------|
| 1 | Focus cities and towns prioritised | 40 |
| 2 | % projects in cities and towns with ambitious leadership and the appetite for change | 81% |
| 3 | % projects focus on improvements across Sustrans' liveability criteria | 100% |
| 4 | % projects that engage the public | 88% |

Improving our operating model

IOM initiatives planned for 2021-22 include:

- Developing a new IT strategy;
- Improving our procurement processes;
- Reviewing our design and engineering function;
- Establishing a charity-wide project management framework and set of tools;
- Implementing a consistent approach to resource planning, enabling greater co-ordination of skills across the Charity and increased utilisation;
- Accelerating our 'For Everyone' agenda;
- Re-opening our Bristol Hub office following extensive refurbishment;
- Introducing a blended approach to working for colleagues;
- Increasing our focus on having even greater impact, and implementing more agile practices within the Research Monitoring Unit.

Financial review

Sustrans is funded through a mixture of government grants, fundraising activity, and paid contracted activities which deliver our objectives. There is investment in our agenda in all four nations of the United Kingdom, and by local authorities across the country. The income that we generate is spent efficiently to deliver the best possible impact. As well as providing funding to others through our grants programmes, we also work in partnership with communities, and with local and national governments to deliver projects and programmes that make it easier for people to walk and cycle. We invest our fundraising income into managing the parts of the National Cycle Network that we own, and in supporting our unfunded activities, such as our influencing and campaigning activity.

Our financial performance in 2020/21

We had strong financial performance in 2020/21, generating a net increase in funds of £684k (2019/20: £62k). This was significantly better than we had planned. In the early months of 2020 we had budgeted for a deficit in 2020/21 of £559k. This was subsequently revised due to the Covid-19 pandemic and in June 2021 the Board of Trustees approved a budget deficit of £870k taking into account anticipated reductions in income due to the inability to complete projects during lock-down. However, we were able to work with partners to develop new projects to provide temporary schemes to enable social distancing and to help key workers use active travel for their journeys to work. We were grateful for the assistance of the Government Coronavirus Job Retention Scheme to enable us to retain colleagues during times when certain roles could not be undertaken, e.g. schools officers, and cycle trainers. The strong performance was also attributable to our loyal regular supporters who continued to donate throughout the pandemic.

The improved performance against budget is also due to delays in planned expenditure on the refurbishment of our Bristol premises and delays in the purchase of new IT equipment. This expenditure will now be incurred in 2021/22.

We also received a significant restricted donation of just over £700k for projects in the North of England which was not included in the budget and so contributed to the improved out-turn. The donation was not spent in the year so is carried forward to be spent in the future.

Principal funding sources in 2020/21

Our principal funding sources are government grants. In 2020/21 we received £45m (2019/20: £41m) from Transport Scotland, £5m (2019/20: £2m) from the Department for Transport, £0.2m (2019/20: £0.2m) from the Welsh government and £0.5m (2019/20: £0.4m) from other government departments (see note 17).

Fundraising contributed £4.5m to our income in 2020/21 (2019/20: £4.1m), of which £0.7m (2019/20: £0.3m) was restricted.

The balance of our funding comes from contractual activity, mostly with local authorities and other public bodies.

Our future financial picture

Sustrans, like most other organisations, has felt the impact of COVID-19 in terms of its financial position. During 2020/21 a number of our projects and programmes were delayed, meaning that we could not draw down funding. The Government Coronavirus Job Retention Scheme has helped us to mitigate some of this financial impact.

We now continue to benefit from investment in our agenda – not least through emergency walking and cycling infrastructure measures being implemented across the UK. We have a number of key funding streams – notably our government-funded programmes – which also offer us financial protection in the near term. Our healthy reserves balance further mitigates any remaining financial risks.

The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2021/22. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the recovery from the pandemic. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

Principal risks and uncertainties

The Board recognises a number of key risks and uncertainties, and reviews these periodically to understand what mitigation measures have been put into place, and the impact of these measures on the likelihood and severity of the risks. The principal risks considered by the trustees are:

1. The rapid rise in active travel infrastructure investment by the government and local authorities and delivery of temporary infrastructure using emergency measures with only light community engagement, may fuel a backlash against our agenda. We have witnessed increasing culture clashes within communities which have led to instances of abuse against our colleagues and partners. In order to mitigate this risk we have a robust complaints procedure for anyone to raise a complaint and know that it will be dealt with in a fair way. We ensure close co-ordination and communication with partners, supporters and volunteers. We carry out full consultation with each local community for every project and make sure that there is clarity about our role and the scheme purpose. We are delivering employee training in handling conflict and in resilience and negotiation and will take action to support any employee who encounters abuse of any kind.

2. The loss of one or more of Sustrans' major funding sources – exacerbated by the current economic uncertainty of COVID-19: We proactively engage in working closely with our key funders. We are working to maximise our various unrestricted income streams to protect us against the loss of a major funding source. We are working to develop our operating model so that we are better able to respond effectively to financial opportunities and risks. We have designated reserves to ensure that the Charity can remain operational in the event of the sudden loss of a significant source of funding. There is political support UK-wide for Sustrans' agenda, including funding pledges from the UK Government.
3. Our capacity and capability to deliver the impact that we want to see: We are working on our recruitment strategies to ensure that we can become an employer of choice and build greater diversity across our teams. We routinely review our pay policy to ensure that it is transparent and fair. We treat our colleagues kindly, and offer flexibility which allows a good work-life balance, and we have created a great place to work, which is reflected in our annual employee survey results. We are also developing relationships with partners who can support the delivery of our work.
4. The impact of extreme weather and other damage to our estate and the National Cycle Network (NCN): We routinely inspect our network, and we have set aside part of our annual budget to address urgent repair issues, alongside a comprehensive programme of planned maintenance. We have a specific designated fund of £1m to deal with emergency repairs outside of our normal budgets.
5. The proper safeguarding of children and adults with whom we are working: We have reviewed and updated our safeguarding procedures, and provide training to all of our colleagues and volunteers who work with children and vulnerable adults. We have arranged additional training for our trustees on their roles and responsibilities in safeguarding. We have a team of designated safeguarding officers who oversee our safeguarding processes. We work closely with schools and other organisations to ensure that we are reporting safeguarding concerns appropriately, and we report on safeguarding matters routinely to our trustees.
6. Colleagues working remotely during the pandemic, and the increasing prevalence of cyber threats has led to us recognising a need to increase our investment in our information technology (IT) and further cyber security measures. For the short-term there is a risk that our existing infrastructure does not enable efficient working, may allow a determined cyber-attacker to threaten our activities, or some applications may not be able to be developed for new activities. We are in the process of preparing a new IT strategy and strengthening our cyber-security measures. We are reviewing some of our core IT applications and processes as part of the review of our internal operating model, our third strategic priority. As a result of these reviews we expect to implement integration measures that increase productivity and efficiency and we also expect to identify alternative software applications and ways of working that will better meet our future needs.
7. Ensuring the physical and mental well-being and health and safety of employees during the COVID-19 pandemic and the easing of lockdown: Following the UK Government guidelines, plans were put in place to ensure all employees were able to work effectively from home. Employee wellbeing continues to be a priority, and a homeworking group has been set up to support the physical and mental wellbeing of our teams, as well as practical issues arising from homeworking. We are undertaking a review of all our offices with a view to supporting a partial, limited return to workplaces once it is safe to do so. All offices will have office COVID-19 risk assessments in place.

