

Scottish Transport Studies Group

Annual Report and Accounts 2006 -2007

Charity no SCO14720

Introduction

The Chairman's report is for the period September 2006 to September 2007.

The annual accounts are for the 12 months to 31 March, 2007.

Report by Chariman

STSG Activities

The principal activities during the year were the continued production of the quarterly Scottish Transport Review and an expanded seminar programme. Special Themes were adopted for each issue in addition to greater use of STSG members as contributors. The Special Themes were:-

- Issue 33 Traffic Reduction Targets and Concessionary Fares
- Issue 34 Transport and Energy
- Issue 35 Cycling and Sustainable Transport
- Issue 36 The Eddington Report

I continued as a member of the judging panel for the Annual Scottish Transport Awards, which has now transferred from Robert Gordon University to David Begg's Transport Times publication based on London.

The AGM and related Conference on Transport and Energy was held in Stirling on 28 September 2006 with an excellent range of speakers and debate on a very topical subject. The event was synchronised with the CILT Annual Dinner at Airth Castle Hotel. The same procedure is being adopted for the 2007 AGM and Conference which will be held at Airth Castle. The theme will be changing prospects for Technology, Lifestyles and Transport.

A new feature of 2006/07 was the expansion of post lunch seminars on topics offered by members and free of extra charge. Topics included:-

- Opportunities to use EU funding to improve Interchange Quality with particular reference to scheduled development in the Queen St/Buchanan Galleries, Buchanan Bus Station zone in Glasgow (Erl Wilkie)
- The Experience of the First ScotRail 'Adopt a Station' Initiative (John Yellowlees)
- A Consultants Approach to Sustainable Transport (Gordon Baker, JMP)
- Lessons from Transport Planning in Kosovo (Barry Hutton)
- Options for Transport Project and Regeneration Financing (Anne McGregor, Tony Rose & Jon Turner, PriceWaterhouseCoopers)

With attendances ranging up to 40, these seminars encouraged interactive discussion and direct contacts between members and guests. It is intended to proceed approximately bi-monthly. Offers for further seminars or for preparation of Occasional Papers would be appreciated.

The combined efforts of Derek Halden as Secretary, Tim Steiner as Treasurer and other Committee members led to a financial surplus in 2006/07. This was made possible by considerable voluntary efforts and has contributed to a more active organisation with significant reserves available for further development. Growth of higher-paying members helped to compensate for a fall in sponsorship income.

The Wider Transport Scene

The National Transport Strategy for Scotland and related sub-strategies were completed by the Scottish Executive and, following consultation, the newly established statutory Regional Transport Partnerships submitted Regional Transport Strategies to the Executive by March 2007. Decisions on whether to approve or amend these have still to be announced. The Transport and Works Bill completed its passage through the Scottish Parliament. This will ease the committee burden on MSPs but experience in England suggests that time-savings in project approval may be less than anticipated.

The Edinburgh and Glasgow Airport Rail Link Bill were also approved as were the Bills for Stirling-Longannet reopening, the Central Borders Rail link, the Airdrie-Bathgate reopening and Lines 1 and 2 of the Edinburgh tram network (rephased to give priority to a Leith-Edinburgh airport link and a Haymarket-Granton spur.)

A new Planning Bill was issued, again with the aim of simplifying procedures and gaining a smoother passage for projects seen to be of national importance while also raising community involvement in other proposals at an early stage. Transport Scotland started work on a 'Refresh' of Scottish Transport Appraisal Guidance (STAG) but this is not yet completed.

Road completions included the local authority initiative for Dundee-Arbroath dualling with trunk route projects providing grade separation between Perth and Dundee. Work started on an upgraded A8000 link from the Forth Road Bridge, on the Dalkeith Northern Bypass and on an additional Forth crossing at Kincardine. Following reports confirming structural deterioration on the Forth Road Bridge, studies of alternative options for additional crossings were narrowed to 2 bridge variants and 3 tunnel/submerged tube variants for which Public Consultation was recently undertaken. Plans for differential tolls on the present bridge were dropped though ideas for car sharing and shifts to public transport (including new passenger ferries) are being studied. It has now been decided that tolls will be removed from the Forth and Tay Bridges, following earlier toll removal from Erskine Bridge.

On railways, the National Express ScotRail franchise transferred to First. Rolling stock has been expanded along with measures to lengthen more platforms to 6 coaches. Work is nearing completion on the Stirling-Alloa-Longannet rail reopening and on Phase 1 of expanded capacity at Edinburgh Waverley. Under the minority SNP administration from May 2007, a parliamentary vote killed the SNP plan to abandon the Edinburgh tram scheme but EARL, for which a Bill had earlier been approved will not now proceed as earlier proposed with other options now being considered. Road and rail schemes are being re-costed with some further delay in the award of urban M74 contracts and in processing other larger projects though with all previous major projects for the M80, M8, Aberdeen Western Peripheral Road, Airdrie-Bathgate rail and Central Borders rail expected to be completed not later than 2013. Through restructured and innovative funding, the SNP is also planning more extensive A9 and A96 dualling, rail electrification

in the Scottish Central Belt and other smaller schemes cutting rail trip times to Aberdeen and Inverness.

