



# ANNUAL REPORT 2020/21

## Registration Information

Shelter, the National Campaign for Homeless People Limited

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# SCOTTISH EMPTY HOUSES COUNCIL

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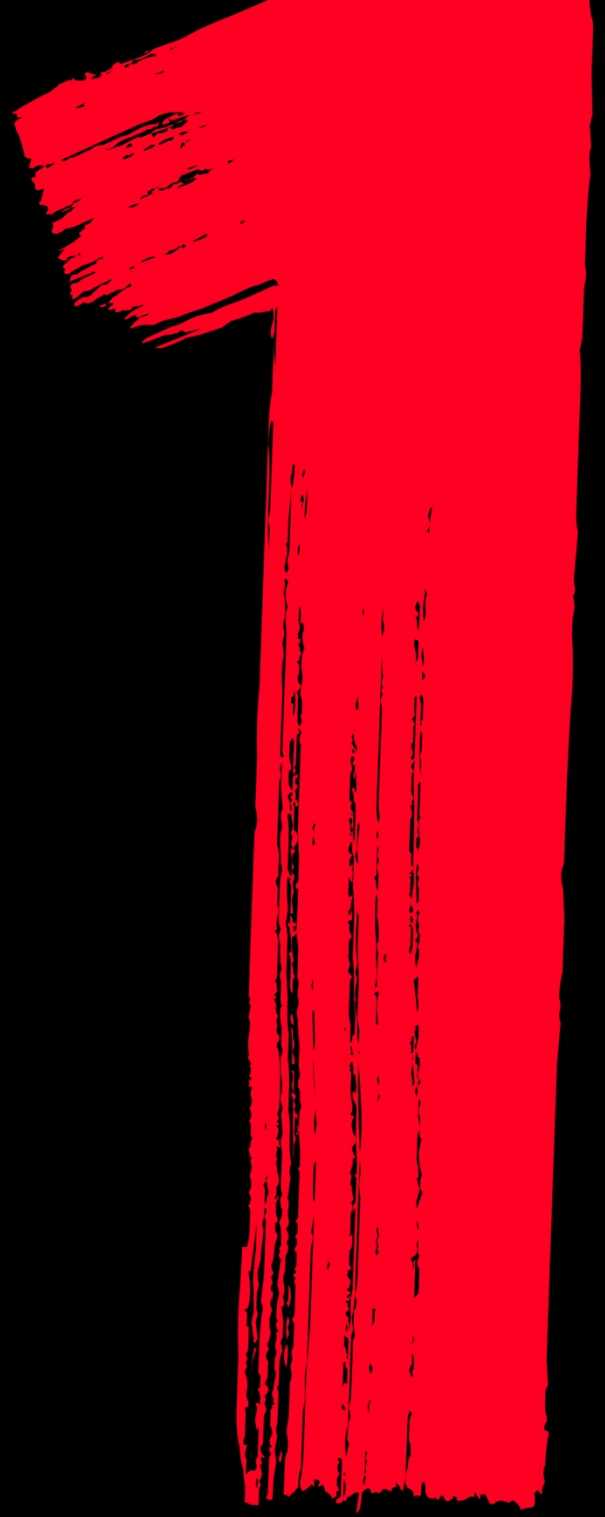
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# INTRODUCTION



# STRATEGIC REPORT

## What we do

Shelter exists to defend the right to a safe home. Every year, we help millions of people struggling with bad housing or homelessness through our advice, support, and legal services. And we campaign to make sure that one day, the right to a home will exist for everyone.

## Key objectives

Shelter was set up in 1966 to:

- relieve hardship and distress among homeless people and those in need, including those living in adverse housing conditions;
- make funds available to other bodies (whether corporate or not), whose charitable aims are to relieve hardship and distress;
- relieve poverty and distress;
- educate the public about the nature, causes, and effects of homelessness, human suffering, poverty, and distress; and to carry out research on these issues to make useful results available to all.

## Introduction from the Chair

Shelter's strategy is built on the truth that a safe home is a fundamental human need and a basic moral right, as vital as education or healthcare. The housing system, however, continues to rely too heavily on poor quality, temporary accommodation, provides little security for those who rent privately and remains fundamentally unaffordable for far too many. The Covid pandemic which has dominated the past 18 months has exposed, and in many cases, deepened the inequalities that lie at the heart of that system. Our research shows that one in three adults is now impacted by the housing emergency.

When the UK first went into lockdown in 2020, the organisation was able to respond quickly, tightening our strategic priorities for the year, diversifying sources of income, supporting staff and volunteers through new working arrangements, and developing new delivery and service models. We also added a commitment to becoming an actively anti-racist organisation. This focus on strategic priorities has enabled us to continue to work alongside and support the millions of people facing homelessness or experiencing bad housing in the heart of communities, even in the face of rapidly growing need and additional pressures on our finances.

We have highlighted the issues around homelessness thrown into sharp relief by the pandemic, bringing the voices of those affected to policy makers and helping to ensure that vital protections were put in place. These included eviction bans in England and Scotland, avoiding tens of thousands of evictions and keeping people safe in their homes. We worked in partnership to secure additional funding to help rough sleepers off the streets and a crucial increase in Local Housing Allowance; and, in Scotland, secured a non-repayable grant fund for tenants who could not access support elsewhere to help them to sort out their rent arrears.

We have also continued to make the case for substantial new investment in social housing as the only long-term solution to the housing emergency and had particular success in driving this through the

Scottish parliamentary elections in 2020, as evidenced in Scotland's 'Housing to 2040' strategy, published in March this year. We also gained government commitment in England to deliver more social homes, although our research shows that this, as yet, represents nowhere near the numbers actually needed.

Shelter is committed to working with local communities, through our local services to build a powerful movement for change. We were founded as a campaign, and we believe that it is through the voice of communities that the systemic changes needed will now be achieved. This year, even in the face of lockdowns and restrictions, our local teams have worked with and been inspired by people who use our services, grassroots organisations, and other partners to identify the local barriers that destroy people's right to a safe home and to support the action they themselves take in response. In parallel, we have dramatically scaled up our digital and telephone advice, to free up our local services to achieve systems change so that fewer people will need our help longer term. This year we have again grown the number of active supporters who contribute to all we do in so many ways, and we owe profound thanks to all of them as well as to the many organisations small and large, that we work and partner with. Only as part of a wider movement for change will we achieve the ambitious goals we have set.

Shelter's greatest strength, however, is the commitment and passion of our workforce of staff and volunteers, who have stepped up with exceptional resilience and determination in the face of all the challenges this year has brought. They have enabled us to stay true to our purpose, and we are extremely grateful to all of them.



Helen Baker

**Chair of the Board of Trustees**



## **The right to a safe home: our strategy 2019–22**

Every day, we see the devastating impact of the national housing emergency on people's lives. A home is a fundamental human need and a basic moral right, as vital as education or healthcare.

This right is being denied to millions of people whose lives are blighted by homelessness, bad conditions, soaring rents, lack of homes, discrimination, and the threat of eviction.

Our strategy is intended as a turning point – an ambitious and fearless response to the emergency. Everything we do will be to defend the right to a safe home.

The strategy has four goals:

### **Rights for renters and an end to discrimination**

In the last two decades, the number of households renting privately has doubled. Private renters have the highest average weekly housing costs, while having to put up with some of the worst quality housing. Our job is to stand up for these private renters. We'll campaign for improvements in conditions and consumer protection, and we'll continue to use the law to fight discrimination against those on benefits.

### **Supporting people who are struggling**

We're determined to provide a service that gives the best advice to all who need it. But too often, increasing need makes it difficult for us to meet demand. For that reason, we'll enhance our digital advice to cater to everyone, while ensuring that anyone needing emergency help can speak to one of our helpline advisers. And we'll develop services in our local hubs in partnership with communities, developing a local vision for each.

### **Building more social housing**

Levels of public housebuilding have been far too low for decades, leading to a sharp increase in homelessness and many more families stuck in expensive, poor quality, insecure, privately rented homes. We urgently need long-term, large-scale action to address this issue. We want everyone who needs social housing to get it.

### **Empowering communities and building a movement**

Shelter was founded as a community movement over 50 years ago. Today, our future lies in enabling and leading change at a community level, as well as for individuals and nationally. With this in mind, we're aiming to recruit thousands of supporters on the ground and in the hearts of our communities, who'll help us defend the right to a safe home. We'll harness the power for change found in our services, shops, campaigners, donors, and partners, and use it to empower and amplify the voice of anyone who wants to work alongside us. The national emergency will not be stopped by anything less than a national movement.



# STRATEGIC PROGRAMMES



# STRATEGIC PROGRAMMES

## Social Housing Campaign

Positioning social housing as the solution to the housing emergency has always been part of our strategy. The Covid-19 pandemic has shown again that there is an urgent need for better housing for people struggling in overcrowded temporary accommodation, or expensive and insecure accommodation in the private rented sector.

The pandemic was an immediate threat to people's livelihoods, ability to pay rent, and their health. The solutions to these were short-term – increased benefits, an eviction ban, ensuring everyone was indoors and off the street. That's why these had to become our priority, and we carried out our social housing campaigning later in the year.

We set ourselves three objectives for the year:

- to secure a commitment from the government to increase social housing delivery as part of a new programme protecting and growing the supply of social homes;
- to increase the salience of social housing among the public, and acquire new supporters around our message that now is the time to build social housing as part of our recovery from the pandemic;
- to respond to government plans regarding social housing and ensure the delivery of social housing is not threatened.

We targeted the Spending Review as the key mechanism to increase spending on social housing, and we gained a government commitment to deliver more social housing. The government committed to deliver 32,000 social homes over 5 years through its main grant programme, double the number it has delivered through this programme over the last 5 years. It must be noted that while this displays progress, our research shows this is nowhere near the number needed.

In order to meet our objectives in July 2020, we launched 'Let's Build Social Housing' with a multi-channel advertising campaign designed to harness an increased public focus on the foundational role of the home, as a springboard to shift focus towards a long-term vision for social housing. The advertising was developed to raise the visibility of social housing and provide the 'mood music' for our influencing work in the run up to an anticipated budget, which was subsequently delayed until March 2021.

We published new statistics showing that one in five parents in privately rented homes feared their family would become homeless as a result of Covid-19. The research also revealed that parents living in privately rented homes were almost twice as likely to be worried about homelessness as parents living in secure social homes, demonstrating the stark difference that access to a stable home can have.

At the beginning of September 2020, we released a report in partnership with Savill's property agents entitled 'Building our way out: investing in social housing to boost the economy and level up the country'. The report presented a robust argument, urging the government to announce the necessary investment in the Spending Review to deliver at least 90,000 new social homes per year. The launch was supported by a webinar event, MP briefings, and promotion across social media.

The report revealed how 40% of homes with planning permission remain unbuilt. We used this to point to the need for investment, not planning reform, to get homes built in the face of the economic uncertainty caused by the pandemic.

Ahead of the Spending Review, 16 Conservative MPs wrote to the Prime Minister outlining the importance of renewed investment in social housebuilding to ensure we build back better from this pandemic.

Our work to increase the visibility of social housing among the public and acquire new supporters was successful. Our supporters took almost 50,000 actions on related campaigns (from emailing their MP to responding to consultations and signing petitions). Around 15,000 of these supporters were new to Shelter, and the largest number of campaigners in recent Shelter history emailed their MP, calling on them to write to the Chancellor ahead of the Spending Review. We reached 98% of MPs in England and we had positive contact with 70 of them via constituents. We also handed the Social Housing petition, signed by nearly 40,000 people, to Rishi Sunak ahead of the Spending Review.

Our media and marketing efforts generated widespread coverage and increased the salience of social housing among the public, including an increase of 14% during a crucial period before the Spending Review. We also ran press ads across national and regional newspapers, generating greater interest in social housing. MPs from all parties made use of Shelter briefing material in debates and questions. This also meant we were able to mobilise our supporters swiftly to oppose two government proposals – on First Homes and Small Sites Exemption – that would have significantly reduced the number of social homes delivered.

Next year, our goal is to push the government to implement policies and/or legislation that recognise the need to protect and increase the supply of social housing. Additionally, we will push developers, local authorities, and housing associations to prioritise social housing by:

- engaging the public in a narrative which highlights the need to build more social homes, including the need to counter the increasing problem of overcrowding in social housing;
- campaigning regionally to show the demand for and benefits of social housing;
- challenging the government's planning reform agenda, evidencing why it is not a solution to the housing emergency;
- putting social housing on the government's Levelling Up agenda.

In September 2020, in advance of the Scottish Parliamentary Elections in 2021, Shelter Scotland launched a local campaign calling on the devolved government to commit to 37,100 social homes in the next government, to start to address housing need in Scotland. This number came from independent research on housing need in Scotland, commissioned with our partners the Chartered Institute of Housing and the Scottish Federation of Housing Associations.

The campaign kicked off with a national TV ad reaching 1.1 million people in an 8-day period – nearly a fifth of the population. We followed with a predominantly digital campaign alongside the work of our public affairs team, which reached nearly 1 million further people in Scotland. We gained support across nearly all parties to prioritise social housing in their manifestos. In six short months of campaigning, we achieved nearly 20,000 signatures, had 30+ sector partners, 1,500 campaigners sign a letter to the Cabinet Secretary for Finance, and over 2,000 more people felt strongly enough about our campaign to email their MSP. Our Community Organisers saw great engagement with our Housing Rights Defenders in their own communities.

In March 2021, Scotland's long-term 'Housing to 2040' strategy was published. In that document, the government committed to 100,000 affordable homes in the next 10 years, of which 70,000 should be for social rent. The number of social homes pledged is marginally less than we had called for in our campaign, which would have immediately started to reduce housing need – but we now have a chance to influence how and where those homes are delivered across Scotland, and to continue to build the movement calling for social housing.

## **Scottish Empty Homes Partnership (SEHP)**

The remit of the SEHP is to encourage private sector empty homes back into use. It is recognised that empty-homes work can play an important part in meeting supply challenges across Scotland, and

‘Housing to 2040’ acknowledges this in detail. We were successful in our recent funding bid to the Scottish government, and received a new contract that extends from March 2021 to March 2022.

Covid-19 has amplified and added to the challenges of bringing homes back to use, and this year officers reported 851 properties back in use, in contrast with the 1,412 homes reported in 2020. The Covid-19 pandemic has had a significant impact on the numbers of homes becoming empty long-term. Figures published in December 2020 showed a 16% rise in long-term empty homes, bringing the overall number over 47,000. The full impact is still emerging, and the figures may continue to rise.

Our ambition is to see empty-homes services in every local authority in Scotland. We influenced 3 new councils to undertake empty-homes work, and currently we support 26 officers across 23 councils. We know that having an officer on the ground is an effective way to bring empty homes back into use. This work should be underpinned by an empty-homes strategy that will allow councils to take a planned approach to bringing empty homes back into use to meet their unique challenges. We are calling for Compulsory Sale and Compulsory Rental Order powers, giving councils the ability to tackle empty homes that are causing a blight on the community.

## Base for Change

Our vision for our hubs is for them to be at the heart of their communities, acting as bases for activism, as well as for help and support. Our hubs will focus on developing relationships, building trust, and helping to focus local energy, working with groups, organisations, and individuals that want to bring about change at a local level, as well as contribute to national change. The objective for the year was to translate the strategic vision for the hubs to be bases for change in their communities into a reality, with a focus on being responsive to systemic issues rather than being reactive to demand. This signifies a shift in our operating models within the hubs, and a change programme with our people has been a core element of the activity across the year.

A cross-directorate programme was established to mechanise Base for Change as an organisational strategic programme, recognising the need for resource and expertise to be leveraged in from across the organisation to help make this strategic ambition a reality.

At an operational level, hub teams have engaged in a process of identifying their local priorities for change, and establishing theories of change to support the activities they would undertake to drive local change. These plans have been operationalised, and while change is incremental – and often generational in terms of the large-scale systemic changes we seek – we have embedded an approach that recognises and celebrates the milestones that our hubs are achieving with, and within, communities.

Covid-19 has not impacted the implementation of our plans, and we have been able to make significant progress moving this work forward. The context of the pandemic has meant that our teams across England and Scotland have been delivering community change programmes remotely. This makes community engagement work more challenging, and our teams can feel disconnected from the communities they are representing, but the achievements of these teams over these 12 months, from their own homes, have been nothing short of remarkable.

In 2021/22 we want to transition the programme to being part of Shelter’s core operating model in communities, providing a platform for us to scale up our community-based work across the next 3-year strategic plan. We will establish an evaluation framework to capture the outcomes and impact we have at a local level, thematically and across all our hubs.

Ensuring the local teams have the capability to deliver this change is key to realising our ambitions. Hub Managers play a leadership role within the community, supporting their teams and bringing together the wider organisation and externals to translate community priorities into action. Recognising the importance of this cohort – and the size, scale, and complexity of this change, as well as the operational impact of the Covid-19 pandemic – we have developed ongoing dedicated support and training to help deliver the organisational strategy. In 2020–21, the Hub Managers embarked on this development journey

by engaging in six dedicated coaching sessions, with the aim of supporting them to feel more confident and empowered in delivering the change we seek. The coaching objectives were as follows:

- support the Hub Managers in translating what the 'Hubs as a Base for Change' strategy means for them and their teams;
- support the Hub Managers in planning how to take the agenda forward in the external landscape of their communities;
- build the Hub Managers' confidence and belief to take ownership and authority in decision-making regarding the implementation of strategy in their hub;
- encourage the Hub Managers to take the first steps in driving and monitoring outcomes and impact;
- encourage the Hub Managers to ask for help where needed, and help them to recognise which support requests are appropriate.

The support and development of our local leadership team continues throughout 2021-22 and beyond, to ensure we can realise our strategic ambitions and continually improve.

Personal objectives have been refined to ensure systems leadership, change management, strategic planning, and our ambition to become an anti-racist organisation are the focus of Hub Manager objectives.

Hub Managers have identified gaps in knowledge, and learned techniques in understanding how to apply systems change and change management, and are taking steps to address them. As part of the next steps of the programme, Hub Managers are building a systems change toolkit to help support themselves and the wider organisation in understanding Shelter's definition of systems change and the tools to support its application.

## Fundraised Income

The Covid-19 pandemic had a huge impact on our ability to raise funds, at a time when demand for our support services was increasing. Events were cancelled, shops were closed, and all teams were forced to work from home. Despite the disruption, our Income Generation team raised an incredible £48.2 million in unrestricted income in 20/21, meeting our target for the year and ensuring that we could continue to help thousands of people in need.

Given the decline across many of our income streams, we launched an emergency appeal for donations in March 2020, which continued into the early part of this financial year and raised over £3 million. We also received huge support from corporate partners, trusts and foundations, and high-net-worth supporters, helping to offset a decline in public engagement and retail income. Additionally, our winter fundraising campaign raised over £6 million, surpassing the previous year's total.

Despite a strong performance this year, we remain concerned about the medium-term picture for our fundraising efforts. Our events programme will continue to face disruption for some time, and we have also struggled to recruit new monthly donors, which will have an impact on our finances in future years.

## National Emergencies Trust

We're incredibly grateful to the National Emergencies Trust for their invaluable support to our Covid-19 response work in England and Scotland, as well as that of our partners Shelter Cymru and Housing Rights in Northern Ireland. The National Emergencies Trust's extraordinary grant of £1,470,069 helped transform our helpline and digital advice services throughout the pandemic.

To highlight just some of the huge impact the Trust's support has enabled, in England we were able to deploy 21 new advisers, doubling the capacity of our emergency helpline at a time of unprecedented demand. In Scotland we supported a record 13,000 cases via our online chat service. Our partners Shelter Cymru were able to redeploy four Housing Law caseworkers to their urgent helpline in Wales, and Housing Rights were able to recruit a Digital Champion to transform their digital advice offer, increasing the volume of advice given by phone and online by 25% compared with pre-pandemic levels.

## Anti-Racism

One of Shelter's organisational mantras is 'our enemy is social injustice'. We recognise that we can't be true to this mantra unless racism is also our enemy. In June 2020, Shelter publicly declared solidarity with the Black Lives Matter movement and stated our intent to become an actively anti-racist organisation, recognising that we have not done enough in the past to tackle racism.

Since June 2020, we have taken steps to improve the impact we have for people in marginalised groups, including People of Colour. Our aim is to tackle the gross inequalities of the housing emergency, where marginalised groups are disproportionately affected (Black people are 70% more likely to be impacted by the emergency than White people, Asian people 50% more likely). Our research shows that structural racism and discrimination are endemic in the housing system: if someone is Black or Asian, gay or bisexual, disabled, or a single mum, the housing emergency is much more likely to impact them. These issues are linked to structural inequalities in housing. For example, many marginalised groups are more likely to be on a low income, so are forced into unsuitable homes. There is a long history of structural racism in housing. Historically, Black, Asian, or other minority ethnic households were more likely to be offered poorer quality homes or 'steered' into certain neighbourhoods. Many of these already run-down neighbourhoods haven't seen the investment they need, and have declined even further over the years.

Our goal for the year has been to work internally on building our expertise around racism and equality, and to gather further evidence to give us greater insight into how racism impacts the people we help, and the housing system more broadly. This includes listening to people who have experienced racism and learning from others who have been working to dismantle it, looking to other third-sector organisations' best practice for collecting and understanding data, and ensuring we collect data from those we support in a consistent and sensitive way. We also want to ensure that the data collection includes a number of protected characteristics in addition to race, such as sex, sexual orientation, and disability.

Based on this evidence, we are planning to work with other organisations and in communities to provide tailored, more accessible support to marginalised groups through our services. And we're examining how we can improve our campaigning and communications to better tackle racism. For example, by involving more people with lived experience from diverse backgrounds in our campaigning, and by working with other organisations to raise awareness and challenge discriminatory policies and practices.

As we work towards becoming an anti-racist organisation, our aim is to dismantle racism and the structures that uphold it in the UK's housing system, proactively making anti-racism part of our everyday behaviour.





**OUR WORK  
IN ENGLAND**



# OUR WORK IN ENGLAND

## Services

A key enabler to achieve the level of change needed in hubs is scaling up our digital and telephone advice capacity. We are simply not going to be in a position to scale up all of our services to meet the impact of the looming housing emergency. By making sure that those who are able to do so can easily access our digital service and helpline for advice, we can also focus our specialist support on those most in need.

To that end, this year we continued to improve our digital-first approach with the development of user-centred digital advice journeys, including improved advice content and the development of personalised advice tools.

