

NPFB Annual Report 21/22

REPORT & ACCOUNTS
APRIL 2021 - MARCH 2022



PREPARED BY

Board of Trustees
North Paddington Foodbank

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Welcome

Sadly, Covid-19 caused the highest ever need for emergency food aid in our 7-years of history, but it was also a catalyst for so much fundamental change.

Following months of intense pressure to source, sort, parcel, and distribute food to people who have been left without financial means to purchase the food they want and need for their families – and with no end in sight – it is even clearer now that food aid provision simply isn't the answer to food insecurity in Westminster.

The Scottish Government's response to tackling food insecurity has been by promoting a 'cash first' approach. This involves preventative and responsive measures such as providing immediate access to emergency income as well as the delivery of money advice.

Following a strategic review in 2021, we made a decision to develop a new core offering to deliver a 'cash first' model that aims to support our local residents in need with access to money advice, and emergency income in the form of supermarket food vouchers.

We are currently the only food aid charity to be offering this form of support on this scale in the UK, and since moving to a 'Cash First' model, it's proved hugely popular, and so far we have been able to give more than 2000 households more control and dignity to choose and buy their own food.

We know that temporary cash-based responses are not a replacement for genuine investment in the social safety net that has been systematically dismantled under the weight of austerity measures and cutbacks. But in the meantime, many food banks are looking for practical and innovative steps to support people with alternatives to just food aid.

Food is one of the most fundamental human necessities for survival. It's the last thing that any household chooses to cut in their budget. However, an energy price cap increase of 54% that will be imposed from 1 April 22, highlights the sad reality that more low-income families and individuals will face the choice between heat, essentials, and food.

Food poverty campaigner, Jack Monroe says nearly half of the people using foodbanks in the UK could be helped immediately by simply removing the 5-week wait for Universal Credit, this will lift half of the people who are currently in food poverty in the UK out of it overnight, and that's a button push.

It is early days, but this 'cash first' approach to poverty by the Scottish Government seems to be working to reduce the need for food banks. We will need to keep an eye on the statistics, and of course, one person needing to use a food bank is one person too many, but in the face of rising foodbank use across the rest of the UK, the fall in Scotland, however small, seems grounds for cautious optimism.

Thomas Delap,
Head of Foodbank

Michelle Huggins, Chair



Michelle has been involved with NPFB since its inception in various capacities and officially joined the board in February 2021 and was subsequently appointed Chair in December 2021.

Having grown up on Queens Park Estate, Michelle is acutely aware of the issues faced by local people. "NPFB is a lifeline and a source of familiarity and security to those most vulnerable in our community." Enabling people to have choice and dignity in the way food aid support is offered and received is something Michelle is extremely passionate about. "I am really pleased to be working alongside a brilliant team of Trustees and Staff who continue to work hard to help those most in need."

Away from NPFB Michelle works as a consultant in the affordable housing sector, specialising in community-led development, enabling people to have a say in what, where and how new housing is delivered in their communities.

Asif Hussain, Vice Chair

Asif joined the board of the NPFB in March 2021 out of a desire to support those hardest-hit by the pandemic with practical grass-roots led help. "I currently work for the Mayor of London as an Adviser, and I have taken a keen interest in driving change for the better locally and across London."

Asif was also recently elected as local councillor in West Harrow, representing the Labour Party. In his spare time, "I'm enjoying watching Arsenal's resurgence to the top of the league, and continuously running after a toddler not as much."



Mission, Vision & Values

The North Paddington Food Bank (NPFB) was established in 2014 and remains an independent food bank. We are a part of the Independent Food Aid Network (IFAN), which connects over 900 organisations that do not operate under the banner of larger charities, such as the Trussell Trust.

Mission

To end poverty in Westminster

Vision

To work with our local community to provide people in need with food, and a pathway out of poverty toward a better life

North Paddington Foodbank is focused on solving food poverty challenges faced by residents living in the Borough of Westminster.

Values

> Accessible

We want to ensure that anyone who may need help is able to access it easily.

> Understanding

Whilst providing help, we want to understand what is leading people to need us, so that we can make sure that any further help that could benefit a person is accessed.