The Northlink ferry service was refranchised after the first operator experienced financial difficulties but long delays continued to affect CalMac franchising with particular problems in resolving equitable subsidy, competition and monopoly issues on the Inverclyde-Cowal ferry crossings.

Bus services have gained from operator initiatives and enlarged use of Bus Route Development Grants and bus priorities. Glasgow City Council and SPT have promoted schemes for a mainly segregated Bus Fastlink on the north Clyde waterfront with potential extensions to the south Clyde but procedural delays have slowed this project. Helped by increased compensation paid to operators following introduction of free travel for those over 60 and the disabled, the scheduled bus network has remained larger than it might otherwise have been. RTPs are to be responsible for community and demand responsive transport grants from 2008.

In terms of usage, road vehicle kilometres showed a return to 3% growth in 2006 after a year of stability (though use of the congested Forth Road Bridge fell marginally). Light vans continue to show the highest level of increase in road traffic. Growth in ScotRail use slowed to 3% but total rail passenger use in Scotland is now higher than at any time since 1950. Local bus trips fell by 0.4% in 2006 and are now 6% below 1995/96 though with a stronger performance in cities.

Direct overseas air travel to and from Scotland continued to show strong growth, aided by more services and lower fares, but Anglo-Scottish air travel growth weakened with some absolute fall in trips between the Scottish Central Belt and London – related in part to the expansion of direct overseas flights but also to a rise in competition from rail. There has been intense debate on whether high-speed route - i.e. over 125 mph – should be created to cut rail times to English cities to the 2 to 3 hour range. The Treasury view remains cautious though Scottish interests have been more positive about the arguments for early decisions to move to high-speed rail. Despite strong promotion, 300 mph maglev route proposals have stalled. Though reduced to alternate days, use of the Rosyth-Zeebrugge ferry remains encouraging and a larger vessel has been introduced with more space for passengers and for lorries. Construction has started on the DfT scheme to fill the motorway gap between Carlisle and Gretna.

More generally, high oil prices and growing acceptance of the need for more substantial cuts in CO₂ emissions have led to reviews of how transport within and beyond Scotland might respond to this changing situation. The debate ranges from seeing transport as capable of relatively resilient responses with the main CO₂ cuts and changes in energy use taking place in other sectors of the economy to the opposing view that transport, especially aviation and cars, will be under greater pressure to cut fossil energy use.

Prospects and Thanks

The coupling of the new SNP administration in Scotland with widespread acceptance that conventional public funding for transport will come under greater pressure as part of the UK Autumn Spending Review has produced an interesting context for how transport may fare in seeking a Scottish consensus. This includes further consideration of the relative benefits and longer term implications of PFI/PPP and similar initiatives. Early SNP actions reflect possible conflicts between tendencies to increase revenue spending

(including sectors outwith transport) and move towards the tougher target of 80% cuts in CO2 emissions by 2050 while still showing attachment to several major transport projects and at the same time as losing £20m a year in revenue by abolition of all bridge tolls. Resolving these conflicts requires informed debate and hard financial decisions. The options vary from more severe cutbacks in transport investment and 'rationing' to ease acute congestion to higher levels of investment supported by new sources of transport financing which could include differential road pricing, rises in average fares, levies on rising land values, public bonds, differential business rates, and more cost-effective project procurement. These changes also lead in the direction of increased fiscal devolution, which is being considered in the context of possible wider devolution of powers to the Scottish Parliament.

Finally, and after three years as Chair, I would like to thank our treasurer Tim Steiner, secretary and STR Editor Derek Halden and the Committee for their help, and the membership for their fuller involvement in STSG activities. Thanks are also due to Tom Hart for his regular contributions to STR and providing the bulk of the statistics in this Chairman's report.

Steve Lockley, STSG Chair

September 2007

Scottish Transport Studies Group Accounts

Charity no. SCO14720

Charity Information for the Year Ended 31st March 2007

Committee

Stephen Lockley (Chair)

Tim Steiner (Treasurer)

Tom Hart

Sam Milliken

Prof Ron McQuaid

John Yellowlees

Bob Armstrong

Bill Ure

Erl Wilkile

Roy Pedersen (until 21 November 2006)

Dr Alfred Baird (until 21 November 2006)

Derek Halden (from 21 November 2006)

Alan Howes (from 21 November 2006)

Anne McGregor (from 21 November 2006)

Office

26 Palmerston Place

Edinburgh EH12 5AL

Tel: 0870 3504200

Fax: 0871 2504200

Email: mail@stsg.org

Web: www.stsg.org

Independent Examiner

A W Scotland C.A.

10 Craighall Crescent

Edinburgh

EH6 4RY

Banker

Bank of Scotland

The Mound

Edinburgh

EH1 1YZ

Committee Report for the Year Ended 31st March 2007

The committee present their report together with the accounts of the year ended 31st March 2007.

