

# Annual Report – 2021/22

## Registration Information

Shelter, the National Campaign for Homeless People Limited

Charity number:

England: 263710

Scotland: SC002327

Company Registration Number: 01038133

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## 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 exists for everyone.

### Key objectives

Shelter was set up in 1966 to:

- a. relieve hardship and distress among homeless people and those in need, including those living in adverse housing conditions;
- b. make funds available to other bodies (whether corporate or not), whose charitable aims are to relieve hardship and distress;
- c. relieve poverty and distress;
- d. 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 exists to defend the right to a safe home, but the current housing system is unaffordable, unfit, unstable, and discriminatory for far too many people. Thousands sleep on the streets every night, more than a quarter of a million are stuck in 'temporary' accommodation that puts lives on hold for years, and millions of renters are forced to pay too much for too little, unable to complain in case they are evicted. Around 17.5 million people are now trapped by the housing emergency, so it is even more critical that, every day, we fight with and for those most at risk from this emergency through our campaigns for change, and by standing alongside people with support and specialist legal advice.

We set ourselves extremely ambitious goals when we consulted on a ten-year vision and strategy. Thanks to the determination and commitment of so many exceptional staff and volunteers, and the outstanding generosity of so many supporters, Shelter was able to emerge strongly from the challenges of the Covid pandemic. We took time, however, to review both the successes and the lessons of the last three momentous years to build the next phase of Shelter's strategic plan for 2022-25. In doing this we were open to significant change, but we found that our original goals were still the right ones, if even more urgent. Our first goal is therefore to see tangible progress by 2025 towards a new generation of social homes; our second is to improve the rights of those who are at risk of homelessness and trapped in appalling conditions; and our third is a shift of power so that we put the views, experiences, and needs of people living through the housing emergency at the centre of everything we do. While these defining goals apply across the whole of Shelter, Shelter Scotland also developed its own version of the strategic plan to reflect the increasingly divergent economic and political context within which it is working.

Even though nearly everyone had to work remotely again over the past year, we have been able to achieve notable successes in a number of areas. Extended campaigning resulted in commitments to three critical bills referenced in the Queen's Speech this year: the Renters Reform Bill, intended to reform the private rented sector; the Social Housing Regulation Bill, strengthening the rights of tenants; and the Levelling Up and Regeneration Bill, which should lead to more social homes getting built. Thousands of supporters engaged with and contributed to our campaigns in many different ways.

In response to the pandemic, we were able to significantly increase the capacity of our helplines and webchat resources across England and Scotland, ensuring we had a national point of contact to respond to increasing need. 2021/22 was also a transformational year for our local services, which really started to transition to become bases for change as centres for activism and partnership at the heart of our communities. They have been building capacity to work with other organisations, groups, and individuals who want to transform systems at a local level, as well as help end the housing emergency for the country. This approach has already achieved valued changes in both policy and practice.

We launched the Anti-Racism Plan in the latter part of the year, responding to Shelter's conviction that there cannot be social justice without racial justice. In doing this we were able to build on the work done by so many staff across the organisation, and in particular the dedicated work done by the members of the Anti-Racism Steering Group. We now have an ambitious programme to both move Shelter towards becoming an anti-racist organisation and to better understand and challenge how racism impacts our clients and the whole housing emergency. Our commitment to shifting power within Shelter and across the housing system also led to our establishing a new directorate to focus and drive Shelter's work on equity, inclusion, and culture.

We are profoundly grateful to those with direct experience of the housing crisis, the communities in which we work, the funders, supporters and campaigners who have worked alongside us over the past year in our fight for homes. Particular thanks are due, as always, to our outstanding staff and volunteers, who have been central to everything we have achieved and have kept us true to our purpose. Together we make a better future possible.



Helen Baker

Chair

## The right to a safe home: our strategy

Every day, we see the devastating impact of the housing emergency, and people denied their right to a safe home. People blighted by homelessness, bad conditions, soaring rents, lack of homes, discrimination, and the threat of eviction. When we set our ten-year strategy in 2019, it was intended as a turning point – an ambitious and fearless response to the housing emergency and our role defending the right to a safe home.

2021/22 was the final year of our first three-year strategic plan. Even in the context of momentous change and disruption, when we reviewed our strategy, we found that our original goals are still the right ones. Indeed, in the context of greater inequality, hardship, fear, and social division, our goals are even more urgent, and the stakes are higher. Put simply, we still know that the only answer to the national emergency that is the housing crisis is sustained investment in high quality, secure homes that people on low incomes can afford to rent.

Our 2019–22 Strategic Plan had 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 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 which 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 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 fifty years ago. Today, our future lies in enabling and leading change at a community level, as well as for individuals and nationally. Our aim was to recruit thousands of supporters, who'll help us defend the right to a safe home, harnessing 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

### Housing campaigning

Our priority this year has been making progress towards a new era of social housing. In particular, when the new Secretary of State was appointed, focusing on fixing the rules that saw social housing be the tenure of housing that – while the most needed – was the hardest to deliver.

Alongside campaigning for social housing as the long-term solution to the housing emergency, in England we prioritised delivery of the Renters' Reform Bill, previously committed to but undelivered, and the regulatory changes promised for social housing tenants in the wake of the Grenfell tragedy.

We also had an internal objective to bring together all our major policy priorities under one campaign – to demonstrate how vital all these bills are to fixing England's housing emergency, from driving up the supply of social housing to fixing bad housing in the social rented and private rented sectors.

As the year progressed, it became clear that the 2022 Queen's Speech was our opportunity to deliver our objectives. We combined our various workstreams to build a single campaign with the objective of delivering legislative changes necessary to address the housing emergency, including:

- **Social Housing Regulation Bill**

To bolster regulation and strengthen the rights of social housing tenants.

- **Renters' Reform Bill**

Ending Section 21 'no fault' evictions and improve accountability in the private rented sector.

- **Levelling Up and Regeneration Bill**

As part of the government's approach to 'levelling up', fixing the rules that make it difficult to build social housing.

To achieve our aims, we engaged our supporters in various ways throughout the year.

We supported Joanne, a campaigner and private renter in Bournemouth, who launched an open letter to government and led a video on the broken private rented sector focusing on her own experiences. After 15 years of renting from bad landlords, Joanne said it felt like the right time to get involved with Shelter and be part of this campaign. She wanted to share her story and to show those in power the realities of renting. Over 15,000 members of the public signed her letter.

We launched *Only Choice Lettings*, a powerful film that laid bare the problems in the private rented sector. The film showed the grim reality of the millions at the mercy of a broken renting system, which pushes them into accepting unliveable conditions. Our video turned the spotlight on that unsustainable situation.

In Scotland, in advance of the Scottish local elections, we ran the next phase of our Scottish social housing campaign, calling on council leaders to deliver on their promises to build more social homes. This phase of the campaign built on work already undertaken ahead of the Scottish parliamentary elections in 2021, with a focus on local councils now delivering the commitments made by the Scottish Government.

The public launch of the campaign was bold in tone, clearly stating that council leaders were failing children across the country when it comes to social housing. This was accompanied by localised actions calling for delivery on social housing commitments in our key cities.

Campaign days were held in each of the hub cities, with key figures from the five main political parties invited to attend and commit publicly to delivering the required number of social homes. These campaign days, which were the first in-person campaign activity following the end of coronavirus restrictions in Scotland, were hugely successful. As well as attracting significant support from the public, political engagement was high, providing public affairs colleagues with a platform to build on following the election.

While this specific burst of activity culminated in the local elections, polling day marked a beginning rather than an end, as Shelter Scotland moves into an 'always on' campaign state with regards to social housing.

## Political events

2021/22 saw Shelter's first parliamentary reception with MPs, Peers and researchers attending from all major political parties in England.

We then organised a conference focused on the centre-right case for social housing, with keynote speeches from the Secretary of State for DLUHC, Michael Gove MP, and former Prime Minister, Theresa May MP. The conference also had panels with Vicky Spratt, Kwajo Tweneboa and Liam Halligan. This was especially significant for the Secretary of State embracing our report on unlocking social housing and publicly supporting many of our requests.

The result of all these activities was the 2022 Queen's Speech, where we were successful in securing all three Bills. This means that our focus for 2022 onwards is now to get them on the statute books in full. This will include ensuring a landlord portal in the Renters' Reform Bill, ending 'hope value' as part of planning reforms, and ensuring social housing is the primary beneficiary of government housing funds.

## Base for Change

The vision for our hubs set in 2019 is for them to be at the heart of their communities, acting as bases for activism, as well as for help, support, and advocacy, with teams focused on developing relationships, building trust, and helping to focus local energy, working with groups, organisations, and individuals who want to bring about change at a local level as well as nationally. The objective for the year was to continue to translate the strategic vision for the hubs as 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 year saw a shift from the work being delivered as part of a change programme into the new core operating model in hubs.