> Responsive

This understanding on an individual and larger level will help us make sure our service is set up to meet the needs of people using it.

> Respectful

All of our activities are carried out in a manner that seeks to ensure that people feel comfortable and well-supported.

What We Do

NPFB are the largest food aid charity in Westminster, this year we have supported a total of 5,414 households and 13,535 people.

- Emergency food vouchers
- Emergency fuel vouchers
- Family & Baby Packages
- One 2 one case-work advice and support
- Advice surgeries

Our primary method of supporting our local residents in need is via the provision of emergency food and fuel aid, alongside this we are now providing more than 150 families a week additional support with nappies, baby formula, and sanitary products.

To assist our customers to move beyond the need for emergency food support, we offer person-centred casework to identify and address the issues that may be driving their food poverty.

To support this work we have established key partnerships with specialist organisations including the CAB Westminster, Westminster Employment Service, Shelter, Age UK, and the NEA who make themselves available at our office to offer specialist advice and support during Advice Surgeries.

The Need

Across Westminster, we are sadly finding that an increasing number of people are experiencing situations where they have little to no money to purchase food and essentials. Benefits issues, unexpected costs, redundancy and long-term health problems and other issues have created difficult situations that mean more women and families need to access support from charities like North Paddington Foodbank.

What is the main reason households are experiencing hardship?

96%

Said that Benefits are not enough

From conversations, it is clear that benefits are not enough for families to survive and that many are accessing their full benefit entitlement but needing the foodbank in addition. Issues such as sanctions, declined applications and long waits for a decision make up a significant proportion of long term customers we speak with.

Cash First

Though the scale of food insecurity feels overwhelming, the reasons people require emergency food aid are simple.

Years of research and experience have demonstrated that emergency food aid is a temporary response to low and insecure incomes from poorly paid work and insufficient benefits, often combined with sudden income shocks.

The reasons people find themselves needing food aid fall into four categories:

- suddenly losing income / having an additional expense
- waiting for a payment or benefit decision
- living on a low income (from poorly paid work or benefit levels that don't cover the costs of living)
- struggling with debts (often related to experiencing at least one of the above)

NPFB's response to food insecurity is to remove the barriers people face in accessing all their existing financial entitlements and emergency cash payments by providing people in need with access to money advice, and emergency income in the form of supermarket food vouchers.

The value of our vouchers is based on the average UK household supermarket spend and the weekly support package breaks down like this:

- 1 person = £25
- 2 people = £30
- 3 people = £45
- 4 people or more = £60

Impact

98%

prefer vouchers or cash over a food parcel

99%

said that receiving supermarket vouchers has had a positive impact on their emotional wellbeing

92%

feel more in control of the important things in life

90%

did not need to use another foodbank while receiving supermarket vouchers us

How it Works

When someone is referred to our service we will then act as both a support for the issues that have led households to need NPFB whilst connecting them to other professional services that can provide further support, this means that emergency food needs are met in the short term whilst work is carried out to help resolve the complex and underlying issues our customers are dealing with.

Since its inception NPFB has worked with a number of charitable and statutory bodies such as Westminster HELP and Citizen's Advice Westminster to provide support for the community around factors leading to hardship. In January 2022 this was formalised as the adoption of a 'Cash First' model which is based on providing people with signposting and referrals to help them achieve financial stability and security as quickly as possible and avoid a situation of dependency on emergency food aid.

NPFB Customer Advice & Support

Our new NPFB Customer Advice & Support (CAAS) programme was developed this year to be proactive and provide a pathway for advice and support at the earliest opportunity in the customer journey using a Social Prescribing approach.

The social prescribing approach is based on connecting individuals with all the appropriate resources in the community and is well aligned with the Cash First model. Strengthened relationships and collaborative working with referrers will help households towards financial security, and NPFB will continue to use research and data to create new partnerships where we identify gaps in the support we are able to signpost or offer.

The public-facing activity of NPFB has provided opportunities for staff and volunteers to identify customers in need of more intensive support, or for customers to self-present with questions and seek advice.