Our reserves policy

On the basis of the assessed risks facing the Charity, the Trustees have reviewed the level of reserves required in line with the guidance issued by the Charity Commission. The Trustees recognise the need to ensure that the reserves held enable financial stability, are adequate to meet working capital requirements and can safeguard the Charity's current commitments against fluctuations in income levels, particularly in the current uncertain economic climate.

The Trustees have set aside £1,000k designated funds to ensure that routes which are well used, and owned by Sustrans could be re-instated in the event of severe and unexpected damage. The details of designated funds, including the 'NCN Repairs' fund, can be found in Note 12 to the financial statements.

The fixed asset fund of £1,335k has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.

The restructure fund of £2,966k has been set up to cope with a scenario in which Sustrans has to restructure to reduce activities significantly because of a lack of funding but retain a core activity which could be funded by continuing charitable donations. The calculation of the fund is based upon FTE employee numbers.

The Trustees consider that the designated funds set aside, as mentioned above, are sufficient to respond to risk events. The trustees aim to invest the remaining 'available' or 'free' reserves in strategic initiatives to develop new or improved services, or to make internal improvements to systems or ways of working in accordance with the third strategic priority detailed on page 18. Available reserves are released by the Trustees on an annual basis for inclusion in the business planning process, up to a maximum amount of £1m per annum.

In the 2020/21 financial year total reserves increased by £684k, being the surplus for the year, to £10,286k at 31 March 2021 (2020 increased by £62k). Restricted funds increased by £473k and £139k has been used to increase designated funds. The remaining £72k is the increase in 'available' reserves to £2,782k.

The Trustees will continue to review the external environment and future needs to ensure that the funds set aside for designated purposes are prudent and the level of available reserves is adequate for planned operational activity and for strategic investment in new services or improved systems or ways of working.

Our investment policy

We regularly review the investment policy to be applied to any cash deposits held by the charity. Cash balances are largely required for working capital and to meet short-term obligations. Owing to the volatility of equity and other markets, the Trustees have for many years adopted a 'no market risk' investment strategy to safeguard the charity's cash assets. In addition, given the potential calls on free reserves, it is imperative that funds are tied-up for no longer than 12 months. Over the year, we have sought to minimise the exposure of the charity by holding funds with five banks. Given the wider economic climate this policy is under constant review.

Fundraising

Our approach to fundraising and conforming to recognised standards

Sustrans is, and always has been, committed to employing a transparent and ethical approach to fundraising activities. We are registered with the Fundraising Regulator and fully adhere to the Code of Fundraising Practice.

Our colleagues are trained in accordance with the Fundraising Regulator's code and this ensures that our fundraising activities are neither intrusive nor persistent. Our fundraising promise further demonstrates our clear commitment to how we treat our donors:

- We will commit to high standards
- We will be clear, honest, open and respectful
- We will be fair and reasonable
- We will be accountable and responsible.

Personal data and consent

Our donors' personal data is held in accordance with the requirements of General Data Protection Regulations (GDPR). All data is held securely and only for as long as required. We will never sell or share donors' details with other organisations to use for their own purposes, other than when we are required to do so by law.

We make every effort to ensure that our fundraising activity never feels unreasonably intrusive, persistent or pressurised, but rather focuses on inspiring support and celebrating the impact of fundraised income. Donors can manage their permissions online or by contacting our supporter service centre. We always respect the wishes of donors who do not wish to receive fundraising communications, including those who have registered with the Fundraising Preference Service.

Fundraising complaints

Our ethical and open approach to fundraising is reflected in the low number of fundraising complaints that we have received, with just 3 recorded in 2020/21 (18 in 2019/20). Any complaint received about our fundraising activities is carefully handled and responded to following our clear fundraising complaints policy.

Face-to-face fundraising

A major strand of our fundraising activity engages new supporters face-to-face on the National Cycle Network. All our face-to-face fundraisers are trained and managed directly by Sustrans. The company 'Inspired People' recruits agency colleagues.

Our fundraisers receive in-depth training and are always required to be friendly, professional and never engage in actions that could be construed as pressurising or manipulative. Our team of fundraisers are supervised by a team leader, who assesses their performance and conduct on a daily basis. Ongoing coaching and formal performance reviews are conducted with all of our fundraisers.

Protecting vulnerable people

Sustrans takes safeguarding responsibilities very seriously and has clear procedures for reporting and managing any concerns. In relation to fundraising, we ensure all fundraisers are trained to identify vulnerable people. Where this is the case, fundraisers do not make a financial ask and will report their concerns to their manager. Any donations being received via post will be viewed in a similar way, with any concerns over the individual being reported to the Head of Fundraising & Retail.

Railway Paths Limited

Sustrans collaborates with Railway Paths Limited, which was set up in 1998 to manage a large portfolio of disused railway land for transforming into walking and cycling routes. The 'support, promotion and encouragement of the activities of Sustrans' is one of its charitable objects. Although the two organisations are not legally connected entities, we have disclosed the transactions between the two organisations in Note 18 to the Financial Statements in the interests of transparency.

Structure, governance and management

Governing document

Sustrans is a registered charity in England, Wales and Scotland, and a private company limited by guarantee. It is governed by its Board of Trustees operating under the terms of the Articles of Association as amended in February 2021.

The Members adopted new Articles and a change of name on 2 February 2021. The amendments to the Articles are minor. The change of name is from Sustrans Limited to Sustrans, so that the word 'limited' is no longer part of the legal name of the charity.

Charity Governance Code

Sustrans supports the principles of good governance set out in the Charity Governance Code for larger charities. The Trustees welcomed the refreshed version of the Code, published in December 2020, with its focus on 'Principle 6. Equality, diversity and inclusion'. The recommended practice has been reviewed against our 'For Everyone' principles and the supporting practices and changes which were already being implemented. The Board will continue to review the charity's practice against the Code's requirements as part of its approach of continuous improvement of governance arrangements.