Delivering transformation is difficult, let alone in a global pandemic. As the impact of Covid-19 unfolded, it was clear that its lasting impact (financial, social, and political) would mean more people than ever would be seeking help; given that before the pandemic we couldn't meet demand, we knew that systems change was the right choice to make.

We are now consistently working in a different way. Hubs which were traditionally advice centres are now focused on driving local change. Teams have shifted the focus from the provision of advice and assistance at volume towards scrutinising and understanding the issues that people are presenting to us, and inspiring people to deliver sustainable change for individuals, the wider community and local housing, and homelessness practice and culture.

Each of our hubs have different change priorities, recognising that the experience of the housing emergency is different in each locale, and it is a dynamic programme of work that is responsive to local issues. Local leaders have been working with their teams to translate this ambition into action; analysing the data we have through our casework; local intelligence through partnerships; and through the Involvement Team to identify key priorities for hub activity to focus on, with clear change outcomes anchored in 'what better looks like'. The hubs bring together the full range of our expertise, including joint working internally and externally, to maximise the impact of our resources in tackling local problems and mobilising support through localising our campaigns, engagement, and profile.

The implementation of the outcomes framework for system change builds on the significant, high-quality work that has already been done, pulling together existing developments into a coherent framework as the next iteration of the work that our local teams have already been leading. It will seek to ensure credibility and authenticity in the story we tell about the transformative work being undertaken, particularly in how we organise ourselves differently in communities to drive and deliver sustainable change and impact. This framework will also feed into work undertaken through the data programme to measure our impact organisationally.

Making sure we have the right resource requirements to deliver is paramount. Significant work has gone into ensuring that each hub has a staffing complement sufficient to sustain safe and effective working practices, particularly with the shift towards delivering more outreach activity to target communities.

Making sure we are set up internally to deliver our strategy is key. In England there is more work to do to ensure the work of Communications, Policy and Campaigns and Income Generation aligns with our new community system change approach. A great start to the Connect, Amplify and Empower workstream has already begun with our Community Organising approach. Central to meeting our strategic ambition of creating a nationwide movement is starting, at the heart of the communities from which we operate, to grow and nurture support organically. The role

of the Community Organiser is to harness the strength and bring together our local insight, campaigns, services, and supporters to drive change, empowering people to challenge the status quo. This will focus on raising awareness of Housing Rights while developing the capacity of community groups and partners to promote and support their enforcement.

In Scotland we have moved to a regional approach, but we remain committed to the four cities in which we have a presence. The work of the Communities Team is focused on practice change, where the change we seek is in the gift of officials and their agencies. Collaboration with our colleagues in Policy Advocacy is key when we seek change on policy issues requiring the influencing of elected members on published policy that is democratically accountable.

Delivery of the strategic plan across the next three years will hopefully see us increase our physical presence in the communities we are working with, to create the right environment for us to test delivery models, evaluate approaches, and grow our impact. We couldn't do it without our motivated, knowledgeable teams, who are our agents for change. Making such a huge change takes time; we are at the foundation level of our hubs operating as bases for change, and we will need to continue to test and learn over the next strategy period and continuously improve. Through this process, things we try may not work – and that's okay, if we are learning from our experiences and applying this to the next phase of our work.

### Legal Services and Strategic Litigation

Our Community Legal Teams have been developing and implementing their plans on how we can use the law strategically to create change locally as well as nationally. By targeting our expert legal advice and representing people at court, we have been able to continue to provide access to justice for people with housing needs. Our legal teams help fight possession claims and evictions, and challenge landlords who unlawfully evict people or who allow their properties to fall into a dangerous state of disrepair. Our teams provide Court Duty legal representation to people who are at the door of the court facing the potential loss of their home. Without this service, many people would face the prospect of representing themselves in court at a time of trauma. Our teams challenge local authority homelessness decisions, when people do not have a safe home to live in and do not have the support available to put a roof over their head. By building partnerships with other advice agencies in the community, we are able to collaborate and work together. This sometimes includes offering our legal expertise and knowledge to ensure that support is available to people across communities.

We stand alongside communities, and use the law to create real change to improve practices and impact the wider community. In addition to representing individuals with their housing cases, we are also using the law to challenge housing injustice, inequality, and discrimination across our wider communities.

As our Community Legal Teams are located across the country, we can use our insight to recognise when issues are national and require a bold challenge to hold to account and change the system from a national perspective. Our Strategic Litigation Team is focused on national challenges, in addition to working closely with our Community Legal Teams. For example, we are aware of a particular local authority which is consistently refusing to help people who apply to them as homeless, and many people have come to us for help to challenge this. We have ensured each eligible household gets the help they need, but we are also collating the case examples into a wider complaint, in order to secure assurances and action from the local authority to improve their policy and practice when assisting those who are homeless in their community.

Our Legal Service is crucial in ensuring enforcement of housing rights, pursuing proper application of housing law to protect tenants, and challenging the law and policy where they do not provide that protection. In order to use the law strategically, it is crucial that we have local and national insight into the housing needs impacting people, which is provided through our teams in communities and our national helpline.

### Telephone and Online Advice

Telephone & Online Advice Services [England] moved to hybrid working as the country came out of the pandemic. Significant focus remains on the health and wellbeing of our people, with vicarious trauma training and reflective practice being implemented to reflect the increasingly isolated ways of working. As we embed hybrid working, our understanding of the office/home work balance improves, and it is expected that in the coming year working practices will continue to adapt in the post-Covid world.

As the helpline continues to transition to being an emergency service, the nature and complexity of calls and chats is changing. Contacts are increasing in length and complexity, requiring ever greater depth of knowledge from our



staff, as well as the skills to support people who are suffering from poor mental health due to their housing situation, a trend we continue to see.

Helpline have trialled the use of the Hardship Fund to provide street homeless families with accommodation. While other services can be mobilised in support, this has been hugely successful, as it removes some pressure from our advisors but helps families secure safe accommodation.

Recruitment remained challenging, with the helpline having up to fifteen vacancies at one point. Most posts have now been recruited, with the induction training completing in July 2022.

In the last year, the helpline in England answered 43,103 contacts (calls and chats), a reduction from the previous year (50,703) which is a reflection of the increasing complexity of our calls due to positioning our helpline as an emergency service, as well as staff vacancies.

In support of the transition to an emergency service, the Services Digital teams have been focused on iterating and improving online user journeys and content, seeking to ensure that the information and resources within our housing advice pages remain easily accessible.

The Triage Programme supported by the Fidelity Foundation continues to progress, with priorities of need now defined and designed to enable the client to quickly understand if their situation is an emergency. The next step is to conduct a series of real-life tests to ensure our priority definitions are fit for purpose.

## Anti-Racism

The fight for home is fundamentally a fight for social justice, and we recognise that there can be no social justice without racial justice. Unless we are fighting institutional discrimination within the housing system, we're not truly defending the right to a safe home.

Our goal for the year was to incorporate anti-racism into and across the organisation, with the aim of becoming an anti-racist organisation. A key milestone was the development of a specific strategic plan, integrating our anti-racist work into existing plans and the organisational strategy. Our anti-racism plan lays out the long-term major programme needed to transform Shelter into an organisation that addresses intersectional racial equity with the correct urgency and focus. The aim of our plan was to develop Shelter into an inclusive organisation, one that understands how intersectionality and racism impact colleagues, clients, and the housing emergency. One that uses this knowledge to dismantle systemic racism from the inside out.

Next year will be spent working 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.

## Our work in Scotland

### Telephone and Online Advice service

The Telephone and Online Advice team continues to work from home, and the ongoing delivery of high-level objectives in that context is an enormous credit to the team. Attrition and subsequent recruitment and training of staff in isolation remains a challenge. However, we continue to focus on the wellbeing of staff through reflective practice sessions, training and development opportunities, increased meeting, and one-to-one interactions to help counter isolation.

We have experienced an increase in the complexity, and therefore the subsequent advocacy required, of our calls. As a result, the time between initial contact and achieving meaningful resolution has increased. This inevitably poses challenges for our team, as Helpline and Chat Advisers work takes longer per call, so we can address fewer cases than we would have in the past. We have also seen a record number of safeguarding and welfare issues dealt with in the last year. A lack of empathy from local authorities has often seen our clients express frustration about their situation or have feelings of helplessness. We have witnessed a continuing trend of people experiencing poor mental health who have been cast adrift by the system and who have not been afforded adequate care from GPs or social workers. In some cases, it is only our intervention that has secured medical assessments and support for clients. Towards the latter half of the year, we saw a massive increase in hardship cases. Covid, lockdown, and financial concerns have exacerbated already challenging circumstances for many with various impacts, including households with children and vulnerable adults experiencing food and fuel poverty.