Over the last year, there were more than 7.6 million visits to our advice website; pre-pandemic that number was around 6.9 million. The Digital Advice team continued to work across the organisation with service users and external partners, to ensure our content met the needs of those who were coming to us for support.

As the pandemic hit, the Digital Advice team pivoted to develop a Covid-19 advice journey within the first four days of lockdown. Within a very short period these pages became our most popular pages, with 1.7 million page views over the year.

Our advice content was constantly reviewed and updated as legislation changed and new features such as letter/email templates were added throughout the year. The team also successfully migrated all 450 advice pages to the new content management system. In addition, the team have continued development of personalised advice tools, to provide users with greater confidence in using the information presented to help themselves. A key deliverable has been the implementation of our new 'Ending a Tenancy' tool, launched in late March, the first in the planned development of scaled solutions to meet the needs of the individual. Post-implementation, around 80% of visitors who engage with the tool are now completing the full journey, and about 2% elect to have an email transcript of the tool sent to them.

In June 2019, the helpline repositioned as an 'emergency service', leading to a significant increase in average contact handling times. The helpline handled a total of 59,116 contacts in the financial year 2020/21, consisting of 39,943 calls and 19,173 web chats.

As the pandemic hit, the helpline seamlessly transitioned to home-working for all staff, with service delivery to those clients in urgent need being unaffected. During the early months of the pandemic, the key objective was to ensure staff were provided with appropriate equipment, and that health and wellbeing support structures were put in place.

The helpline in England successfully recruited, trained, and supported 21 additional new advisers, who took live calls from early December, delivered through the National Emergencies Trust funding. The advisers underwent a comprehensive 10-week training programme and then joined their teams, taking calls independently from 7 December 2020.

The induction for newly trained advisers was ground-breaking, as – for the first time – all aspects of recruitment and training were conducted remotely due to pandemic restrictions. The advisers reported a very positive experience of this training.

While the pandemic most certainly changed the way our teams work, our Telephone and Online Advice Services teams continued to exceed all expectations during the year. From continuing to answer calls and chats with our clients, developing and iterating new content and tools, and recruiting, to remotely inducting and training the largest single intake of new advisors in the helpline's history, our team's dedication and commitment have ensured that while 2020/21 has been hugely challenging, it has ultimately been hugely successful.

In fact, many of our advisers went above and beyond to ensure people got the help they needed. This is exemplified by our helpline adviser Nadeem, who usually works in Sheffield on our helpline, but was visiting family in Lahore, Pakistan, when the Covid-19 outbreak meant his flight home was cancelled.

Undeterred, Nadeem set up a rooftop office space and provided advice to people via our web chat service. Nadeem said: 'Being able to work on the web chat service and give people online advice means that I can play my part in trying to help people through this crisis and keep them safe in their homes.'

Nadeem was recognised for his work for Shelter in the 2021 New Year's Honours, receiving a British Empire Medal (BEM).

The key goals for 2021 and beyond are to:

- continue to support the transition of our hubs to becoming bases for change;
- continue to develop our personalised digital advice offer, scaling our offer to ensure more people's needs are met in channel;
- develop our ability to effectively triage clients at point of contact to ensure their needs are met in the right channel at the right time;
- develop a plan for social media advice, informed by what people need from us, in a way that empowers digital communities to thrive;
- refine our remote casework offer to support remote solicitor-led interventions and strategic litigation.

## Community Organising

Our Community Organising programme brings people together through our local Shelter hubs, where – with the help of our resources and expertise – we work together to identify what needs to change, building a powerful movement to help end the housing emergency.

Last year, our Community Organisers worked with local communities to identify key issues which informed local manifestos for change in each area, with specific calls to action put to mayoral candidates in local elections. Each manifesto has provided us with a clear agenda on what needs to be done in each individual community to fight the housing emergency.

In Birmingham, this involves building more social housing; while in Bristol, the focus is on how best to improve private renting, which brought renters from across the city together as part of the Nationwide Foundation Tenant Voice programme. In Hackney, we worked with people who are homeless in temporary accommodation to map out what would make the most difference to their everyday lives, while also pushing for long-term solutions like more social housing. As the programme continues to grow, several new Community Organisers have also recently joined the Newcastle, Norwich, and Plymouth hubs.

Our hubs support local grass roots campaigns. We've helped people win commitments from developers for more affordable housing in Birmingham, worked with a local women's charity in London, and organised workshops to ensure renters know their rights in Bristol.

Our next move is to use the programme to help mobilise renters across the country in support of our Renters Reform Bill campaign. We've also been at the heart of building a national Renters Reform Coalition to launch a powerful movement across the country that ensures the proposed reforms make a genuine difference to private renters.

The Covid-19 pandemic has impacted on our work over the last year, too. While it has not changed our essential strategy, we have had to shift our tactics and approach, moving organising online, slowly returning to face-to-face as things have opened up. This has sometimes been difficult, but it has also allowed us to test new ways of working, such as digital meetings, which have increased the range of

people who can become involved. The pandemic has also created energy and urgency for change locally, which we have been able to harness. Finally, members of the team have been affected by the furlough scheme, which has slowed work in some areas.

## Strategic Litigation

Shelter has unrivalled expertise in housing law, and our legal team fight daily for the right to a home. Our team of solicitors offer expert legal advice, help fight repossession and eviction, and attend court to defend people at risk of losing their home. Our solicitors challenge landlords who unlawfully evict people, or allow their properties to fall into a dangerous state of disrepair. We also challenge local authority homelessness decisions, stepping in when councils aren't doing enough to support those in need of housing.

Our strategic litigation teams use their expertise to bring cases to court, where winning one case can change thousands of lives. They successfully intervened in a case brought against Brighton & Hove Council by Timon Ncube, who had to sleep rough during the pandemic after being turned away by the council because he was ineligible for homelessness assistance.

Following this important test case, we're making sure councils are aware of the High Court's ruling that they have, and should use, powers to accommodate street homeless people for the duration of the pandemic – and we continue to call for the government to publish guidance so that everyone who needs it can get help.

## DWP's Universal Credit deductions policy

In 2019, we found that many who had recently moved into settled accommodation, after years of living on the streets, had been hit with high-level deductions to their Universal Credit personal allowance for court fine payments, including fines for begging under the Vagrancy Act 1824. This was not a one-off case of incorrect decision-making where claimants had requested deductions be lowered, as the law allows, and been refused; but rather, the DWP had a blanket policy of always cutting benefit by the maximum amount possible, regardless of personal circumstances. This left people struggling to cover essential living costs, including food and bills.

In February 2020, we launched a legal challenge on behalf of four people, all of whom had a long history of rough sleeping and were affected by these 'maximum deductions'. We challenged the deductions policy and decisions to apply the 'maximum deduction rate' to universal credit in all cases where there is a court fine payment, regardless of the claimant's personal circumstances.

On 17 March 2021, the High Court ruled that this inflexible policy and practice is unlawful, and ordered that the relevant section in the deductions policy relating to fines be amended to reflect the judgment. As a result of this case, the DWP has now amended their policy to deduct a fixed rate of 5% (the minimum rate) from universal credit for the payment of court fines, rather than exercising discretion in individual cases to lower deductions on request. In addition to changing the policy, the DWP has confirmed they will be amending the regulations to bring them into line with the policy.

## Justice Services

Our offender services focused on the delivery of accommodation, finance, benefit, and debt support to people who were in custody or serving a community-based sentence. We delivered services in 18 prisons across Merseyside, Cheshire and Greater Manchester, Humberside, Lincolnshire, and North Yorkshire, as well as Lancashire and Northumbria, where we also delivered services in the community.

Our objective was to ensure that service users obtained suitable accommodation on release or were helped to maintain their existing tenancy. Our focus during the year, and particularly in response to Covid-19, was to ensure that no one was released from prison homeless, and those with finance, benefit, and debt issues were given the relevant support, such as opening bank accounts, providing hardship loans, or receiving benefit claim support.

Our Transforming Rehabilitation contracts have engaged over 41,000 people since 2015 and drew to a close in June 2021. Over the last year, Justice Services worked with 7,651 individuals in custody, and a further 1,941 individuals in the community. Covid-19 had a major impact on the delivery of our services, as staff transitioned to working from home and providing a remote service to people in custody. Following extensive risk assessments across 18 prisons, we introduced Covid-secure working arrangements, and from the summer introduced a rota to support service users within custody once again. Our services continued to operate effectively in accordance with our Business Recovery Plans, with community delivery seeing an increased engagement rate as interventions moved to telephone and email.

Our goal for 2021/22 is to continue to deliver accommodation services for offenders across Yorkshire and Humber, Greater Manchester, and the East Midlands in partnership with Nacro and St Giles.

To continue our generous leadership aims, we will work in partnership with women's organisations to provide training and consultancy support to their front-line staff, ensuring that women within the Criminal Justice System get the best possible accommodation advice and support.

Justice services will continue to support ex-offenders with housing support to ensure that this vulnerable group have the right to a home.

## **Services for Professionals**

Supporting professionals to provide good quality advice forms part of our Base for Change objective, where our aim is to reduce demand on front-line services so we can focus on systems change, and extend our reach by equipping professionals advising front-line service users. Our Services for Professionals teams deliver this through specialist advice, training, and resources for professionals.

### **Specialist Advice**

This builds capacity, skills, and knowledge of a range of front-line audiences across England and Wales through the provision of effective and high-quality housing, debt, and welfare benefits advice. Advice is delivered to local authorities, public authorities, CABx, and other voluntary agencies via telephone, webchat, and email, with a focus on developing digital advice tools.

The NHAS Consultancy Line, as well as dealing with cases from external audiences, provided support to our helpline and Legal Services in delivery of the Legal Team's advice line, receiving excellent feedback for the year. In addition to continuing to provide specialist debt advice, this service produced key documents for the debt advice sector.

### **Training**

Shelter delivers both free and commercial training for professionals across England. Our aim is to extend our reach, building the capacity and knowledge of housing and homelessness professionals.

The objective for commercial training and publications was to generate income across face-to-face training delivery and through sales of our two market leading publications, and through the delivery of Shelter's NHAS Training contract, attracting more delegates from local authorities, public authorities, and charities. Once the Covid-19 pandemic hit, the overriding objective for both services was to maintain our customer base and to remain a sector leader in the market.

Across the year, Shelter Training transformed the business model for delivery from one which was solely face-to-face, to one which was entirely online. We have ensured we have remained a leader in the market, and in some areas increased our reach.

Our aim for 2021/22 will include the reintroduction of face-to-face training and the development of career development plans (learning pathways) to support ongoing training development plans across the housing and homelessness sectors.

### **Resources for professionals**

These are critical in our ability to ensure professionals can readily access resources to support them in their services and developing plans to tackle homelessness.

In 2020/21, our focus was on improving our digital information advice offer for professionals, and improving reach. We had many key successes over the year through the modernisation of our delivery model, and we were able to expand our content team and transform to agile ways of working.

We focused on improving accessibility, which we achieved by relaunching Shelter Legal, our legal reference website, on a new platform, to enable the production of accessible articles for professionals advising people in housing need on the NHAS website; improving the marketing of new products through a revamped eBulletin; and improving the range and accessibility of factsheets.

In 2021/22, our focus will be to build on and expand our digital advice offer for professionals helping people in housing need, producing content that integrates with and supports the NHAS Consultancy Line and Training services.







**OUR WORK  
IN SCOTLAND**



# OUR WORK IN SCOTLAND

## Telephone and online advice service

The minimal impact on delivery of high-level objectives is an enormous credit to the team. We have seen a considerable shift to online chat, which has been serviced by staff and volunteers from their own homes. The pandemic brought in additional funding, which meant we were better equipped to respond to Covid-related demand; however, the additional resource was inevitably offset by capacity lost through the lockdown challenges experienced by staff with caring responsibilities. Having lost the power of observation in a contact centre office environment, more resource and intentional interventions had to be implemented to supporting wellbeing as a priority, which inevitably diverted resource from other development/improvement work.

With remote working implemented overnight, incredible personal resilience was shown by a team who have been on the front line of our response to the pandemic. A record-breaking 13,000 online chats were delivered which, when compared to 3,000 in 2016, is quite remarkable. Boosted funding through the National Emergencies Trust allowed for additional capacity, delivering 11,500 inbound calls and 6,900 outbound calls. The reintroduction of helpline casework was vital to ensure more complex cases could be lifted from front-line advisers to create capacity.

Telephone and online advice is critical to our strategic priorities, as reflected by its centrality to our plans for the coming year, with a digital-first approach to volume. Alignment of our telephone and online advice with broader strategic priorities through our work will ensure that the national insight of the lived experience of the housing emergency shapes our response. Strategic planning will consider how that data and insight can inform service-design-based development through TOAS and Digital.

## Law Service and Strategic Litigation

In 2020/21, we set out to optimise the Law Service casework approach to reflect the organisation's strategy. In particular, to pioneer equalities and human rights legal defences; defend, uphold, and enforce Housing Rights; and continue our programme of strategic litigation.

We continue to pioneer equalities legislation in our housing casework, including defended evictions and challenging allocation policies, No DSS policies, and Home Office accommodation.

We launched the Migrant Destitution Project, providing dedicated (temporary) part-time resource to collaborate with partner organisations in challenging migrant destitution through building capacity across the sector and delivering casework. This project recognises the discrimination faced by destitute migrants and seeks to provide a human-rights-based approach to their housing issues.

In defending, upholding, and enforcing housing rights, the service has adapted to digital courts and new court procedures. A major success in our Judicial Review of City of Edinburgh Council clarified the law in Scotland in relation to the making of fresh homeless applications (the Dafaalla case). Solicitors have continued to navigate a dynamic, shifting external environment which determined prioritisation of work – e.g. introduction of emergency legislation, eviction moratorium, and unsuitable accommodation guidance and amendments. Notwithstanding the emergency measures in place, solicitors continued urgent work required to prevent illegal evictions and challenge gatekeeping by homeless services, while managing an increase in a greater variety and complexity of housing law cases, including succession, abandonment, dampness and disrepair, homelessness, and challenging conversions of tenancies. The overarching themes were lack of security of tenure and the condition of housing.

During the first lockdown, our strategic litigation solicitor assisted 22 destitute failed asylum seekers access asylum support (including accommodation), and worked with SRC on a potential challenge on the use of hotel accommodation. This work focuses on human rights and equalities law.

In November 2020, the Scottish Housing Regulator published its interim report on Glasgow City Council, adopting many of the recommendations made by the Principal Solicitor and Strategic Litigation solicitor in Shelter's response to the SHR statutory inquiry.

Next year, we want to continue focusing on equalities and human rights law, developing a casework strategy which aligns with our strategic objectives.

## Community Organising

In Scotland we now have four Community Organisers, one in each of our hub cities, which has enabled us to work with local communities and understand what their housing and homeless issues are. We have had to switch to an online digital approach over the past 18 months, which has worked extremely well, and we will take this learning and many of the online organising activities forward as we emerge out of lockdown restrictions. The Community Organisers have [developed a set of digital resources](#) and tools, which include an introduction to each hub city and a host of organising resources that activists can access at their own leisure.

The Community Organisers are using a range of approaches to, for example, recruit and support local housing activists (or, as we call them, Housing Rights Defenders) to become campaign leaders and bring about change in their communities on the housing issues that matter to them. This can range from supporting activists to campaign for more empty homes to be brought back into use in Edinburgh, to calling on social landlords to have more transparent and fair repair services and to be clear about the standards of their homes when they rent them out to tenants. In three of the four hub cities, the Community Organisers have established small core teams of activist leaders who meet every 2–4 weeks to decide what issues they would like to campaign on and how. By using community organising techniques to facilitate sessions, the activists are empowered to build their own strategies for local change.

We also support local grass roots organisations and activist groups by empowering them to take action themselves. This has included working with a range of grass roots organisations who are supporting women and their babies in the asylum system in Glasgow. The Community Organiser is supporting them in setting up a campaign, using a community organising strategic approach, calling for their accommodation to be changed, as it is inadequate and harmful to them and their babies. The '[Freedom to Crawl](#)' campaign, led by the grass roots organisations and the women affected, has gained significant attention and traction, with many MSPs and the First Minister for Scotland calling for changes.



**SUPPORTING  
OUR WORK**



# SUPPORTING OUR WORK

## Fight for Home and our new brand

There was considerable focus in 2020/21 on preparations for the delivery of our hard-hitting 'Fight for Home' campaign and our striking new visual identity, which we launched towards the end of May 2021. The high-profile campaign aims to mobilise the public behind our cause, and the new brand more broadly represents a vital component in our strategic goal of building a movement for change, inspiring a new generation of supporters, confronting social injustice, and bringing an end to the national housing emergency.

The 'Fight for Home' campaign launch was designed to create a moment when the emergency was placed firmly at the heart of the national conversation, at a time when the pandemic has laid bare the fault lines in the system. It featured new research revealing the scale of the problem, showing that 17.5 million people are affected by the emergency, and drew considerable media coverage.

The launch advertising campaign across England and Scotland was likewise designed to highlight the impact on families and individuals across a wide range of issues, from discrimination, instability, poor conditions, and overcrowding, to the lack of social homes.

The central creative elements of the campaign are powerful portraits by the leading photographer, Tom Cockram, accompanied by issue-based and brand-themed headlines, many featuring people who have direct experience of the issues; and a launch film directed by Sarah Gavron and Anu Henriques featuring Shelter service users, with lyrics and music provided by the rapper and songwriter Wretch 32. The campaign had an extensive out-of-home poster and billboard presence, in addition to TV and digital executions.

The campaign and brand identity reflect a desire for Shelter to be braver and harder hitting – without losing our compassion and commitment to inclusion – that has been expressed both by members of staff and by existing and potential supporters, as evidenced in the extensive research that was the foundation of the project from the start.

The new identity is inspired by the spirit of activism we were founded on, and is not just about standing out in a crowded field, but also more visibly standing up for the cause. The changes we have made to our identity and tone of voice reflect the 'humanitarian fighter' personality we have developed – fearless and compassionate in everything we do. This is underpinned by our purpose ('we exist to defend the right to a safe home') and the core brand thought ('home is everything') that flows into the 'Fight for Home' campaign.

It represents an invitation to people to get involved, whether through financial support, campaigning, volunteering, or in our shops. We are aiming to motivate even more people to support us – particularly a younger demographic – against the backdrop of a growing emergency and a global pandemic that has exposed the injustice of the housing system.

## Involvement

In England, our Involvement Team have worked to support involvement and co-production activities across Shelter, ensuring that the views of those affected by the housing emergency underpin and influence all of our work. We have developed a range of involvement opportunities which help to affect local and national change, are accessible, promote personal and professional development, and support pathways to be involved across Shelter.

Over the last year, work has been undertaken to increase the involvement of people with lived experience in the design and delivery of Shelter's services and our campaigns. There has been an increase in both the number of involvement activities taking place and the number of people involved.

People with lived experience have been key in shaping our Base for Change programme, with co-production embedded as part of the ongoing approach, and as part of governance arrangements, through the Lived Experience Group. Over 200 people with lived experience have been involved in shaping community change priorities in each hub location. People with lived experience have supported systems change activities across our Community Hubs, helping to build evidence of the problems that are occurring and supporting with the solutions needed to achieve change.

We have focused on developing our approach to storytelling and worked alongside people with lived experience to develop our approach to stories and involvement, and increase the number and breadth of stories told. People with lived experience have also shaped a range of national activities, including our new brand, local and national campaigns, fundraising activities, and supporting our approach to recruitment.

Our Getting Real Opportunities for Work (GROW) programme assists people with lived experience of homelessness, mental illness, addiction, or with a history of offending, into work. Between 2020–21, eight GROW placements took place. Branching out from Manchester, we have expanded the programme to London, Sheffield, Preston, and Plymouth, as well as into our Stories team. This means we will have a GROW trainee with their own experience of homelessness helping others to share theirs, and support our campaigns. We also deliver GROW in partnership with other organisations, and currently have a placement starting at LGBTQ+ charity akt. New partnerships have been secured to further expand the programme over the next 3 years.

The programme is continuing to have a large impact on trainees, the people they work with, and the systems they interact with. During 2020–21, 75% of trainees secured employment or further education opportunities, and 92% since the creation of the programme in 2015.

In December 2020, the GROW programme won the Homeless Link Excellence Award for Co-Production. The award recognised how GROW trainees were involved in shaping and improving Shelter's activities and services, and helped the organisation to explore local needs and solutions throughout Covid-19.

The pandemic has impacted how we deliver involvement activity. We've moved to remote engagement activities such as online groups, forums, and phone conversations. Large-scale face-to-face events and other community forums haven't been possible this year, and we expect to continue delivering local and national activities digitally until face-to-face activities can safely resume. We will continue to offer a mixture of digital and face-to-face opportunities during 2021/22 to support accessibility and inclusion.

Our GROW Programme has continued to run, with increased online engagement and wellbeing support via remote reflective practice, online forums, and our GROW Network. The expansion of the GROW programme was delayed, as funding was affected, but is now on track to expand during 2021–22.

Our goal for 2021/22 is to continue amplifying the voices of those affected by the housing emergency, and increase opportunities for people with lived experience to share stories and speak out about issues affecting them; to ensure that the views of those affected by the housing emergency underpin and influence all of Shelter's work; and to develop a range of involvement opportunities which help to build evidence and influence local and national change.

In Scotland, the priority was embedding lived experience in our work, scaling up our Time for Change model across all four hubs. Our work on involvement has been impacted hugely by the pandemic, with limited opportunities for outreach and connectivity with communities. This has impacted on the engagement of new peers and our approach to consultations, resulting in reduced engagement overall in relation to our planned activity. Despite this, existing peers have remained engaged throughout, and the restrictions have led to positive innovations in the way we approach our involvement and engagement



work. We have seen greater cross-hub working and cross-hub peer engagement through digital engagement, with positive feedback from peers to continue working in this joined-up way.

In the year, we joined up Time for Change across the hubs, creating regular opportunities for peers across our hubs to meet and share learning experiences. Additionally, two lived experience peers secured jobs with our Glasgow and Edinburgh hub teams: one becoming a full-time Adviser, and the other a Development Worker.

We also created improved pathways between involvement and volunteering, undertook consultations across our hubs to capture the lived experiences of those experiencing homelessness, and launched several co-produced campaigns:

- in Edinburgh, a campaign to tackle issues raised around the standards in temporary accommodation;
- securing a campaign win, meaning those accessing drug rehabilitation support no longer having to choose between recovery or a home, an issue that was identified through our outreach work;
- a commitment to hostel closures in Dundee, created by peers sharing their experience with senior local authority staff.