The Trustees

The Board of Trustees is responsible for the governance and strategy of Sustrans. The Articles allow for between five and twelve trustees, who have full legal responsibility for the activities of Sustrans. They are the company directors of Sustrans for the purposes of company law. They are appointed for a term of three years and can be re-elected for a second consecutive term. In exceptional circumstances a trustee may be elected for one further term.

Role of the trustees

The Trustees meet at least six times a year, to review strategy and performance, agree operating plans and annual budgets, and to meet with and hear from stakeholders and employees. The Board delegates specific responsibilities to the Finance and Performance Committee, the Audit and Risk Committee, the Estates Committee and the Remuneration Committee, which meet as required, typically quarterly. The members of these committees are shown on page 3.

Trustees monitor and have overall responsibility for:

- approving the overall strategy and annual budget of the organisation, ensuring the allocation of the necessary resources to achieve the objectives defined in the business plan;
- ensuring that the Charity has appropriate systems of controls, financial and otherwise;
- keeping proper accounting records which comply with the Companies Act 2006 and the Charities' SORP;
- safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities;
- providing assurance that the Charity is operating efficiently and effectively, carrying out a risk assessment to identify possible risks to the achievement of the Charity's objectives and establishing procedures, actions and systems to mitigate them.

This monitoring of financial and other areas of performance ensures that the Trustees are continually appraised of progress and the risks the Charity faces.

Recruitment and appointment of trustees

The Trustees have a wide range of skills and experience. The Trustees, together with the Executive, identify the skills, experience and background required of the Trustees to ensure that the board is able to deliver its duties, and to support and challenge the Executive. To improve oversight of both Trustee and employee recruitment and retention the Board has formed a Remuneration Committee, which first met in May 2021. Sustrans is committed to diversity and inclusiveness and welcomes applications from everyone.

Trustee induction and training

The induction for new Trustees includes the provision of a Trustee Handbook containing key documentation, one-to-one meetings with key people, site/project visits, and attending an externally provided Trustee induction and refresher training.

Trustees have appraisals with the Chair of the Board, this enables any training and development needs to be identified and addressed. All Trustees receive periodic updates and guidance on their role as Trustees of the charity.

Conflicts of interest

Each Trustee is required to disclose potential or actual conflicts of interest to the Chair for inclusion in the register of interests and also at Board or Committee meetings if relevant.

The Executive

The day-to-day running of the Charity is delegated to the Chief Executive, who in turn delegates specific responsibilities to members of the Executive Team. The Trustees set out delegated authority through the Delegated Authority Framework, which is reviewed annually.

The Executive ensures that appropriate structures and processes are in place to enable effective oversight, scrutiny and decision making across the organisation, that there is accountability for those decisions and that there is effective leadership of, and communication with, colleagues across the organisation.

The senior executive committee is the Executive team, which recommends strategies to the Board for approval and runs the Charity's operations day-to-day. During this extraordinary year, Executive team meetings moved to a weekly cycle of shorter meetings, to enable the rapid, agile decision-making demanded by the global pandemic. Their purpose is to review the performance of the Charity's work, and to address any issues and opportunities arising with regards to finance, health and safety, risk management, resourcing and programmes of delivery and influencing work. The weekly meeting cycle has been maintained and supplemented by fortnightly discursive meetings for deeper exploration of topics, typically those shaping strategy.

Management of risk

The Trustees have revised their risk policy during the year, to ensure that the arrangements are robust and provide for effective systems and processes to identify, assess, and escalate risks and the management of risk. As part of this policy review, the Trustees have reflected on their risk appetite in relation to a number potential areas of risk for Sustrans, in order to inform the control measures and other mitigation measures put in place.

The Executive reviews the risk register on a monthly basis, and tracks the movement of risk rating and the implementation of mitigation measures. The Executive escalates risks for the review of the Board and its Committees as deemed necessary. The Audit and Risk Committee reviews the effectiveness of the risk management processes, and reviews the entire Executive risk register at least annually.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Sustrans Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In line with Charities' best practice, Sustrans' Trustees have reviewed the criteria for charities, set out in the Charities Act 2011. The Trustees have concluded that:

- Sustrans' purposes remain charitable
- Sustrans satisfies the public benefit test.

Section 172 statement

Section 172 of the Companies Act 2006 requires the Trustees (the Directors) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

- a) the likely consequences of any decision in the long term;
- b) the interests of the Trust's employees;
- c) the need to foster the Trust's business relationships with suppliers, customers and others;
- d) the impact of the Trust's operations on the community and the environment;
- e) the desirability of the Trust maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly as between members of the Trust.

Our strategic priorities (page 8) were developed as part of a long-term strategy to make it easier for people to walk and cycle. We routinely review external developments and horizon scan for future trends and ensure that our plans can be adapted as needed to meet changing circumstances.

The Trustees act in good faith to make decisions, the outcome of which, they consider will most likely be to promote the success of the charitable company both in current periods and in the long term.

In discharging their duties above, the Trustees carefully consider amongst other matters, the impact on and interests of other stakeholders in the charitable company and factor these into their decision making processes.

Employees

Our colleagues are vital to Sustrans and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular surveys and address any issues raised as quickly as possible through departmental action plans. Feedback from our employee representative form is shared regularly with our Executive team. We also have employee networks which have been set up to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social and professional networks. We are committed to promoting a healthy workforce comprising both physical and mental wellbeing. Trustees receive information on various employee metrics. The Trustees keep colleagues informed of key issues through structured communication channels, promote inclusion in the workplace and also provide training and development opportunities.

Customers and suppliers

Our relationships with partners and suppliers are key to our effectiveness. We act to service our customer's needs to the highest standards and work quickly to resolve any isolated disagreements that may arise from time to time. Sustrans seeks to pay all suppliers any undisputed amounts due and within agreed terms.

Community and the environment

The charitable company recognises the importance of its environmental responsibilities and has policies aimed at reducing any potential detrimental environmental impact of its activities.

Standards and conduct

The charitable company has a series of defined codes of practice regarding ethical standards and the conduct of business. These are clearly communicated to every colleague and adherence is expected and enforced.

Inclusivity and fairness

The benefits of walking, cycling, wheeling and healthy places aren't experienced in the same way by everyone. We prioritise work with people and in places where we can make the most difference to those who may feel excluded. We involve people with different and seldom-heard voices, to develop solutions that work for everyone. We keep questioning and asking if we can do more. We know we can't do this on our own so we work closely with others.

We are also committed to inclusivity inside the charity, supported by our EDI groups and networks, promoted by the accelerating for everyone programme, and underpinned by our values and the way in which leaders and their teams work.

Statement of disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board of Trustees who approve the Strategic Report as Directors.

A handwritten signature in black ink, appearing to read 'Lynne Berry', with a large, stylized flourish underneath.