Various challenges around recruitment has meant we operated for a significant amount of the year with reduced capacity due to vacancies. More time has been spent on looking after staff wellbeing. KPIs and targets around call volumes continue to be excluded from staff objectives. These factors mean we have seen a decrease in the number of total interactions when compared with 25,000 last year. In the last year we've handled 9,575 calls, with an average length of 35.23 minutes. Call times have increased significantly, partly because of the increasing complexity of cases. We have also seen 9,894 online chats, with an average chat length of 19 minutes 53 seconds. Calls to the Scottish Welfare Reform Advisory Service (ScotWRAS) totalled 1,071, with an average call time of 30.25 minutes.

### Law Service and Strategic Litigation

When people's rights are denied, Shelter Scotland intervenes, and the law service is the sharpest of these interventions. It provides the key legal expertise, and is unique in its specialism and experience in practising rights enforcements. Its reach is also unique; unlike any other housing law provider in Scotland, its reach is national.

The enforcement of rights by creating access to justice and empowerment through knowledge sharing describes key activities undertaken by the law service this year. Legal casework and representation, which are prerequisites of strategic litigation, reflect our longer-term ambitions around effecting systems change that provides impact for many more people.

The law service team have worked to defend, uphold, and enforce housing rights across Shelter Scotland's client group. Solicitors continued the urgent work required to prevent illegal evictions and challenge gatekeeping by homeless services. Our team achieved this while managing an increase in both the variety and complexity of housing cases, including succession, abandonment, dampness and disrepair, homelessness, and challenging conversions of tenancies.

The law service team also continue to pioneer equalities legislation in housing casework, including defended evictions, challenging allocation policies, and Home Office accommodation.

In Aberdeen, where Shelter Scotland is committed to driving long-term practice and policy change, the law service team led a project to deliver in-court advice. This provides much-needed legal interventions to prevent evictions and homelessness in the city while working alongside the local authority to effect practice change.

The Homeless Rights Awareness Project led by Shelter Scotland has worked to strengthen the capacity of homelessness support organisations to deliver advice. In tandem with training colleagues, the law service team has developed legal workshops, developed online tools and content, and has initiated a practice development forum. These initiatives were designed to upskill others to provide more effective advocacy and representation for those most in need.

We completed the Migrant Destitution Project, which provided dedicated part-time resource to collaborate with partner organisations in challenging migrant destitution. That was achieved through building capacity across the

sector and delivering casework. This project recognised the discrimination faced by destitute migrants and provided a human-rights-based approach to their housing issues.

Street Legal, a collaboration with another organisation, saw the law service team deliver legal advice and representation to families with children and young people at risk of homelessness.

Shelter Scotland's law service provides a level of housing experience, knowledge, and expertise which is unparalleled and hard to find elsewhere in Scotland. It is a vital resource for helping us continue to drive forward our strategic ambitions. It provides us with both the legal frontline casework insight and the strategic litigation experience and evidence which add weight and credibility to our Fight for Home.

## Community organising

In Scotland we are choosing to support community organising, to ensure there is a critical mass of people in our communities who are equipped and able to effectively fight for home. This is how we build up communities to not only insist their rights are upheld, but also take collective and effective campaign action when they aren't.

We have four Community Organisers, one in each of our hub cities, who support local community activist groups and existing grassroots groups to build and lead their own independent campaign actions on the housing issues that matter most to them.

Although we switched to an online digital approach due to the pandemic, we are now emerging back to a traditional face-to-face organising approach, which is allowing the organisers to get out in the communities and build more meaningful relationships with local groups. We also have a set of digital campaign guides and resources that communities can access in their own time to help them plan campaign actions.

The Community Organisers are using a range of approaches to support local housing activist groups in leading collective campaigns and bringing about change in their communities on the housing issues that matter to them. This can range from delivering activist, campaigning, and leadership training to covering the cost of campaign resources – such as placards and travel costs – to help build collective power. Regardless of the support the organisers provide, they will always stand either beside or behind activist groups rather than leading campaign actions themselves.

In all the hub cities, we are supporting either existing or new groups to develop their ability to lead their own campaign actions. In Dundee, the organiser has been supporting a local student tenants' union to develop and lead a campaign calling for the rights of students renting in student accommodation to be more aligned to those of private renters. In Edinburgh, the organiser has been supporting a local tenants' group who are all affected by the same rogue landlord to find safe ways to collectively challenge him. In Glasgow, the organiser is supporting a group of disabled tenants to organise and challenge their local housing provider to do more to create accessible bin areas. In Aberdeen, the organiser is organising a listening exercise with a local LGBT group to help people identify shared housing issues and solutions for change.

## Scottish Empty Homes Partnership

The Scottish Empty Homes Partnership is funded by the Scottish Government, and hosted by Shelter Scotland, with the remit to encourage private sector long-term empty homes back into use, as social and affordable homes, wherever possible. (Long-term empty homes are homes that are recorded as empty on council tax records for six months or more.) Long-term empty properties represent a lost opportunity in areas where demand for housing is high and housing supply is inadequate. By bringing suitable empty homes back into use, housing need will be reduced, which will in turn help to address the housing emergency. Bringing homes back into use can also help to revive and revitalise town centres, villages, and rural communities, and contribute to reducing carbon emissions.

Figures published by the Scottish Government reported that there are approximately 43,766 long-term empty homes.

Of these, 15,912 have been empty for anywhere between six months and a year, and 27,584 have been empty for over a year. The six-month figure is a 7.5% fall from 2020 figures, but this is still 6.8% higher than the pre-pandemic 40,963 long-term empty homes in 2019.

The Covid-19 pandemic has had an impact on long-term empty properties being brought back into use; many Empty Homes Officers (EHOs) report owners advising that empty homes work has stalled due to a rise in the cost of materials, shortages in supplies, and the lack of availability of local tradespeople. Against this backdrop of significant challenges, and with home working, restrictions on visits to properties and varying access to IT

equipment still affecting all EHOs, the achievements of empty homes officers are all the more impressive for 2021/22.

Over the past year, Empty Homes Officers, supported by the Partnership, have reported that 1,152 empty properties have been brought back into use. This compares to 851 homes back into use for the previous year, and 1,412 in 2019.

We now have 24 councils that report having an empty homes service. During the period of this report, we have had two new Empty Homes Officers appointed and a further two councils restarting an empty homes service by appointing a new officer. However, several local authorities have advised us that since the pandemic, empty homes work has been deprioritised, or in one council, completely stopped. We remain committed to realising our ambition to see empty homes services in every local authority in Scotland, and will continue to work with and support all local authorities to ensure that, despite the challenges posed by the pandemic, each local authority prioritises bringing suitable empty homes back into use.

## Supporting our work

### Fight for Home and our new brand

May 2021 saw us launch a high-profile and hard-hitting campaign, aiming to mobilise the public behind our cause and join the 'Fight for Home'. The campaign launch focused on firmly placing the housing emergency at the heart of the national conversation at a time when the fault lines in the housing system had been laid bare. A key feature of that campaign was our research that revealed the colossal scale of the problem, with 17.5 million people affected by the emergency.

The campaign had an extensive out of home launch, with billboards across England and Scotland, in addition to TV and digital executions highlighting the impact of the housing emergency on families and individuals across a wide range of issues, including discrimination, instability, poor conditions, overcrowding, and the lack of social homes. The central creative elements of the campaign were powerful portraits by Tom Cockram, accompanied by issue-based and brand-themed headlines, 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.

That campaign was also the launch of a new visual identity, a vital component in our strategic goal of building a movement for change and addressing an identified risk to our brand salience. This new brand will inspire a new generation of supporters to confront social injustice and bring an end to the housing emergency. The campaign and brand identity reflect the desire of our supporters and service users for Shelter to be braver and harder hitting, without losing our compassion and commitment to inclusion.

The new identity is inspired by the spirit of activism on which we were founded, 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 our purpose 'to defend the right to a safe home' and core idea that 'home is everything'.

### Retail

Retail profits ended the year significantly above budget and well above previous years. Our retail operations benefited from customer enthusiasm as in-person shopping reopened after the pandemic, as well as increased public awareness of ethical and sustainable shopping.

We also grew the online selling operation for donated goods significantly in 2021/22, supported by a new Pack & Post scheme, meaning we continued to receive customers' donations despite restrictions and closures.