The goal for 2021/22 is to continue embedding lived experience in our work across Shelter Scotland, anchoring Time for Change as a key foundation of our Base for Change approach, and ensuring that every individual's lived experience of the housing emergency counts towards our fight for home.

## **Income generation: Retail**

The impact of the pandemic on our retail operations has been significant. All our shops were closed from the end of March 2020, with all staff furloughed, apart from a small support team. The priority for the year was to maximise income from non-trading sources, including government support grants, and to reduce expenditure, particularly by negotiating rent reductions/rent-free periods with our shop landlords, and reopen our shops after lockdown in a way that kept everyone (volunteers, staff, customers, and those donating stock) safe.

As lockdown lifted, our focus was on preparation for reopening and the measures we needed to put in place to ensure the safety of our staff and volunteers. Staff wellbeing was the priority. Before we decided which shops reopened, we undertook a staff survey; the opening schedule was based on how staff were feeling about returning and about travelling. We progressively opened stores from mid-June 2020, with all stores opened by the end of July 2020. The period immediately after opening was extremely successful in terms of both stock donations and sales.

During the second lockdown, we grew the online selling operation for donated goods significantly by trading from five 'dark stores' across the country. A new Pack & Post scheme meant that we continued to receive customers' donations despite the shops being closed. We launched this scheme in January 2021 and the response was amazing, with over 4,000 packages of high-quality donations received by the end of March 2021.

With most of our 'New Goods' sales coming during the Christmas period, the closure of 'non-essential' retail in England for much of November and December was a major issue. We reacted quickly and diverted stock of Christmas cards, chocolate, and crackers to our online operation, which resulted in an increase in online sales of over 400% compared to the previous year. In Scotland, with the shops remaining open up until Christmas, sales of new goods in the physical shops still performed well in the circumstances, being only 15% down on the year.

At the end of the financial year, we had 90 shops. During the year, we opened one new shop: a boutique in Primrose Hill. In addition, we opened a pop-up shop at the Fort Shopping Centre in Glasgow for two months in the autumn. We closed the Urmston and Wrexham shops due to poor performance.

The introduction of digital recruitment, via our online volunteering portal, Better Impact, enabled us to move quickly when the shops reopened after the first lockdown. The recruitment campaign, Let's Keep Up the Kindness, delivered 1,500 new volunteer applications over the course of a 6-month period, with just over three quarters of them becoming active volunteers.

The majority of our shops were eligible for Retail, Hospitality and Leisure Grants (England), Local Restriction Support Grants (England), and the Strategic Framework Business Fund (Scotland). We took advantage of the income available to us under these various schemes, in addition to the monies received through furlough payments.

# OUR CORPORATE PARTNERS

## B&Q

Along with its parent company, Kingfisher, B&Q has been partnered with Shelter since April 2017. Despite the Covid-19 pandemic, B&Q colleagues and customers continued to raise funds for Shelter. When the Virgin London Marathon was postponed in October, B&Q runners organised their own Mojo Marathon. Along with colleagues raising money in stores, B&Q's Mojo Marathon fundraising weekend raised over £200,000. B&Q also stepped in to sell Shelter Christmas cards in stores, when Shelter shops were forced to close due to government restrictions, raising over £150,000.

The funds we raise through the B&Q partnership fund our DIY Skills Adviser service in England, as well as other essential front-line services in England, Scotland, and with our partner charities in Wales, Northern Ireland, and the Republic of Ireland. Our DIY Skills Advisers support families and individuals with essential home improvement skills including painting, wallpapering, and key maintenance, helping our clients to feel safe and settled in the place they call home. During lockdown, the DIY Skills Advisers were able to help our Community Hubs continue to deliver our vital front-line services.

## Nationwide Building Society

Nationwide has supported Shelter since 2001, making them our longest-standing corporate partner. Last year saw Nationwide donate over £1 million through corporate donations and fundraising efforts – all while generating vital awareness of the UK's housing emergency. Following the outbreak of the Covid-19 pandemic, Nationwide donated TV advertising space to support our emergency appeal, helping to raise over £3.2 million. In 2021, we are celebrating 20 years of partnership. Over the last two decades we've worked together to change policy, fund vital front-line services, and ensure that thousands of families have a safe place to call home.

## Network Rail

We've been working with other national charities on Network Rail's 'Routes out of Homelessness' campaign, tackling street homelessness through volunteering, fundraising, payroll giving, and gift-in-kind support. In October 2020, Shelter launched a new service in partnership with Network Rail to support people who sleep rough in and around Manchester Piccadilly and Birmingham New Street stations to access accommodation. In 2020/21 the funding that Network Rail provided for this service enabled Shelter to support 95 individuals at stations.





**THANKS**



# THANKS

## Individual supporters

Andrew Wilson	Neil Adleman
Andrew Sutton	Ghalia and Omar Al-Qattan
Andy Phillipps and Andrea Hopkins	Richard Allan and Diana Cotton
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Professors Charles Baden-Fuller and Mary Morgan	Richard and Julie Swann
David Lubin	Richard Thomas
Deborah and Oliver Oakley	Sarah Morgan
Diarmuid O Seaghdha	Sarah and Roland Turnill
Stuart Rock and Jo Willett	Tim Hincks and Pippa Healy
Gordon Cooper	William Colledge
Guy Morton	Bill Rowell
TY Danjuma Family Office	Stuart Elkington
John and Angela Davis	Peter Backhouse
John Young	Margaret Sheppard
Jonathan Beckitt	Nikki Amuka Bird
Deborah and Laurence Harris	Lisa Anderson
Malcolm and Inge Roberts	Baptiste Grassion
Mike Rosenberg	

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Barton Willmore	M&S Bank
Best Western GB	Nationwide Building Society
Birmingham Midshires	Network Rail
British Land	Pablo London
Duni	Revolution Bars Group
FatFace	Wayfair

## Trusts and foundations

29th May 1961 Charitable Trust	Mill Charitable Trust
A D Power Will Trust	Miss Gabrielle Rowley
Adint Charitable Trust	Miss M L Watts Charitable Settlement
Albert Hunt Trust	Miss S M G Ross Charitable Trust
Alice Ellen Cooper Dean Charitable Foundation	National Lottery - Awards for All
Barbour Foundation	National Lottery Community Fund
BBC Children in Need	Nationwide Community Grants
Building Societies Trust Limited	Nationwide Foundation
C B & H Taylor 1984 Trust	Oak Foundation
Calypso Browning Trust	Odin Charitable Trust
Constance Travis Charitable Trust	Paul Bassham Charitable Trust
Coutts and Co. Ltd	Rayne Foundation
David Budenberg Charitable Trust	Rita & David Slowe Charitable Trust
DG Charitable Settlement	Rosemary Constance Reeve Angel Charitable Trust
Elizabeth Frankland Moore and Star Foundation	Rosetrees Trust
Eveson Charitable Trust	The Sandhu Charitable Foundation
Foundation Scotland	ShareGift
Garfield Weston Foundation	Sir James Knott Trust
GLC Charitable Trust	Swire Charitable Trust
Gninwod Trust	The Access to Justice Foundation - Community Justice Fund
Holroyd Foundation	The Ashley Family Foundation
Ince Group Charitable Foundation	The Evan Cornish Foundation
Ingram Trust	The Legal Education Foundation
J E McKinnon Will Trust	The Material World Foundation
John James Bristol Foundation	The National Emergencies Trust
Koppinen Family Foundation	The Nationwide Foundation
Liz & Terry Bramall Foundation	The Northwood Charitable Trust
Mabel Cooper Charity	The Options Fund
Mark Sorrell on behalf of the JMCMRJ Sorrell Foundation	The Trillium Trust UK
The Robertson Trust	United Way Worldwide grant on behalf of the generosity of Wells Fargo
Timothy Schroder Charity	William A Cadbury Charitable Trust
Ufi Charitable Trust	Zochonis Charitable Trust
Masonic Charitable Foundation	



## Legacies

The late M Connelly	The late J Yule	The late L Bussell
The late M Castles	The late F Smithies	The late W Ernest
The late D Holder	The late R Alexander	The late D Milton
The late R Forgie	The late H Wilson	The late A Carter
The late A Cogdon	The late E Turner-Nedelev	The late G Kenney
The late B Palmer	The late D Cotton	The late F Thompson
The late W Mackinnon	The late T Pittock	The late B Gordon
The late M Wetton	The late E Dowman	The late J Fryer
The late P Sibson	The late P Cain	The late R Jones
The late A Livingston	The late G Sutton	The late J McCaffrey
The late E Edwards	The late D Slater	The late A Fletcher
The late A Hyman	The late G Brown	The late B Dennis
The late S Franks	The late F Browne	The late E Costello

## Celebrities

Jarvis Cocker	Adam Kay	Ellis Genge
Keith Lemon	Musa Okwonga	Armando Iannucci
The Libertines	Beverly Knight	Maxim
Pierre-Emerick Aubameyang	Freema Agyeman	Katie Melua
Brandon Williams	Izzy Bizu	Danny Wallace
Robert Rinder MBE	Kathy Burke	David Nicholls
Mandip Gill	Stephen Fry	Edith Bowman
Matt Allwright	Alex Crockford	Julie Walters
Wretch 32	Melanie C	





**OUR PEOPLE**



# OUR PEOPLE

## People Plan – key focus points

It's through the passion, skill, and drive of our colleagues and volunteers that we'll change the country and defend the right to a safe home.

We employ over 1,400 (1,210 FTE) people and have over 2,500 volunteers, in addition to campaigners and supporters, who all play a pivotal role in the movement for change, making sure that no one fights poor quality housing or homelessness on their own.

We employ skilled, experienced, and passionate advisers, support workers, solicitors, peer mentors, and many other housing and homelessness specialists who deliver our critical services through face-to-face services, by telephone, or online in England and Scotland. We also employ campaigners, policy developers, and researchers ensuring that the evidence we get from working with people on a daily basis through our services is translated into our campaigns and the creation of a movement that will bring lasting change. All our work is supported through our income-generation people and those people in support functions who ensure that our culture, capability, and digital and physical infrastructure are fit for purpose.

Our 3-year People Plan was launched in 2019 to guide our progress in achieving our People Directorate vision: 'To enable the empowerment of our people to achieve their potential'. In support of Shelter's organisational ambitions, we continue to build a culture based on compassion, fearlessness, inclusion, and trust. Over the year, we focused on the following areas:

### Pay and reward

In continuation of our 2019/20 plan and following a review of reward practice and levels, in May 2021 all colleagues received a cost-of-living matching pay award, which we were particularly pleased to be able to do given the current challenges across the sector following Covid-19.

An extensive review of our benefits offering has been undertaken, including stakeholder feedback opportunities, and further work will be undertaken to incorporate the opportunities this review has highlighted.

A number of short-term arrangements have been implemented during the pandemic to ensure any colleagues placed on furlough were not subject to financial detriment and were fully supported by the organisation. A quarter of our workforce who were on furlough at some point within the last 12 months received a furlough 'top-up' to salaries. In addition, we authorised an increase to the annual leave rollover threshold.

### Pension

Following a review of pension arrangements, Shelter has confirmed a move to a new provider, with effect from July 2021. This move has been driven by our desire to give colleagues access to best range of pensions that include environmental, social, and governance considerations, as well as ensuring the best member outcomes for our colleagues.

### Pay structure

After commissioning an independent pay and reward specialist to conduct a review of our pay and benefits, we will be moving to a more streamlined pay structure, harmonising approach and pay

structures across our organisation. We anticipate the new model will both enable greater harmonisation and allow us to be more responsive to the different markets in which we operate.

## **Wellbeing**

The emotional and physical health of colleagues during what has been a challenging period has been at the forefront of decision-making over the last 12 months. It has been important that we should remain dynamic in our approach, and empower colleagues to have increased flexibility, both to meet organisational needs and to look after their welfare. Numerous initiatives continue to be driven by the organisation and supported by our colleagues, including the establishment of a network of Mental Health First Aiders. A temporary, 6-month reduction of the working week from 37.5 hours to 35 hours was implemented as a reaction to the increased home-working situation we have all experienced.

## **Diversity and inclusion**

Shelter's ambition is to place diversity and inclusion at the heart of our strategy, ambitions, and delivery models. In support of this aim, we have reviewed our recruitment processes, ensuring an inclusive approach to diversity and inclusion (D&I) is adopted and practices are fully implemented. The appointment of a new Head of Talent Acquisition will enhance this further through collaboration with stakeholders to develop a new inclusive talent attraction plan.

Our priority over the last 12 months has been understanding how to become an actively anti-racist organisation. Internally, this has meant considering what changes to our culture, ways of working, policies and procedures, recruitment and learning, and development will be necessary to achieve this. Alongside considerable other work, this has resulted in our anti-racism implementation plan. In the year ahead we will be focusing on the delivery of this plan.

In the last year the affinity groups have grown in strength, and we have a new parent and carers group, and an active allies group.

## **Our culture**

Shelter's culture has been a source of strength as the organisation has navigated working through the Covid-19 pandemic – the move towards greater levels of empowerment has supported the move to remote working. The focus for work on the culture in 2020/21 has been on aligning internal ways of thinking and talking about our ways of working, with the development of the new brand to ensure that we have a culture that supports our humanitarian fighter ethos and will help us deliver our ambition of becoming an actively anti-racist organisation. This has led us to clarify that we are working towards creating a culture of Fearlessness, Compassion, Inclusion, and Trust.

A new behaviours framework has been developed and launched to bring to life for all employees and volunteers the personal behaviours that will help us live the culture that we espouse, and support us to deliver the strategic priorities. This has been rolled out to the organisation with a range of simple tools and workshop sessions for line managers, to support them to develop objectives for their teams around the behaviours, especially the new behaviour addressing diversity and inclusion. All employees have been asked to have an objective this year that supports becoming an anti-racist organisation.

The focus for work in 2021/22 is to embed and develop the culture directly and indirectly through a range of opportunities, including: directly, the development of the Beacons network and the new approach to measuring the culture and engagement; and indirectly, through embedding the culture in a review of our HR policies, and the developing trust in how we are using a change management approach to develop the strategic plans for 2022–25 and support the work on the introduction of a zero tolerance statement in relation to hate incidents.

## Enablers – culture

One of the key resources we have developed to enable our culture is the Beacons network. This is a voluntary group of employees who have role-modelled the behaviours that will help the culture to live, by promoting and talking about the culture, and giving feedback on how they experience the culture and making suggestions to improve it. The network has been in existence for about 12 months and has around 70 members, almost all of whom have been inducted over lockdown, of which 30–40 are active.

In the last 12 months, Beacons have been active both across the whole organisation and within Directorates. At a Directorate level, Beacons have provided a sounding board for Directors to be able to explore cultural issues within their immediate functional teams, and in 2021/22 this role will continue and be used to support the local interpretation and action on local staff survey results. On a cross-organisational level, Beacons are invited to monthly meetings where they have opportunities to have early involvement and influence over some key initiatives, like the internal brand launch and the launch of the new behaviours framework.

Beacons have been instrumental in highlighting some concerns about how the culture is developing in 2021, especially in relation to how feedback is handled and the approach to building trust in relation to key announcements in the organisation. This has provided valuable insight, and we are working together on how we continue to develop this aspect of our culture.

## Volunteering

We aim to mobilise volunteers in support of our strategic objectives across all areas of our activities, from building our movement for change and campaigning locally to supporting our income generation. Our volunteering activities were severely affected by the pandemic and our plans changed to respond to this. We focused on volunteer retention, recruitment, and improvements to the quality and consistency of the volunteering offer.

The Covid-19 pandemic had a significant impact on volunteering at Shelter during 2020/21, with volunteering halted for long periods of time. Despite this, 1,957 volunteers contributed 138,748 hours during 2020/21. Volunteering Teams have adapted approaches to delivering plans and have taken opportunities to implement transformational developments within volunteering.

With ongoing disruption due to the pandemic, engaging our volunteers was critical. We launched a monthly communication with volunteers, connecting them to our cause and engaging them with key activity, including the new brand. Furthermore, we implemented a new online volunteer recruitment process with a more streamlined approach, so that a significant number of people could either continue or begin volunteering with Shelter during the pandemic.

Next year, we want to improve the quality and consistency of the volunteering offer across Shelter, including increasing the support for those who manage volunteers. We want to diversify the ways volunteers can be part of Shelter's activities, including through involvement as part of our Base for Change activities. Our ambition is for Shelter to become a leader in inclusive volunteer engagement for those with lived experience of homelessness.

## Gender Pay Gap

In 2020/21 Shelter had a gender pay gap of 10% (Mean Gender Pay Gap – 10.2% – Median Gender Pay Gap 8.1%). More information is available in [this statement](#). This still remains significantly below the national average of 15.5% however we are disappointed the gap has widened since 2019/20. Since the end of the reporting period, significant progress has been made in increasing the proportion of women in senior roles. We continue to strive to eliminate the gap altogether.

Aligned to Shelter's ambition of becoming a truly antiracist organisation, and colleague's passion and drive for equality, we are focused on creating the right culture and structures to enable more women of colour to take on senior leadership roles at Shelter. This will be a key focus for us in the coming year as we introduce measures to enhance both our recruitment and retention performance in this area. Additionally, we are working hard to ensure that women at Shelter are fully supported in the workplace. We are progressing well with several initiatives to ensure wellbeing and professional frameworks are in place. At Shelter, we bring fearlessness and compassion to our fight for social justice for all those we are here to serve and for all those who work with us. Equity for women is at the heart of that fight.

### **What we're doing**

We're committed to doing everything we can to eliminate inequality. Over the past year, we have taken some positive steps and will continue to work to close the gap, these include:

- The formation of a staff affinity group for Women and Non-Binary People SWANN (Shelter Women & Non-Binary Network) and an affinity group for Parents and Carers.
- Developing a mentoring scheme.
- Execution of an equal pay audit with findings reviewed and no further action required.
- Raising awareness of issues that impact staff with regards to the menopause.
- Reviewing our ways of working to capitalise on flexible and remote working.
- Leadership development with some work specifically targeted at those groups typically disadvantaged when it comes to leadership progression in the workplace.
- Review of our recruitment and talent acquisition processes to improve the organisations ability to recruit a more diverse and inclusive workforce.





**OUR GOVERNANCE**



# OUR GOVERNANCE

## The Charity

Shelter, the National Campaign for Homeless People Limited (trading as 'Shelter'), is a registered charity (number 263710 for England and Wales and SC002327 Scotland) and a company limited by guarantee (number 1038133) and is governed by its Memorandum and Articles of Association which were last updated in April 2020.

## Our Board of Trustees

Shelter's Board of Trustees are also the company directors for the purposes of the Companies Act, and have overall responsibility for the strategy, direction, management, and control of the charity. The Board met formally six times during 2019/20.

The Board consists of 12 members who give their time on a voluntary basis, receiving no remuneration or other benefits. Out-of-pocket expenses, along with any other costs incurred by trustees in the furtherance of their duties, are repaid by the charity in line with the Trustee Expenses Policies. Details of these expenses are set out in note 19 in the financial statements.

Our Trustees are recruited using open recruitment processes. Vacant positions are advertised and promoted externally through relevant networks. We place emphasis on having the appropriate balance of skills and experience on our Board, as well as aspiring to have a Board that represents the public and audiences we were established to serve.

Trustee terms of office are normally two 3-year terms with an exceptional third 2-year term on the recommendation of the Board. All new trustees complete an induction programme and are expected to adhere to Shelter's Trustee Code of Conduct that includes [the Seven Principles of Public Life](#) ('Nolan Principles').

We take our governance responsibilities seriously and aim to have a governance framework that's fit for purpose, compliant and efficient. We undertook a comprehensive review of the organisation's governance in 2019, including an evaluation of the Board's performance against the principles of the [Charity Governance Code](#). The result of this review included changes to the organisation's governing documents, and how decisions are delegated between the Board, its Committees, and the Executive.

## Board Committees

The Board has established Committees to support the fulfilment of its governance responsibilities. These are:

### a. Scotland Committee

Uses its Scotland-specific knowledge, expertise, and presence to support and oversee the development and delivery of our activities in Scotland.

### b. Audit & Risk Committee

Supports the Board with the management of risk, maintenance of systems of internal control to assure financial probity, effective management control, and oversight within Shelter.

### c. Committee for Resources & Internal Systems

Ensures financial and human resources are adequate, and effectively allocated across Shelter, and that internal systems and processes are suitable for the delivery of the Board's stated strategic objectives and the charitable purposes of Shelter.

**d. Quality & Impact Committee**

Supports the Board by evaluating and assessing the organisation's external-facing activities, to ensure they align with Shelter strategy.

**e. Remuneration Committee**

Supports the Board in determining policy in relation to terms and conditions of employment (including remuneration) for staff including the total remuneration of the CEO and the Directors.

**Measuring success**

The organisation has developed a framework for performance reporting, and the Executive Leadership Team and Board receive regular reports on performance against the strategy, business plans, and budgets. We continuously develop our performance framework and use insight and information from across the organisation to:

- understand how our activities, and those of our partners, contribute to the delivery of our strategic aims;
- deliver meaningful change for individuals and in the communities in which we work;
- enhance our ability to demonstrate value to funders and supporters;
- support continuous improvement of Shelter's activities.

**Risk management**

The trustees bear overall responsibility for ensuring Shelter operates appropriate controls, financial and otherwise, to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- proper records are maintained, and financial information is reliable and accurate;
- the charity has an appropriate framework for safeguarding all who come into contact with the organisation;
- the charity complies with relevant laws and regulations.

The Audit & Risk Committee has delegated responsibility for monitoring the effectiveness of internal controls, and reports the results of this monitoring to the Board. This is achieved through:

- reviewing the nature and scope of the external audit, and any matter raised, for the attention of management – any significant findings or identified risks are examined so that appropriate action can be taken;
- reviewing and approving the annual internal audit plan, considering and approving the areas of the organisation that are subject to review, approving the scope of these reviews, considering any findings that arise, and agreeing changes to audit plans to take account of emerging risks and new areas of business;
- ensuring appropriate action is taken on recommendations made by the internal auditors.

The systems of control operated within Shelter are designed to provide reasonable but not absolute assurance against material mis-statement or loss. They include:

- the preparation of a 3-year strategy;
- long-term financial planning including investment management;
- annual business planning, budgeting, and cash flow forecasting;

- regular consideration by the trustees of actual results compared with budgets, forecasts and trends cash flow, and reserves levels;
- delegated budget authority to operational staff – procedures for purchasing that include segregation of duties, procurement support, and new standing financial instructions;
- processes for the identification, assessment, and management of risk;
- regular review of financial procedures;
- regular review of internal controls and risk through internal audit.