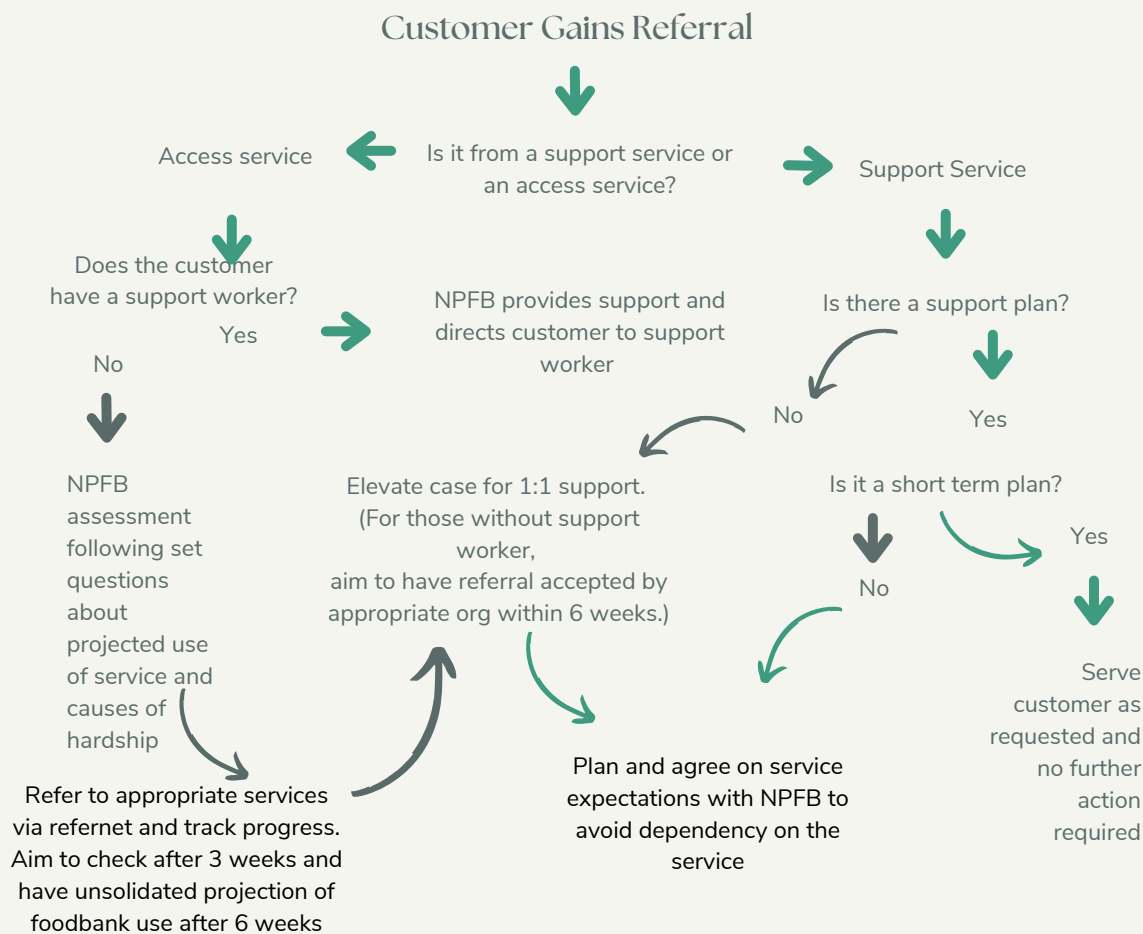
25%

Of our Customers are
Complex Cases
Dependant on Food Aid

Any reduction in the number of complex cases and households dependent on our foodbank will, of course, be monitored during the implementation of this new programme, however, this year we were initially focused on successfully launching this new model into our service, and we will use Monitoring and Evaluation data to inform any future outcomes.

Customer Journey

We help households who are experiencing hardship with supermarket vouchers for up to 6 weeks, the time it should take for Universal Credit to be awarded. For customers who require more than 6 weeks support, we will work with referral partners to develop a care plan that aims to ensure households are in receipt of full benefit entitlement or gain employment so they are no longer dependent on using the foodbank.



