



# **Poverty Truth Network 2021-22 Annual Report & Accounts**

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**Charity Number: 1184879**

## **1. Objectives and Activities**

The purposes of the Poverty Truth Network (PTN), the Charity, are, for the public benefit, the prevention and relief of poverty and financial hardship, by but not limited to, understanding the factors that contribute to poverty and the most appropriate ways to mitigate these, educating the public regarding these factors and developing and promoting programmes that enable others, especially those with a Lived Experience of Poverty, to take action to mitigate these factors.

The PTN is a UK wide umbrella body for Poverty Truth Commissions ("PTCs"). There are an increasing number of PTCs spread across the UK. Each is independent and developed locally, while sharing a common approach and supporting each other. PTCs comprise of people with direct experience of poverty in its many forms (community or grassroots commissioners) and civic and business leaders (public life commissioners). Commissioners work together in factual, empathetic, and generative ways to discover the future possibilities of bringing about an end to poverty in their locality. A primary role of the PTN is to enable and support (but not to manage) local Poverty Truth Commissions.

Alongside the support of PTCs in different locations, the PTN also brings together commissioners to seek to address the causes and symptoms of poverty nationally, always building upon the expertise and insights of PTCs.

As such, the main areas of activity of the Poverty Truth Network are:

1. Developing new Poverty Truth Commissions;
2. Supporting active Poverty Truth Commissions;
3. Amplifying Poverty Truth Commissions voices nationally on key issues; and
4. Engaging with other national partners committed to tackling poverty and social injustice.

### **Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charity's aims and objectives and in planning its future activities.

## **2. Achievements and Performance**

During the year, the Poverty Truth Network has been active in strengthening this movement in the following ways:

### **2.1 Establishing New PTCs:**

- i. The PTN has supported the development of new local Poverty Truth Commissions across the UK. Whilst, as in previous years, the co-directors continued to play an integral role in this work, during the year the charity established a Development and Support Team (with two additional part-time

members of staff) to provide increased capacity. Where possible this has involved meeting in person on at least one occasion with organisations and individuals from interested locations. Whilst it has been increasingly possible to resume face-to-face meetings, much of this initial work continues to be undertaken online to reduce travel and minimise the charity's carbon footprint.

- ii. In the period April 2021 - March 2022 there have been four new commissions launched (Tameside, Oldham and second commissions in Birmingham and Morecambe Bay).
- iii. The initial development stage of a PTC is deliberately slow (securing local agreement, establishing a local Steering Group, recruiting a PTC team and identifying community commissioners). Over the last year we have continued to support the development of commissions in Barrow, Birmingham, Blackpool, Bournemouth, Christchurch & Poole (BCP), Derby, Hull, Kirklees, Northampton, North of Tyne, Salford, South Lakes, Swansea, Trafford, and York. We have also continued to offer remote support to a small group of PTCs developing in the Netherlands.
- iv. As the UK has moved into a COVID-19 recovery phase there has been an ongoing growth in the number of places expressing an interest in establishing a PTC. New areas which have expressed an interest in establishing a Poverty Truth Commission include: Belfast, Bradford, Burnley, Cambridge, East Cheshire, Hartlepool, Kirklees, Lincoln, Peterborough, Sheffield, South Tyneside, Suffolk, West Lancashire and Wigan. As in previous years, it is not anticipated that all these initial explorations will result in the establishment of a PTC. It is, however, a strong indicator of both the increased profile of the PTN and, more importantly, the desire for an alternative approach to tackling poverty.
- v. It is worth noting that less than three years after its establishment, the PTN is now supporting commissions in England, Northern Ireland and Wales, as well as continuing to liaise closely with the Poverty Truth Community in Scotland, out of which the work of the Network emerged.

## **2.2 Supporting existing PTCs:**

- i. The PTN provided support for six PTCs who were either active in the accounting period (Gateshead, Manchester, and Morecambe Bay), between commissions (East Surrey) or were moving to a new stage in their work (Leeds and West Cheshire).
- ii. Much of our work supporting new and existing commissioners is undertaken through regular engagement with local PTC teams. Some of this is bespoke but over the accounting period the PTN established a twice-monthly learning

space for facilitators around key elements within the PTC process as well as creating a dedicated intranet for facilitators to access.