There are seven key strategic risks identified by the Board as part of the strategic planning process. Strategic risks are those that could threaten our ability to deliver our agreed strategy. All risks have controls and mitigation plans in place, and where appropriate, contingency plans.

The seven identified strategic risks are:

- *Failure to build a movement*

The risk that we fail to build effective campaigns for change either locally or nationally.

- *Failure to deliver change to communities*

The risk that our local offer(s) fail, meaning Shelter is unable to deliver real lasting change to communities.

- *Brand resilience/salience*

That the Shelter brand fails to resonate with the public, leading to a lack of salience or relevance.

- *Partnership strategy*

The risk that we're unable to secure necessary partnerships, and that partnerships are unsuccessful or fail to deliver value, would waste resources and affect delivery of the strategy.

- *Long-term financial viability*

Long-term financial prospects could be hampered by factors including fundraised or retail income, contract income, or a failure to control costs on key programmes.

- *Failure to address organisational culture*

The risk that a lack of shared vision across the organisation leads to widespread failure of planned organisational change, limiting our ability to deliver activity in a joined-up way.

- *Failure to respond or adapt to external change*

The risk that the organisation fails to adapt or respond in an agile manner to external change or changes, resulting in resources being wasted or being diverted away from the delivery of our strategy or the charitable objectives.

# DECLARATIONS

## Statement of public benefit

Under the Charities Act 2006, charities are required to demonstrate that their aims are for the public benefit.

Our Board of Trustees regularly monitors and reviews the success of the organisation in meeting its key objectives of helping people to find and keep a home, and campaigning for decent homes for all. Having considered the guidance, the trustees confirm that these aims fully meet the public benefit test and that all the activities of the Charity, described in the Report of the Trustees, are undertaken in pursuit of these aims.

## Statement of trustee duties with reference to Section 172 of the Companies Act 2006

Shelter is a leading housing and homelessness charity which depends on the trust and confidence of its stakeholders to operate. Shelter's trustees consider that they have complied with their duties in regard to Section 172 of the Companies Act 2006 by ensuring the success of the organisation to achieve its charitable purpose.

Section 172 considerations are embedded in decision-making at Board and Committee level and throughout the organisation. Trustees balance and consider stakeholder interests, including the implications of decisions on employees and the wider workforce in their decision-making, and take decisions they believe best support Shelter's strategic ambitions.

Shelter's trustees have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- the likely consequences of decisions in the long term;
- the interests of employees and volunteers;
- the need to foster Shelter's relationships with third-party stakeholders – for Shelter this includes all those affected by the housing emergency, our clients' supporters, key opinion leaders, policy makers, and others with significant interest or involvement in housing;
- the impact of Shelter's operations on the community, society, and the environment;
- Shelter's maintaining a reputation for high standards of business conduct.

The Board has delegated day-to-day management and decision-making to the Chief Executive and Executive Leadership Team through a formal scheme of delegations. The Executive Leadership Team are required to act solely in the furtherance of Shelter's strategy, and charitable objects, ensuring that Shelter's activities are carried out in compliance with policies approved by Board.

Strategic policies are reviewed periodically by the Board or on its behalf by standing Committees. The Board also receives updates on the Charity's performance and plans at each meeting, and the standing Committees oversee and monitor specific areas of Shelter's activities. That provides the trustees with assurance that the organisation is delivering the agreed strategy and decisions are taken in compliance with specific policies and agreed controls. The Board and Committees obtain assurance that in promoting the success of the Charity, due regard is given to the factors set out in section 172 of the Companies Act.

Shelter is able to achieve its charitable purpose because of the relationships we foster and maintain with stakeholders. These stakeholders include our staff, volunteers, beneficiaries, people affected by the housing emergency, our supporters, and key opinion leaders, policy makers, and others with significant

interest or involvement in housing. The Chief Executive and other ELT members regularly report on key stakeholder relations and engagement activities, current issues, and relevant feedback received from interaction with stakeholders.

### **The likely consequences of any decision in the long term**

The Charity's strategy was set in 2018 and was based on an ambition to tackle the social injustice of the housing emergency and ensure that the right to a safe home is defended. This strategy and its long-term aims inform our decisions and prioritisation. During the year, the Trustees approved a plan to start work on the next 3-year strategic plan against the 10-year strategic goals. The work will continue through 2021/22 and Trustees will discuss all aspects of the strategic planning as it develops. Given the risk the pandemic posed to Shelter's finances, the Trustees also discussed Shelter's income-generating activities, and how to both protect and sustainably grow income generation to meet the financial needs of the organisation.

The Board and the Audit and Risk Committee keep under review Shelter's principal strategic and operational risks, its risk appetite, and tolerance of risk. The risk register is reviewed at every meeting of the Board of Trustees and Audit and Risk Committee and consideration is given to emergent risk, changes to existing risk, and changes to the overall risk profile, as well as the organisation's capacity to take on risk. During the year, action was taken to bring risk within the Charity's appetite in relation to Covid-19, Health and Safety, and Internal Culture.

### **The desirability of the Charity maintaining a reputation for high standards of conduct**

Shelter has been engaged investing time and resource into its internal culture for a number of years, and the Board has a key role in setting the organisation's culture and values. The organisation has a variety of policies and controls in place that promote corporate responsibility and ethical behaviour. Areas covered include fundraising and income generation, conflicts of interest, safeguarding, dignity at work, and whistleblowing, and these are all reviewed regularly. We expect those we work with (both as partners and suppliers) to apply similar policies to our own in areas such as Living Wage, Dignity at Work, Safeguarding, and Modern Slavery. Through our core activities we regularly work with vulnerable adults and children, not only through our services, but also via our shops, events, and through other fundraising activities. During the year a dedicated Health, Safety and Safeguarding Manager was appointed, and a number of improvements have been made to reporting and review processes following internal audits of both Safeguarding and Health and Safety.

### **Engaging with our stakeholders**

Shelter regularly engages with key stakeholders, and through this engagement we maintain an understanding of their needs and priorities, informing how we develop our objectives and strategy. The Board and its Committees' decision-making process considers the impact of decisions on relevant stakeholders, and where and when relevant, Trustees are provided with assurance that proper consideration is given by its Committees to stakeholder interests through regular reports from each Committee.

- **People affected by the Housing Emergency**

Through our Involvement Team we regularly involve people with lived experience in the work we do across the breadth of the organisation's activities, not just service provision, but also our campaigns, our policies, and the development of the organisation's strategic plans and priorities.

- **Our Staff and Volunteers**

Our Executive Leadership Team conducts periodic engagement surveys, as well as engaging with staff representatives both formally through a recognised trade union, and through staff groups such as the internal culture network and various affinity groups (People of Colour, LGBTQ+, Women and Non-Binary, Disabled and Neurodivergent).

We have engaged staff extensively with the development of new ways of working and in how Shelter will return to our workplaces after a prolonged period of home-working. In particular, we have focused on the enabling technology, our estate, and the flexibility offer to capitalise on the positives brought on by home-working.

We regularly provide employees with information on matters of concern to them as employees through various channels of communication, including our intranet (inHouse), and regular update emails, Yammer, and Q&A sessions with the Chief Executive. We consult with employees on a regular basis so that their views can be taken into account in making decisions which are likely to affect their interests.

In the year, we implemented a formal Health and Safety Committee to consult employees on health and safety concerns arising from the workplace as the Covid-19-related social distancing measures are reduced or lifted.

- **Our supporters**

We engaged our supporters about our campaigning and income generation activities in a number of ways. We measure views of our brand and marketing activity through our brand tracker, and we also run tailored pieces of work related to specific audiences or products where needed. We use these methods to guide the development, delivery, and measurement of our fundraising and marketing activity to ensure that our supporters' views inform all aspects of our activity.

As part of the development of our new brand, we engaged extensively with our supporters, which led to the radical rethink of our brand and tone of voice.

- **Key opinion leaders, policy makers, and others with significant interest or involvement in housing**

We continue to work closely with key opinion leaders and influencers – parliamentarians, members of local governments, as well as national and regional bodies – to help shape and inform policy to meet our objective of a safe home for everyone. We strive to work in partnership with other housing and homelessness charities and bodies in pursuing shared policy outcomes, and our work has secured strong and effective relationships with government and opposition parties in both England and Scotland. The regularity with which our research is quoted by parliamentarians demonstrates that we are considered an effective organisation by politicians of all parties.

- **Our suppliers**

Shelter works with a broad range of suppliers, from small independent businesses to large multinationals. Our sourcing processes are designed to be flexible and inclusive, and we aim to build long-term relationships with key suppliers. We operate policies and procedures to ensure the Charity achieves best value, protects its reputation and assets, as well as managing organisational risk appropriately. Controls are in place to ensure our money is spent appropriately, and is safe from inappropriate or fraudulent use.



**Significant Events / Decisions**

Significant Event / Decision	S172	Action & Impact
Covid-19 Response & Reprioritisation	<ul style="list-style-type: none"> <li>• Our staff and volunteers</li> <li>• People affected by the housing emergency</li> </ul>	<ul style="list-style-type: none"> <li>• As part of the organisation's response to the Covid-19, it agreed to focus on a number of key priorities. In agreeing these, the Board and Executive Leadership Team considered the impact of these decisions on staff, volunteers, and people affected by the housing emergency.</li> <li>• When considering reprioritisation, the Board and the Covid-19 Working Group considered the long-term impact of priorities on those who use our services, and the impact on the organisation's finances and its ability to deliver our strategy in the long term.</li> </ul>
Anti-Racism	<ul style="list-style-type: none"> <li>• Our staff and volunteers</li> <li>• People affected by the housing emergency</li> </ul>	<ul style="list-style-type: none"> <li>• The Board have heard directly from – and considered the experience of – staff and volunteers, particularly people of colour, in the ongoing development of Shelter's anti-racism plan and priorities.</li> <li>• As part of the organisation's work on anti-racism, the Board and Executive Leadership Team have considered the evidence and research on the experiences of people of colour in the housing system in the development of our campaigns, priorities, and external policy positions.</li> </ul>
Base for Change	<ul style="list-style-type: none"> <li>• Our staff and volunteers</li> <li>• People affected by the housing emergency</li> </ul>	<ul style="list-style-type: none"> <li>• When developing the programme, the organisation carried out an extensive programme of engagement with staff and volunteers, as well those affected by the housing emergency. This feedback was considered by the Board and Committees in the development of the work programme and its packages.</li> <li>• When considering the recommendations made by the programme team, the Board considered the impact on staff, as well as the impact and systemic</li> </ul>

		change opportunities presented by the change.
Brand	<ul style="list-style-type: none"> <li>• Our staff and volunteers</li> <li>• Our supporters</li> <li>• People affected by the housing emergency</li> <li>• Key opinion leaders, policy makers, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• When developing the brand, the organisation consulted widely, including with staff and volunteers, supporters, and people affected by and with lived experience of the housing emergency. In response, a brand was developed that met these groups' desire for a braver and harder hitting brand proposition.</li> </ul>

## Safeguarding

Our Board of Trustees has established a safeguarding panel to support our commitment to safeguarding. We recognise that safeguarding is everyone's business. We're committed to protecting the health, wellbeing, and human rights of every person we encounter through our work – enabling them to live free from harm, abuse, and neglect.

As such, we've improved the governance framework that supports our safeguarding practice. The framework includes trustee sponsorship and involvement in the organisation's safeguarding panel, which is chaired at executive level by the Director of Services.

The panel ensures that we have a fully cross-organisational approach. This means everyone in Shelter is aware of their responsibilities and is equipped to support our safeguarding practices. That includes an annual report to the Board to provide assurance that our framework and practice are helping us to maintain our commitment, that we keep our framework and practice under review, and that we share and learn from our collective knowledge and experience of safeguarding matters.

## Data privacy and security

Data protection and security sit at the centre of our business. We take significant steps to uphold the privacy of personal information of our donors, supporters, clients, people, and volunteers.

Since the pandemic outbreak, we have quickly introduced new ways of working, and with our robust governance framework we have been able to minimise the risk in our data processing and data security through the organisation.

We process data ethically and responsibly and are always open and honest about why we collect, use, and store personal data. Personal data is held for no longer than it's needed, and with our robust privacy framework, rigorous processes and procedures help us fulfil people's right to access, portability, erasure, and rectification.

Our privacy notices provide a clear explanation of why we need to process personal data, and we aim to make clear individuals' rights of control over how and when their personal data is used. We respect people's preferences and wishes about how they want to hear from us. Training our staff, volunteers, and contractors is a vital part of our data protection governance framework, which also includes our robust policies, procedures, processes, data documentation, communication plans, and regular audits to ensure the framework is working as intended.

If data breaches occur, we take swift action to put things right, learning from mistakes and putting measures in place to prevent future incidents. We take a proactive approach to identify and manage the risks around IT and data security with our data security framework. The training, policies, processes, external penetration testing, regular audits, and reporting maintain high standards of cyber security that are accredited with the government's Cyber Essentials and IASME framework.

Privacy measures are built into the design phase of all our applications and processes as a matter of course. This helps us to remain trustworthy, open, and accountable to everyone we encounter.

## **Fair, honest, and open fundraising**

We're committed to fair, honest, and open fundraising. To strive for the highest possible standards, we:

- are registered with the Fundraising Regulator, and are committed to complying with the Fundraising Promise;
- are members of the Chartered Institute of Fundraising, with our in-house face-to-face fundraising programme certified under their accreditation scheme;
- have a policy to protect people in vulnerable circumstances, and insist on checking the policies of our suppliers as part of any tender process;
- give our supporters the opportunity to opt out of further contact, or to opt out of a specific method of communication as part of every approach for donations;
- have an agreed process to screen people against the Telephone Preference Service register when selecting them for an approach by telephone;
- screen our mailing lists for potential new supporters against industry-standard bereavement registers and the Mailing Preference Service;
- do not share or sell data with third parties for their marketing benefit;
- ensure we put in place appropriate intervals between fundraising approaches – for example, the maximum number of cash appeal mailings someone would receive is nine per year;
- have a cap on the number of telephone contacts for existing Direct Debit supporters, limited to one every nine months;
- work with one door-to-door fundraising agency on our Regular Giving programme in 20/21. They are a member of the Chartered Institute of Fundraising, and monitor their activities by having our staff shadow them to maintain high standards and agreed approaches. We are planning to employ two additional agencies to carry out a variety of face-to-face activities in 2021/22 and will monitor their activities through in-house shadowing and mystery shopping, through a third-party mystery shopping agency, and the reports received through the Chartered Institute of Fundraising's mystery shopping programme;
- work with three face-to-face fundraising agencies on our Lottery programme, of whom two are registered with the Fundraising Regulator and three are members of the Chartered Institute of Fundraising. We conduct shadowing and mystery shopping of these agencies internally and through a mystery shopping agency, and receive regular mystery shopping reports from the Chartered Institute of Fundraising's mystery shopping programme;
- work with one calling agency who is a member of the Institute of Fundraising, and two who are registered with the Fundraising Regulator. To monitor their activities, we receive sample recordings of telephone contacts, and can request specific recordings where concerns are raised. We also worked with one further agency in 2020 who are a member of the Chartered Institute of Fundraising and the Fundraising Regulator and we monitored their activities in the same way;
- regularly provide training sessions for all our agency partners to make sure they meet our high standards;
- deal with complaints about our fundraising activities via our supporter helpdesk. During 2019/20, we dealt with 66 complaints this way. In 2020, a complaint was made to the Fundraising

Regulator regarding a TV advertisement we ran in response to the unfolding Covid situation. Although the complaint itself was not upheld, the Fundraising Regulator found that Shelter had [breached](#) the Code. However, it stressed that the breach was ‘technical, inadvertent, and in the event had no adverse effect on donors’. The Fundraising Regulator recommended that Shelter review its guidance on fundraising communications to take account of the standards in the code relating to restricted donations, which we have accepted. A summary of the complaint and investigation can be found on the [Fundraising Regulator’s website](#).<sup>1</sup>

## Our Fundraising Charter

We will:

- use your donations carefully and responsibly;
- respect your wish to assign a gift to a specific aspect of our work;
- thank you for your support, and let you know what your donations do;
- fund work with a demonstrable, positive impact on the lives of homeless and badly housed people, while keeping support costs to a minimum;
- follow the Fundraising Regulator’s Code of Fundraising Practice, so people know our activities are open, fair, honest, and legal;
- use your preferred communication channels – and if these change, we’ll adapt them swiftly to suit your needs;
- acknowledge any queries and complaints within 3 working days, and respond fully within 10 working days via your preferred method of contact.

## Subsidiary undertakings

The Charity’s wholly owned trading subsidiary, Shelter Trading Limited (company number 02573404), carries out non-charitable trading activities for the Charity (primarily the sale of new goods and managing the corporate sponsorship activities). Details are included in note 21 to the accounts. The activity of Shelter Trading Limited generates considerable awareness of the Charity’s wider work while raising some of the funds required to support the Charity’s operations.

## Energy and carbon reduction narrative

Shelter as a large energy consumer is committed to reducing its energy use and carbon footprint as part of its response to environmental issues, including the climate emergency. This commitment is included in our Environmental Policy.

In 2015 and 2019, Shelter reviewed its energy use and undertook energy audits as part of the Energy Savings Opportunity Scheme (ESOS), whose recommendations have provided a roadmap for reduced energy consumption.

Many of these recommendations are already in progress, including the rollout of LED lighting, smart meters, fleet review, and other opportunities, like amending heating hours and implementing a closed door policy in Retail shops. Our Property and Facilities team has compiled a schedule of planned ESOS works for 2020/21. We’re also examining how energy and carbon reduction can be incorporated into fitouts for future sites. Some recommendations were unviable due to cost, but we’ll review changes in the market to decide on the right time to implement these.

We’re also reviewing the environmental and carbon implications of our business travel activities, and are seeking to address this issue with a new travel policy.

<sup>1</sup> <https://www.fundraisingregulator.org.uk/more-from-us/resources/shelter-june-2021>

## Energy use disclosure

In 2020/21 Shelter consumed 1,812,164 kilowatt-hours (KWh) of energy.

Metric	FY 2020/21 Disclosure	FY 2019/20 Disclosure	Unit
Total energy use	1,812,164	3,684,275	Kilowatt-hours KWh
Shelter Charity Income	72,883	73,000	£'000
Intensity metric	24,864	50,470	KWh/£million
Energy use breakdown:			
Electricity	1,310,679	2,350,002	Kilowatt-hours KWh
Gas	231,128	357,868	Kilowatt-hours KWh
Purchased transport fuel	270,358	976,405	Kilowatt-hours KWh

## Energy use calculation methodology

Energy use has been calculated from metering and billing data provided for Shelter's owned and leased property in the UK, and transport where Shelter purchases the energy consumed (i.e. fuel). It excludes indirect energy use such as that for business travel by public transport or flights.

The energy calculation consists of:

- billing for directly metered electricity and gas data;
- downloaded half-hourly electricity meter data for Shelter sites where available – the billed data was validated against this dataset, as well as validating against known energy consumption patterns and previous year's consumption;
- transport data comprising of fuel consumption calculated from employee mileage claims for private car use – the fuel consumption is an estimate which has been calculated using a benchmark for average fuel consumption based upon claimed miles.

## Carbon disclosure

Shelter's carbon footprint for 2020/21 was 414.2 tonnes of carbon dioxide equivalent (t.CO2e).

This includes:

- Scope 1: Direct emissions – for Shelter this is greenhouse gas emissions from gas burnt on-site in heating boilers.
- Scope 2: Indirect emissions – grid electricity – for Shelter this includes greenhouse gas emissions from all electricity directly purchased across offices and shops.
- Scope 3: Indirect emissions – purchased fuel for lease vehicles, hire cars and via employee mileage claims.

Metric	FY 2020/21 Disclosure	FY 2019/20 Disclosure	Unit
Total carbon disclosure	414.2	905.3	Tonnes carbon dioxide equivalent tCO2e
Shelter Charity Income	72,883	73,000	£'000 GBP
Intensity metric	5.7	12.4	Tonnes carbon dioxide equivalent per £million charity income tCO2e/£million
Carbon disclosure breakdown			
Scope 1 direct	42.5	65.8	Tonnes carbon dioxide equivalent tCO2e
Scope 2 indirect	305.6	600.7	Tonnes carbon dioxide equivalent tCO2e
Scope 3 indirect	66.1	238.8	Tonnes carbon dioxide equivalent tCO2e

It should be noted that the carbon footprint does not include all emissions from business travel (e.g. train travel), or other indirect sources of emissions such as waste disposal or procurement. These would form part of the Scope 3 carbon footprint.

### Carbon disclosure calculation methodology

The carbon disclosure was calculated using the methodology set out in The Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard. This is downloadable from:

<https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

The greenhouse gas emission factors used in the calculations were the 2020 UK Government conversion factors for company reporting of greenhouse gas emissions. These are downloadable from:

<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

### Energy and carbon reduction narrative

Shelter as a large energy consumer is committed to reducing its energy use and carbon footprint as part of its response to environmental issues, including the climate emergency as well as its Environmental Policy.

Shelter is still in the process of implementing recommendations from programmes of energy audits as part of the Energy Savings Opportunity Scheme (ESOS), which through a number of low/no cost and costed recommendations have provided a roadmap for us to reduce our energy consumption.

For this reporting period, our energy consumption and associated carbon footprint has halved due to the global pandemic, when for months at a time our shops were closed (or operating in limited capacity) and

staff were working from home. As we come out of the pandemic, we are seeking to implement more flexible ways of working and reducing the frequency of employee commuting and number of people in our offices, at the same time through expanding use of technology. This will have a positive impact on our energy and carbon emissions.

We have developed a new roadmap for us to engage our staff on environmental issues, including the establishment of a refreshed 'Eco Champions' programme – for which looking at behaviour change to reduce carbon emissions will be a key part.