Westminster Taskforce

As part of our new customer journey and long term strategy to reduce the number of households needing to access emergency food support, North Paddington Foodbank and Westminster Council held the first of a series of Complex Case Workshops focussing on people needing food banks on a long term basis, who are supported by multiple WCC departments and community partners.

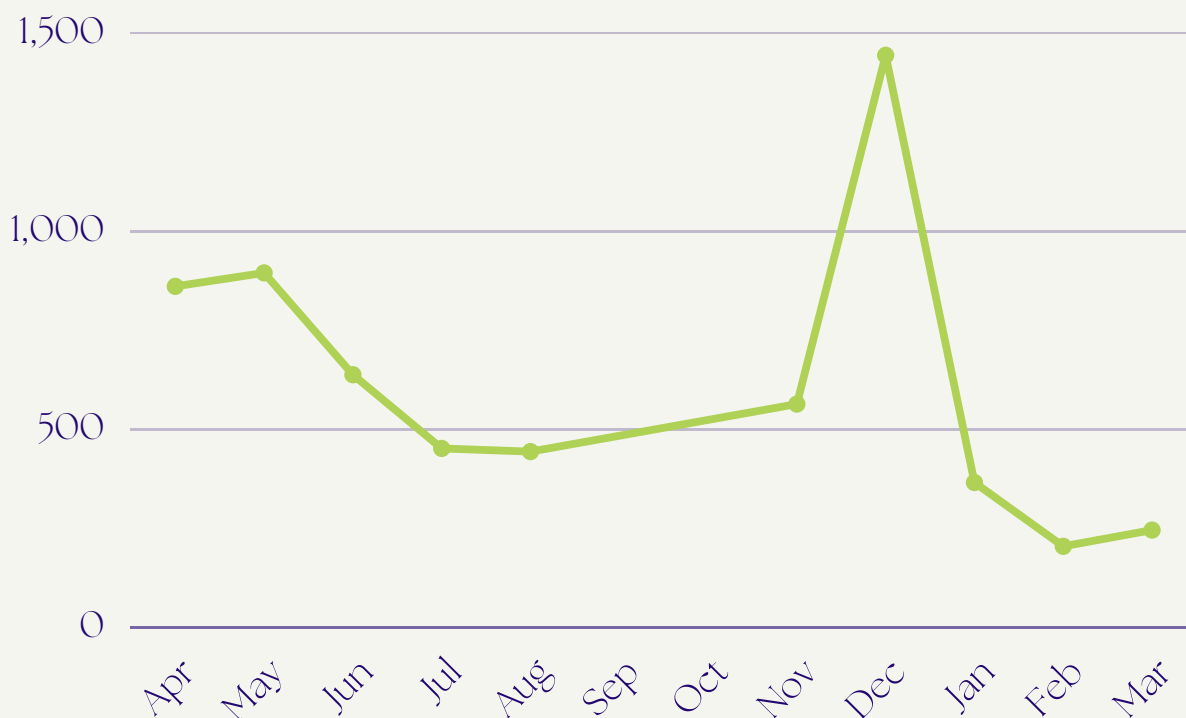
Involving all key WCC and VCS stakeholders our aim is to highlight the importance of creative and pro-active joint agency working to better engage vulnerable individuals and households, by linking them into the relevant support more effectively.

Sharing methods and resources gives us a better chance to reach non-engaging clients with complex needs and provide a pathway out of poverty toward a better life.

Operational Review

From April 2021 – March 2022 we have supported a total of 5,414 households (13,535 people) with Emergency Food Aid. and distributed 2,631 supermarket vouchers from November 21 – March 22.

Rate of Referrals



Upcoming challenges

We anticipate that demand for emergency food aid will continue to rise;

- An energy price cap increase of 54% that will be imposed from 1 April 22, highlights the sad reality that more low-income families and individuals will face the choice between heat, essentials, and food
- Rising unemployment and the continued 5 week wait for universal credit
- Stress on services and access to our foodbank and other support

We are working with Westminster Council and Westminster Food Network to be prepared for the impact that the Rising Cost of Living will have on the most vulnerable households in our community.