- iii. Building upon the success of supporting work on a regional basis, we have established a small Development & Support Team to provide support to local teams of facilitators. Due to COVID restrictions we did not host an in-person Facilitators Gathering but held one in May 2022, attended by facilitators from sixteen PTCs.
- iv. In order to seek to retain and build a sense of community across PTCs, we continued to host a series of informal get-togethers online for commissioners as well as hosting our National Gathering online in September 2021. Whilst it has been great to have this capability, we are immensely looking forward to being able to host an in-person Gathering in September 2022.

## **2.3 Amplifying the Local Voices Nationally:**

- i. Whereas the process of developing and supporting PTCs is now reasonably well established, the task of amplifying local voices nationally with a methodology underpinned by the values of the Network remains at a less developed stage. During the accounting period we established an Amplify Team to develop the work and to support commissioners in their participation.
- ii. The 2021 online Commissioners' Gathering received reports from the four theme groups established at the previous year's Gathering. Based on this they agreed ongoing work around: housing, mental health and Universal Credit (UC). It was decided not to proceed with the work around children and young people as this group had attracted less interest from commissioners and, consequently, was less clear about the specific contribution which the Network might be able to offer.
- iii. Sub-groups have met regularly throughout the year, separately and collectively, to sharpen the focus of the work including meeting with a range of external partners to test out and refine proposals.
- iv. Current work is focused around: improving tenants' rights within the private rented sector (housing); developing a resource highlighting the linkages between poverty and poor mental health (mental health); and increasing opportunities for community-based volunteering for job search claimants (UC).
- v. The 2022 Commissioners' Gathering will review this work as well as giving opportunities for commissioners to identify new areas that they would wish to focus on in future years.

## **2.4 Linking with the wider movement:**

- i. An important activity of the Network is to build relationships with other organisations and institutions who are seeking to alleviate poverty in the UK. Through doing this we enable commissioners to engage with others on issues that are important to them, amplify the local voice of PTCs and seek to educate the public about the factors that lead to poverty and how to mitigate against these.
- ii. Engaging with our funders – who share our ambition to tackle the symptoms and causes of poverty – remains an important element of our engagement with the wider anti-poverty movement. During the accounting period we met regularly with colleagues from the Joseph Rowntree Foundation (JRF) and the Lankelly Chase Foundation to identify areas of shared interest and collaboration. With the approval of a multi-year award (April 2022) from the National Lottery Community Fund, plans have been put in place to meet regularly with our funders.
- iii. During the accounting period we have continued to engage regularly with Engage Britain and a range of other organisations committed to learning directly from the experience of PTCs. We have agreed to serve on the Advisory Groups of the Poverty Strategy Commission and an emerging Democracy Network being facilitated by Involve UK. Our trustees have also agreed to work collaboratively with Church Action on Poverty (CAP) to promote interest in Poverty Truth Commissions across its network. We continue to work closely with the Poverty Truth Community in Scotland.
- iv. We remain committed to building this work slowly over coming years with the primary focus on collaboration which enables the charity to increase its capacity in the first three areas of its activity (developing new commissions, supporting existing commissions and amplifying local voices nationally). We are also committed to ensuring that in any partnerships which we are developing, people with ongoing experience of the struggle against poverty are fully included.

## **3. Impact of COVID19**

COVID 19 has exposed and exacerbated the deep inequalities within our society, fault lines which have been further highlighted in the subsequent cost of living crisis. As well as participating in a range of online discussions, we contributed an article to a book focused on Democracy and the Pandemic in which we argued for the need to build structures post-COVID in which people experiencing poverty are more directly involved. (Democracy in a Pandemic, July 2021).

COVID 19 continued to impact our operating model throughout much of the year, severely limiting the capacity of the staff team to travel and engage in in-person meetings. It has also impacted the ways in which PTCs have been developed and operated, and the opportunities

for trustees to meet in person. To offset this, we have continued to provide intensive online engagement with facilitators and commissioners.

The cancellation of several planned in-person gatherings has resulted in operational savings which we have continued to invest in providing digital support, and to increase our staffing capacity.

The Charity is deeply appreciative of our funders for their flexibility over this period, recognising that budgets and operating modes have needed to adapt to circumstances. We would wish to express particular appreciation to the Lankelly Chase Foundation for a small, but deeply welcome grant, which they asked to be used to express appreciation to the organisation for the support it had given during the worst of the pandemic.