# LEGAL AND ADMINISTRATIVE INFORMATION

## Board of Trustees

<p>Helen Baker</p> <p>Shelter Chair</p> <p>Chair – Remuneration Committee (Established 05/12/19)</p> <p>Member – Committee for Resources &amp; Internal Systems</p> <p>Member – Quality &amp; Impact Committee</p>	<p>Phillipe Lintern</p> <p>Vice Chair</p> <p>Chair – Committee for Resources &amp; Internal Systems</p> <p>Member – Remuneration Committee</p>
<p>Rob Hayward</p> <p>Chair – Scotland Committee</p>	<p>Harbinder Kaur</p> <p>Member – Committee for Resources &amp; Internal Systems</p> <p>Member – Remuneration Committee</p>
<p>Goi Ashmore</p> <p>Chair – Audit &amp; Risk Committee</p>	<p>Jackie Kileen</p> <p>Appointed – 19/09/20</p> <p>Member – Scotland Committee</p>
<p>Manpreet Dillon</p> <p>Member – Audit &amp; Risk Committee</p>	<p>Laurice Ponting</p> <p>Chair – Quality &amp; Impact Committee</p> <p>Member – Committee for Resources &amp; Internal</p> <p>Member – Safeguarding Panel</p>
<p>Prem Goyal</p> <p>Member – Audit &amp; Risk Committee</p>	<p>Jonathan Simmons</p> <p>Member – Committee for Resources &amp; Internal Systems</p> <p>Member – Quality &amp; Impact Committee</p>
<p>Kezia Dugdale</p> <p>Appointed – 09/09/20</p> <p>Member – Scotland Committee</p>	<p>Jason Arthur</p> <p>Appointed – 03/11/20</p> <p>Member – Quality &amp; Impact Committee</p>

## Co-opted members

We thank the following for the support on our Committees, recognising the expert advice they provide to the organisation:

<p>Douglas White</p> <p>Vice Chair – Scotland Committee</p>	<p>Linda Bendle</p> <p>Member – Scotland Committee</p>
<p>Tony Cain</p> <p>Member – Scotland Committee</p>	<p>Ewen Fleming</p> <p>Member – Scotland Committee</p>
<p>Andrew Martyn-Johns</p> <p>Member – Audit &amp; Risk Committee</p>	<p>Leonie Foster</p> <p>Member – Quality &amp; Impact Committee</p>
<p>Catherine Jobling</p> <p>Member – Committee for Resources &amp; Internal Systems</p>	



## Executive Leadership team

Overall operational management of Shelter is delegated by the Board to the Chief Executive and the Executive Leadership team. In the 2020/21 reporting year, Shelter had six directorates:

- Services
- Communication, Policy and Campaigns
- Scotland
- Finance and Resources
- People
- Income Generation

<p>Polly Neate CBE</p> <p>Chief Executive Officer Director – Shelter Trading Company (Appointed 01/06/20)</p>	<p>David Evans</p> <p>Director for People Director – Shelter Trading Company</p>
<p>Tim Gutteridge</p> <p>Director of Finance and Resources Company Secretary Company Secretary – Shelter Trading Company Director – Shelter Trading Company (Appointed 01/06/20)</p>	<p>Alison Mohammed</p> <p>Director of Services Director – Shelter Trading Company (Appointed 01/06/20)</p>
<p>Greg Beales</p> <p>Director of Communications, Policy and Campaigning Director – Shelter Trading Company (Appointed 01/06/20 – Resigned 06/11/2020)</p>	<p>Andy Harris</p> <p>Director of Income Generation &amp; Interim Director of Communications, Policy &amp; Campaigning Director – Shelter Trading Company (Appointed 01/06/20)</p>
<p>Alison Watson</p> <p>Director of Shelter Scotland (Appointed 01/06/20) Director – Shelter Trading Company (Appointed 01/06/20)</p>	<p>Osama Bhutta</p> <p>Director of Communications, Policy and Campaigning (Joined 09/08/21)</p>

### Solicitors

Bates Wells & Braithwaite London LLP, trading as Bates Wells

10 Queen Street Place, London EC4R 1BE

### External auditor

BDO LLP

55 Baker Street, Marylebone, London W1U 7EU

### Internal auditor

KPMG

8th Floor East, 15 Canada Square, Canary Wharf, London E14 5GL

### Investment managers

Cazenove Capital Management (part of the Schroders Group)

1 London Wall, London EC2Y 5AU

### Principal bankers

Lloyds Bank

4th Floor, 25 Gresham Street, London EC2V 7HN





# OUR FINANCES



# OUR FINANCES

## Financial review

Covid-19 had a significant impact on Shelter's finances in 2020/21, in particular due to lost income resulting from shop closures. Despite this, financial performance has been strong, due to careful cost control alongside high donations. As a result, Shelter has generated an operating surplus of £1.31m in 2020/21, which is £0.86m higher than the prior year.

Shelter's investment portfolio has increased in value by £0.81m. This reflects the gradual recovery of markets following the Covid-19 shock experienced in late 2019/20. Including this movement, the group has generated a surplus of £2.12m.

Total income of £72.88m is broadly level with 2019/20 (decrease of £0.13m or 0%).

Retail income is down by £3.77m on the prior year. Over six months of shop closures due to Covid-19 restrictions resulted in sales being £5.17m lower than the prior year, though this was mitigated by increased online sales as we adapted our business model in response to the pandemic. We intend to grow our e-commerce offer further in 2021/22. Our retail chain received £2.38m of government support, in the form of the Job Retention Scheme (furlough) and support grants for shops.

The decline in retail income is largely offset by a significant increase in donations and legacies, up £5.62m (14%) on 2019/20 to £46.67m in 2020/21. Support from our donors throughout the pandemic has been overwhelming. The success of our annual Winter Campaign and two emergency appeals has enabled us to continue delivery throughout 2020/21 without needing to make any significant cuts. A £1.47m grant from the National Emergencies Trust meant we could increase capacity on our helpline to provide more emergency advice at a time when demand was high.

Legacies have totalled £4.82m, which is down £1.80m (27%) on 2019/20. Year-on-year fluctuations are normal for this income stream, as the size of legacies varies considerably. However, the pandemic has meant 2020/21 income has been lower than it otherwise would have been, due to significant probate delays. We expect to see an increase in legacy income once probate delays are resolved, but that may be in 2022/23 rather than 2021/22.

Grant and contract income of £16.13m has decreased by £1.72m (10%) from the prior year. This is primarily due to a decline in Legal Aid Agency income. Restrictions on evictions have decreased the number of cases taken on by our solicitors, while social distancing has meant that courtrooms have been closed for much of the year.

Shelter utilised the Job Retention Scheme during 2020/21, meaning that the UK government contributed to the salaries of colleagues who could not work (i.e. were furloughed) as a result of the pandemic. Most retail colleagues were furloughed during periods of nationwide shop closures, and other colleagues were furloughed at other times, for example receptionists were on furlough while offices and service hubs were closed. Income from the Job Retention Scheme totalled £2.60m across the organisation in 2020/21.

Total expenditure of £71.57m has decreased by just under £1m (1%) since 2019/20. Costs have been reduced or delayed where possible to mitigate the financial impact of the pandemic, for example through temporary recruitment freezes. In other cases, costs have decreased because government restrictions have prevented work from going ahead. For example, social distancing measures meant that face-to-face fundraising was not permitted during some of the year, leading to a decrease in agency staff costs compared to 2019/20 (see note 9 to the accounts for further details). However, as noted above, a significant increase in donations has meant that large cuts in expenditure have not been required.

Direct retail costs of £9.52m are down £1.32m (12%) on 2019/20. Business rates were paused in 2020/21 in response to the pandemic. We negotiated rent reductions and rent-free periods with our landlords in response to shop closures. The support cost allocation to retail has increased in 2020/21 due to a change

in methodology, meaning that overall retail costs have increased by £1.28m (12%) to £12.15m. Further information can be found in note 7 to the accounts.

Expenditure on telephone and online advice services increased by £0.65m (9%) as a result of the National Emergencies Trust funding discussed above (offset by other savings).

Under the requirements of the 2015 Statement of Recommended Practice (SORP), Shelter separates its funds into restricted and unrestricted. Full information on Shelter's funds can be found in note 16 to the accounts.

The £2.12m surplus generated in 2020/21 is comprised of a £1.33m restricted surplus, relating to grants or donations restricted to a particular purpose which have not yet been spent, and a £0.79m unrestricted surplus. The unrestricted surplus is the net of a £1.64m increase in funds designated for particular purposes by the Board and a £0.85m decrease in general funds, also known as reserves.

The trading company (Shelter Trading Limited) made a distribution of £0.42m to the charity, down from £0.81m in 2019/20. The trading company's income comprises corporate sponsorship partnerships as well as the sale of purchased stock through retail. (The sale of donated stock is recognised in the charity.) The decrease in distribution is a result of lower income from corporate sponsorships.

## Reserves and other funds

Shelter's reserves, shown on the balance sheet as 'general funds', are its unrestricted funds not designated by the Board for any other purpose. They provide resilience in the event of financial shocks, such as an unexpected decline in income.

The Reserves Policy determines the target level for reserves. This is based on a schedule of risks which is reviewed by the Board annually or in the event of a significant change to Shelter's risk profile. In the event of a risk materialising, reserves may fall below the target level, but plans must be put in place to return them to the target level within the following 3 years.

Shelter's Reserves Policy target level was £10.50m during 2020/21. At 31 March 2021, reserves are £4.16m higher than this, at £14.66m. Some excess reserves will be utilised in 2021/22, due to the commencement or recommencement of projects which were delayed in 2020/21 in response to the pandemic. Plans to utilise the remainder of the excess reserves will be developed as part of planning for Shelter's 2022-25 strategic period.

Moving into 2021/22, the Board has reduced the Reserves Policy to £8.90m. This reduction reflects a decrease in financial risk. The Covid-19 vaccine roll-out in England and Scotland means that income losses resulting from government restrictions are less likely than they were a year ago. The economy is now recovering, reducing the risk of reductions in donations. Should this situation change, the experience of 2020/21 demonstrates that Shelter would be able to increase income and/or decrease expenditure in response, meaning that it is not necessary to hold high levels of reserves to mitigate risk.

Reserves have declined by £0.85m year-on-year, despite Shelter having generated an unrestricted surplus. This is due to transfers from reserves to designated funds, which are unrestricted funds designated by the Board for a specific purpose.

Shelter has three designated funds: the Revaluation Reserve, the Property and Fixed Asset Fund and the Strategic Investment Fund.

The Revaluation Reserve and Property and Fixed Asset Fund relate to Shelter's fixed assets. Transfers totalling £1.24m have been made from reserves into these funds, to reflect the increase in fixed assets in 2020/21. This increase has primarily been driven by the implementation of new IT systems.

The Strategic Investment Fund was created in 2018/19 to invest in activity to help Shelter achieve its 10-year strategy, and is funded by unrestricted legacies greater than £0.75m. Trustees chose to transfer an additional £1.60m to this fund during 2020/21, to ensure that some of the strong financial performance

outlined in the financial review above was invested in projects with long-term benefits for the organisation. At 31 March 2021, the Strategic Investment Fund balance is £2.31m.

Further information on Shelter's funds can be found in note 16 to the accounts.

## Investments

Shelter's investment managers, Cazenove Capital, manage the investment fund within the parameters set out in the Investment Policy set by the Board. The Committee for Resources and Internal Systems has responsibility for reviewing the performance of the funds.

Shelter is a social justice organisation which seeks to invest ethically. As such, Shelter's Investment Policy generally excludes from the portfolio organisations whose primary business relates to alcohol, arms, gambling, high interest rate lending, housing and property development, oil, coal and gas, pornography and the sex industry, or tobacco. During 2020/21, Shelter's investments have been moved into Cazenove's Responsible Multi-Asset Fund (RMAF), a pooled fund specifically created for the charitable sector, which enables these general exclusions to be made while also delivering a strong return.

During 2020/21, investments have increased in value by £0.81m or 17%. This gain represents the recovery of over half the loss generated in 2019/20, following the market shock caused by Covid-19. The gain in 2020/21 has arisen partly due to market recovery and partly due to the transfer to RMAF.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Strategic Report, the Annual Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Disclosure of information to auditors

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charitable company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

### Auditor

BDO LLP were appointed as the charity's auditors during the 2019/20 financial year and have expressed their willingness to continue in that capacity.

The Trustees' Annual Report, which includes the Strategic Report, has been approved by Trustees on 23<sup>rd</sup> September 2021 and signed on their behalf by:



Helen Baker

Chair of the Board of Trustees

23<sup>rd</sup> September 2021



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF SHELTER, THE NATIONAL CAMPAIGN FOR HOMELESS PEOPLE LIMITED

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

We have audited the financial statements of Shelter ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the charity and group balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of 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).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

## Conclusions related 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 Group and the Parent 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. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Trustees' Annual Report. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the 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, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 Statement of Trustees' responsibilities, 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 determines 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 Group's and the Parent 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 Group or the Parent 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be Charities Acts, Companies Act 2006, UK GAAP, Charities SORP, fundraising regulations and tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the Association is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meeting of those charged with governance, and reviewing correspondence with HMRC;
- Reviewing on a sample basis income transactions recognised in the year to confirm existence and accuracy of the underlying transaction, in addition we have for all material income streams performed specific cut-off procedures to ensure income has been recognised in the correct period;

- Challenging assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the legacy accrual and the dilapidations provision; and
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular any journals posted to cash and material journal adjustments.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

### **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 the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees 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, 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.



Laurence Elliott (Senior Statutory Auditor)  
 For and on behalf of BDO LLP, statutory auditor  
 London, UK

Date: 27th October 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# FINANCIAL STATEMENTS

## Consolidated Statement of Financial Activities

For the year ended 31 March 2021 (incorporating income and expenditure accounts)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Income from:</b>					
Donations and legacies	2	41,184	5,486	46,670	41,049
<b>Charitable activities:</b>					
Grants and contracts	5	10,101	6,029	16,130	17,845
Training and resources for housing professionals	5	454	1,190	1,644	1,903
Other	5	615	479	1,094	916
Retail operations	3	7,175	-	7,175	10,942
Investments	4	170	-	170	353
<b>Total income</b>		<b>59,699</b>	<b>13,184</b>	<b>72,883</b>	<b>73,008</b>
<b>Expenditure on:</b>					
Raising donations and legacies	2	13,003	432	13,435	14,443
Retail operations		12,001	-	12,001	10,875
<b>Charitable activities:</b>					
Housing advice and support:					
Face-to-face advice		13,130	4,701	17,831	17,888
Intensive support		10,252	1,698	11,950	13,412
Telephone and online advice services		5,477	1,863	7,340	6,694
Training and resources for housing professionals		1,893	2,883	4,776	5,337
Campaigning		2,263	131	2,394	1,962
Research and policy		1,701	143	1,844	1,949
<b>Total expenditure on charitable activities</b>		<b>34,716</b>	<b>11,419</b>	<b>46,135</b>	<b>47,242</b>
<b>Total expenditure</b>	7	<b>59,720</b>	<b>11,851</b>	<b>71,571</b>	<b>72,560</b>
<b>Net income / (expenditure) before investment gains / (losses)</b>		<b>(21)</b>	<b>1,333</b>	<b>1,312</b>	<b>448</b>
Net gains/(losses) on investments	12	807	-	807	(1,544)
<b>Net income/(expenditure) for the year</b>	20	<b>786</b>	<b>1,333</b>	<b>2,119</b>	<b>(1,096)</b>
Reconciliation of funds:					
Fund balances at the start of the year	22	27,219	1,820	29,039	30,135
<b>Fund balances at the end of the year</b>	16, 18	<b>28,005</b>	<b>3,153</b>	<b>31,158</b>	<b>29,039</b>

# Charity and Group Balance Sheets

As at 31 March 2021

	Notes	Group		Charity	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Fixed assets</b>					
Tangible fixed assets	11	11,035	9,793	11,035	9,793
Investments	12	5,922	4,717	6,002	4,797
Investments - cash deposits	12	1,570	1,937	1,570	1,937
<b>Total fixed assets</b>		<b>18,527</b>	<b>16,448</b>	<b>18,607</b>	<b>16,527</b>
<b>Current assets</b>					
Stock		71	30	-	-
Debtors	13	9,621	15,104	9,602	15,092
Cash at bank		13,349	6,931	13,325	6,913
<b>Total current assets</b>		<b>23,041</b>	<b>22,065</b>	<b>22,927</b>	<b>22,005</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	6,917	6,019	6,899	6,054
<b>Net current assets</b>		<b>16,124</b>	<b>16,046</b>	<b>16,028</b>	<b>15,951</b>
<b>Total assets less current liabilities</b>		<b>34,651</b>	<b>32,494</b>	<b>34,635</b>	<b>32,478</b>
Provisions for liabilities and charges	15	3,493	3,454	3,493	3,454
<b>Net assets</b>		<b>31,158</b>	<b>29,039</b>	<b>31,142</b>	<b>29,024</b>
<b>Accumulated funds:</b>					
<b>Unrestricted income funds:</b>					
General funds	16	14,661	15,510	14,645	15,495
Designated funds	16	13,344	11,709	13,344	11,709
Restricted income funds	17	3,114	1,781	3,114	1,781
Permanent endowment fund	16	39	39	39	39
<b>Total charity funds</b>		<b>31,158</b>	<b>29,039</b>	<b>31,142</b>	<b>29,024</b>

The net movement in funds for the year for the charity only was £1,311,654 (2020: £448,150), not including gains/losses on investments.

The charity only income was £72,438,186 (2020: £72,594,519) less expenditure of £71,126,533 (2020: £72,146,369).

The financial statements were approved by the Board of Trustees and authorised for issue on 23<sup>rd</sup> September 2021.

They were signed on its behalf by:



**Helen Baker**

**Chair of the Board of Trustees**

Date of signing: 23<sup>rd</sup> September 2021

Shelter company registration number 1038133

# Consolidated Cash Flow Statement

Year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
<b>Cash flows from operating activities</b>			
Net income/(expenditure) for the year		2,119	(1,096)
Adjustments for:			
Depreciation charges	11	1,132	1,505
(Gains)/losses on investments	12	(807)	1,544
Income from investments		(170)	(353)
(Increase)/decrease in stocks		(41)	(12)
(Increase)/decrease in debtors		5,483	1,036
Increase/(decrease) in creditors		898	1,567
Increase/(decrease) in provisions	15	40	256
<b>Net cash in / (out)flow from operating activities</b>		<b>8,654</b>	<b>4,447</b>
<b>Cash flows from investing activities</b>			
Income from investments		170	353
Purchase of fixed assets	11	(2,374)	(1,607)
Purchase of investments	12	(5,969)	(1,239)
Sale of investments	12	5,570	1,673
(Increase)/decrease in investment cash	12	367	509
<b>Net cash in / (out) flow from investing activities</b>		<b>(2,236)</b>	<b>(311)</b>
<b>Change in cash in the year</b>		<b>6,418</b>	<b>4,136</b>
Cash and cash equivalents at the beginning of the year		6,931	2,795
<b>Cash at the end of the year</b>		<b>13,349</b>	<b>6,931</b>
<b>Net funds reconciliation</b>			
	1 April 2020 £'000	Cash flows £'000	31 March 2021 £'000
Cash at bank and in hand	6,931	6,418	13,349
<b>Net cash</b>	<b>6,931</b>	<b>6,418</b>	<b>13,349</b>

# Notes to the financial statements

## 1. Accounting policies

### a) Basis of accounting

Shelter is a public benefit entity as defined under Financial Reporting Standard 102 (FRS102). The accounts have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 2018), and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102.

For freehold property, Shelter has taken the option afforded by FRS102 to value at deemed cost. See (g) below for further details. Listed investments are held at fair value. All other assets have been valued at historical cost.

### b) Going concern

Shelter's financial statements have been prepared on the going concern basis. An organisation is a going concern if it is expected to continue operations for the next twelve months. Shelter's trustees have assessed Shelter's ability to continue as a going concern for twelve months after the signing of the 2020/21 accounts, i.e. until September 2022.

Shelter's income, expenditure and cashflow have been projected up to September 2022, taking into account the adverse financial impact of the COVID-19 pandemic and resultant social distancing. Given the gradual removal of restrictions, Shelter is expecting significantly less adverse financial impact from COVID-19. In particular retail activities and events fundraising are expected to proceed in line with plans.

2021/22 will see a significant amount of investment in our refreshed brand and fixed assets, to ensure Shelter's digital and property estate support our strategic objectives. As a result, expenditure, both revenue and capital, is expected to exceed income in the year. The high level of closing reserves and cash from 2020/21 mean that this will not present a threat to the Group's solvency nor liquidity.

Projections for 2022/23 show a balanced outlook, with both cash and reserves remaining above policy levels.

Sensitivity analysis has been carried out to project the impact on cashflow of potential risks, including reimposition of COVID-19 restrictions over the winter period. This would result in a reduction in retail and events income, requiring either the utilisation of the charity's overdraft facility (currently confirmed up to March 2022), or part-liquidation of investments. In either case the Group has sufficient resources to ensure it can continue to operate as a going concern.

After considering the current level of reserves and cash, the forecast to September 2022 and related sensitivities, and the mitigation actions available to the business, it is the opinion of the Trustees that the Group has adequate financial resources to continue its activities for the foreseeable future. Accordingly, these financial statements have been prepared using the going concern basis of preparation and a material uncertainty does not exist.

### c) Group accounts

Group accounts have been prepared for Shelter, The National Campaign for Homeless People Limited, and its wholly owned subsidiary company, Shelter Trading Limited, in accordance with the requirements of FRS102. The accounts have been consolidated on a line by line basis to include the results of Shelter Trading Limited. The results of Shelter Trading Limited are shown in note 21. In accordance with section 408 of the Companies Act 2006, no individual statement of financial activities has been prepared for the parent company, Shelter, The National Campaign for Homeless People Limited.

### d) Income

Income is included in the consolidated statement of financial activities when the charity is entitled to the income, it is probable the income will be received, and the amount can be quantified with reasonable accuracy. If all three criteria are met in advance of cash being received, income is accrued. Accrued income sits within debtors (see note 13). If any of the three criteria have not been met when cash is received, income is deferred. Deferred income sits within creditors (see note 14).

The following specific policies apply to categories of income:

- (1) The full value of a legacy is recognised as income when probate has been granted and Shelter is satisfied the amount receivable can be reliably measured.
- (2) Grant income is recognised when Shelter has satisfied each of the performance conditions set out by the donor, or when achievement of conditions is within our control, and it is reasonable to assume they will be achieved.
- (3) Contract income is recognised to the extent that goods/services have been delivered as set out in the contract.



**e) Expenditure**

Expenditure is accounted for on an accruals basis, meaning that it is recognised when goods or services are received. The statement of financial activities shows the costs of raising donations and legacies, retail operations and charitable activities. Each of these categories includes a proportion of support costs, comprising finance, IT, HR, facilities, in-house design and creative, and other corporate costs. These have been allocated to each category on the basis of full-time equivalent staff numbers, because that is the main driver of costs in the charity (see note 7).