Who We Support

It is well documented that austerity has disproportionately affected women and in particular black and minoritised women, and the Women's Budget Group found that Racial disparities have also been exacerbated by the legacy of COVID-19, with a quarter of ethnic minority mothers reporting that they were struggling to feed their children (23.7%)

Since we started recording Customer Equalities

- 24.95% Asian Other/Pakistani
- 30.73% Black African/Caribbean/Other/British
- 0.16% Chinese
- 5.16% Mixed White/Asian, White/African, White/Caribbean
- 39% White/British, Irish, Scottish
- or other

Total number of people in household

- 58% 1-person Household
- 14% 2-person Household
- 9% 3-person Household
- 12% 4-person Household
- 4% 5-person Household
- 3% 6 or more-person Household

Of the 3,566 households served this year,

- 58% were single person households
- Over the period April 21 - March 22, 42% of households had children under 12, this was 36% the previous year.
- Another emerging group this year had been households living with a disability, and people who act as unpaid carers

65%

Of our Customers
are Women

61%

Are from Ethnic
Minority Communities

52%

Customer or member
of their household
have a disability

21%

Act as a unpaid carer
for a disabled person

Our Goals for 22/23

Working with Our Community

As a charity we have always been an important social function, bringing people together from a cross-sector of the community to address isolation. A new community Engagement Programme focussing on enriching will build on this and help provide a trusted space where people can access information, support or even try something new. A new project and community co-ordinator has recently been recruited to develop and implement a community engagement and volunteer programme, work is already underway on our first project 'The Lunch Run' a weekly cookery class for women and girls in our community.

Building Stronger Partnerships

Our primary aim is to provide emergency food support and then to complement this with services that build skills, confidence and experience and to help people gain meaningful employment. We aim to develop new partnerships and strengthen existing ones providing signposting advice that help people learn about paid work as well as assisting with their health and wellbeing. We aim to introduce whatever additional support people need and want to improve their situation.

Cultivating the skills of Staff and Volunteers

NPFB is aware of the commitment of our volunteers, who alongside staff and the trustees have together ensured that the charity has not only survived during difficult times but flourished. We work in a wonderfully ethnically-diverse community and we champion equality. As a team, we now seek to cultivate these qualities and skills further and one practical way we are doing this currently so is to offer training to volunteers to help them meet the requirements of their important roles, such as guidance about the benefits system and rules, and providing essential insight into the complex reasons why people use the foodbank.

Fundraising!

As a small independent charity acting as the last line of support for people living in crisis we are reliant on funding not only to meet local demand, but to keep our service running for those that need it most. As staff and trustees this is now our immediate priority. A new Head of Service has been recruited to lead on this and is developing new ideas such as the charity's first fundraising auction, strengthening relationships with statutory bodies, and establishing new partnerships with major donors.