## **4. Funding**

Alongside funding secured from the Lankelly Chase Foundation reported in last year's Annual Report, trustees are also pleased to report on securing ongoing funding from The Joseph Rowntree Foundation (JRF) of £40,000 per annum over the last three years. The Charity has also been successful in a funding application to the National Lottery Community Fund (TNLCF) of £430,000 over a three-year period (2022-25). This significant additional investment will enable the Network to develop over coming years.

Over the accounting period the charity also undertook a limited amount of paid consultancy work, an area of planned growth in future years. We are also grateful for an unsolicited grant of £5,000 from Orr Mack Foundation.

## **5. Future Plans**

The apparently ever-increasing interest in Poverty Truth Commissions and the work of the Poverty Truth Network represents both an opportunity and a challenge for the charity. For example, the number of PTCs being developed and supported by the end of the accounting period is already beyond planned levels of 2025. This means that the charity is having to adapt to best support this unanticipated growth.

Plans for 2022-23, laid out in the charity's rolling three-year Milestones Plan, include:

- Supporting the development of up to four new PTCs, including the provision of seed-funding;
- Hosting in-person gatherings for facilitators and commissions, as well as growing regional networking and events;
- Delivering on our initial work around housing, mental health and Universal Credit, as well as identifying new areas of development;
- Hosting information sessions in the UK, Scottish and Welsh Parliaments about the work of PTCs and the Network;

- In collaboration with our funders and other partners developing our evaluation framework, mapping not only our agreed outputs but also providing learning on the approach which underpins our work;
- Expanding our staff team to meet increased demand for our work, including around research and communications as well as to local PTCs; and,
- Making changes to our constitution to reflect the growth of the Network, and the increased role of a growing number of Network members in informing and shaping our work.

## **6. Financial Review**

During the accounting year, the income and expenditure both continued to grow steadily in line with the trustees' plan for development. Income was £96,032 (2020-21: £81,277) and expenditure £88,650 (2020-21: £68,888). Both income and expenditure were lower than anticipated. Income was lower because of a delay in securing longer-term funding. Expenditure was lower because of ongoing COVID 19 restrictions, and as a result of a delay to the expansion of activity to match available income.

Alongside funding secured from the Lankelly Chase Foundation, reported on in the last financial year, the charity also secured three-year funding (£40,000 per annum) from the Joseph Rowntree Foundation. In March 2022, the charity also received notification of a grant award, spread over three years, of £430,000 from the National Lottery Community Fund. These awards will enable the charity to respond effectively to the increasing interest in its work. Particularly given these multiple year awards, the trustees consider there to be no material uncertainties affecting the ability of the charity to continue as a going concern.

The principal costs are salaried staff. During the accounting period, both co-directors moved from being freelance consultants to being paid employees of the charity.

### **Reserves**

The charity's reserves policy is to hold unrestricted reserves equivalent to at least 3 months and no greater than 6 months of budgeted expenditure in order to provide a buffer against income fluctuations. At the end of the accounting period unrestricted reserves were £31,239 (2020-21: £26,207) and therefore within the charity guidelines. However, as the organisation continues to grow, this figure will continue to be monitored.

### **Risk Management**

The Charity operates a risk management process whereby trustees assess and review all risks and establish mitigation measures on an ongoing basis through its Risk Register. Any anticipated changes in levels of risk are reported to trustees on a regular basis.

## **7. Structure, Governance and Management**

The Charity is governed by the Constitution that was adopted on 10 June 2019 and operates as a Charitable Incorporated Organisation that was registered on 13<sup>th</sup> August 2019.

The charity is comprised of individual Members who have been identified by local PTCs and appointed by trustees. Each PTC can nominate two individuals, one of whom must have lived experience of poverty.

Only the Charity Trustees are entitled to nominate people from amongst the Members for appointment as Charity Trustees. The Charity Trustees are appointed by the Members at the AGM or a general meeting, and serve a term of 3 years, and may be reappointed for a further term. Three new members from the PTCs in Manchester and Gateshead were appointed at the AGM in September 2021.

Within both the membership of the PTN and the trustees there was a commitment to maintain a balance between civic and business leaders and those with lived experience of poverty in line with the balance within local PTCs.

The charity has sought to undertake a review of its Constitution and proposed changes will be brought to its forthcoming AGM (September 2022). Principle changes relate to: an expansion of the category of Membership to including representation of the Network's growing work to amplify local voices nationally; an increased role for members in helping to shape the direction of the charity; and embedding more explicitly the opportunity for the charity to make decisions in online and hybrid formats.