**f) Donated services and gifts in kind**

Donated services and gifts in kind are included in the statement of financial activities where their value is ascertainable and material. The value of the contribution to Shelter is based on either market value or the amount Shelter would have paid for equivalent goods or services. Income is included under donations and legacies. An equal amount of expenditure is included under the relevant category, as determined by the nature of the goods or services. The net impact on the net income or expenditure for the year is nil. Volunteers' time has not been valued and is not included in the accounts.

**g) Tangible assets and depreciation**

Assets costing more than £1,000 which are intended to be in use for more than twelve months are capitalised as fixed assets. Other than freehold property, all categories of fixed assets are held on the balance sheet at historic cost less accumulated depreciation. Freehold property is held at market value as at 31 March 2014 less accumulated depreciation on the buildings. On transition to FRS102, the market value is deemed as cost at 1 April 2014.

Depreciation allocates the cost of a fixed asset over its useful life. The cost is recognised under the relevant category of cost in the statement of financial activities, depending on how the asset is used. At Shelter, depreciation is charged on a straight-line basis, meaning that the charge remains the same throughout the life of an asset. The useful lives of Shelter's assets are deemed to be as follows:

Freehold buildings	50 years
Short-leasehold buildings	In line with the lease term
Freehold improvements	10 years
Furniture and fittings	4 years
Computer and office equipment	3 years
Vehicles	3 years

Freehold land on which buildings are constructed is not depreciated.

Freehold buildings may contain components with useful lives below 50 years. Where the impact is material, these components are held separately from the main building and are depreciated over their useful lives, which are determined on a case-by-case basis.

If an event occurs which indicates a material reduction in a fixed asset's carrying value, an impairment review will be carried out. Any impairment charge is recognised in the statement of financial activities.

**h) Dilapidations**

All dilapidation costs are provided for. Leases on Shelter's shops and offices usually include a contractual obligation for Shelter to return the property to its original condition at the end of the lease. The costs of doing this are estimated by a chartered surveyor at the commencement of the lease. Shelter recognises a provision and corresponding cost at that point. The provision is reviewed throughout the lease term. Dilapidation costs are payable on lease termination.

**i) Investments**

Listed investments, such as shares and bonds, are held at market value. Any realised or unrealised gains resulting from movements in investments and changes in valuations are reflected in the statement of financial activities and are accounted for in the relevant fund (see (k) below). Other investments are held at cost. These include investments in unlisted shares, and the investment in subsidiary company Shelter Trading Limited on the balance sheet of Shelter, The National Campaign for Homeless People Limited.

**j) Stock**

Stock consists of purchased goods held for resale by Shelter Trading Limited. Donated stock held for resale is not recognised as stock as it is not practicable to value it reliably. Stock is stated at the lower of cost or net realisable value. The income from sale of stock is recognised at point of sale.

**k) Fund accounting**

Due to the constraints of law and donor-imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds represent the accumulated surplus on unrestricted income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity (see report of the trustees).

Designated funds are funds that have been set aside by the Board for a specific purpose. An analysis of designated funds is provided in note 16 to the financial statements.

Included in designated funds is a freehold property and fixed asset fund that represents the net book value of Shelter's freehold property and fixed assets. This fund has been separated from the general fund in recognition of the fact that the freehold property and fixed assets are used in Shelter's day-to-day work, and the fund value would not be easily realisable if needed to meet future liabilities.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. Further detail on restricted funds is provided in note 17.

The endowment fund comprises a capital sum donated with the restriction that the money is invested and only the income arising is available for expenditure.

**l) Operating leases**

Rental expenditure applicable to operating leases is credited or charged to the consolidated statement of financial activities on a straight-line basis, in the period to which the cost relates.

**m) Pension costs**

Contributions to the company's defined contribution pension scheme are charged to the consolidated statement of financial activities in the year in which they are payable to the scheme.

**n) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**o) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**p) Financial instruments**

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**q) Significant judgements and estimates**

Key judgements that Shelter has made which have a significant impact on the accounts include legacy income (see (d)(1) above and note 2 below) and dilapidations provisions (see note 15). The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

## Income and expenditure

### 2. Donations and legacies: income and expenditure

	2021 Unrestricted £'000	2021 Restricted £'000	2021 Total £'000	2020 Total £'000
<b>Income from donations and legacies:</b>				
Individuals	31,313	835	32,148	28,458
Donated services	1,346	-	1,346	544
Charitable foundations	1,318	2,777	4,095	1,533
Corporate donors	2,536	1,725	4,261	3,898
Legacies	4,671	149	4,820	6,616
<b>Total</b>	<b>41,184</b>	<b>5,486</b>	<b>46,670</b>	<b>41,049</b>
<b>Expenditure on raising donations and legacies:</b>				
Direct staff costs	5,951	13	5,964	7,156
Direct non-staff costs and allocated support costs	7,052	419	7,471	7,287
<b>Total</b>	<b>13,003</b>	<b>432</b>	<b>13,435</b>	<b>14,443</b>

Shelter has been notified of legacies with an estimated value of £8.60m (2019: £4.93m) which have not been included in income for the year ended 31 March 2021, because either probate has not been received or Shelter is not satisfied that the amount receivable can be reliably measured.

Restricted non-staff costs of raising donations and legacies are funds passed on to partners in grant agreements where Shelter is the lead partner. Unrestricted non-staff costs of raising donations and legacies are primarily the costs of developing and distributing fundraising materials, and allocated support costs (see note 7).

### 3. Retail operations: income and expenditure

	2021 Unrestricted £'000	2021 Restricted £'000	2021 Total £'000	2020 Total £'000
<b>Income from retail operations:</b>				
Donated goods	3,982	-	3,982	9,423
Purchased goods	636	-	636	367
Retail, Hospitality and Leisure Grants	860	-	860	711
HMRC Job Retention Scheme (furlough)	1,521	-	1,521	-
Other	176	-	176	441
<b>Total</b>	<b>7,175</b>	<b>-</b>	<b>7,175</b>	<b>10,942</b>
<b>Expenditure on retail operations:</b>				
Direct staff costs	4,448	-	4,448	4,378
Direct non-staff costs and allocated support costs	7,553	-	7,553	6,496
<b>Total</b>	<b>12,001</b>	<b>-</b>	<b>12,001</b>	<b>10,874</b>
<b>Net income available for charitable application</b>	<b>(4,826)</b>	<b>-</b>	<b>(4,826)</b>	<b>68</b>

A number of Shelter's shops became eligible for Retail, Hospitality and Leisure Grants (England) and Small Business Grants (Scotland) in March 2020 as part of the governmental response to the COVID-19 pandemic and resultant lockdown measures.

The retail chain has been loss making in 2020/21. This is because sales income from donated goods was significantly reduced due to shops being closed for over six months of the year as part of the government's COVID-19 response. The loss has been partially mitigated by income from COVID business support grants and furlough income. In addition, we have developed our Ecommerce operation to drive additional income from online sales of new and donated goods.

Direct retail costs have declined year-on-year. Total retail costs have increased, because the method for allocating support costs has been updated to better reflect the operational resources required to run the retail chain.

Other retail income and expenditure primarily relates to the recycling of stock ineligible for resale, and house clearances and furniture collections.

#### 4. Income from investments

	2021 £'000	2020 £'000
Interest on cash at bank	11	36
Dividends from listed securities	159	317
<b>Total</b>	<b>170</b>	<b>353</b>

#### 5. Income from charitable activities

	2021 Unrestricted £'000	2021 Restricted £'000	2021 Total £'000	2020 Total £'000
<b>Central government grants and contracts:</b>				
Scottish government grants	42	498	540	618
Ministry of Justice contracts	3,994	-	3,994	4,008
Ministry of Housing, Communities and Local Government grants and contracts	150	1,858	2,008	2,501
HMRC Job Retention Scheme (furlough)	1,079	-	1,079	-
<b>Other public body grants and contracts:</b>				
Legal Aid Agency contracts	1,254	-	1,254	2,617
Local authority grants and contracts	2,952	1,973	4,925	5,556
National Lottery grants	85	1,408	1,493	1,426
Other agencies grants and contracts	545	292	837	1,119
<b>Total statutory grant and contract income</b>	<b>10,101</b>	<b>6,029</b>	<b>16,130</b>	<b>17,845</b>
Income from training and resources for housing professionals	454	1,190	1,644	1,903
Other income	615	479	1,094	916
<b>Total income from charitable activities</b>	<b>11,170</b>	<b>7,698</b>	<b>18,868</b>	<b>20,664</b>

Grant and contract income funds housing advice and support, and training and resources for housing professionals. Other income is primarily comprised of grants from organisations which do not fall into any of the categories above, for example grant-giving charities. Other income does not include trusts and foundations, as income from these bodies is included under donations and legacies (see note 2).

Total income received under government support schemes in response to the pandemic was £3.48m, this comprised of £0.89m in retail grants (see note 3), and £2.60m in relation to the HMRC Job Retention Scheme. Of that relating to the Job Retention Scheme £1.52m was in relation to retail staff (see note 3) and £1.08m relating to non-retail staff (see note 5) who were unable to perform their roles as a result of government restrictions, for example most of our direct dialogue fundraising function.

Under the conditions of the scheme no staff funded by UK government grants and contracts were eligible and therefore all furlough relates to employees of Shelter paid for out of Shelter's unrestricted funds or following agreement with the relevant restricted donors.

## 6. Contracts and grants from local authorities

Listed below are grants from and contracts with local authorities in excess of £2,000 recognised in the year ended 31 March 2021. The list is prepared in compliance with section 37 of the Local Government and Housing Act 1989.

Funder	Purpose of funding	Income 2021 £'000	Expenditure 2021 £'000
<b>District, borough and county councils in England and Wales:</b>			
Birmingham City Council	Supporting rough sleeper clients who have other needs to access housing of their choice and provide support to enable them to sustain their tenancy.	388	484
Birmingham City Council	Support for rough sleeper clients who have not previously engaged with services.	91	91
Birmingham City Council	Provides a single point of access for single people and childless couples who are homeless or at risk of homelessness	138	94
Blackburn with Darwen Borough Council	Provides welfare and debt information and advice services within the Borough of Blackburn with Darwen.	185	166
Blackburn with Darwen Borough Council	Supported accommodation pilot to create an informed view of the provision of Support within the borough, taking account of the different standards currently provided and the issues facing residents.	12	1
Borough Council of Kings Lynn & West Norfolk	Provide a free, impartial confidential advice to the residents of the district of King's Lynn & West Norfolk regardless of race, religion, gender, sexual orientation, age, marital status or disability.	60	55
Dorset County Council	provide Family Support Packages made up of specialist housing, debt, money management and welfare benefits advice and support to ensure families are able to sustain their homes.	110	108
London Borough of Hackney	Intensive support of families at risk of homelessness funding for one advice, support & guidance worker to provide specialist level housing & homelessness help to residents in Hackney via face to face, telephone and online support.	50	50
London Councils	Supporting migrants and refugees with No Recourse to Public Funding, as part of Supporting Tenancies, Accommodation and Reconnections project.	151	146
London Councils	To provide support to voluntary homelessness service organisations and ensure they are aware of the policies affecting their clients.	42	41
London Councils	Providing specialist prevention support for adults at risk of experiencing homelessness in partnership with Thames Reach, Stonewall Housing, Praxis and St Mungo's.	1,000	1,004
London Councils	As part of the London Youth Gateway, Shelter provides specialist advice, support & guidance on any housing or homelessness issue to young people between 16-25 years old.	49	49
Norfolk County Council	Linking health, social services, advice and community resources to maximise outcomes for individuals and reduce pressures on public services.	47	46
Norwich City Council	Debt prevented and/ or reduced and improved financial capability	16	16
Oxford City Council	Sustaining the client in suitable housing or work with the client to secure suitable housing.	50	42
Sheffield City Council	Provides support, help and advice for the most vulnerable households in Sheffield by providing packages of support to ensure that homelessness do not re-occur.	52	44
Sheffield City Council	Provides both practical assistance and support to help people who are at risk of losing their home, and those who have been homeless to recover quickly, settle into their accommodation and sustain a positive lifestyle in the community.	877	985

Sheffield City Council	A specialist non-clinical support service for people with drug and alcohol misuse in a vulnerable housing situation.	327	300
Southwark Council	Preventative advice and support on homelessness issues, advice on statutory homelessness applications, support to access private rented sector accommodation & access to Shelter London Hubs including Information Resource centre.	126	129
Sunderland City Council	To contribute to preventing homelessness in Sunderland through the delivery of specialist housing advice within Sunderland, hosted by Community Housing.	54	31
West Midlands Combined Authority (Birmingham)	One-off Local Authority hardship grant for an unrestricted project.	7	7
Westminster Borough Council	Provision of frontline housing advice, homelessness prevention and support services	384	403
Dorset Council	Specific Local Authority funding for hardship payments.	4	4
<b>Total</b>		<b>4,220</b>	<b>4,296</b>
<b>Local authorities in Scotland:</b>			
Aberdeen Council	Housing advice for households at risk of homelessness through legal proceedings.	110	76
Dumfries & Galloway Council	Provision of housing support to homeless people tailored to their assessed individual support needs.	293	404
Dundee Council	Support Big Lottery/ESF Financial Inclusion participants in relation to money management skills, debt and financial resilience.	32	31
Dundee Council	To provide advice, support and guidance to those at risk of homelessness in Dundee.	58	103
Glasgow City Council	To establish a locally responsive model for homeless individuals with multiple and complex needs in Glasgow.	42	215
North Lanarkshire Council	Independent advocacy in relation to housing issues for eligible persons in North Lanarkshire	20	13
South Lanarkshire Council	Client-focused housing support service for families affected by homelessness and who have complex needs across the South Lanarkshire area.	150	149
<b>Total</b>		<b>705</b>	<b>991</b>
<b>De minimis contracts and grants:</b>			
Various	Other grants and contracts: income <£2k	1	1
<b>Total</b>		<b>1</b>	<b>1</b>

Local authority grants and contracts for the prior year are shown in note 22.

## London Councils

<b>London Councils Grant Summary</b>	<b>Grant awarded £</b>	<b>Grant spent £</b>
Lead Partner-Shelter	452,674	459,474
Delivery partner-Thames Reach	397,236	413,169
Delivery partner- St Mungo's	40,182	42,065
Delivery partner- Stonewall Housing	110,000	110,000
<b>Total</b>	<b>1,000,092</b>	<b>1,024,708</b>

<b>Expenditure on:</b>	<b>Grant awarded £</b>	<b>Grant spent £</b>
Staffing	753,998	766,385
Running cost*	100,876	116,226
Premises cost	47,577	50,658
Central overheads	97,641	91,439
<b>Total</b>	<b>1,000,091</b>	<b>1,024,708</b>

\*Running cost is comprised of travel & subsistence, IT & communication, translation, direct office cost, marketing cost, training cost, recruitment cost and client related cost.

Shelter received £1,000,092 from London Councils during financial year 2020/21. There was an underspend in 19/20 of £3,403 for supporting tenancies, accommodation, and reconnections. This underspend (£3,403) was deducted from the 20/21 grant amount by London Councils.

Shelter works in partnership with other organisations to deliver this project. As lead partner, Shelter receives all income from London Councils and distributes it to the other partners.

Shelter has paid a total of £547,418 to partner organisations in 2020/21, as shown in the table above.

The entirety of the grant, including the portion retained by Shelter and that distributed to partners, has been spent in accordance with the grant agreement.

Total overspend on this project is £24,616. Thames Reach overspent by £15,933, Shelter by £6,800 and St Mungo's overspent by £1,883. Shelter has a B/F balance of £292 from FY 18/19 and this has been approved by London Councils to be used in FY 21/22.

**London Councils Grant Summary - Praxis expansion**

	<b>Grant awarded £</b>	<b>Grant spent £</b>
Lead Partner-Shelter	29,510	18,424
Delivery partner-PRAXIS	121,424	103,694
<b>Total</b>	<b>150,934</b>	<b>122,118</b>

<b>Expenditure on:</b>	<b>Grant awarded £</b>	<b>Grant spent £</b>
Staffing	111,988	95,240
Running cost*	13,379	8,271
Premises cost	6,450	-
Central overheads	19,117	18,607
<b>Total</b>	<b>150,934</b>	<b>122,118</b>

\*Running cost is comprised of travel & subsistence, IT & communication, translation, direct office cost, marketing cost, training cost, recruitment cost and client related cost.

Shelter received £150,934 from London Councils during financial year 2020/21 in relation to immigration advice services for the service users with "No Recourse to Public Funding" as part of the STAR expansion project.

Shelter works in partnership with the Praxis organisation to deliver this project. As lead partner, Shelter receives all income from London Councils and distributes it to the other partners.

Shelter has paid a total of £121,424 to the partner organisation for the 2020/21 financial year, as shown in the table above.

The entirety of the grant, including the portion retained by Shelter and that distributed to partners, has been spent in accordance with the grant agreement.

Total actual underspend on this project is £28,817. Praxis underspent by £17,730 and Shelter by £11,086. The underspend will be used to extend the project into FY 21/22.



## 7. Direct and apportioned costs

### (a) Breakdown of direct costs and apportioned support costs by type

	Direct costs	Apportioned support costs	Total costs 2021	Total costs 2020
	£'000	£'000	£'000	£'000
<b>Expenditure on:</b>				
Raising donations and legacies	11,860	1,575	13,435	14,443
Retail operations	9,523	2,478	12,001	10,875
<b>Charitable activities:</b>				
Housing advice and support:				
Face-to-face advice	13,879	3,952	17,831	17,889
Intensive support	8,746	3,204	11,950	13,412
Telephone and online advice services	5,552	1,788	7,340	6,694
Training and resources for housing professionals	3,751	1,025	4,776	5,337
Campaigning	1,969	425	2,394	1,962
Research and policy	1,510	334	1,844	1,949
<b>Total expenditure on charitable activities</b>	<b>35,407</b>	<b>10,728</b>	<b>46,135</b>	<b>47,243</b>
<b>Total direct and apportioned costs</b>	<b>56,790</b>	<b>14,781</b>	<b>71,571</b>	<b>72,561</b>

Direct costs are directly attributable to the relevant department. Indirect support costs are apportioned on the basis of full-time equivalent staff numbers. Support costs are further broken down below.

The method for allocating support costs has been updated to better reflect the operational resources required to run the retail chain, as also referenced in note 3.

### (b) Breakdown of apportioned support costs

	2021	2020
	£'000	£'000
Human resources	3,350	3,264
Finance	1,707	1,724
Information technology	5,776	4,994
Facilities	766	1,324
In-house design and creative	1,970	1,318
Other corporate costs	1,212	261
<b>Total apportioned support costs</b>	<b>14,781</b>	<b>12,885</b>

Other corporate costs increased significantly in 2020/21 due to a large increase in accrued expenditure relating to untaken annual leave. This was due to many staff being unable to use their full allowance due to travel restrictions and social distancing, and Shelter therefore allowing staff to carry over a greater number of days into 2021/22 than policy would usually dictate.

## 8. Governance costs

	2021 £'000	2020 £'000
Fees payable to the external auditors for the audit of the group annual accounts	49	49
Fees payable to the external auditors for non-audit services	3	-
Fees payable to previous external auditors (Sayer Vincent) for other work	-	5
Internal audit	33	52
Trustee expenses, insurance and recruitment	5	27
Board and committee support costs*	48	47
<b>Total</b>	<b>138</b>	<b>180</b>

\* These costs reflect a proportion of the pay costs of the CEO, directors and support staff who support the Board and governing committees.

Governance costs are the costs of ensuring that Shelter is well managed and run. These include any costs relating to the Board of Trustees, who share ultimate responsibility for governing Shelter; and the cost of internal and external audit, which test Shelter's controls, processes and financial statements to help ensure good governance is in place.

## 9. Staff costs

### Disclosure note on directors' costs

The key management personnel of the charity comprises trustees and directors. Trustees are not remunerated. The total cost of employing the charity's directors during the year, including employer's social security and pension contributions, was £831,669 (2020: £847,409). There are adequate systems in place to manage expenses and these do not form part of directors' remuneration.

The highest paid member of staff was the CEO, whose annual salary was £132,625 (2020: £131,315). Shelter's median salary was £28,104 (2020: £27,666), which represents a ratio against the highest salary of 4.72:1. Shelter believes in and is committed to equal opportunities and offering fair pay and conditions. Shelter recognises that the attainment of equitable pay requires a pay system that is transparent and based on objective criteria. Shelter aims to pay staff a salary that is at the market median position of the relevant job market and benchmarks its salaries against service providers providing similar front-line services and with charities of comparable size and with comparable roles to ours.

Staff costs	2021 £'000	2020 £'000
Wages and salaries	39,480	37,686
Social security costs	3,686	3,490
Pension costs	2,957	2,875
Other staff-related costs	1,033	2,938
<b>Total</b>	<b>47,156</b>	<b>46,989</b>

Overall staff costs are broadly in line with 2020. Other staff-related costs have significantly decreased year-on-year due to lower expenditure on agency staff in our direct dialogue fundraising function, which was not in operation for much of the year due to government restrictions relating to the pandemic.

Redundancy and termination costs during the year were £558,877 (2020: £288,241).

Average staff headcount	2021 No.	2020 No.
Raising donations and legacies	118	112
Retail operations	209	206
Housing advice and support:		
Face-to-face advice	315	311
Intensive support	263	260
Telephone and online advice services	138	120
Training and resources for housing professionals	82	83
Campaigning	32	21
Research and policy	25	29
Support functions	153	132
<b>Total</b>	<b>1,335</b>	<b>1,274</b>

The average full-time equivalent number of employees who received emoluments (excluding pensions) in the following ranges were:

	2021 No.	2020 No.
£60,001 to £70,000	15	17
£70,001 to £80,000	5	7
£80,001 to £90,000	3	-
£90,001 to £100,000	2	3
£101,001 to £110,000	1	2
£110,001 to £120,000	-	-
£120,001 to £130,000	-	-
£130,001 to £140,000	1	1

### Volunteer contribution

Shelter has been supported by volunteers over the year in our shops, in our offices and at events. We would not have been able to achieve what we have done without their tremendous efforts.

	2021 No.	2020 No.
Group number of volunteers	2,584	3,435

The number of volunteers decreased in 2021 due to the closure of Shelter's retail shops following government restrictions.