Lynne Berry CBE
25 June 2021

Independent auditor's report to the members and trustees of Sustrans

Opinion

We have audited the financial statements of Sustrans ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 trustees are responsible for assessing the charitable company'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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our 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 our 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 economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission and Scottish Charity Regulator, designing audit procedures over the timing of grant income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Guy Biggin

Guy Biggin
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Fourth Floor, St James House
St James Square
Cheltenham
GL50 3PR
Date: 23 July 2021

Statement of Financial Activities for the year ended 31 March 2021

(Including an Income and Expenditure Account)

| | | Unrestricted Funds | Restricted Funds | Total Funds 2021 | Total Funds 2020 (restated) | Total Funds 2020 |
|--------------------------------------|-------|--------------------|------------------|------------------|-----------------------------|------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | | |
| Donations and Legacies | | 3,758 | 674 | 4,432 | 4,441 | 4,114 |
| Charitable activities | 2 | 9,800 | 52,383 | 62,183 | 58,325 | 58,652 |
| Investment income | | 330 | - | 330 | 732 | 732 |
| Total income | | 13,888 | 53,057 | 66,945 | 63,498 | 63,498 |
| Expenditure | | | | | | |
| Raising funds | | 911 | - | 911 | 1,318 | 1,300 |
| Charitable activities | | 12,638 | 52,712 | 65,350 | 62,118 | 62,136 |
| Total expenditure | 3 | 13,549 | 52,712 | 66,261 | 63,436 | 63,436 |
| Net income | 5 | 339 | 345 | 684 | 62 | 62 |
| Transfers between funds | | (128) | 128 | - | - | - |
| Net movement in funds | | 211 | 473 | 684 | 62 | 62 |
| Reconciliation of funds | | | | | | |
| Fund balances brought forward | | 7,872 | 1,730 | 9,602 | 9,540 | 9,540 |
| Fund balances carried forward | | 8,083 | 2,203 | 10,286 | 9,602 | 9,602 |

The notes on pages 41 to 58 are an integral part of these financial statements.

All gains and losses recognised in the year are included in the Statement of Financial Activities. All income and expenditure relates to continuing operations.

There is no difference between the net income for the years stated above and their historical cost equivalents.

Balance Sheet at 31 March 2021

Company Number 1797726 (England and Wales)

| | | Unrestricted Funds | Restricted Funds | Total Funds 2021 | Total Funds 2020 |
|---|-------|-----------------------|---------------------|---------------------|---------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 7 | 1,335 | 1,053 | 2,388 | 2,359 |
| Current assets | | | | | |
| Stock | | 88 | - | 88 | 218 |
| Debtors | 8 | 3,889 | - | 3,889 | 7,212 |
| Cash at bank and in hand | | 137,390 | 1,710 | 139,100 | 102,132 |
| Total Current Assets | | 141,367 | 1,710 | 143,077 | 109,562 |
| Creditors: amounts falling due within one year | 9 | (134,619) | (560) | (135,179) | (102,319) |
| Net current Assets | | 6,748 | 1,150 | 7,898 | 7,243 |
| Total Net Assets | | 8,083 | 2,203 | 10,286 | 9,602 |
| The Funds of the Charity | | | | | |
| Restricted | 11 | | | 2,203 | 1,730 |
| Unrestricted | | | | | |
| Designated | 12 | | | 5,301 | 5,162 |
| General | | | | 2,782 | 2,710 |
| | | | | 8,083 | 7,872 |
| Total Funds | | | | 10,286 | 9,602 |

The notes on pages 41 to 58 are an integral part of these financial statements. These financial statements on pages 38 to 58, including the notes, were approved by the trustees on 25 June 2021 and were signed on their behalf by:



Lynne Berry CBE
Chair

Statement of Cash Flows for the year ended 31 March 2021

| | Total Funds 2021 | Total Funds 2020 |
|---|---------------------|---------------------|
| | £'000 | £'000 |
| Net income for the reporting period (as per the Statement of Financial Activities) | 684 | 62 |
| Adjustments for: | | |
| Depreciation charges | 122 | 86 |
| Interest from investments | (330) | (732) |
| Decrease in stocks | 130 | 21 |
| Decrease / (increase) in debtors | 3,323 | (1,579) |
| Increase in creditors | 32,860 | 21,124 |
| Net cash provided by operating activities | 36,789 | 18,982 |
| Cash flows from investing activities: | | |
| Interest from investments | 330 | 732 |
| Proceeds from the sale of property, plant and equipment | 13 | 28 |
| Purchase of property, plant and equipment | (164) | (157) |
| Net cash provided by investing activities | 179 | 603 |
| Change in cash and cash equivalents in the reporting period | 36,968 | 19,585 |
| Cash and cash equivalents at the beginning of the reporting period | 102,132 | 82,547 |
| Cash and cash equivalents at the end of the reporting period | 139,100 | 102,132 |

There is no movement on net debt in the year other than cash.

Notes to the Financial Statements

1. Principle accounting policies

a. Basis of preparation

The financial statements have been prepared under the historical cost convention in UK pounds sterling. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) for charities, which is based on the Financial Reporting Standard (FRS) 102 effective from 1st January 2019, the Charities Act 2011, the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently. The financial statements have been prepared on the basis that it is a public benefit entity under FRS 102.

b. Going concern

Sustrans, like most other organisations, has felt the impact of COVID-19 in terms of its financial position. At the start of 2020/21 a number of our projects and programmes were paused, meaning that we could not draw down funding. The Government Coronavirus Job Retention Scheme has helped us to mitigate some of this financial impact. We now continue to benefit from investment in our agenda – not least through emergency walking and cycling infrastructure measures being implemented across the UK. We have a number of key funding streams – notably our government-funded programmes – which also offer us financial protection in the near term. Our healthy reserves balance further mitigates any remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2021/22. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the recovery from the pandemic. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the COVID-19 pandemic and current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels, and has adequate reserves and operational provisions to manage the loss of major funding streams.

c. Fund Accounting

Unrestricted funds are funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in Note 12 to the financial statements.

Restricted Funds - Income restricted to a specific purpose is treated as restricted funds. The description and purpose of these restricted funds are provided in Note 11.

d. Incoming Resources

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities.

Income is only recognised when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

If any of these criteria are not met but the cash has been received, then the income is deferred.

- Donations – Donations are accounted for in the year in which they are receivable.
- Legacies – For legacies, entitlement is taken as the earlier of: the date on which the Charity is aware that probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made; or when a distribution is received from the estate.
- Grants receivable – Grants from government bodies and other sources are received for specific projects and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

e. Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs have been allocated to activities on the basis of full time equivalent employee numbers. Non-recoverable VAT is attributed to the heading of cost where the expenditure is incurred.