Our Supporters

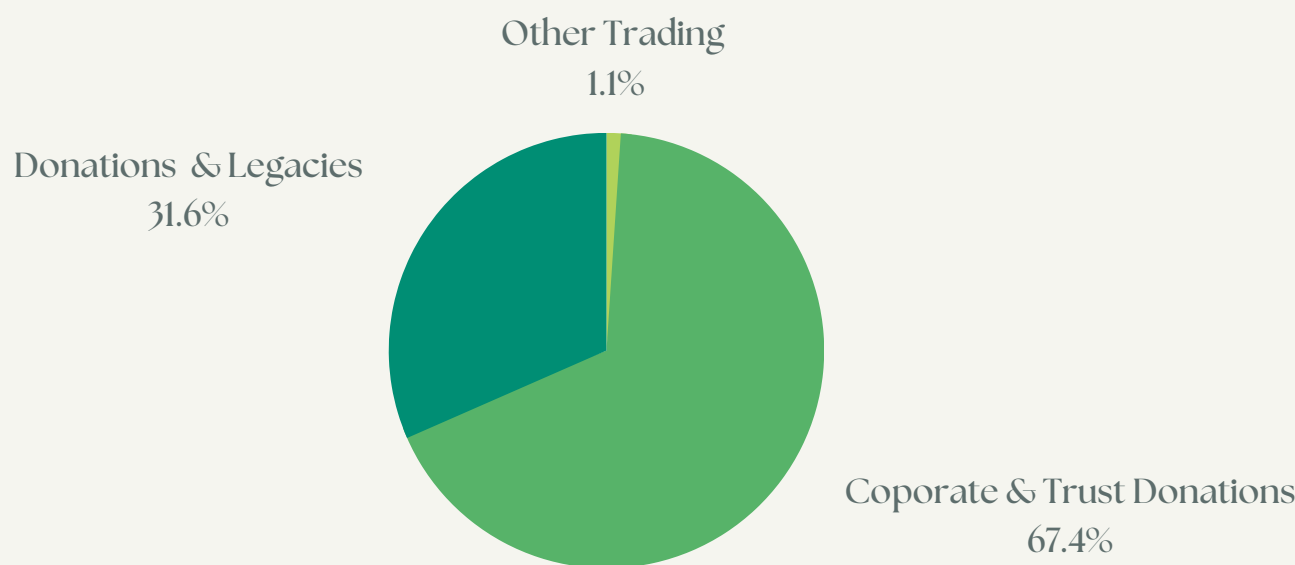
We are so very grateful for the partnership we share with Westminster City Council, and the generosity we have received from numerous charitable trusts and foundations. These grants have played a critical role in allowing us to scale up the support we are able to offer to our community in uncertain times and significantly expand our key programmes to end the need for food banks.

- > Westminster City Council
- > A2Dominion
- > Paddington Development Trust
- > MFS International
- > British Land
- > Howard De Walden
- > Virgin Foundation
- > The Mickheev Charitable Trust
- > Paddington Central
- > The Social Bite Fund
- > Baker Street Quarter Partnership
- > Catenian Association
- > HOARE & CO
- > First Hand Foundation
- > Ian Cadbury Charitable Trust
- > GIC London
- > Sainsburys Paddington Station, Sheldon Square and Ladbroke Grove
- > John Lewis & Partners
- > Waitrose & Partners
- > DDB Remedy LTD

Financial Review

Where Our Income Comes From

TOTAL INCOME
£ 268,102



We are reliant upon the generosity of all our supporters to fund our charitable activities and work towards a future where no one goes hungry.

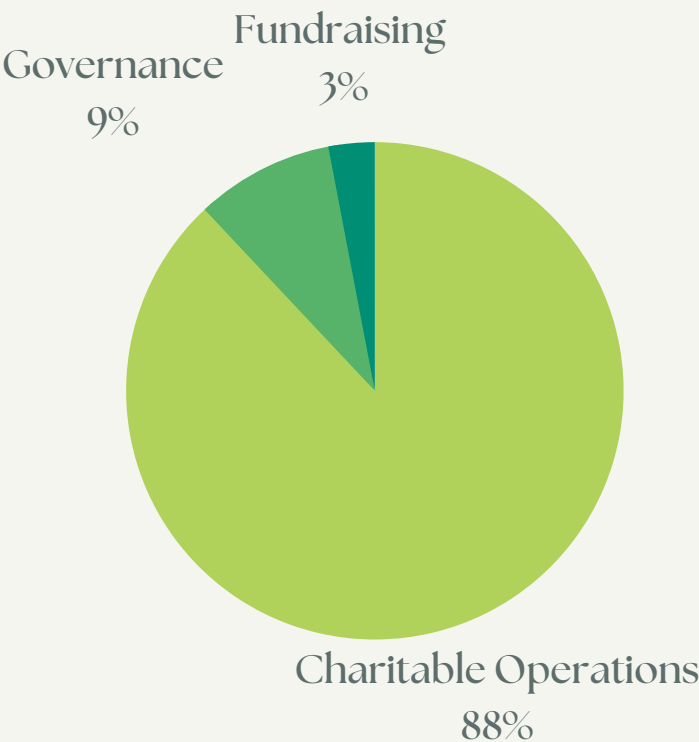
Our income is made up of donations (including Gift Aid) from individuals, plus donations, statutory grants, and contractual partnership payments from corporates, trusts and foundations.