We have continued to rebalance the shops portfolio to optimise profitability. The success of new boutique shop openings in recent years can be clearly seen, as these shops now come to maturity. We closed eight shops during the year, at their leases ended. We now have 82 shops: 46 in England, 1 in Wales, and 35 in Scotland.

## Our corporate partners

### Network Rail

Since 2019, we've been working with other national charities on Network Rail's 'Routes out of Homelessness' campaign, taking a new strategic approach to addressing homelessness on the railway through volunteering, fundraising, payroll giving, and gift-in-kind support.

As part of Network Rail's commitment to the Rough Sleeping on Rail Charter, since October 2020 we have partnered to deliver a dedicated outreach service to support people who sleep rough in and around Manchester Piccadilly and Birmingham New Street stations to access accommodation. In 2021/22 the funding that Network Rail provided for this service enabled Shelter to support 168 individuals at these stations, with 153 moving into accommodation. We also trained 68 frontline station staff to increase confidence, and making them the first link in a chain of support that will ultimately help people to move into sustained accommodation.

### Nationwide

This year we marked our 20th year in partnership with Nationwide Building Society. Over this time, they have donated over £7 million and helped over 100,000 people facing the housing emergency.

They've also been vocal advocates of our policies and have campaigned in support of our shared belief that everyone deserves a safe place to call home.

Both Nationwide employees and members have backed our partnership, organising fundraising activities, volunteering at our services, and donating supplies to our charity shops. Nationwide also held a Christmas Gift List appeal, with employees donating thousands of gifts for our service users.

By working closely together, we've been able to share insights and influence the type of changes that have a positive impact on the housing emergency.

For example, Nationwide was the first mainstream buy-to-let lender offering tenants the option of longer-term contracts. And it was one of the first lenders to lift the restrictions on buy-to-let landlords renting to tenants on housing benefits.

## Thanks

### Supporters

Andrea Hopkins and Andy Phillipps	Edward Bonham Carter
Albert Wu	Scotshill Trust
Andrew Wilson	Sophie Dalrymple
CFC Underwriting	Miel de Botton
TY Danjuma Family Office	Baillie Gifford
Jason Fox and Isin Karahan	Gareth Williams
Justin Ash	Newsom Consulting Ltd.
Mark Sorrell for Goldman Sachs Gives	John Young
Nicholas Thomas	Lindsey Allan
Richard Cormack	Peter Backhouse
Val McDermid	Alessandra McConville and David Mead
Andrew Sutton	Chris and Joyce Pountain
Christopher and Sarah Smith	Saskia Gavin
James Golding	Richard Allan and Diana Cotton
Mitchell Charitable Trust	Stuart Rock and Jo Willett
Rachel Fairley	The JMCMRJ Sorrell Foundation
Robert Lind	Joanna Beckitt
Tim Hincks and Pippa Healy	Jamie Newell

### Corporate partners

Adecco Group UK&I	All Saints
Bank of England	Best Western Hotels & Resorts
Birmingham Midshires	British Land
B&Q/Kingfisher	Duni
Dyer & Butler	FatFace
Freshfields Bruckhaus Deringer	Home REIT plc
HSBC UK	Ibstock Group
Marks and Spencer	Mitchells & Butlers plc
Nationwide Building Society	Network Rail
Société Générale UK	Wayfair

## Trusts and foundations

29th May 1961 Charitable Trust	John Young
Abrdn Financial Fairness Trust	Joseph Rowntree Foundation
Adfal Trust	Justice First Fellowship
Adint Charitable Trust	Liebenrood Charitable Trust
Albert Hunt Trust	Mabel Cooper Charity
Austin & Hope Pilkington Trust	Mill Charitable Trust
Barbour Foundation	National Lottery Community Fund - COVID-19 Emergency Funding
Batchworth Trust	
Bay Tree Charitable Trust	National Lottery Community Fund - ICM
BBC Children In Need	National Lottery Community Fund Improving Lives
Big Lottery Fund - Time for Change project	Nationwide Foundation
Blyth Charitable Trust	Northwood Charitable Trust
C B & H H Taylor 1984 Trust	Oak Foundation
Calypso Browning Trust	Odin Charitable Trust
Constance Travis Charitable Trust	Oxygen House Foundation
David & Ruth Lewis Family Charitable Trust	Paul Bassham Charitable Trust
David Family Foundation	Philip King Charitable Trust
David William Traill Cargill Fund	Portrack Charitable Trust
DG Charitable Settlement	Princes Exchange Foundation
Dr T M N Salvesen's Charitable Trust	Reo Stakis Charitable Foundation
Duffy Foundation	Richard Budenberg Charitable Trust
Dunard Fund	River Farm Foundation
E M Chapman Discretionary Will Trust	ShareGift
Elizabeth Frankland Moore and Star Foundation	Sir James Knott Trust
Evan Cornish Foundation	TA Fund
Eveson Charitable Trust	The Legal Education Foundation
Fidelity UK Foundation	The Lyons Charitable Trust
George Cadbury Fund 'B' Account	The Robertson Trust
Gillespie Macandrew LLP	The Volant Charitable Trust
Hollyhock Charitable Foundation	Trust for London
Hugh Fraser Foundation	Welland Charitable Trust
Hyde Park Place Estate Charity	Wickens Family Foundation
Ingram Trust	William A Cadbury Charitable Trust
J & L Scott Charitable Trust	William Allen Young Charitable Trust
John James Bristol Foundation	Zochonis Charitable Trust





## Legacies

We are indebted to those supporters who remembered Shelter with a gift in their will, including former Shelter trustee Hugh Norton. Hugh believed passionately in the three words that define all of our work: home is everything. He spent nine years as a trustee for Shelter, and his contribution influences our work today. Hugh wanted to make sure we could support more people through our emergency helpline, provide the best advice through local hubs, and put the housing emergency on the national agenda.

The determination of all our legacy donors to leave real change for people facing the UK's housing emergency lives on in our work today:

Marion Aspinall	Russell Forgie	Carole Moncrieff
Sylvia Atkins	Barbara Fox	Harold Norris
John Baker	James Franaitis	Hugh Norton
John Bardsley	Janet Haig	Janet Ockwell
Reginald Barnes	Mary Hamill	William O'Keeffe
Craig Brown	John Hansen	Thelma Percy
Fiona Browne	Margaret Harris	Rosemary Philip
David Burns	Susan Harvey	Pamela Reid
Rita Burt	Simon Haviland	Sheila Richardson
Margaret Cairns	Robert Henry	Leonard Ross
Mary Castles	Christine Herries	Jean Rutherford
John Chadburn	Kenneth Hind	John Salingar
Philip Chase	Barbara Hurford	Johanna Scheltema
Alice Chorley	Joan Jackson	Roy Selby
Aileen Christianson	E Lacey	John Shakeshaft
Anthony Cogdon	Winifred Laws	Brian Shuck
Lesley Coles	Mary Lewis	Eleanor Shuffleton
Patricia Collins	David Lilley	John Spalding
Martin Connelly	Alan Lord	Mary Stark
Petros Constantinides	Barbara Mann	George Sutton
Martin Cosgrif	Catherine McGrother	Leonard Sweet
Ray East	Paulina Metianu	Patricia Tongue
Mary Eastwood	Stanley Milne	Stuart Tredinnick
Geoffrey Fielder	Doris Milton	Janet Trevelyan
E Fisher	Gillian Minter	Margaret Turnbull
Jill Ford	Ronald Mold	Joan Warren

## Celebrities

Rob Rinder	Matt Allwright	Peter Crouch
Maxim	Kwajo Tweneboa	Danni Menzies
Kaz Kamwi	Ellis Genge	Nikki Amuka-Bird
Vick Hope	Armando Iannucci	Jay Flynn
Edith Bowman	Bobby Kasanga	Melanie C

## 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 01038133) 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 2021/22.

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 to 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 three-year terms, with an exceptional third two-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.

Shelter maintains indemnity insurance for appointed trustees and officers included as part of the organisations commercial combined insurance policy.

### Board committees

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

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.

## Our people

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 1,270 (1,158 FTE) people and have over 2,617 volunteers in addition to supporters, campaigners and partners who all play a pivotal role in the movement for change, making sure that no one fights bad 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 & 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 by fundraisers, and support functions who ensure the organisation is enabled to deliver the strategy.

## Our commitment to diversity and inclusion in recruitment

At Shelter, we are united by our purpose to defend the right to a safe home. Our enemy is the social injustice at the core of the escalating housing emergency. We believe that to win that fight, we must be representative of the people we are here to help, and those who support our movement for change. In all our people decisions, we take pride in being inclusive, fair, equitable and transparent, canvassing applications from diverse backgrounds and experiences.