All expenditure up to the year-end payable on projects under the management of the Charity has been included in the financial statements. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory regulations.

f. Tangible assets

Tangible fixed assets costing more than £2,000 are capitalised and included at cost. Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives on a straight-line basis. The rates of depreciation utilised are as follows:

IT Equipment 25% per annum

Plant and machinery 25% per annum

Freehold land and buildings are not depreciated because (a) it is the Trustees' intention to hold the assets for the long term and (b) their residual value is at least equal to the carrying value. Assets not depreciated are subjected to an annual impairment review.

g. Key sources of estimation uncertainty

Preparation of the financial statements requires management to make estimates and judgements. The items in the financial statements where the most significant estimates and judgements have been made are:

- Allocation of support activity costs: see accounting policy (1e) for details of the estimations applied;
- Valuation of tangible fixed assets: see accounting policy (1f) for details of the estimate of useful economic lives applied and consideration of impairment;
- Valuation of debtors with regards to making an assessment for impairment: see accounting policy (1d).

h. Stock

The Charity holds stocks of maps which are recognised at cost, and adjusted (where applicable) for any loss of service potential.

i. Maintenance

The Charity has a maintenance obligation over a number of disused railways where it owns the land and structures upon it. A planned maintenance policy is adopted with routine maintenance expenditure being funded from Restricted funds and Designated funds as appropriate. Significant short-term maintenance liabilities are provided for as and when there is a constructive obligation.

j. Taxation

The company, which is a registered Charity, is entitled to taxation exemptions on all income and gains properly applied for its charitable purposes.

k. Pension costs

The Charity makes contributions to a defined contribution pension scheme on behalf of certain employees. The cost of these contributions is charged in the financial statements as incurred. This scheme is available to all employees.

l. Operating leases

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis.

m. Grants

Grants payable in furtherance of the Charity's objects are recognised when the commitment is communicated to the grant recipient or when payment is due in accordance with the terms of the contract, which is normally upon providing evidence of the project work being undertaken.

n. Volunteers

The Charity benefits from gifts in kind in the form of volunteer time and unclaimed out of pocket expenses. As per the Charity SORP, these are not recognised in the accounts as they cannot be reliably valued, but further information is provided in the Trustees' annual report on page 12.

o. Financial instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p. Redundancies

Termination payments are accounted for in the period an obligation is made or liability incurred.

2. Income from Charitable Activities

| | Unrestricted | Restricted | Total 2021 | Total 2020 (restated) | Total 2020 |
|------------------|--------------|---------------|---------------|--------------------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Central | - | - | - | - | 1,570 |
| England | 4,963 | 5,671 | 10,634 | 11,231 | 10,216 |
| London | 2,442 | 83 | 2,525 | 2,557 | 2,546 |
| Northern Ireland | 738 | 43 | 781 | 1,041 | 1,038 |
| Scotland | 880 | 46,430 | 47,310 | 42,417 | 42,379 |
| Wales | 777 | 156 | 933 | 1,079 | 903 |
| | 9,800 | 52,383 | 62,183 | 58,325 | 58,652 |

A considerable proportion of Sustrans' impact is delivered through the management of performance-related grants. In a number of significant cases this funding is paid to the charity in advance of delivery. Accordingly the income is deferred until the performance related conditions are met and the income is then recognised. This can lead to the charity holding significant amounts as cash (please see the Balance Sheet) and deferred income (please see note 9).

Sustrans' charitable activities are delivered by geographically focussed teams across the UK. We have this year removed the 'Central' team from our financial statements – staff are either based in a geography, or they are part of the support teams or the fundraising team, as shown in notes 4 and 6. In line with this change we have restated last year's numbers.

3. Total Expenditure

| | Activities undertaken directly | Grant funding of activities (to institutions)* | Support costs | Total 2021 | Total 2020 (restated) | Total 2020 |
|------------------------------|--------------------------------|--|---------------|---------------|--------------------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 811 | - | 100 | 911 | 1,318 | 1,300 |
| Charitable Activities | | | | | | |
| Central | - | - | - | - | - | 3,122 |
| England | 8,944 | 1,918 | 1,865 | 12,727 | 13,232 | 11,284 |
| London | 2,782 | - | 750 | 3,532 | 3,271 | 3,115 |
| Northern Ireland | 928 | - | 231 | 1,159 | 1,542 | 1,476 |
| Scotland | 11,254 | 33,312 | 2,001 | 46,567 | 42,643 | 42,111 |
| Wales | 1,125 | - | 240 | 1,365 | 1,430 | 1,028 |
| | 25,033 | 35,230 | 5,087 | 65,350 | 62,118 | 62,136 |
| Total expenditure | 25,844 | 35,230 | 5,187 | 66,261 | 63,436 | 63,436 |

* See Note 16 on page 53.

Sustrans' charitable activities are delivered by geographically focussed teams across the UK. We have this year removed the 'Central' team from our financial statements – staff are either based in a geography, or they are part of the support teams or the fundraising team, as shown in notes 4 and 6. In line with this change we have restated last year's numbers.

4. Analysis of support costs

| | Chief Executive and Governance | Brand, Marketing, & Impact | Finance | IT | HR | Total 2021 | Total 2020 (restated) | Total 2020 |
|-------------------|--------------------------------|----------------------------|------------|--------------|--------------|--------------|-----------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds | 12 | 26 | 14 | 25 | 23 | 100 | 84 | 80 |
| Central | - | - | - | - | - | - | - | 806 |
| England | 226 | 478 | 269 | 468 | 424 | 1,865 | 1,850 | 1,397 |
| London | 91 | 192 | 108 | 188 | 171 | 750 | 569 | 514 |
| Northern Ireland | 28 | 59 | 33 | 58 | 53 | 231 | 262 | 244 |
| Scotland | 243 | 512 | 289 | 502 | 455 | 2,001 | 1,785 | 1,549 |
| Wales | 29 | 61 | 35 | 60 | 55 | 240 | 230 | 190 |
| Total 2021 | 629 | 1,328 | 748 | 1,301 | 1,181 | 5,187 | 4,780 | 4,780 |
| Total 2020 | 475 | 1,281 | 1,016 | 825 | 1,183 | 4,780 | | |

5. Net income

| | 2021 | 2020 |
|---|-----------|-----------|
| | £'000 | £'000 |
| This is stated after charging: | | |
| Governance costs (the Trustees of the Charity are not paid): | - | - |
| Travel and associated expenses incurred by employees and 11 (2020:13) trustees for attendance at meetings | 2 | 14 |
| Fees payable for statutory audit | 18 | 20 |
| Trustee liability insurance | 2 | 2 |
| Net cash provided by operating activities | 22 | 36 |
| Fees payable to the auditors for assurance services other than statutory audit | 2 | 5 |
| Depreciation of tangible fixed assets | 122 | 86 |