- Public Donations & Legacies - 95,433
- Corporate, Trusts and Foundations - £172,274
- Other Trading activities - £ 386

Financial Review

Where We Spend Our Income

TOTAL EXPENDITURE
£ 367,842



- Charitable Operations - £ 325,124

The majority of our expenditure relates to our provision of delivering an effective emergency food aid service, also included here are the running cost of the food bank.

- Governance - £ 32,819

Costs included here relate to our research, strategy, and customer support work. In order to achieve our ultimate charitable aim of ending poverty in Westminster, we must identify the structural issues that drive people to food banks and address these issues.

- Fundraising - £ 9,899

Like every charity, we must invest in our fundraising to enable us to secure the funding we require to continue and expand our charitable work

Financial Review

Financial Performance & Position

For the year to 31 March 2022, the North Paddington Foodbank generated a deficit of £99,740, following a surplus of £200,474 in the year to 31 March 2021 where our supporters, both new and existing, responded to the demands of the Covid-19 pandemic with overwhelming generosity.

This surplus from 2020/21 enabled us to step up our operations and governance in 21/22, and also created a strong financial platform to build upon.

As a small charity, we are reliant on funding not only to meet increasing demand but to keep our service running for people in Westminster who need it most. Demand for emergency food aid has been growing since we started, but the events of 2020/21 multiplied this need, from supporting around 50-100 families a week to more than 1000 households a week in the space of 6 months.

A direct consequence and legacy of the pandemic was a continued high dependency on our service in 2021/22, accompanied by a drop in donations.

Our new Chair, Vice Chair and Head of Foodbank, were appointed in December 2021 and collectively developed a strong and immediate understanding of the charity's finances at a critical moment.

As a Board of Trustees our commitment to delivering impact during this critical time accelerated our ambitious plans to end the need for food banks in Westminster through resourcing a 'Cash First' approach to poverty.

We are now geared up to have a greater impact next year and be in a position to support more households with emergency food aid, and a pathway out of poverty toward a better life.

Financial Review

Key Management Personnel

The remuneration of all staff is reviewed annually. The Trustees review the remuneration of key management personnel, and draw on their knowledge of the sector, the formal appraisal process, and common practice in other charities of similar size, to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Reserves Policy

The Trustees aim to hold six months of direct charitable expenditure as reserves (estimated to be approximately £95,000), which will allow the organisation to run efficiently, and meet the needs of its members and staff. The unrestricted funds available to the charity as at 31 March 2022 was £174,791

Financial Review

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law and good practice require trustees to ensure that financial statements are prepared which give a true and fair view of the charity's affairs and of the profit and loss of the organisation for that period. In order to achieve this, trustees must comply with their obligation under the Charities Act 2011 with regards to, the keeping of accounting records for the charity, the auditing or independent examination of the statements of account of the Charity, the transmission of the statements of account of the Charity to the Commission and the preparation of Annual Return and its transmission of the commission.

In preparing these financial statements, the Trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and accounting estimates that are reasonable and prudent;
- d) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The financial statements were approved by the Board of Trustees on:
30th January 2023

And were signed on its behalf by:

Michelle Huggins, Chair *MICHELLE HUGGINS*

independent Examiner's Report

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with their requirements of the Charities Act 2011 ('the Act').

Independent examiner's statement

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the Act.

I am disclosing my recommendation to mitigate all Risk areas. The independent examination of the year ended 31 March 2022 Accounts and Payroll shows there was overstatement of Surplus in a prior year ended 31 March 2021. The Tax and NIC is due to HMRC for payment for the Salary Payroll submissions RTI.

This was identified after the submission of the 2021 Accounts. Therefore reconciled in the 2022 Accounts which means the HMRC Tax & NIC due is recognised as a Liability. The Tax office has been informed of the Error and a payment plan has been agreed by the Charity Committee & HMRC. This was accepted and has been reflected in 2022 Annual Accounts & Trustee Report.

The Committee has already made improvements by introducing Financial Procedures for routine payroll process and seeking advice/guidance from professional external party.