## 10. Leasing commitments – group and charity

As at 31 March 2021, the group and charity's total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 Land and buildings £'000	Other £'000	2020 Land and buildings £'000	Other £'000
<b>Operating leases which expire:</b>				
within one year	3,127	122	3,261	66
between one and five years	5,277	137	6,588	36
after more than five years	299	-	598	-
<b>Total lease commitments</b>	<b>8,703</b>	<b>259</b>	<b>10,447</b>	<b>102</b>

## Assets

### 11. Fixed assets – group and charity

	Assets under construction £'000	Freehold buildings and improvements £'000	Short leasehold buildings £'000	Furniture and fittings £'000	Computer and office equipment £'000	Total £'000
<b>Cost or valuation</b>						
At 1 April 2020	1,199	7,000	341	5,575	6,187	20,302
Additions	1,574	-	-	461	339	2,374
Transfers	(502)	-	-	-	502	-
Disposals	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>2,271</b>	<b>7,000</b>	<b>341</b>	<b>6,036</b>	<b>7,028</b>	<b>22,676</b>
<b>Depreciation</b>						
At 1 April 2020	-	(619)	(253)	(4,716)	(4,921)	(10,509)
Charge for the year	-	(93)	(36)	(508)	(495)	(1,132)
Transfers	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>At 31 March 2020</b>	<b>-</b>	<b>(712)</b>	<b>(289)</b>	<b>(5,224)</b>	<b>(5,416)</b>	<b>(11,641)</b>
<b>Net book values</b>						
<b>At 31 March 2021</b>	<b>2,271</b>	<b>6,288</b>	<b>52</b>	<b>812</b>	<b>1,612</b>	<b>11,035</b>
At 1 April 2020	1,199	6,381	88	859	1,266	9,793

Assets under construction are comprised of office refurbishments currently underway and significant IT projects still in development.

Freehold buildings and improvements are comprised of Shelter's support office on Old Street in London. The cost of £7,000,000 is the market value as at 31 March 2014, which was taken to be deemed cost on transition to FRS102. This valuation includes £2,333,333 of land which is not depreciated.

## 12. Investments – group and charity

	2021 Equity UK £'000	2021 Equity Foreign £'000	2021 Bonds £'000	2021 Unit Trusts £'000	Group 2021 Total Inv. £'000	Group 2020 Total Inv. £'000	Charity 2021 Total Inv. £'000	Charity 2020 Total Inv. £'000
<b>Listed investments:</b>								
Investments at market value at 1 April 2020	2,798	420	964	535	4,717	6,694	4,717	6,694
Additions	328	205	208	5,228	5,969	1,239	5,969	1,239
Disposals	(3,641)	(723)	(1,205)	(1)	(5,570)	(1,673)	(5,570)	(1,673)
Net gain/(loss) for the year	515	98	33	161	807	(1,544)	807	(1,544)
<b>Listed investments</b>	-	-	-	<b>5,923</b>	<b>5,923</b>	<b>4,716</b>	<b>5,923</b>	<b>4,716</b>
Cash investments	-	-	-	-	1,570	1,937	1,570	1,937
Investment in subsidiary	-	-	-	-	-	-	80	80
<b>Total investments at 31 March 2021</b>	-	-	-	<b>5,923</b>	<b>7,493</b>	<b>6,654</b>	<b>7,573</b>	<b>6,733</b>
<b>Historical cost: Listed investments as at 31 March 2021</b>	-	-	-	<b>5,762</b>	<b>5,762</b>	<b>6,260</b>	<b>5,842</b>	<b>6,260</b>
<b>Common strategy investment funds:</b>								
JP Morgan Liquidity Fund	-	-	-	448	448	448	448	448
Royal London Asset Management	-	-	-	-	-	87	-	87
Schroders Equity UK	-	-	-	-	-	2,798	-	2,798
Schroders Equity Foreign	-	-	-	-	-	421	-	421
Schroders Bonds	-	-	-	-	-	964	-	964
SUTL Charity Responsible Multi-Asset Fund	-	-	-	5,475	5,475	-	5,475	-
<b>Cash Investments:</b>								
Schroders Cash Management	-	-	-	-	1,570	1,937	1,570	1,937
<b>Total</b>	-	-	-	<b>5,923</b>	<b>7,493</b>	<b>6,654</b>	<b>7,493</b>	<b>6,654</b>

The high levels of additions and disposals relate to a restructuring of Shelter's asset portfolio following a change in account management with Shelter's investment managers, Cazenove Ltd, to ensure assets are responsibly invested in line with Shelter's values, as outlined under the investment heading of the Financial Review.

## 13. Debtors

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	2,460	3,328	2,460	3,316
Amounts due from subsidiary companies	-	-	181	-
Taxation recoverable – Gift Aid	856	613	856	613
Taxation recoverable – VAT	70	170	70	170
Other debtors	1,330	1,736	1,330	1,736
Prepayments	1,036	1,510	1,036	1,510
Accrued income	3,869	7,747	3,669	7,747
<b>Total debtors</b>	<b>9,621</b>	<b>15,104</b>	<b>9,602</b>	<b>15,092</b>

## Liabilities

### 14. Creditors: amounts falling due within one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	1,590	2,097	1,572	2,081
Amounts due to subsidiary companies	-	-	-	51
Amounts due for taxation and social security	970	890	970	890
Other creditors	79	430	79	430
Accruals	3,997	1,840	3,997	1,840
Deferred income	281	762	281	762
<b>Total creditors</b>	<b>6,917</b>	<b>6,019</b>	<b>6,899</b>	<b>6,054</b>

Movement on deferred income	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Deferred income brought forward	762	215	762	214
Realised during year to 31 March 2021	(762)	(215)	(762)	(214)
Deferred in year to 31 March 2021	281	762	281	762
<b>Deferred income carried forward</b>	<b>281</b>	<b>762</b>	<b>281</b>	<b>762</b>

Deferred income is comprised of:

1. Grant receipts where Shelter has not yet satisfied each of the performance conditions set out by the donor, achievement of conditions is not yet within our control, or there is uncertainty as to whether they will be achieved.
2. Contract receipts where goods or services have not yet been delivered as set out in the contract.

### 15. Provision for liabilities and charges – group and charity

	2021 £'000	2020 £'000
Balance at 1 April 2020	3,454	3,198
Utilised during the year	(259)	(127)
Additions in the year	298	383
<b>Balance at 31 March 2021</b>	<b>3,493</b>	<b>3,454</b>

All dilapidation costs are provided for. Leases on Shelter's shops and offices usually include a contractual obligation for Shelter to return the property to its original condition at the end of the lease. The costs of doing this are estimated by a chartered surveyor at the commencement of the lease. Shelter recognises a provision and corresponding cost at that point. The provision is reviewed throughout the lease term. Dilapidation costs are payable on lease termination.

## Funds

### 16. Statement of funds

	Balance at 1 April 2020 £'000	Income and endowments £'000	Total expenditure £'000	Net loss on investments £'000	Transfers £'000	Balance at 31 March 2021 £'000
<b>Unrestricted income funds:</b>						
General funds	14,562	59,611	(58,425)	-	(2,842)	12,906
Unrealised investment gain	948	-	-	807	-	1,755
<b>Total general funds</b>	<b>15,510</b>	<b>59,611</b>	<b>(58,425)</b>	<b>807</b>	<b>(2,842)</b>	<b>14,661</b>
<b>Designated funds:</b>						
Revaluation reserve	5,117	-	-	-	(93)	5,024
Property and fixed asset fund	4,676	-	-	-	1,335	6,011
Strategic investment fund	1,916	88	(1,295)	-	1,600	2,309
<b>Total designated funds</b>	<b>11,709</b>	<b>88</b>	<b>(1,295)</b>	<b>-</b>	<b>2,842</b>	<b>13,344</b>
<b>Total unrestricted funds</b>	<b>27,219</b>	<b>59,699</b>	<b>(59,720)</b>	<b>807</b>	<b>-</b>	<b>28,005</b>
Restricted income funds (note 17)	1,781	13,184	(11,851)	-	-	3,114
Permanent endowment - John Rees Fund	39	-	-	-	-	39
<b>Total restricted funds</b>	<b>1,820</b>	<b>13,184</b>	<b>(11,851)</b>	<b>-</b>	<b>-</b>	<b>3,153</b>
<b>Total funds as at 31 March 2021</b>	<b>29,039</b>	<b>72,883</b>	<b>(71,571)</b>	<b>807</b>	<b>-</b>	<b>31,158</b>

The statement of funds for the prior year is shown in note 22.

#### Strategic investment fund

The first unrestricted legacy with a value exceeding £750,000 recognised in a given financial year will be split between funds. The first £750,000 will be recognised in general funds and utilised in day-to-day operations as normal. Any value above £750,000 will be recognised in the Strategic Investment Fund and designated for investment in strategically aligned projects. Subsequent unrestricted legacies exceeding £750,000 recognised in the same financial year will be designated in their entirety.

#### Revaluation reserve

Prior to 2014, Shelter held the Old Street support office at market value, as determined by periodic valuations. Changes in value were recognised in the revaluation reserve. On transition to FRS102, the market value at 31 March 2014 (£7m) was taken to be deemed cost and the support office has since been valued at historical cost. The revaluation reserve therefore holds the total value of revaluations to 31 March 2014, less depreciation charged on the building since.

#### Fixed asset fund

The property and fixed asset fund holds the remaining value of fixed assets not held in the revaluation reserve. Taken together, these two funds equal the net book value of fixed assets on the balance sheet. Fixed assets are held in designated funds in recognition of the fact that they are used by Shelter on an ongoing basis to deliver its activities.

## 17. Statement of restricted funds

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
Birmingham – No Wrong Door	Birmingham Voluntary Service Provisional Council (National Lottery)	To provide the right access to support through a network of service providers to people with multiple and complex needs in Birmingham.	81	200	(171)	<b>110</b>
Birmingham Changing Futures Together Programme	Birmingham Voluntary Service Provisional Council (National Lottery)	Embedding the learning from the 5 years for the lead worker peer mentor service.	96	(33)	(63)	-
Birmingham Housing First – Pilot programme	Birmingham Voluntary Service Provisional Council (Birmingham City Council)	Supporting rough sleeper clients who have other needs to access housing of their choice and provide support to enable them to sustain their tenancy.	22	-	-	<b>22</b>
Birmingham Housing First support worker	Birmingham City Council	Supporting rough sleeper clients who have other needs to access housing of their choice and provide support to enable them to sustain their tenancy.	95	388	(483)	-
Community Justice Fund	The Access to Justice Foundation	Funding social welfare and legal advice in Shelter's legal service in England following the impact of the COVID-19 crisis on available funds.	-	221	(221)	-
DIY Skills Advisers	B&Q Plc and Kingfisher Plc	Providing funding and in-kind support for DIY skills advice and support services.	-	326	(241)	<b>85</b>
Emergency Appeal	various	Emergency funding for the continuing telephone and online advisory service.	-	138	(138)	-
EMPTY HOMES	Scottish Government	To bring empty homes in Scotland back into use through the establishment of Empty Homes officers.	204	428	(337)	<b>295</b>
Entrenched Rough Sleeper worker	Birmingham City Council	Support for rough sleeper clients who have not previously engaged with services.	20	91	(91)	<b>20</b>
Family Nurse Partnership Project	The Robertson Trust/Nick Thomas	Reduce the risk of young children becoming homeless, able to access stable and safe accommodation and self-manage their housing issues.	35	25	(34)	<b>26</b>



Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
Gender Informed Service	National Lottery Community Fund	Peer research project designed to identify the solutions to housing barriers faced by women and non-binary people in Birmingham, Bristol and Sheffield.	-	65	(4)	<b>61</b>
Hackney Family Support Services	Intensive support of families at risk of homelessness	Intensive support of families at risk of homelessness.	-	50	(50)	-
Health Now Coordinator	Groundswell Network Support UK	Tackling health inequalities faced by homeless people.	18	37	(54)	<b>1</b>
Help Through Crisis	Birmingham MIND (National Lottery)	Supports families with sick children in Birmingham Children's hospital.	29	50	(50)	<b>29</b>
Housing Law & Debt Advice (Tayside & Borders)	Scottish Legal Aid Board	Representation and advice services for people facing court action for mortgage or tenancy repossession.	-	296	(296)	-
Housing Voluntary Grant Scheme	Scottish Government	Legal advice and representation for people with housing related issues.	-	200	(200)	-
Inspiring Change Manchester	National Lottery Community Fund	Supporting people with multiple and complex needs.	89	1,134	(1,014)	<b>209</b>
Legal Education Foundation - Trainees	Legal Education Foundation	Legal trainees.	22	22	(44)	-
London Councils expansion project-PRAXIS	London Councils	Supporting migrants and refugees with No Recourse to Public Funding, as part of Supporting Tenancies, Accommodation and Reconnections project.	-	151	(140)	<b>11</b>
London Councils Homelessness Pan-London Umbrella (PLUS) Project	London Councils	To provide support to voluntary homelessness service organisations and ensure they are aware of the policies affecting their clients.	4	42	(41)	<b>5</b>
Merseyside Aged Veterans Housing Related Support Service	The Royal British Legion - Aged Veteran Fund	Providing aged veterans housing related support services.	54	8	(32)	<b>30</b>

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
Motiv8 (Building Better Opportunities)	National Lottery Community Fund/European Social Fund	Supporting disadvantaged individuals and families to enter or re-enter education, training and/or employment.	-	78	(78)	-
National Emergencies Trust - Helpline	National Emergencies Trust	Increase Shelter's digital helpline offering in response to the emergency of people at risk of homelessness during the COVID-19 pandemic.	-	1,470	(1,470)	-
National Homelessness Advice Service	Ministry of Housing, Communities and Local Government	Provide nationally consistent, free, quality homelessness and housing advice, training and information to frontline audiences in England.	(13)	1,858	(1,845)	-
Nationwide Foundation - Time for Change	Nationwide Community Grants administered through Foundation Scotland	Working with people with lived experience of homelessness to become peer mentors and then providing outreach advice sessions in Dundee.	37	-	(37)	-
Nationwide Partnership Helpline	Nationwide Building Society	Funding for our emergency helpline and digital support service in England and Scotland.	-	975	(189)	<b>786</b>
Nationwide Partnership Policy	Nationwide Building Society	Supporting Nationwide's Community Funding Programme, providing insight on national housing policy.	30	61	(43)	<b>48</b>
Network Rail	Network Rail	To support the rail industry's ambition to provide a route out of homelessness for every person sleeping rough around the rail network.	-	249	(145)	<b>104</b>
Newcastle Personalisation Fund	Foundation Scotland on behalf of The Path Charitable Trust	Supporting clients of Newcastle Housing First project to achieve personal goals and aspirations e.g. accessing training / equipment.	11	-	(7)	<b>4</b>
NHS Fife	Generous Supporters	Specialist advice for patients in partnership with Fife Health and Social Care Partnership.	58	-	(58)	-
Norwich Social Prescribing Service	Norfolk County Council	Linking health, social services, advice and community resources to maximise outcomes for individuals and reduce pressures on public services.	11	94	(89)	<b>16</b>
Our Journey Home Glasgow (National Lottery Community Fund)	National Lottery Community Fund	To prevent children and families in Glasgow becoming homeless; to secure safe and affordable permanent accommodation.	61	145	(153)	<b>53</b>

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
Peer Circles Project (Building Better Opportunities)	National Lottery Community Fund/European Social Fund	Specialist Housing Support Services to overcome housing related barriers and support progress into sustainable employment.	-	39	(39)	-
Restricted - Scotland	Various	Small donations restricted to specific areas of work in Scotland.	1	638	(637)	2
Restricted - Services	Various	Small donations restricted to specific areas of work in England.	357	702	(702)	357
Restricted Legacy Gift	Anonymous	Legacy gift in will, to provide services and the use of any properties for housing in Blackpool area.	213	-	-	213
Scotland Welfare Reform Advisory Service	Scottish Legal Aid Board	Free advice to frontline staff helping clients who have a housing problem who are in receipt of a welfare benefit.	-	75	(75)	-
Sheffield - Domestic Abuse Housing Support Service	Philip King Charitable Trust/ Evan Cornish Foundation	Sheffield - Domestic Abuse Housing Support Service.	10	20	(30)	-
Shelter's Family Services - Sheffield & Bristol	Children in Need, The Garfield Weston Foundation and the Liz and Terry Bramall Foundation	Providing intensive support to families; going out into the community to provide advice; training and building capacity across the sector.	-	127	(0)	127
South Yorkshire Housing Association (Building Better Opportunities)	National Lottery Community Fund/ European Social Fund	Specialist welfare benefits and debt advice.	2	67	(68)	-
Specialist Support Services	Money and Pensions Service (MaPS) & the Welsh Government	To provide professional support to debt advisers in England and Wales through advice services and resource production.	47	597	(518)	126
Supporting Tenancies, Accommodation and Reconnections	London Councils	Providing specialist prevention support for adults at risk of experiencing homelessness.	4	1,000	(1,004)	-
Tenants United Project	The Nationwide Foundation	Bringing together and empowering Private Rented Sector (PRS) tenants to build a movement for positive change across the West of England.	2	33	(28)	7

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
The London Youth Gateway Project	London Councils	Providing specialist advice, support and guidance on any housing or homelessness issue to young people between 16-25 years old.	-	49	(49)	-
Transforming the Private Rented Sector Manchester	The Nationwide Foundation	Place based project to investigate how the Private Rented Sector in Greater Manchester can be improved for vulnerable tenants.	33	97	(97)	33
Working Age Money Supporter - Supported Housing Scotland	Money and Pensions Service	Piloting training for housing support practitioners on support relating to personal finances.	-	37	(36)	1
Other funds: income <£60k			148	934	(749)	331
<b>Total</b>			<b>1,781</b>	<b>13,184</b>	<b>(11,851)</b>	<b>3,114</b>

Included in the note is the following project funded by the National Lottery Community Fund:

	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
Inspiring Change Manchester (National Lottery Community Fund)	86	1,113	(986)	213
<b>Total</b>	<b>86</b>	<b>1,113</b>	<b>(986)</b>	<b>213</b>

The values in the National Lottery Community Fund disclosure do not match up to those under Inspiring Change Manchester in the main table above, because the latter includes income from other sources utilised in this project.

	Deferred / (accrued) income brought forward £'000	Cash received 2020-21 £'000	Deferred / (accrued) income at 31 March 2021 £'000
Inspiring Change Manchester (National Lottery Community Fund)	-	1,113	-
<b>Total</b>	<b>-</b>	<b>1,113</b>	<b>-</b>

The statement of restricted funds for the prior year is shown in note 22.

## 18. Net assets between funds – group

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Group Total funds £'000
Fund balances as at 31 March 2021 are represented by:				
Tangible fixed assets	11,035	-	-	11,035
Investments	7,453	-	39	7,492
Net current assets	13,010	3,114	-	16,124
Provisions	(3,493)	-	-	(3,493)
<b>Total net assets</b>	<b>28,005</b>	<b>3,114</b>	<b>39</b>	<b>31,158</b>

## Other information

### 19. Related party transactions

Trustees are not entitled to, and did not receive, any remuneration in respect of their services throughout the year. No travel expenses were incurred by trustees in respect of Shelter meetings (2020: £5,338) during the year. The number of trustees incurring expenses during the year was therefore zero (2020: six).

Shelter received a number of donations from trustees during the year. The total value of these was £40,672.

During the year ended 31 March 2021, Shelter recognised £2,633k of income from Purple Futures LLP in relation to a Transforming Rehabilitation contract (2020: £1,663k). As at 31 March 2021, Shelter was owed £115k by Purple Futures in relation to this contract (2020: £9k). As of July 2021, Transforming Rehabilitation is now known as Justice Services.

Shelter is member of a limited liability partnership with Interserve Investments Ltd, 3SC, P3 and Purple Futures LLP formed 9th December 2014. The LLP was incorporated to act as the bidding entity for and owner of CRCs, the companies formed by the Secretary of State for Justice pursuant to Section 3 (2) of the Offender Management Act 2007. Shelter's membership therefore relates only to the Transforming Rehabilitation contract and forms part of Shelter's normal charitable activities.

A capital contribution of £10,000 was made by Interserve at the date of commencement. No capital contributions or transactions have been made by Shelter. The members are not required to provide any guarantees in respect of the LLP or any CRC at any time, and the LLP indemnifies the members in respect of payments made and liabilities incurred. In the event the LLP is unable to pay its debts, liabilities or obligations, the liability of each member is limited to the amount of capital contribution.

There were no other related party transactions during the year ended 31 March 2021 (2020: £nil).

### 20. Net income for the year

Net income for the year is stated after charging:

	2021 £'000	2020 £'000
Fees payable to the charity's auditors for the audit of the charity's annual accounts	49	43
Fees payable to the charity's auditors for the audit of the charity's subsidiaries pursuant to legislation	6	6
<b>Total audit fees</b>	<b>55</b>	<b>49</b>
Fees payable to the charity's previous auditors for other services	-	6
<b>Total fees payable to the charity's auditors</b>	<b>55</b>	<b>54</b>
Depreciation of tangible fixed assets	1,132	1,505
Loss on disposal of tangible fixed assets	-	-
<b>Rental costs relating to operating leases</b>		
Plant & machinery	39	77
Others	3,353	3,502

## 21. Trading subsidiary

The principal activities of Shelter Trading Limited (STL) Company No. 2573404 in the period under review were the sale of new goods via Shelter's retail chain and managing the corporate sponsorship activities of Shelter, the National Campaign for Homeless People Limited.

Audited financial statements have been prepared for STL and all taxable profit is gifted to Shelter.

<b>Shelter Trading Limited</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Total income	864	1,223
Cost of sales	(212)	(204)
<b>Gross profit</b>	<b>652</b>	<b>1,019</b>
Selling and distribution costs	(199)	(201)
Administration costs	(33)	(9)
<b>Net profit gifted to Shelter</b>	<b>420</b>	<b>809</b>

As at 31 March 2021, Shelter Trading Limited had total assets of £294,124 (2020: £111,682) and total liabilities of £199,011 (2020: £16,569).