Form and Purpose of the Charity

Scottish Transport Studies Group (STSG) was founded by a constitution last amended in September 2004. It was recognised by the Inland Revenue as a Scottish Charity on 6th May 1987 (Ref no SCO14720) and is thus exempt from most forms of taxation.

Principal Activity and Committee Objectives

The aim of the charity is to stimulate interest in and develop awareness of the transport function and its importance for Scotland, its economy and society. It encourages contacts between operators, public bodies, users and others interested in transport. It improves information provision and promotes research, issues publications and organises seminars to these ends.

Administrative Structure

Membership is open to public bodies, transport operators, other organisations and to individuals. A committee is elected at the Annual General Meeting to have executive power, and half the committee are re-elected each year. Details of the committee members are shown on page 2.

Review of Activities

During the year the charity produced three issues of the Scottish Transport Review, and organised a conference and seminars on transport issues in Scotland. The charity aims to continue to develop awareness of transport problems and opportunities, and to stimulate discussion. The charity increased its membership during the year and paid a fee for pursuing this aim.

Reserves Policy

It is the policy of the committee to keep approximately six months expenditure as a reserve against decreases in membership and sponsorship, meaning that activities could continue for a period of time.

Statement on Risk

The committee keeps under review the major risks to which the charity is exposed and is establishing procedures to mitigate those which are identifiable as a result of this review.

Statement of Committee Members' Responsibilities

Charity law requires committee members to prepare accounts that give a true and fair view of the state of affairs of the charity, and its incoming resources and application of resources including its surplus and deficit for that period. In doing so, the committee members are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume the charity will continue its activities.

The committee members are responsible for keeping accounting records which disclose at any time the charity's financial position and enable them to ensure that the accounts comply with charity law. The committee also have general responsibility for taking such steps as are reasonably open to it to safeguard the charity's assets and to prevent and detect fraud and other irregularities.

On behalf of the committee,

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Tim Steiner
Treasurer

27 September 2007

Statement of Financial Activities and Income and Expenditure Account for the Year Ended 31st March 2007

Incoming Resources	2005/06	2006/07
Membership fees	9,220	12,740
Scottish Transport Review	2,000	-
Conferences & seminars	930	2,765
	-	1,000
Bank interest	690	572
Total incoming resources	12,840	17,077
Resources expended		
Cost of activities in furtherance of the charity's objectives		
Scottish Transport Review	1,500	1,125
STR Copy		
Design, printing & postage	6,086	5,563
Conference & seminar expenses	2,140	3,345
Agency fees	2,507	1,578
Website updates	353	400
Stationery and postage for general administration	852	256
Cost of membership enhancement	-	1,175
	13,438	13,442
Governance costs		
Committee expenses	150	252
Fees of the independent examiner	250	250
Total resources expended	13,838	13,944
Surplus (Deficit) on ordinary activities being net		
Incoming (outgoing) resources for year	(998)	3,133
Funds at 1 st April 2006		13,126
Funds at 31 st March 2007 – unrestricted funds		16,259

The notes on page 7 form part of these accounts

Balance Sheet as at 31st March 2007

	2005/06	2006/07
Current assets		
Debtors – trade debtors	-	500
Bank and cash	15,567	19,235
	<u>15,567</u>	<u>19,735</u>
Creditors – accounts due within one year		
Accrued charges and receipts in advance	2,441	3,476
	<u>2,441</u>	<u>3,476</u>
Net current assets	<u>14,124</u>	<u>16,259</u>
Represented by:		
Funds – Unrestricted funds	13,126	16,259

These accounts were approved by the committee on 27 September 2007 and signed on its behalf by

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Independent Examiner's Report to the Committee of the Scottish Transport Studies Group

I have examined the accounts on pages 5 to 7 which have been prepared on the basis of the accounting policies, set out on page 7.

To the best of my knowledge and believe, and in accordance with the information and explanations given to me, the accounts have been properly prepared from the charity's records for the year ended 31st March 2006, are in agreement herewith, and comply with the terms of the Charity Accounts Regulation (Scotland) 2006 and of the charity's constitution.

A W Scotland C.A.
Edinburgh
27 September 2007

Notes to the Accounts

1 Principal Accounting Policies

These accounts have been prepared in accordance with applicable accounting standards in the United Kingdom, the Charities Accounts (Scotland) Regulations 2006, the historical cost convention and under the guidelines laid down in the Statement of Recommended Practice – Accounting and Reporting by Charities – 2005 version.

Grants, bank interest and other income are recognised in the Statement of Financial Activities as they are received. Expenditure including VAT, which is unrecoverable, is accounted for an accruals basis.

All activities are dealt with in unrestricted funds.

2 Committee expenses and related party transactions

Members of the committee received travel expenses for committee meetings and conferences as disclosed in the statement of financial activities.

In addition, T Hart received £1,125 in fees for contributions to the Scottish Transport Review. In 2005 he had received £1,500 for contributions to the Review.