6. Employee costs

| | 2021 | 2020 | 2020 |
|---|---------------|-------------------|--------|
| Average full-time equivalent number of employees | Number | Number (restated) | Number |
| Raising Funds | 9.6 | 7.8 | 7.8 |
| Support Functions | 95.2 | 88.4 | 46.9 |
| Charitable Activities | | | |
| Central | - | - | 83.7 |
| England | 178.7 | 173.2 | 150.9 |
| London | 71.8 | 53.3 | 49.9 |
| Northern Ireland | 22.2 | 24.6 | 23.7 |
| Scotland | 191.6 | 167.3 | 151.7 |
| Wales | 23.0 | 21.5 | 21.5 |
| | 592.1 | 536.1 | 536.1 |

The average head count (number of employees) during the year was 694 (2020: 591)

Sustrans' charitable activities are delivered by geographically focussed teams across the UK. We have this year removed the 'Central' team from our financial statements – staff are either based in a geography, or they are part of the support teams or the fundraising team, as shown in note 4. In line with this change we have restated last year's numbers.

| | 2021 | 2020 |
|--|---------------|--------|
| Staff costs (for the above employees) | £'000 | £'000 |
| Wages and salaries | 17,975 | 15,998 |
| Social Security costs | 1,646 | 1,515 |
| Employer's pension contributions | 1,177 | 983 |
| | 20,798 | 18,496 |

Statutory redundancy payments totalling £6k (2020: £51k) were made during the year.

| | 2021 | 2020 |
|---|--------|--------|
| | Number | Number |
| The following number of employees received gross pay falling within the following ranges: | | |
| £60,000 to £69,999 | 2 | 1 |
| £70,000 to £79,999 | 4 | 4 |
| £80,000 to £89,999 | 1 | 1 |
| £110,000 to £119,999 | 1 | 1 |

The remuneration shown above is the only employee benefit received by key management personnel. The salary of the Chief Executive is set by the Board of Trustees. Other roles are scored according to the Hay Job Evaluation system and graded accordingly.

The key management personnel are considered to be the Executive team, and during the year, the total payroll cost for members of the Executive team was £715k (2020: £740k).

7. Tangible assets

| | Freehold Land and Buildings | IT Equipment | Plant and machinery | Total |
|---------------------------------|-----------------------------------|-----------------|------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | |
| At 1 April 2020 | 2,179 | 199 | 399 | 2,777 |
| Additions | - | 26 | 138 | 164 |
| Disposals | (12) | (1) | (3) | (16) |
| At 31 March 2021 | 2,167 | 224 | 534 | 2,925 |
| Accumulated depreciation | | | | |
| At 1 April 2020 | - | 183 | 235 | 418 |
| Charge for the year | - | 18 | 104 | 122 |
| Disposals | - | (1) | (2) | (3) |
| At 31 March 2021 | - | 200 | 337 | 537 |
| Net Book Value | | | | |
| At 31 March 2021 | 2,167 | 24 | 197 | 2,388 |
| At 31 March 2020 | 2,179 | 16 | 164 | 2,359 |

Tangible fixed assets held in restricted funds total £1,053K (2020: £1,053K) and comprise the National Cycle Network Centre £903K (2020:£903K) and land holdings in Yorkshire totalling £150K (2020: £150K).

8. Debtors

| | 2021 | 2020 |
|--------------------------------|--------------|-------|
| | £'000 | £'000 |
| Trade Debtors | 2,030 | 5,008 |
| Accrued income | 1,411 | 1,801 |
| Sundry debtors and prepayments | 448 | 403 |
| | 3,889 | 7,212 |

9. Creditors: amounts falling due within one year

| | 2021 | 2020 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Trade Creditors | 1,691 | 3,386 |
| Payments received on account for contracts or performance related grants | 131,437 | 96,026 |
| Accruals | 1,075 | 1,460 |
| Taxation and social security | 976 | 1,447 |
| | 135,179 | 102,319 |

Reconciliation of payments received on account for contracts or performance related grants

| | £'000 |
|--|----------------|
| Brought forward as at 1 April 2020 | 96,026 |
| Released in the year | (30,655) |
| New balances deferred | 66,066 |
| Carried forward as at 31 March 2021 | 131,437 |

The new balances deferred in the year of £66.1m (2020: £52.5m) includes funding from the Department of Transport of £23.0m (2020: £2.1m) and Transport Scotland of £40.6m (2020: £59.1m). Of the Transport Scotland funds brought forward £23.9m (2020: £11.1m) was released in the year.

10. Financial instruments

| | 2021 | 2020 |
|--|---------|---------|
| | £'000 | £'000 |
| Financial Assets | | |
| Cash | 139,100 | 102,132 |
| Accrued income | 1,411 | 1,801 |
| Trade debtors (settlement amount after trade discount) | 2,030 | 5,008 |
| Financial Liabilities | | |
| Trade creditors (settlement amount after trade discount) | (1,691) | (3,386) |
| Accruals | (1,075) | (1,460) |

11. Restricted income funds

| | | Balance at 1 April 2020 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2021 |
|------------------------------------|-------|-------------------------------|---------------|-----------------|--|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett & Sunderland Railway Path | | - | 4 | (46) | 42 | - |
| Paisley to Kilwinning & Kilmacolm | | 95 | 19 | (6) | - | 108 |
| York to Selby Railway Path | | 443 | 11 | (26) | 15 | 443 |
| Worthington Railway Path – Derby | | - | - | (42) | 42 | - |
| Mirehouse Railway Path | | - | - | (42) | 42 | - |
| Historic railway path funds | (1) | 538 | 34 | (162) | 141 | 551 |
| National Cycle Network Centre | (2) | 450 | - | (87) | - | 363 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 164 | - | (81) | - | 83 |
| Catterick maintenance fund | (5) | 22 | - | (5) | - | 17 |
| Frome's missing link donations | (6) | 12 | - | - | (6) | 6 |
| Track of the Ironmasters | (7) | - | 93 | (86) | (7) | - |
| Castleford Greenway | (8) | 122 | - | - | - | 122 |
| Lune Valley Cycleway | (9) | 260 | 669 | (11) | - | 918 |
| Beadnell to Dunston Steads | (10) | 32 | - | (14) | - | 18 |
| Asda Parklet | (11) | 24 | - | (3) | - | 21 |
| Camel Trail access improvements | (12) | 6 | - | (2) | - | 4 |
| | | 1,192 | 762 | (289) | (13) | 1,652 |
| England | | - | 5,568 | (5,568) | - | - |
| London | | - | 83 | (83) | - | - |
| Northern Ireland | | - | 43 | (43) | - | - |
| Scotland | | - | 46,411 | (46,411) | - | - |
| Wales | | - | 156 | (156) | - | - |
| | | - | 52,261 | (52,261) | - | - |
| | | 1,730 | 53,057 | (52,712) | 128 | 2,203 |