## Prior year disclosures

### 22. Prior year disclosures

#### 22(a) Consolidated statement of financial activities for the year ended 31 March 2020 (incorporating income and expenditure accounts)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000
<b>Income from:</b>				
Donations and legacies	2	38,384	2,665	41,049
<b>Charitable activities:</b>				
Grants and contracts for housing advice and support	5	11,286	6,559	17,845
Training and resources for housing professionals	5	748	1,155	1,903
Other	6	622	294	916
Retail operations	3	10,942	-	10,942
Investments	4	353	-	353
<b>Total income and endowments</b>		<b>62,335</b>	<b>10,673</b>	<b>73,008</b>
<b>Expenditure on:</b>				
Raising donations and legacies	2	13,769	674	14,443
Retail operations	3	10,875	-	10,875
<b>Charitable activities:</b>				
Housing advice and support:				
Face-to-face advice		14,009	3,879	17,888
Intensive support		11,095	2,317	13,412
Telephone and online advice services		6,303	391	6,694
Training and resources for housing professionals		2,262	3,075	5,337
Campaigning		1,937	25	1,962
Research and policy		1,755	194	1,949
<b>Total expenditure on charitable activities</b>		<b>37,361</b>	<b>9,881</b>	<b>47,242</b>
<b>Total expenditure</b>		<b>62,005</b>	<b>10,555</b>	<b>72,560</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>		<b>330</b>	<b>118</b>	<b>448</b>
Net gains/(losses) on investments	12	(1,544)	-	(1,544)
<b>Net income/(expenditure) for the year</b>	20	<b>(1,214)</b>	<b>118</b>	<b>(1,096)</b>
Reconciliation of funds:				
Fund balances at the start of the year		28,433	1,702	30,135
<b>Fund at the end of the year</b>	16	<b>27,219</b>	<b>1,820</b>	<b>29,039</b>

**22(b) Donations and legacies: income and expenditure (prior year)**

	<b>2020 Unrestricted £'000</b>	<b>2020 Restricted £'000</b>	<b>2020 Total £'000</b>
<b>Income from donations and legacies:</b>			
Individuals	27,666	792	28,458
Donated services	544	-	544
Charitable foundations	745	788	1,533
Corporate donors	3,350	548	3,898
Legacies	6,079	537	6,616
<b>Total</b>	<b>38,384</b>	<b>2,665</b>	<b>41,049</b>
<b>Expenditure on raising donations and legacies:</b>			
	<b>2020 Unrestricted £'000</b>	<b>2020 Restricted £'000</b>	<b>2020 Total £'000</b>
Direct staff costs	7,156	-	7,156
Direct non-staff costs and allocated support costs	6,613	674	7,287
<b>Total</b>	<b>13,769</b>	<b>674</b>	<b>14,443</b>

Shelter has been notified of legacies with an estimated value of £4.93m (2018: £2.77m) which have not been included in income for the year ended 31 March 2020, because either probate has not been received or Shelter is not satisfied that the amount receivable can be reliably measured.

Restricted non-staff costs of raising donations and legacies are funds passed on to partners in grant agreements where Shelter is the lead partner. Unrestricted non-staff costs of raising donations and legacies are primarily the costs of developing and distributing fundraising materials, and allocated support costs (see note 7).

**22(c) Retail operations: income and expenditure (prior year)**

	<b>2020 Unrestricted £'000</b>	<b>2020 Restricted £'000</b>	<b>2020 Total £'000</b>
<b>Income from retail operations:</b>			
Donated goods	9,423	-	9,423
Purchased goods	367	-	367
Retail, Hospitality and Leisure grants	711	-	711
Other	411	-	411
<b>Total</b>	<b>10,942</b>	<b>-</b>	<b>10,942</b>
<b>Expenditure on retail operations:</b>			
Direct staff costs	4,378	-	4,378
Direct non-staff costs and allocated support costs	6,496	-	6,496
<b>Total</b>	<b>10,874</b>	<b>-</b>	<b>10,874</b>
<b>Net income available for charitable application</b>	<b>68</b>	<b>-</b>	<b>68</b>

**22(d) Income from investments (prior year)**

	<b>2020 £'000</b>
Interest on cash at bank	36
Listed securities	317
<b>Total</b>	<b>353</b>



**22(e) Contracts and grants from local authorities (prior year)**

Listed below are grants from and contracts with local authorities in excess of £2,000 recognised in the year ended 31 March 2020. The list is prepared in compliance with section 37 of the Local Government and Housing Act 1989.

<b>Funder</b>	<b>Purpose of funding</b>	<b>Income 2020 £'000</b>	<b>Expenditure 2020 £'000</b>
<b>District, borough and county councils in England and Wales</b>			
Birmingham City Council	Supporting rough sleeper clients who have other needs to access housing of their choice and provide support to enable them to sustain their tenancy.	843	496
Birmingham City Council	Support for rough sleeper clients who have not engaged with services	81	70
Birmingham City Council	Provides a single point of access for single people and childless couples who are homeless or at risk of homelessness.	193	202
Birmingham City Council	Provides support for single or childless household facing issues with homelessness or who are at risk of being homeless.	41	51
Birmingham City Council	Floating Support services for women moving on from domestic violence and abuse in need of housing support in Birmingham.	226	258
Birmingham City Council	Floating support service for families in need of housing support in Birmingham.	191	240
Blackburn with Darwen Borough Council	Provides welfare and debt information and advice services within the Borough of Blackburn with Darwen.	185	189
Borough Council of Kings Lynn & West Norfolk	Provides a free, impartial confidential advice to the residents of the district of King's Lynn & West Norfolk regardless of race, religion, gender, sexual orientation, age, marital status or disability.	54	42
Dorset County Council	Provides Family Support Packages made up of specialist housing, debt, money management and welfare benefits advice and support to ensure families are able to sustain their homes.	110	101
Dorset County Council	Student placement income.	4	165
London Borough of Hackney	Intensive support of families at risk of homelessness funding for one advice, support & guidance worker to provide specialist level housing & homelessness help to residents in Hackney via face to face, telephone and online support.	46	46
London Councils	Support services to homelessness voluntary sector organisations.	45	42
London Councils	Combatting Homelessness 1.1 Prevention and Targeted Support.	1003	1000
London Councils	As part of the London Youth Gateway, Shelter provides specialist advice, support & guidance on any housing or homelessness issue to young people between 16-25 years old.	49	49
Norfolk County Council	Links health, social services, advice and community resources in order to maximise outcomes for individuals and to reduce pressures on healthcare and adult social services.	45	45
Norwich City Council	Debt prevented and / or reduced and improved financial capability.	16	16
Oxford City Council	Sustaining the client in suitable housing or work with the client to secure suitable housing.	50	44
Sheffield City Council	Provides support, help and advice for the most vulnerable households in Sheffield by providing packages of support to ensure that homelessness does not re-occur.	52	43
Sheffield City Council	Provides both practical assistance and support to help people who are at risk of losing their home, and those who have been homeless to recover quickly, settle into their accommodation and sustain a positive lifestyle in the community.	952	1098
Sheffield City Council	A specialist non-clinical support service for people with drug and alcohol misuse in a vulnerable housing situation.	330	306
Southwark Council	Covid-19 Retail, Hospitality & Leisure Grant Fund.	25	0

Southwark Council	Preventative advice and support on homelessness issues, advice on statutory homelessness applications, support to access private rented sector accommodation & access to Shelter London Hubs including Information Resource centre.	126	148
Sunderland City Council	To contribute to preventing homelessness in Sunderland through the delivery of specialist housing advice within Sunderland, hosted by Community Housing.	26	27
Westminster Borough Council	Provision of frontline housing advice, homelessness prevention and support services.	434	394
<b>Total</b>		<b>5,127</b>	<b>5,072</b>

**Local Authorities in Scotland**

Aberdeen Council	Housing advice for households at risk of homelessness through legal proceedings.	145	145
Dumfries & Galloway Council	Provision of housing support to homeless people tailored to their assessed individual support needs.	293	338
Dundee Council	Support Big Lottery/ESF Financial Inclusion participants in relation to money management skills, debt and financial resilience.	84	84
North Lanarkshire Council	Independent advocacy in relation to housing issues for eligible persons in North Lanarkshire.	20	16
Renfrewshire Council	To undertake maintenance works on building shopfront.	22	22
South Lanarkshire Council	Provide transport for families in temporary accommodation in South Lanarkshire.	3	3
South Lanarkshire Council	Client-focused housing support service for families affected by homelessness and who have complex needs across the South Lanarkshire area.	150	164
<b>Total</b>		<b>717</b>	<b>772</b>

<b>London Councils Grant Summary</b>	<b>Grant awarded £</b>	<b>Grant spent £</b>	<b>Expenditure on:</b>	<b>Grant awarded £</b>	<b>Grant spent £</b>
Lead Partner-Shelter	456,080	455,120	Staffing	746,796	747,553
Delivery partner-Thames Reach	397,233	392,714	Premises cost	119,060	120,865
Delivery partner- St Mungo's	40,182	42,257	Central OH	39,998	42,149
Delivery partner- Stonewall Housing	110,000	110,000	Running Cost *	97,641	89,524
<b>Total</b>	<b>1,003,495</b>	<b>1,000,091</b>	<b>Total</b>	<b>1,003,495</b>	<b>1,000,091</b>

\*Running cost is comprised of travel & subsistence, IT & communication, translation, direct office cost, marketing cost, training cost, recruitment cost and client related cost.

Shelter received £1,003,495 from London Councils during financial year 2019/20 for supporting tenancies, accommodation, and reconnections. Shelter works in partnership with other organisations to deliver this project. As lead partner, Shelter receives all income from London Councils and distributes it to the other partners. Shelter has paid a total of £547,417 to partner organisations in 2019/20, as shown in the table above. The entirety of the grant, including the portion retained by Shelter and that distributed to partners, has been spent in accordance with the grant agreement. Thames Reach underspent by £4,521, Shelter by £958 and St Mungo's overspent by (£2,075). Total underspend on this project is £3,404.

**22(f) Direct and apportioned costs (prior year)****22(f)(i) Breakdown of direct costs and apportioned support costs by type (prior year)**

	Direct costs	Apportioned support costs	Total costs
	£'000	£'000	2020 £'000
<b>Expenditure on:</b>			
Raising donations and legacies	12,846	1,597	14,443
Retail operations	10,840	35	10,875
<b>Charitable activities:</b>			
Housing advice and support:			
Face-to-face advice	13,719	4,169	17,889
Intensive support	9,801	3,611	13,412
Telephone and online advice services	5,032	1,662	6,694
Training and resources for housing professionals	4,223	1,114	5,337
Campaigning	1,667	295	1,962
Research and policy	1,548	401	1,949
<b>Total expenditure on charitable activities</b>	<b>35,990</b>	<b>11,252</b>	<b>47,243</b>
<b>Total direct and apportioned costs</b>	<b>59,676</b>	<b>12,884</b>	<b>72,561</b>

Direct costs are directly attributable to the relevant department. Indirect support costs are apportioned on the basis of full-time equivalent staff numbers. Support costs are broken down further below.

**22(f)(ii) Breakdown of apportioned support costs (prior year)**

	2020 £'000
Human resources	3,264
Finance	1,724
Information technology	4,994
Facilities	1,324
In-house design and creative	1,318
Other corporate costs	261
<b>Total apportioned support costs</b>	<b>12,885</b>

**22(g) Statement of funds (prior year)**

	Balance at 1 April 2019 £'000	Income and endowments £'000	Total expenditure £'000	Net gain on investments £'000	Transfers £'000	Balance at 31 Mar 2020 £'000
<b>Unrestricted income funds:</b>						
General funds	13,898	62,083	(61,319)	-	(100)	14,562
Unrealised investment gain	2,492	-	-	(1,544)	-	948
<b>Total general funds</b>	<b>16,390</b>	<b>62,083</b>	<b>(61,319)</b>	<b>(1,544)</b>	<b>(100)</b>	<b>15,510</b>
<b>Designated funds:</b>						
Revaluation reserve	5,210	-	-	-	(93)	5,117
Property and fixed asset fund	4,483	-	-	-	193	4,676
Strategic investment fund	2,350	252	(686)	-	-	1,916
<b>Total designated funds</b>	<b>12,043</b>	<b>252</b>	<b>(686)</b>	<b>-</b>	<b>100</b>	<b>11,709</b>
<b>Total unrestricted funds</b>	<b>28,433</b>	<b>62,335</b>	<b>(62,005)</b>	<b>(1,544)</b>	<b>-</b>	<b>27,219</b>
Restricted income funds (note 17)	1,663	10,673	(10,555)	-	-	1,781
Permanent endowment - John Rees Fund	39	-	-	-	-	39
<b>Total restricted funds</b>	<b>1,702</b>	<b>10,673</b>	<b>(10,555)</b>	<b>-</b>	<b>-</b>	<b>1,820</b>
<b>Total funds at 31 March 2020</b>	<b>30,135</b>	<b>73,008</b>	<b>(72,560)</b>	<b>(1,544)</b>	<b>-</b>	<b>29,039</b>

**22(h) Statement of restricted funds (prior year)**

Restricted fund name	Funder	Description of project(s)	Balance at 1 April 2019 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2020 £'000
Birmingham Changing Futures Together Programme	Birmingham Voluntary Service Provisional Council (National Lottery)	Embedding the learning from the 5 years for the lead worker peer mentor service.	142	436	(421)	<b>157</b>
Birmingham Housing First	Birmingham Voluntary Service Provisional Council (Birmingham City Council)	Supporting rough sleeper clients who have other needs to access housing of their choice and provide support to enable them to sustain their tenancy.	32	15	(26)	<b>21</b>
Birmingham Housing - Service Delivery	Birmingham City Council	Supporting rough sleeper clients who have other needs to access housing of their choice and provide support to enable them sustain their tenancy.	-	468	(476)	<b>(8)</b>
Birmingham Housing - Crisis and Personalisation Fund	Birmingham City Council	crisis and personalisation fund, which is specifically for funding personalisation for client housing or hardship payments	-	150	(46)	<b>104</b>
DIY Skills Advisers	B&Q Plc and King Fisher Plc	Providing funding and in kind support for DIY skills advice and support services.	407	204	(611)	-
Dundee Financial Inclusion	Dundee Council	Support Big Lottery/ESF Financial Inclusion participants in relation to money management skills, debt and financial resilience.	-	84	(84)	-
Empty Homes	Scottish Government	To bring empty homes in Scotland back into use through the establishment of Empty Homes officers	173	431	(401)	<b>203</b>
Entrenched Rough Sleeper worker	Birmingham City Council	Support for rough sleeper clients who have not engaged with services	8	81	(70)	<b>19</b>
Family Nurse Partnership Project	STV	Housing support, advice and community-based activities tackling social exclusion for people who are experiencing housing issues in Renfrewshire	-	35	-	<b>35</b>
Foundations First (STV appeal)	London Borough of Hackney	Intensive support of families at risk of homelessness	-	106	(106)	-
Hackney Family Support Services	Groundswell Network Support UK	Tackling health inequalities faced by homeless people	-	46	(46)	-
Health Now Coordinator	Birmingham MIND (National Lottery)	Supports families with sick children in Birmingham Children's hospital	-	32	(14)	<b>18</b>
Help Through Crisis	Department for Culture, Media and Sport	Delivering a Housing First service for female offenders leaving HMP Styal so they can access and keep a home on release.	27	50	(48)	<b>29</b>
HMP Styal Housing First Service	Cornwall Council	Support to homeless patients ensure they are discharged into secure and safe accommodation	3	54	(56)	<b>1</b>
Homeless Patient Hospital Discharge Service	Scottish Legal Aid Board	Representation and advice services for people facing court action for mortgage or tenancy repossession.	7	-	(7)	-

Restricted fund name	Funder	Description of project(s)	Balance at 1 April 2019 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2020 £'000
Housing Law & Debt Advice (Tayside & Borders)	Scottish Government	Legal advice and representation for people with housing related issues.	-	295	(295)	-
Housing Voluntary Grant Scheme	National Lottery Community Fund	Supporting people with multiple and complex needs.	-	188	(188)	-
Inspiring Change Manchester	Legal Education Foundation	Legal trainees	237	1,065	(1,212)	<b>90</b>
Legal Education Foundation - Trainees	London Councils	Support services to homelessness voluntary sector organisations.	-	32	(11)	<b>21</b>
London Councils Homelessness Pan-London Umbrella (PLUS) Project	Money and Pensions Service (MAPS)	Support for working age financial capability money supporter (offenders)	-	45	(42)	<b>3</b>
Merseyside Aged Veterans Housing Related Support Service	The Royal British Legion-Aged Veteran Fund	Providing aged veterans housing related support services To pilot training for housing support practitioners and increase their knowledge and confidence when having conversations with people they support about finances. This approach will help test the training; and provide an accurate reflection of how this training can be implemented and rolled out nationally.	36	254	(236)	<b>54</b>
Money Support Offenders (MPS)	Money and Pensions Service National Lottery Community		-	20	(20)	-
Motiv8 (Building Better Opportunities)	Fund/European Social Fund	Supporting disadvantaged families and individuals to re-enter or enter first time education, training and or employment.	-	84	(84)	-
National Homelessness Advice Service	Ministry of Housing, Communities and Local Government	Provide nationally consistent, effective, free, quality homelessness and housing advice, training and information to a range of frontline audiences across England. Bring together and empower Private Rented Sector (PRS) tenants to build a movement for positive change within PRS across the West of England	-	1,983	(1,995)	<b>(12)</b>
Nationwide Foundation - Time for Change	The Nationwide Foundation		-	37	-	<b>37</b>
Nationwide Partnership Policy	Nationwide Community Grants administered through Foundation Scotland	This project works with people with lived experience of homelessness to become peer mentors and then provide outreach advice sessions at locations across the city of Dundee.	22	61	(53)	<b>30</b>
Newcastle Personalisation Fund	Nationwide Building Society	Funding for Policy Officer post to support Nationwide's community funding programme, provide insight on national housing policy and support on collaboration with Nationwide's policy team.	-	12	-	<b>12</b>
NHS Fife	Foundation Scotland on behalf of The Path Charitable Trust	To provide funding for clients supported by Newcastle Housing First project to help them to achieve personal goals and aspirations e.g. accessing training/equipment	49	34	(25)	<b>58</b>

Restricted fund name	Funder	Description of project(s)	Balance at 1 April 2019 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2020 £'000
Norwich Social Prescribing Service	Generous Supporters	Specialist advice for patients in partnership with Fife Health and Social Care Partnership	-	56	(46)	10
Our Journey Home Glasgow (National Lottery Community Fund)	Norfolk County Council	Link health, social services, advice and community resources in order to maximise outcomes for individuals and to reduce pressures on healthcare and adult social services.	-	115	(54)	61
Peer Circles Project (Building Better Opportunities)	The Robertson Trust/Nick Thomas	Reduce the risk of young children becoming homeless, able to access stable and safe accommodation and self-manage their housing issues.	-	39	(39)	-
Private Rented Sector, Oak Foundation	National Lottery Community Fund National Lottery Community Fund/European Social Fund	To prevent children and families in Glasgow becoming homeless to secure safe and affordable permanent accommodation	45	-	(43)	2
Restricted Legacy Gift		Specialist Housing Support Services to overcome housing related barriers and support progress into sustainable employment	-	213	-	213
Restricted - Scotland	Oak Foundation	Exploring new initiatives and building engagement to improve standards and sustainability of private rental tenancies and inform our policy positions	1	538	(539)	-
Restricted - Services	Anonymous	Legacy gift in will, to provide services and the use of any properties for housing in Blackpool area.	357	961	(961)	357
Scotland Welfare Reform Advisory Service	Various	Small donations restricted to specific areas of work in Scotland	-	69	(69)	-
Sheffield - Domestic Abuse Housing Support Service	Various	Small donations restricted to specific areas of work in England	-	10	-	10
Sheffield Intensive Family Support Service	Scottish Legal Aid Board	Free advice to frontline staff helping clients who have a housing problem who are on receipt of a welfare benefit.	5	59	(55)	8
South Yorkshire Housing Association (Building Better Opportunities)	Philip King Charitable Trust/ Evan Cornish Foundation	Sheffield - Domestic Abuse Housing Support Service	-	28	(26)	2
Specialist Support Services	BBC Children in Need	Addressing the complex needs of children, young people and their families in Sheffield.	7	554	(514)	47

Restricted fund name	Funder	Description of project(s)	Balance at 1 April 2019 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2020 £'000
Supporting Tenancies, Accommodation and Reconnections	National Lottery Community Fund/ European Social Fund Money and Pensions Service (MaPS) & the Welsh Government	Specialist welfare benefits and debt advice	-	1,003	(1,000)	3
Tenants United Project		To provide professional support to debt advisers in England & Wales through advice services and resource production.	-	17	(14)	3
The London Youth Gateway Project	London Councils	Combatting Homelessness 1.1 Prevention and Targeted Support	-	49	(49)	-
Time for Change - European Social Fund	London Councils	As part of the London Youth Gateway, Shelter provides specialist advice, support & guidance on any housing or homelessness issue to young people between 16-25 years old.	4	134	(138)	-
Transforming the Private Rented Sector Manchester Working Age Money	Scottish Government	Facilitating local people who are experiencing homelessness to identify the key issues in their local area and co-produce the design and delivery of a local response	13	107	(86)	34
Supporter - Supported Housing Scotland	The Nationwide Foundation	Placed based project to investigate how the Private Rented Sector in Greater Manchester can be improved for vulnerable tenants.	-	56	(56)	-
Other funds: income <£60k	Various		89	363	(293)	159
<b>Total</b>			<b>1,663</b>	<b>10,673</b>	<b>(10,555)</b>	<b>1,781</b>

Restricted funds with income below £60,000 have been grouped in a single row unless Shelter is required to disclose them separately under the terms of the grant agreement.

Included in the note is the following project funded by the National Lottery Community Fund:

	Balance at 1 April 2019	Incoming resources	Resources used / transfers	Balance at 31 March 2020
Restricted funds name	£'000	£'000	£'000	£'000
Inspiring Change Manchester	219	1,061	(1,194)	86
<b>Total</b>	<b>219</b>	<b>1,061</b>	<b>(1,194)</b>	<b>86</b>

The values in the National Lottery Community Fund disclosure do not match up to those under Inspiring Change Manchester in the main table above, because the latter includes income from other sources utilised in this project.

	Deferred / (accrued) income brought forward	Cash received 2019-20	Deferred / (accrued) income at 31 March 2020
	£'000	£'000	£'000
Inspiring Change Manchester	-	1,061	-
<b>Total</b>	<b>-</b>	<b>1,061</b>	<b>-</b>

## 22(i) Analysis of net assets between funds (prior year)

	Unrestricted funds	Restricted funds	Endowment funds	Group total funds
	£'000	£'000	£'000	£'000
Fund balances as at 31 March 2020 are represented by:				
Tangible fixed assets	9,793	-	-	9,793
Investments	6,615	-	39	6,654
Net current assets	14,265	1,781	-	16,046
Provisions	(3,454)	-	-	(3,454)
<b>Total net assets</b>	<b>27,219</b>	<b>1,781</b>	<b>39</b>	<b>29,039</b>





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has on people and society.**

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