We have committed to combat racism both within and outside of Shelter, and we are on a journey to becoming a truly anti-racist organisation.

## 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 really 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.

## 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 supported the change in our ways of working. The focus for work on the culture this year has continued to be aligning internally around the new brand and building a culture and behaviours that support our humanitarian fighter ethos. This will help us to deliver our goal of becoming an actively anti-racist organisation. We continue to work towards building a culture centred around fearlessness, compassion, inclusion, and trust.

## Volunteering

We mobilise volunteers in support of our strategic objectives across all areas of our activities, including generating income, delivering community priorities, and building our movement for change. In 2021/22, 2,623 individuals across England and Scotland contributed 278,867 hours to our fight for home.

This year, we have taken significant steps in developing the quality and consistency of the organisational volunteer offer. We have developed an excellent standard of internal advice on volunteer engagement, launching a self-service platform for volunteering tools, resources and guidance, as well as Shelter's first eLearning to support good practice in volunteer management. To improve the volunteer experience, we have developed an adaptable volunteer induction pack that can be tailored at a local level, and also created bespoke learning content for volunteers. We have launched a new Volunteer Handbook engaging volunteers with Shelter's behaviours and anti-racism commitment, as well as Shelter's first Volunteer Problem Solving Protocol.

It's important that anti-racism and inclusion are at the heart of our volunteering offer, and we've taken steps to ensure they are. As well as committing to our own learning, we have shared learning content on anti-racism with volunteers consistently. We have created a new bank of volunteering imagery that reflects our anti-racism ambitions, and have completed a piece of research exploring barriers to volunteering for people with lived experience of homelessness.

Next year, we will be working towards increasing the diversity of volunteering opportunities available, including developing new types of opportunity with areas of the business who have not included volunteers as part of their workforce previously. We'll be further supporting the capability and confidence of our staff in managing teams of diverse volunteers, as well as continuing to take steps to ensure our volunteering offer is inclusive and anti-racist.

### Measuring success

The organisation has developed a framework for performance reporting and the Executive Leadership Team and Board receives 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:

- a. understand how our activities, and those of our partners, contribute to the delivery of our strategic aims;
- b. deliver meaningful change for individuals and in the communities in which we work;
- c. enhance our ability to demonstrate value to funders and supporters;
- d. 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:

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

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

- a. 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;
- b. 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;
- c. 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:

- a. the preparation of a three-year strategic plan;
- b. long-term financial planning including investment management;
- c. annual business planning, budgeting, and cash flow forecasting;
- d. regular consideration by the trustees of actual results compared with budgets, quarterly forecasts, cash flow, and reserves levels;
- e. delegated budget authority to operational staff; procedures for purchasing that include segregation of duties, procurement support, and new standing financial instructions;

- f. processes for the identification, assessment, and management of risk;
- g. regular review of financial procedures;
- h. 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:

a. Failure to build and maintain a movement

Addressing the Housing Emergency is contingent on convincing the public that there is a housing emergency and galvanising them to act and demand change. Failing to build effective, engaging journeys that drive supporters to join our movement (locally or nationally) will mean our strategic goals cannot be achieved.

b. Financial Risk

While Shelter's finances are healthy, inflation and an uncertain external environment pose significant financial risks to the organisation.

c. Political Context & Relevance

There are multiple competing priorities for policy makers, ensuring the salience of housing and homelessness issues is critical to the delivery of our strategic aims. The last few years has shown that seismic changes in the political landscape can come quickly.

d. External Perceptions of Shelter's purpose

The risk that the change to our brand, service delivery model, and the associated changes to our fundraising have unintended effects on the organisation's relevance with the public.

e. Commitment to Equity & Anti-Racism

A fundamental part of our strategy is that our enemy is social injustice because it denies the right to a safe home, and equity is a part of that. Shelter's commitment to anti-racism has already been scrutinised in the media and there is a continuing risk that the public or key audiences consider race and equity issues as outside our perceived remit.

f. Internal Capability & Capacity

The risk that we don't have the correct resources (staff, financial, or otherwise) to deliver our strategic aims.

g. Shelter's position on the Climate Emergency

The climate emergency is a global problem, and arguably the most significant social justice issue facing the world today. Shelter is taking steps to reduce our impact on the environment. Additionally, there is a risk that our policy and campaigning work isn't seen as sustainable and irreconcilable with the Government's commitments to 'build back greener'.

The Audit and Risk committee also regularly review operational risks to the organisation. This includes the risks presented by the crisis in Ukraine. There are no direct threats to Shelter as a result of the conflict. However, the inflationary impact on energy prices and supply chains is likely to have an impact on the organisation in the medium term.

## Declarations

## Statement of public benefit

Under the Charities Act 2011, 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;
- maintaining Shelter's 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 our stakeholders, including 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 partnerships (financial or otherwise), stakeholder relationships, engagement activities, and current issues and relevant feedback received from interaction with stakeholders.

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

In 2021/22 the Charity was engaged in the development of a new strategic plan, and a strategic plan for Scotland, building on the strategy set originally in 2018 with an ambition to tackle the social injustice at the heart of the housing emergency and ensure that the right to a safe home is defended. The strategy and the long-term aims set out inform our decisions and prioritisation.

During the year, the trustees considered and input into the process of developing those new plans, through Board and Committee meetings, as well as through dedicated meetings and planning sessions. Additionally, given the volatility created by the pandemic, the trustees also discussed Shelter's income-generating activities, and how to both protect income generation to meet the financial needs of the organisation.



Supported by our internal auditors, the Board and the Audit and Risk Committee reviewed and updated Shelter's principal strategic risks, 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, as well as changes to the overall risk profile and 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 Health and Safety, Safeguarding, Programme Management, and Coronavirus.

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

Shelter has been 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.

### **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 strategic plans. The Board and its Committees' decision-making process considers the impact of decisions on relevant stakeholders, 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 Learning and Organisational Development team conducts regular 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 (Racial Equality Network, LGBTQ+, Women and Non-Binary, Disabled and Neurodivergent). We regularly provide employees with relevant and timely information about what matters to them through various regular communication channels. This includes our intranet (INHOUSE), a monthly newsletter, a monthly briefing bulletin for line managers, and bi-monthly virtual 'townhall' style events with the CEO and executive leadership team. We consult with employees on a regular basis so that their views can be considered in making decisions which are likely to affect their interests.

- **Our supporters**

We engage our supporters in 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 research and focus groups 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.

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

Shelter works 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 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 and 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
Ongoing Coronavirus 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>• When considering reprioritisation, the Board and the Coronavirus Working Group considered the long-term impact of priorities on those who use our services and on the impact.</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 reviewed and approved the anti-racism plan, having heard directly from and considered the lived experience of staff and volunteers, as well as the evidence and research on the experiences of people of colour in the housing system.</li> </ul>
Implementation of Equity Inclusion & Culture Directorate	<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>• This new directorate, brought together the functions that support change in the organisation. The Equity, Inclusion and Culture directorate has been established to ensure we continually review and develop our ability both to achieve the goals we have set and prepare ourselves for the future.</li> <li>• The new directorate has accountability for realising Shelter's ambition to become an organisation where equity is central to all our work, in the context of our culture change and our commitment to co-production and involvement in the widest sense.</li> <li>• As part of this change, counter-proposals were considered from various staff members, which were considered as part of the implementation.</li> </ul>
Implementation of Strategy Enablement Directorate	<ul style="list-style-type: none"> <li>• Our staff and volunteers</li> <li>• Our suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• This new directorate brings together crucial strategic support services in a shared centre of excellence. Clarifying accountability for development and monitoring of Shelter's</li> </ul>

		<p>strategy, both holding to account the individual directorates and the various cross-directorate change programmes and projects.</p> <ul style="list-style-type: none"> <li>• As part of this change, counter-proposals were considered from various staff members, which were considered as part of the implementation.</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>• As part of the transformational Base for Change programme there was an ongoing, extensive programme of engagement involving staff and volunteers, as well as those affected by the housing emergency. This feedback was considered by Board and committees. In making the final decision, the Board considered the impact on staff, as well on people affected by the housing emergency.</li> </ul>
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>• The final launch of the brand happened in May 2021 and was the culmination of several years of development work. The Board was involved throughout the process, reviewing and considering the consolidated consultation feedback.</li> <li>• The brand development involved the organisation consulting widely, including with staff, volunteers, supporters, and people affected by and with lived experience of the housing emergency. The brand is a response to the feedback, meeting the 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 ensuring every person we encounter through our work is able to work with Shelter, free from risk, harm, and threat.