The charity has an induction pack for all new trustees which is updated annually, and appropriate training for its trustees is provided.

Operational leadership of the charity is provided by its two co-directors. Whilst sharing overall responsibility, one co-director takes a primary lead in the charity's work developing and supporting PTCs whilst the other leads on its work amplifying local voices nationally. The team also includes a team of PTC mentors and Amplify workers. All staff posts remain part time.

The Charity has developed a wide range of policies approved by trustees in line with best practice governance and operations. It has also introduced an agreed timetable for these policies to be reviewed and updated on an annual, bi-annual or tri-annual basis.

As an anti-poverty charity, the trustees are committed to ensuring that the ability to serve as trustees is accessible to all, including the support of travel and IT. Four trustees were reimbursed a total of £702 of expenses that they had incurred.

### **Related and Connected Parties**

The trustees consider that the Joseph Rowntree Foundation (JRF) and the Lankelly Chase Foundation which has provided the bulk of the funding required for the charity's work, are



connected rather than related parties on the basis that they do not attend, direct or influence the board of trustees' meetings.

## 8. Reference and Administrative details

Charity name	Poverty Truth Network
Registered charity number	1184879
Charity's principal address	Poverty Truth Network 10 Carter Terrace Leeds LS15 7AH
Charity's contact details	<a href="https://povertytruthnetwork.org/">https://povertytruthnetwork.org/</a> <a href="mailto:info@povertytruthnetwork.org">info@povertytruthnetwork.org</a>
Independent Examiner	Paul Holland, FCMA, Hampton Holland Associates Ltd Bumble Cottage Lancaster LA1 4XP

### Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of body entitled to appoint trustee
1	Shirley Rigby	Chair		Founding Trustee
2	Lee Hemsworth	Secretary		Appointed at AGM
3	Henry Terefenko	Treasurer		Founding Trustee
4	Imogen Tyler			Appointed at AGM
5	Alex Campbell			Founding Trustee
6	Hugh Douglas			Founding Trustee
7	Ann Marie Deans		Resigned September 2021	Appointed at AGM
8	Claire Brown		Appointed September 2021	Appointed at AGM
9	Paul John Atkinson		Appointed September 2021	Appointed at AGM
10	Nadine Travers		Appointed September 2021	Appointed at AGM

No trustees hold title to property belonging to the charity.

There are no funds held as custodian trustees on behalf of others

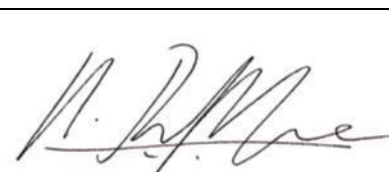
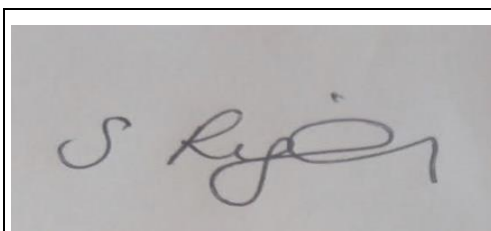
Senior staff members - Martin Johnstone and Andrew Grinnell

## Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees:

Signature(s)



Full name(s)

Shirley Rigby

Henry Adam Terefenko

Position

Chair

Treasurer

<b>Date</b>	15 <sup>th</sup> September 2022	15 <sup>th</sup> September 2022
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## **9. Independent examiner's report to the trustees of Poverty Truth Network**

I report to the trustees on my examination of the accounts of the Poverty Truth Network (the Charity) for the year ended 31 March 2022.

### **Responsibilities and basis of report**

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 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.

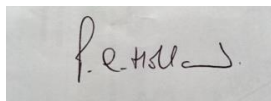
### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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:



Name: Paul Holland

Relevant professional qualification or membership of professional bodies (if any): FCMA