Weekly Payroll to be reconciled to Balance Sheet & Financial Statement. Employers Pension & HMRC Control payment must be introduced & continued during the Charity growth to mitigate risk of Fraud and avoid Penalty & Fines for Pension/Tax Liability being withheld to the Government.

This will be verified by the year ending 31 March 2023 submission deadline 31 January 2024. I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed by: **Ambia Ali** - Chartered Management Institute
30th January 2023



Statement of Financial Activities

Annual accounts for the Year ended 31 March 2022

	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	ACTUAL TRANSACTIONS 2022 £
INCOME FROM			
PUBLIC DONATIONS & LEGACIES	82,115	13,328	95,443
CORPORATE, TRUSTS AND FOUNDATIONS	91,411	80,863	172,274
OTHER TRADING ACTIVITIES	381		381
INVESTMENTS	5		5
TOTAL INCOME	173,912	94,191	268,103
EXPENDITURE ON			
FUNDRAISING	9,899		9,899
CHARITABLE OPERATIONS	230,934	94,191	325,124
GOVERNANCE	32,819		32,819
TOTAL EXPENDITURE	273,652	94,191	367,842
SURPLUS/(DEFICIT) FOR PERIOD	(99,740)	0	(99,740)
TRANSFER BETWEEN FUNDS	29,913	(29,913)	0
FUNDS BROUGHT FORWARD	290,820	13,623	304,443
FUNDS CARRIED FORWARD	204,704	0	204,704

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Statement of Financial Activities

Annual accounts for the Year ended 31 March 2022

	2022	2022
BALANCE SHEET 31 MARCH 22	£	£
FIXED ASSETS		0
CURRENT ASSETS		
STOCK	0	
DEBTORS	0	
PREPAYMENTS AND ACCRUED INCOME	0	
BANK & CASH SOLD O AC	74,545	
BANK & CASH BARCLAYS	117,602	
BANK & CASH BARCLAYS	54,025	
BANK & CASH BARCLAYS	0	
BANK & CASH RBS	12,086	
BANK & CASH RBS	7,234	
TOTAL BANK & CASH	265,492	
TOTAL CURRENT ASSETS		265,492
CURRENT LIABILITIES		
CREDITORS	0	
NIC & PAYE/STUDENT LOAN	60,718	
PENSION CONTROL DUE	69	
VAT CONTROL DUE	0	
ACCRUALS AND DEFERRED INCOME	0	
TOTAL CURRENT LIABILITIES		60,788
NET CURRENT ASSETS		204,704
NET ASSETS		204,704
FUNDS		
UNRESTRICTED FUNDS		204,704
RESTRICTED FUNDS		0
TOTAL FUNDS		204,704

Statement of Financial Activities

Analysis of expenditure

	CHARITY OPERATIONS £	GOVERNANCE £	FUNDRAISING £
ADVERTISING & MARKETING			1,566
BANK FEES		596	
CONSULTING	11,600	27,294	
COST OF GOODS SOLD	6,038		
DIRECT EXPENSES	3,761		
DIRECT WAGES	208		
NATIONAL INSURANCE	31,465		
FOOD PURCHASES	91,416		
GENERAL EXPENSES	12,503		
IT SOFTWARE	8,805		
LEGAL EXPENSES		206	
OFFICE RENT	26,850		
PAYROLL SERVICES		4,546	
PENSIONS COSTS	4,991		
PRINTING & STATIONERY	1,315		
SALARIES	105,139		8,333
STAFF TRAINING	3,416		
SUBSCRIPTIONS		177	
TELEPHONE & INTERNET	4,899		
TRANSPORT	7,164		
VOLUNTEER EXPENSES	5,552		
TOTAL	325,124	32,819	9,899

Of the total expenditure (£367,842), £273,652 was unrestricted and £94,191 was restricted

Purposes of restricted funds

- Foodbank, staff and service costs grants were received from various donors toward cost of food, staff and increased demand for services of the charity.
- Food Aid Response grants was received from Westminster City Council toward provision of food during the pandemic.

CONTACT US

North Paddington Food Bank
57 Goldney Road
London, W9 2AR
T: 07932 623443

www.npfoodbank.org.uk
info@npfoodbank.org.uk
Charity No. 1165272