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 & 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 within 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 identifying and managing 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:

- a. are registered with the Fundraising Regulator, and are committed to complying with the Fundraising Promise;
- b. are members of the Chartered Institute of Fundraising, with our in-house face-to-face fundraising programme certified under their accreditation scheme;
- c. have a policy to protect people in vulnerable circumstances, and insist on checking the policies of our suppliers as part of any tender process;
- d. 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;
- e. have an agreed process to screen people against the Telephone Preference Service register when selecting them for an approach by telephone;
- f. screen our mailing lists for potential new supporters against industry-standard bereavement registers and the Mailing Preference Service;
- g. do not share or sell data with third parties for their marketing benefit;
- h. 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;
- i. have a cap on the number of telephone contacts for existing Direct Debit supporters, limited to no more than one every three months;
- j. worked with three door-to-door fundraising agencies on our Regular Giving programme in 2021/22. Two are members of the Chartered Institute of Fundraising and Fundraising Regulator. We monitor their activities by having our staff shadow them and through quality checks during welcome calls in order to maintain high standards and agreed approaches;
- k. worked with two face-to-face fundraising agencies on our Lottery programme, both of whom are members of the Chartered Institute of Fundraising and one is registered with the Fundraising Regulator; we conduct shadowing and mystery shopping of these agencies internally and through a mystery shopping agency;
- l. worked with one calling agency who is a member of the Chartered Institute of Fundraising and 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;
- m. regularly provide training sessions for all our agency partners to make sure they meet our high standards;
- n. deal with complaints about our fundraising activities via our supporter helpdesk. During 2021/22, we dealt with 58 complaints this way.

### Our Fundraising Charter

We will:

- a. use your donations carefully and responsibly;

- b. respect your wish to assign a gift to a specific aspect of our work;
- c. thank you for your support, and let you know what your donations do;
- d. fund work with a demonstrable, positive impact on the lives of homeless and badly housed people, while keeping support costs to a minimum;
- e. follow the Fundraising Regulator's Code of Fundraising Practice, so people know our activities are open, fair, honest, and legal;
- f. use your preferred communication channels – and if these change, we'll adapt them swiftly to suit your needs;
- g. 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. Shelter has continued 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.

As we come out of the Covid-19 pandemic, Shelter has adapted to hybrid ways of working by reducing the frequency of employee commuting and number of people in our offices at the same time through expanding use of technology. This should have a positive impact on our energy and carbon emissions.

The Board approved a new five-goal proposal which should help develop our roadmap – this includes:

- developing a full carbon footprint for Shelter;
- setting a carbon emissions target aligned with climate science;
- circular waste plan;
- colleague empowerment via our Eco Champion network;
- addressing sustainability in campaigns and policy, linking Shelter's campaign priorities with sustainable practices.

Shelter's total energy consumption for the 2021/22 financial year was 2,588,330.kWh compared to 1,812,164kWh in the previous reporting year. This increase is principally due to the significant reduction in both energy consumption, and travel as a result of lockdown restrictions in England and Scotland in the previous financial year.

Shelter's total emissions using location-based reporting for the reporting period 1 April 2021 to 31 March 2022 was 549.26 tonnes CO<sub>2</sub>e, compared to 414.20 tonnes CO<sub>2</sub>e in the previous reporting year.

The intensity ratio is 7.312 based on tonnes CO<sub>2</sub> equivalent of emissions vs financial year group turnover in millions (2021: 5.683). The intensity ratio is calculated as 549.26 tonnes CO<sub>2</sub>e / £75.12m turnover, thus a 7.312 tonnes CO<sub>2</sub> equivalent.

### Energy use disclosure

Consumption of gas and electricity for the reporting period was as follows:

	Consumption (kWh)
Gas	338,438.83
HH electricity	2,001,459.60

Consumption in kWh for the reporting period was as follows:

	Consumption (kWh)
Scope 1 – Natural Gas	338,438.86
Scope 1 – Transport Fuels	116,169.93
Scope 1 – Air conditioning refrigerant leaks	0
Scope 2 – Electricity	2,001,459.60
Scope 3 – Transport fuels from employee-owned vehicles	132,261.63
<b>Total</b>	<b>2,588,330.02</b>

### Location based emissions

Location based emissions for the reporting period were as follows:

	Consumption (kWh)
Scope 1 – Natural Gas	61.99
Scope 1 – Transport Fuels	29.13
Scope 1 – Air conditioning refrigerant leaks	0

Scope 2 – Electricity (location based)	424.97
Scope 3 – Transport fuels from employee-owned vehicles	33.17
<b>Total</b>	<b>549.26</b>

### Market-based emissions

Electricity purchased and consumed was supplied from sources accredited by Ofgem as renewable and backed by REGO certificates from the supplier.

Market-based emissions for the reporting period 1 April 2021 to 31 March 2022 were as follows:

	Consumption (kWh)
Scope 1 – Natural Gas	61.99
Scope 1 – Transport Fuels	29.13
Scope 1 – Air conditioning refrigerant leaks	0
Scope 2 – Electricity (location based)	0
Scope 3 – Transport fuels from employee-owned vehicles	33.17
<b>Total</b>	<b>124.29</b>

### Methodology

When calculating total energy consumption, Shelter uses verifiable data where reasonably practicable. In this report we have used DEFRA Conversion Factors 2021 to convert:

- electricity and gas consumption in kWh to tonnes CO<sub>2</sub>e;
- transport fuel consumption (either in litres where available or in miles where litres is not available) to tonnes CO<sub>2</sub>e and to kWh;
- refrigerant usage in kilograms to tonnes CO<sub>2</sub>e where applicable.

## Legal and administrative information

### Board of Trustees

<p>Helen Baker</p> <p>Shelter Chair Chair – Remuneration Committee Member – Committee for Resources &amp; Internal Systems Member – Quality &amp; Impact Committee</p>	<p>Philippe Lintern</p> <p>Vice Chair Chair – Committee for Resources &amp; Internal Systems Member – Remuneration Committee</p>
<p>Rob Hayward</p> <p>Chair – Scotland Committee Resigned – 31/03/22</p>	<p>Harbinder Kaur</p> <p>Member – Committee for Resources &amp; Internal Systems Member – Remuneration Committee</p>
<p>Goi Ashmore</p> <p>Chair – Audit &amp; Risk Committee</p>	<p>Jackie Killeen</p> <p>Appointed – 19/09/19 Member – Scotland Committee</p>
<p>Manpreet Dillon</p> <p>Member – Audit &amp; Risk Committee Resigned 03/11/21</p>	<p>Laurice Ponting</p> <p>Chair – Quality &amp; Impact Committee Member – Committee for Resources &amp; Internal Member – Safeguarding Committee</p>
<p>Prem Goyal</p> <p>Member – Audit &amp; Risk Committee</p>	<p>Jonathan Simmons</p> <p>Member – Committee for Resources &amp; Internal Systems Member – Quality &amp; Impact Committee Resigned – 31/03/22</p>
<p>Kezia Dugdale</p> <p>Appointed – 09/09/20 Chair – Scotland Committee</p>	<p>Jason Arthur</p> <p>Appointed – 03/11/20 Member – Quality &amp; Impact Committee</p>
<p>Leonie Foster</p> <p>Appointed – 31/03/22 Member – Quality &amp; Impact Committee</p>	<p>James Strang</p> <p>Appointed – 01/07/22 Member – Scotland Committee</p>



John M<sup>c</sup>Quade

Appointed – 01/07/22

Member – Audit & Risk Committee

Karen Kneller

Appointed – 01/07/22

Member – Audit & Risk Committee

### Co-opted members

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

Catherine Jobling	Steven Board
Andrew Martyn Johns	Ken Gibb
Linda Bendle	Sarah Miller

## Executive Leadership team

Overall operational management of Shelter is delegated by the Board to the Chief Executive and the Executive Leadership team. In the 2021/22 reporting year Shelter had six directorates:

- Services
- Communication, Policy and Campaigns
- Scotland
- Strategy Enablement
- Equity, Inclusion and Culture
- Income Generation

<b>Polly Neate CBE</b> Chief Executive Officer Director – Shelter Trading Company (Appointed 01/06/20)	<b>David Evans</b> Director for People Director – Shelter Trading Company Resigned 29/10/21
<b>Tim Gutteridge</b> Director of Strategy Enablement (formerly Director of Finance & Resources) Company Secretary Company Secretary – Shelter Trading Company Director – Shelter Trading Company (Appointed 01/06/2020)	<b>Alison Mohammed</b> Director of Services Director – Shelter Trading Company (Appointed 01/06/20)
<b>Andy Harris</b> Director of Income Generation Director – Shelter Trading Company (Appointed 01/06/20)	<b>Alison Watson</b> Director of Shelter Scotland (Appointed 01/06/20) Director – Shelter Trading Company (Appointed 01/06/20)
<b>Osama Bhutta</b> Director of Communications, Policy and Campaigning Joined 09/08/2021	<b>Mary Foulkes</b> Director of Equity, Inclusion & Culture Joined 15/03/22

## 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

## Our Finances

### Financial review

Shelter's financial performance was strong in 2021/22, though the results indicate areas of risk. Income exceeded expenditure, resulting in an operating surplus of £1.67m. Both income and expenditure have grown since the prior year, with income growing slightly more, meaning that the operating surplus is £0.36m higher than that generated in 2020/21.