11. Restricted income funds (continued)

- (1) The historic railway path funds cover routes acquired from BRB (Residuary) Ltd. Agreements with the relevant Local Authority state that income arising from the land must be ring-fenced to that land. Where unrestricted funds have been spent on these routes these are shown as transfers into the fund.
- (2) In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605k was received from the Millennium Commission to assist with the purchase. An appeal to supporters and trusts raised a further £332k. This restricted fund is used to maintain the building.
- (3) A maintenance fund from Yorkshire Water to be spent on the network within Kirklees.
- (4) A fund restricted to the long-term maintenance of the Two Tunnels in Bath.
- (5) Funds received for the long-term maintenance of the Connect 2 project at Catterick, Yorkshire.
- (6) Donations held for a 'missing link' in Frome, Somerset.
- (7) Funds received for the 'Track of the Ironmasters' route in the north of England.
- (8) Funds received in 2017/18 from the Railway Heritage Trust for the viaduct and greenway phases connecting to the Castleford Greenway in Yorkshire.
- (9) Funds received from a major donor for the Lune Valley Cycleway in Lancashire.
- (10) Funds received from a major donor to review off-road alternatives for the NCN 1 between Beadnell and Dunstan Steads in Northumbria.
- (11) A donation received from a major supermarket to create a pocket park near the NCN 66 in Leeds.
- (12) Funds received from a donor for access improvement works on the Camel Trail in Cornwall.

12. Designated funds

| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
|------------------|-------|--------------|-------|--------------|------------|--------------|
| NCN repairs fund | (1) | 1,000 | - | - | - | 1,000 |
| Fixed asset fund | (2) | 1,306 | - | (122) | 151 | 1,335 |
| Restructure fund | (3) | 2,856 | - | - | 110 | 2,966 |
| | | 5,162 | - | (122) | 261 | 5,301 |

The funds of the Charity include the following designated funds that have been set aside out of unrestricted funds by the trustees:

- (1) There is a risk that there could be damage to the NCN which falls outside of the affordability provided by normal land management and maintenance budgets. The Trustees have set aside £1m designated funds to ensure that routes which are well used, and owned by Sustrans could be repaired and re-instated in the event of severe and unexpected damage.
- (2) The fixed asset fund has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.
- (3) The restructure fund has been set up to cope with a scenario in which Sustrans has to restructure to reduce activities significantly because of a lack of funding but retain a core activity which could be funded by continuing charitable donations. It is based upon FTE employee numbers.

13. Limitation by guarantee

The Company is limited by guarantee and does not have a share capital. The liability for members in the event of winding up is limited to an amount not exceeding £1 per member.

14. Financial commitments

| | 2021 | 2020 |
|--|------------|------------|
| | £'000 | £'000 |
| The total of future minimum lease payments under non-cancellable operating leases for each of the following periods: | | |
| (i) Not later than one year | 266 | 339 |
| (ii) Later than one year and not later than five years | 59 | 192 |
| | 325 | 531 |
| Lease payments recognised as an expense | 522 | 455 |

15. Legal charges

In December 1995 the Charity entered into a debenture with the Millennium Commission giving a floating charge over the assets of the Charity as part of the agreement for grants from the Millennium Commission. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605,000 was received from the Millennium Commission to assist with this purchase. A charge over the building was created, in addition to the existing Debenture held by the Commission, in October 2005.

When the Millennium Commission was abolished in November 2006 these charges transferred to its successor, the Big Lottery Fund. In August 2014 the Big Lottery Fund released Sustrans from the floating charge, but the fixed charge over the building in central Bristol remains.

Over a number of years Sustrans acquired disused railway lines in England which were covered by a fixed charge in favour of the appropriate authority. The legal charges in existence are as follows:

- Land situated at Naburn, Escrick and Riccall, North Yorkshire is covered by a fixed charge in favour of Selby District Council
- Land on the Consett to Sunderland Railway is covered by a fixed charge in favour of Derwentside and Chester-le-Street District Councils (now Durham County Council) and Sunderland City Council
- Land forming the track bed of part of the disused railway in Cumbria is covered by a fixed charge in favour of Copeland Borough Council
- The Worthington Branch Line is covered by a fixed charge in favour of Derbyshire County Council and Leicestershire County Council
- The Foss Island branch line is covered by a fixed charge in favour of the City of York Council

16. Grants paid to institutions

During the reporting year grants of more than £100k have been paid to the following institutions as reimbursement for project delivery:

| | 2021 | 2020 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Scottish Canals | 7,506 | 5,796 |
| Glasgow City Council | 5,310 | 2,768 |
| City of Edinburgh Council | 5,134 | 3,609 |
| Renfrewshire Council | 1,369 | 277 |
| Highland Council | 1,143 | 536 |
| Aberdeen City Council | 1,095 | 427 |
| Dundee City Council | 872 | 469 |
| East Lothian Council | 866 | 272 |
| Clackmannanshire Council | 839 | 74 |
| Perth and Kinross Council | 817 | 48 |
| Highlands and Islands Enterprise | 652 | 167 |
| The Chiltern Railway Company | 565 | - |
| West Lothian Council | 511 | 511 |
| London & South Eastern Railway Ltd | 436 | - |
| Perth and Kinross Countryside Trust | 419 | 731 |
| Islay Community Access Group | 398 | 282 |
| Govia Thameslink Railway | 395 | 289 |
| Fife Council | 390 | 658 |
| South Ayrshire Council | 376 | 142 |
| North Lanarkshire Council | 314 | - |
| Green Action Trust | 259 | - |
| Glasgow Science Centre | 206 | 10 |
| North Ayrshire Council | 205 | 461 |
| East Dunbartonshire Council | 200 | 343 |
| Cambridgeshire County Council | 200 | - |
| Tactran | 196 | 85 |
| Kingussie Community Development Company | 188 | 53 |
| SEPA | 184 | 309 |
| Scottish Borders Council | 173 | 911 |
| Peebles Community Trust | 165 | 100 |
| The Coalfields Regeneration Trust | 151 | 84 |
| Argyll & Bute Council | 150 | 603 |
| Clydebank Housing Association | 150 | 49 |
| Abellio East Midlands Limited | 144 | 96 |
| Stirling Council | 141 | 1,117 |
| The Mull & Iona Community Trust | 140 | 714 |
| South East Scotland Transport | 126 | 80 |
| HiTrans | 117 | 100 |
| Angus Council | 115 | 6 |
| KPT Development Trust | 113 | 38 |
| Scottish Association for Marine Science | 113 | - |
| Others less than £100K | 2,387 | 6,092 |
| | 35,230 | 28,307 |