Address: Bumble Cottage  
Bailrigg Lane  
Lancaster  
LA1 5UQ

Date: 15<sup>th</sup> September 2022

## 10. Annual Accounts

The Poverty Truth Network; Charity Reg. No.1184879

### Receipts and Payments Accounts

For the period from 1st April 2021 to 31st March 2022

Receipts and Payments						
	Unrestricted General Fund	Designated Seedbed Fund	Designated Joseph Rowntree Foundation	Designated Lankelly Chase Foundation Fund	Total funds	Last year
	£	£	£	£	£	£
<b>Receipts</b>						
Grants	5,000	-	30,000	61,000	96,000	78,500
Charitable Activities	-	-	-	-	-	2,750
Interest	32	-	-	-	32	27
<b>Sub total</b>	<b>5,032</b>	<b>-</b>	<b>30,000</b>	<b>61,000</b>	<b>96,032</b>	<b>81,277</b>
<b>Asset and investment sales</b>						
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total receipts</b>	<b>5,032</b>	<b>-</b>	<b>30,000</b>	<b>61,000</b>	<b>96,032</b>	<b>81,277</b>
<b>Payments</b>						
Employee costs	-	-	28,390	24,081	52,471	14,772
Consultants fees	-	-	10,245	4,717	14,962	41,760
Staff expenses	-	-	-	2,202	2,202	1,056
Development costs	-	-	-	-	-	2,337
Network Support	-	-	1,013	12,237	13,250	6,985
Office & Administration	-	-	-	262	262	551
Governance & Assurance	-	-	210	5,293	5,503	1,427
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>39,858</b>	<b>48,792</b>	<b>88,650</b>	<b>68,888</b>
<b>Asset and investment purchases</b>						
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total payments</b>	<b>-</b>	<b>-</b>	<b>39,858</b>	<b>48,792</b>	<b>88,650</b>	<b>68,888</b>
<b>Net of receipts/(payments)</b>	<b>5,032</b>	<b>-</b>	<b>(9,858)</b>	<b>12,208</b>	<b>7,382</b>	<b>12,389</b>
Transfers between funds	-	-	-	-	-	-
Cash funds last year end	26,207	2,500	46,772	-	75,479	63,090
<b>Cash funds this year end</b>	<b>31,239</b>	<b>2,500</b>	<b>36,914</b>	<b>12,208</b>	<b>82,861</b>	<b>75,479</b>

## Statement of Assets and Liabilities at the end of the period

Categories	Unrestricted General Fund	Designated Seedbed Fund	Designated Joseph Rowntree Foundation Fund	Designated Lankelly Chase Foundation Fund	Total funds	Last year
	£	£	£	£	£	£
<b>Cash funds</b>						
Triodos Bank Ltd	31,239	2,500	36,914	12,208	82,861	75,479
(balances with receipts and payments account)	31,239	2,500	36,914	12,208	82,861	75,479
<b>Other monetary assets</b>						
Prepaid conference expenses	-	-	-	7,678	7,678	-
Insurance prepaid	-	-	322	-	322	322
	-	-	322	7,678	8,000	322
<b>Assets retained for the charity's own use<sup>2</sup></b>						
Furniture, Equipment & IT	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Liabilities</b>						
Unpaid salaries & consultancy fees	-	-	647	-	647	3,300
Deferred Grant Income				18,462	18,462	-
Non-refundable conference expenses	-	-	-	12,359	12,359	-
	-	-	647	30,821	31,468	3,300

Signed by two trustees on behalf of all the trustees

Signature
<i>S. Rigby</i>
<i>L. Hemsworth</i>

Chair  
Hon.Secretary

Print Name	Date of approval
S.Rigby	21/09/2022
L. Hemsworth	21/09/2022

### Notes to the Accounts

1. The accounts have been prepared on a Receipts and Payments cash basis as permitted by section 133 of the Charities Act 2011 provided the charity's gross income is not over £250,000. The Charity Commission guideline CC16 for receipts and payments accounting has been applied.

2. The principal accounting policies are:

Income is recognised upon receipt of cash or cash equivalents to which the charity has entitlement.

Expenditure, inclusive of irrecoverable VAT, is recognised upon payment of an invoice or claim for which the charity has an obligation to settle. The Charity is not registered for VAT.

Fixed assets are based on asset purchase payments greater than £1,000 and are amortised on a 33% Reduced Balance basis.

3. Fund accounting:

The trustees have determined that the grants from the Joseph Rowntree Foundation and Lankelly Chase Foundation, provided to cover the general running costs of the charity in its start up years, will be treated as designated funds, rather than restricted funds as reported in the previous reporting period. Operating costs are allocated against these funds to provide transparency on the usage of these grants whilst the Total Funds column reports the overall costs of operating the Charity. The designated Seedbed Fund relates to a grant that the trustees use to support new PTCs with set up costs.

The General fund is unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity;

4. The Independent Examiner was paid £500 during the year.