Shelter's investment portfolio increased in value by £0.53m. Further analysis of this increase can be found in the investments review below. Including this movement, Shelter generated a surplus of £2.20m in 2021/22.

#### Income

Income totalled £75.20m in 2021/22. This is £2.31m (3%) higher than the prior year, due to significant growth in retail income, partly offset by declines in other streams. While the end of Covid-19 restrictions is a key driver of year-on-year growth in some areas, income in 2021/22 is also £2.19m higher than in 2019/20, demonstrating healthy growth since prior to the pandemic.

Donations and legacies totalling £45.18m are down by £1.49m (3%) on the prior year. This is the net of a £4.82m decrease in donations and a £3.33m increase in legacies.

The decrease in donations is primarily due to the loss of income received in 2020/21 which related specifically to the Covid-19 pandemic, including two emergency appeals, the donation of TV advertising space from our corporate partner Nationwide which enabled us to advertise those appeals, and funding from the National Emergencies Trust. These declines were expected. However, like many of our peers in the sector, we have also experienced underperformance in fundraising events. It is not yet clear whether this is a short-term shock or a long-term trend, and we will be monitoring this income stream closely during 2022/23.

Legacies have grown by £3.33m to £8.15m in 2021/22, primarily due to the clearance of probate backlogs which arose as a result of the pandemic.

A significant reduction in Job Retention Scheme (furlough) income and the loss of two of our Ministry of Justice contracts have led to a £1.42m (8%) decline in income from charitable activities to £17.45m in 2021/22. Some charitable income streams are up on the previous year, including income from training and resources for housing professionals, which is now higher than it was prior to the pandemic in 2019/20. Further information can be found in note 5 to the accounts.

Shelter's retail operation performed impressively in 2021/22. Income of £12.56m was £5.39m (75%) higher than 2020/21 and £1.62m (15%) higher than 2019/20. While the significant increase from 2020/21 is largely due to the end of pandemic-related shop closures, the increase from 2019/20 demonstrates that Shelter retail has not only recovered but grown. While our e-commerce offer has continued to increase, the main driver here is shop sales, which are up 15% on 2019/20. Higher stock volumes, built up during shop closures and boosted by donations from our corporate partners, have combined with increased footfall on local high streets due to widespread increases in homeworking since 2020.

#### Expenditure

Expenditure totalled £73.53m in 2021/22. This is £1.95m (3%) higher than the prior year, driven by an increase in the cost of raising donations and legacies, with most other expenditure lines remaining broadly level.

The cost of raising donations and legacies increased by £2.70m (20%) in 2021/22. This is partly due to the resumption of face-to-face fundraising following the end of pandemic-related social distancing measures. In addition, we have continued to increase investment in community fundraising and our fundraising lottery, both of which enable us to reach new audiences while helping to ensure Shelter's financial sustainability in the long term. This is why expenditure on raising donations and legacies is £1.69 (12%) higher than in 2019/20, prior to the Covid-19 pandemic.

Retail costs are broadly level with the prior year. Given the considerable increase in retail income, our retail operation has moved from a loss-making position in 2020/21 to a net contribution of £0.65m in 2021/22.

Expenditure on charitable activities has declined by £0.65m (1%) to £45.48m, primarily due to the removal of costs relating to the two Ministry of Justice contracts which came to an end during the year. This drives the £0.68m (6%) year-on-year decline in expenditure on intensive support. The £0.51m (11%) increase in expenditure on training and resources for housing professionals corresponds to the increase in income in this area. Other movements in charitable activity expenditure are small.

At £14.18m, support costs are £0.60m (4%) lower than the prior year.

## Surplus

Under the requirements of the 2019 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 £2.20m surplus generated in 2021/22 is comprised of a £0.69m restricted surplus, relating to grants or donations restricted to a particular purpose which have not yet been spent, and a £1.50m unrestricted surplus. The unrestricted surplus is the net of a £0.89m decrease in funds designated for particular purposes by the Board and a £2.38m increase in general funds, also known as reserves.

The trading company (Shelter Trading Limited) made a distribution of £0.38m to the charity, broadly in line with the £0.42m distribution made in 2020/21. 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.)

## 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 three years.

Shelter's Reserves Policy target level was £8.90m during 2021/22. At 31 March 2022, reserves are £8.15m higher than this, at £17.05m. This balance is also £2.38m higher than 2021, reflecting the unrestricted surplus generated in 2021/22. We expect to utilise excess reserves over 2022–25 in the delivery of Shelter's new strategic plan.

Moving into 2022/23, the Board has reduced the Reserves Policy slightly to £8.70m, reflecting a financial risk assessment that is overall broadly unchanged from 2021/22. While the risk of further restrictions relating to Covid-19 is now considered to be low, new risks have emerged relating to the current cost-of-living crisis and expected recession, which are likely to increase Shelter's costs and constrain some income streams.

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 £1.42m have been made from reserves into these funds, to reflect the increase in fixed assets in 2021/22. This increase has primarily been driven by the refurbishment of Shelter's Old Street office.

The Strategic Investment Fund was created in 2018/19 to invest in activity to help Shelter achieve its ten-year strategy and is funded by unrestricted legacies greater than £0.75m. Trustees chose to transfer an additional £0.43m to this fund during 2021/22, to resolve a deficit on the fund. At 31 March 2022, the Strategic Investment Fund balance is nil.

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 identified 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.

Shelter's investments are held in 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 2021/22, investments have increased in value by £0.53m or 9%. Taken with the £0.81m gain made in the prior year, the total gain over two years is £1.34m. This compares to a loss of £1.54m generated in 2019/20, following the market shock caused by Covid-19. The gains in 2020/21 and 2021/22 have arisen partly due to market recovery and partly due to the transfer to RMAF. Recovery slowed in late 2021/22 as a result of the war in Ukraine. While the economic outlook is currently poor, the relatively strong performance of RMAF compared to Shelter's previous standalone portfolio means we expect investments to recover to pre-pandemic levels during 2022/23.

## 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 28<sup>th</sup> September 2022 and signed on their behalf by:



Helen Baker

Chair of the Board of Trustees

# **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 2022 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 2022 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.

The image shows a handwritten signature in black ink. The signature consists of the letters 'BDO' followed by 'LLP' in a stylized, cursive script.

Heather Wheelhouse (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London, UK

Date: 18th October 2022

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 2022 (incorporating income and expenditure accounts)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Income from:</b>					
Donations and legacies	2	39,785	5,395	45,180	46,670
<b>Charitable activities:</b>					
Grants and contracts	5	7,108	6,908	14,016	16,130
Training and resources for housing professionals	5	935	1,218	2,153	1,644
Other	5	1,230	51	1,281	1,094
Retail operations	3	12,563	-	12,563	7,175
Investments	4	4	-	4	170
<b>Total income</b>		<b>61,625</b>	<b>13,572</b>	<b>75,197</b>	<b>72,883</b>
<b>Expenditure on:</b>					
Raising donations and legacies	2	15,715	416	16,131	13,435
Retail operations		11,911	-	11,911	12,001
<b>Charitable activities:</b>					
Housing advice and support:					
Face-to-face advice		12,448	4,890	17,338	17,831
Intensive support		8,683	2,591	11,274	11,950
Telephone and online advice services		5,644	1,443	7,087	7,340
Training and resources for housing professionals		2,069	3,215	5,284	4,776
Campaigning		2,471	98	2,569	2,394
Research and policy		1,706	225	1,931	1,844
<b>Total expenditure on charitable activities</b>		<b>33,021</b>	<b>12,462</b>	<b>45,483</b>	<b>46,135</b>
<b>Total expenditure</b>	7	<b>60,647</b>	<b>12,878</b>	<b>73,525</b>	<b>71,571</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>		<b>978</b>	<b>694</b>	<b>1,672</b>	<b>1,312</b>
Net gains/(losses) on investments	12	526	-	526	807
<b>Net income/(expenditure) for the year</b>	20	<b>1,504</b>	<b>694</b>	<b>2,198</b>	<b>2,119</b>
Reconciliation of funds:					
Fund balances at the start of the year	22	28,005	3,153	31,158	29,039
<b>Fund balances at the end of the year</b>	16, 18	<b>29,509</b>	<b>3,847</b>	<b>33,356</b>	<b>31,158</b>