17. Grants received from government bodies

During the year grants of more than £100k were received from government bodies in relation to a wide number of projects that fall under the Charity's objectives as outlined in the Trustees' Report. The granting government bodies were:

| | 2021 | 2020 |
|-----------------------------------|--------|--------|
| | £'000 | £'000 |
| Transport Scotland | 45,189 | 41,404 |
| Department for Transport | 4,634 | 2,274 |
| Coronavirus Job Retention Support | 360 | - |
| West Yorkshire Combined Authority | 344 | - |
| Other local government | 154 | 268 |
| Welsh Government | 154 | 240 |
| Pembrokeshire County Council | - | 160 |
| Heritage Lottery Fund | 86 | 111 |

18. Railway Paths Limited

Railway Paths Limited was established as a Charity in May 1998 to take ownership of a number of disused railway lines from Rail Property Ltd as to transform them into walking, horse-riding and cycling routes for the benefit of the public. One of the charitable objectives of Railway Paths Limited is the support, promotion and encouragement of the charitable activities of Sustrans Ltd. We collaborate with Railway Paths Limited to work as efficiently as possible and share resources to achieve our aligned objectives and vision. Although the two organisations are not legally connected entities, we have disclosed the transactions between the two organisations below in the interests of transparency.

During the year Sustrans charged Railway Paths £83k for Finance, HR, Legal and Land management services. Railway Paths charged Sustrans £80k for Bridge and Estate management services. At the 31st March 2021 £29k was owed by Sustrans to Railway Paths, and £25k was owed by Railway Paths to Sustrans.

19. Comparative notes from 2019/20 financial statements

Statement of Financial Activities

| | Notes | £'000 | £'000 | £'000 |
|--------------------------------------|-------|---------------|---------------|---------------|
| Income | | | | |
| Donations and Legacies | | 3,786 | 328 | 4,114 |
| Charitable activities | 2 | 12,483 | 46,169 | 58,652 |
| Investment income | | 732 | - | 732 |
| Total income | | 17,001 | 46,497 | 63,498 |
| Expenditure | | | | |
| Raising funds | | 1,300 | - | 1,300 |
| Charitable activities | 3 | 15,734 | 46,402 | 62,136 |
| Total expenditure | | 17,034 | 46,402 | 63,436 |
| Net income / (expenditure) | 5 | (33) | 95 | 62 |
| Transfers between funds | | (118) | 118 | - |
| Net movement in funds | | (151) | 213 | 62 |
| Reconciliation of funds | | | | |
| Fund balances brought forward | | 8,023 | 1,517 | 9,540 |
| Fund balances carried forward | | 7,872 | 1,730 | 9,602 |

20. Comparative notes from 2019/20 financial statements Balance Sheet at 31 March 2020

| | | Unrestricted Funds | Restricted Funds | Total Funds 2020 | Total Funds 2019 |
|---|-------|-----------------------|---------------------|---------------------|---------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 7 | 1,306 | 1,053 | 2,359 | 2,316 |
| Current assets | | | | | |
| Stock | | 218 | - | 218 | 239 |
| Debtors | 8 | 7,212 | - | 7,212 | 5,633 |
| Cash at bank and in hand | | 7,360 | 94,772 | 102,132 | 82,547 |
| Total Current Assets | | 14,790 | 94,772 | 109,562 | 88,419 |
| Creditors: amounts falling due within one year | 9 | (8,224) | (94,095) | (102,319) | (81,195) |
| Net current Assets | | 6,566 | 677 | 7,243 | 7,224 |
| Total Net Assets | | 7,872 | 1,730 | 9,602 | 9,540 |
| The Funds of the Charity | | | | | |
| Restricted | 11 | | | 1,730 | 1,517 |
| Unrestricted | | | | | |
| Designated | 22 | | | 5,162 | 6,058 |
| General | 12 | | | 2,710 | 1,965 |
| | | | | 7,872 | 8,023 |
| Total Funds | | | | 9,602 | 9,540 |

21. Comparative notes from 2019/20 financial statements

Restricted funds

| | | Balance at 1 April 2019 | Income | Expenditure | Transfers from unrestricted funds | Balance at 31 March 2020 |
|------------------------------------|-------|-------------------------------|---------------|-----------------|--|-----------------------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Consett & Sunderland Railway Path | | 13 | 3 | (73) | 57 | - |
| Paisley to Kilwinning & Kilmacolm | | 93 | 4 | (2) | - | 95 |
| York to Selby Railway Path | | 441 | 11 | (36) | 27 | 443 |
| Worthington Railway Path – Derby | | - | - | (28) | 28 | - |
| Mirehouse Railway Path | | 13 | - | (18) | 5 | - |
| Historic railway path funds | (1) | 560 | 18 | (157) | 117 | 538 |
| National Cycle Network Centre | (2) | 485 | - | (35) | - | 450 |
| Kirklees maintenance fund | (3) | 100 | - | - | - | 100 |
| Two Tunnels maintenance fund | (4) | 164 | - | - | - | 164 |
| Catterick maintenance fund | (5) | 22 | - | - | - | 22 |
| Frome's missing link donations | (6) | 12 | - | - | - | 12 |
| Track of the Ironmasters | | - | 120 | (121) | 1 | - |
| Castleford Greenway | (7) | 122 | - | - | - | 122 |
| Lune Valley Cycleway | (8) | 52 | 231 | (23) | - | 260 |
| Beadnell to Dunston Steads | (9) | - | 40 | (8) | - | 32 |
| Asda Parklet | (10) | - | 25 | (1) | - | 24 |
| Camel Trail access improvements | (11) | - | 6 | - | - | 6 |
| | | 957 | 422 | (188) | 1 | 1,192 |
| Central | | - | 844 | (844) | - | - |
| England | | - | 3,096 | (3,096) | - | - |
| London | | - | 159 | (159) | - | - |
| Northern Ireland | | - | 249 | (249) | - | - |
| Scotland | | - | 41,430 | (41,430) | - | - |
| Wales | | - | 279 | (279) | - | - |
| | | - | 46,057 | (46,057) | - | - |
| | | 1,517 | 46,497 | (46,402) | 118 | 1,730 |

Descriptions of funds are given under note 11.

22. Comparative notes for 2019/20 financial statements Designated funds

| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
|------------------|-------|--------------|-------|-------------|--------------|--------------|
| NCN repairs fund | (1) | 1,000 | - | - | - | 1,000 |
| Fixed asset fund | (2) | 1,234 | - | (86) | 158 | 1,306 |
| Restructure fund | (3) | 3,824 | - | - | (968) | 2,856 |
| | | 6,058 | - | (86) | (810) | 5,162 |

Descriptions of funds are given under note 12.