# Charity and Group Balance Sheets

As at 31 March 2022

	Notes	Group		Charity	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Fixed assets</b>					
Tangible fixed assets	11	12,457	11,035	12,457	11,035
Investments	12	6,048	5,922	6,128	6,002
Investments – cash deposits	12	559	1,570	559	1,570
<b>Total fixed assets</b>		<b>19,064</b>	<b>18,527</b>	<b>19,144</b>	<b>18,607</b>
<b>Current assets</b>					
Stock		86	71	-	-
Debtors	13	16,577	9,621	17,331	9,602
Cash at bank		6,123	13,349	5,331	13,325
<b>Total current assets</b>		<b>22,786</b>	<b>23,041</b>	<b>22,662</b>	<b>22,927</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	5,198	6,917	5,169	6,899
<b>Net current assets</b>		<b>17,588</b>	<b>16,124</b>	<b>17,493</b>	<b>16,028</b>
<b>Total assets less current liabilities</b>		<b>36,652</b>	<b>34,651</b>	<b>36,637</b>	<b>34,635</b>
Provisions for liabilities and charges	15	3,296	3,493	3,296	3,493
<b>Net assets</b>		<b>33,356</b>	<b>31,158</b>	<b>33,341</b>	<b>31,142</b>
<b>Accumulated funds:</b>					
<b>Unrestricted income funds:</b>					
General funds	16	17,052	14,661	17,469	14,645
Designated funds	16	12,457	13,344	12,025	13,344
Restricted income funds	17	3,808	3,114	3,808	3,114
Permanent endowment fund	16	39	39	39	39
<b>Total charity funds</b>		<b>33,356</b>	<b>31,158</b>	<b>33,341</b>	<b>31,142</b>

The net movement in funds for the year for the charity only was £1,672,000 (2021: £1,312,000), not including gains/losses on investments.

The charity only income was £74,612,000 (2021: £72,439,000) less expenditure of £72,940,000 (2021: £71,127,000).

The financial statements were approved by the Board of Trustees and authorised for issue on 28<sup>th</sup> September 2022.

They were signed on its behalf by:



**Helen Baker**

**Chair of the Board of Trustees**

Date: 14th October 2022

Shelter company registration number 1038133

# Consolidated Cash Flow Statement

Year ended 31 March 2022

	Notes	2022 £'000	2021 £'000
<b>Cash flows from operating activities</b>			
Net income/(expenditure) for the year		2,198	2,119
Adjustments for:			
Depreciation charges	11	1,330	1,132
(Gains)/losses on investments	12	(526)	(807)
Income from investments		(4)	(170)
(Increase)/decrease in stocks		(15)	(41)
(Increase)/decrease in debtors		(6,956)	5,483
Increase/(decrease) in creditors		(1,719)	898
Increase/(decrease) in provisions	15	(197)	40
<b>Net cash in/(out) flow from operating activities</b>		<b>(5,889)</b>	<b>8,654</b>
<b>Cash flows from investing activities</b>			
Income from investments		4	170
Purchase of fixed assets	11	(2,752)	(2,374)
Purchase of investments	12	-	(5,969)
Sale of investments	12	400	5,570
(Increase)/decrease in investment cash	12	1,011	367
<b>Net cash in/(out) flow from investing activities</b>		<b>(1,337)</b>	<b>(2,236)</b>
<b>Change in cash in the year</b>		<b>(7,226)</b>	<b>6,418</b>
Cash and cash equivalents at the beginning of the year		13,349	6,931
<b>Cash at the end of the year</b>		<b>6,123</b>	<b>13,349</b>
<b>Net funds reconciliation</b>			
	1 April 2021 £'000	Cash flows £'000	31 March 2022 £'000
Cash at bank and in hand	13,349	(7,226)	6,123
<b>Net cash</b>	<b>13,349</b>	<b>(7,226)</b>	<b>6,123</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 2021/22 accounts, i.e. until September 2023.

Shelter's income, expenditure and cashflow have been projected up to September 2023, taking into account the adverse economic conditions affecting Shelter and its donors. Income has been budgeted with economic conditions in mind and budget targets are considered to be conservative.

Projections for 2023/24 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 underperformance against budget of income targets, inflationary increases in the cost of energy and fuel, and inflationary effects on staff salaries. Inflationary increases are budgeted that Shelter consider to be realistic and will be made subject to the rate of inflation and affordability tests. Whilst global supply challenges have resulted in cost increases to energy and fuel, this is not a major concern for Shelter because these costs are less than 1% of our total expenditure.

After considering the current level of reserves and cash, the forecast to September 2023 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 less impairment, if applicable. 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

	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000	2021 Total £'000
<b>Income from donations and legacies:</b>				
Individuals	30,753	632	31,385	32,148
Donated services	229	-	229	1,346
Charitable foundations	868	1,491	2,359	4,095
Corporate donors	1,777	1,276	3,053	4,261
Legacies	6,158	1,996	8,154	4,820
<b>Total</b>	<b>39,785</b>	<b>5,395</b>	<b>45,180</b>	<b>46,670</b>
<b>Expenditure on raising donations and legacies:</b>				
Direct staff costs	6,989	16	7,005	5,964
Direct non-staff costs and allocated support costs	8,726	400	9,126	7,471
<b>Total</b>	<b>15,715</b>	<b>416</b>	<b>16,131</b>	<b>13,435</b>

Shelter has been notified of legacies with an estimated value of £4.33m (2021: £8.60m) which have not been included in income for the year ended 31 March 2022, because either probate has not been received or Shelter is not satisfied that the amount receivable can be reliably measured.

The cost of raising donations and legacies increased significantly due to the resumption of face-to-face fundraising following the end of pandemic-related social distancing measures, and continued investment in community fundraising and our fundraising lottery, both of which enable us to reach new audiences while helping to ensure Shelter's financial sustainability in the long term.

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

	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000	2021 Total £'000
<b>Income from retail operations:</b>				
Donated goods	10,784	-	10,784	3,982
Purchased goods	373	-	373	636
Retail, Hospitality and Leisure Grants	1,042	-	1,042	860
HMRC Job Retention Scheme (furlough)	27	-	27	1,521
Other	337	-	337	176
<b>Total</b>	<b>12,563</b>	<b>-</b>	<b>12,563</b>	<b>7,175</b>
<b>Expenditure on retail operations:</b>				
Direct staff costs	4,592	-	4,592	4,448
Direct non-staff costs and allocated support costs	7,319	-	7,319	7,553
<b>Total</b>	<b>11,911</b>	<b>-</b>	<b>11,911</b>	<b>12,001</b>
<b>Net income/(expenditure) available for charitable application</b>	<b>652</b>	<b>-</b>	<b>652</b>	<b>(4,826)</b>

A number of Shelter's shops were eligible for Retail, Hospitality and Leisure Grants (England), Local Restriction Support Grants (England) and Strategic Framework Business Fund (Scotland) in 2020/21 as part of the governmental response to the COVID-19 pandemic and resultant lockdown measures. Shelter continued to benefit from these grants in 2021/22 as a phased re-opening of shops was performed in April 2022, during which period income continued to be reduced following the effects of the pandemic.

The retail chain made a gross contribution of £3.00m in 2021/22, and a net contribution available for charitable application, after the application of support cost allocation (see note 7) of £0.65m. This is a substantial increase on the prior year net loss of £4.80m when income could not be generated by shops during a large portion of the year due to the government's lockdown measures. The significant increase is mainly due to the re-opening of shops and heightened footfall on local high streets, as well as a further upturn in shop sales as a result of higher stock volumes that were built up during closures and boosted by donations of stock from corporate partners.

The end of lockdown also resulted in a significant reduction in income from the government's furlough scheme, with most staff returning to work as shops re-opened in April 2022.

Other retail income primarily relates to stock ineligible for resale which is instead sold to recyclers of used materials.

#### 4. Income from investments

	2022 £'000	2021 £'000
Interest on cash at bank	2	11
Dividends from listed securities	2	159
<b>Total</b>	<b>4</b>	<b>170</b>

Dividend income decreased significantly in 2021/22 as a result of a restructure of Shelter's asset portfolio in 2020/21 following a change in account management with Shelter's investment managers, Cazenove Ltd. This was to ensure assets are responsibly invested in line with Shelter's values and resulted in a far lower allocation of dividend yielding investments, instead focusing on asset growth.

#### 5. Income from charitable activities

	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000	2021 Total £'000
<b>Central government grants and contracts:</b>				
Scottish government grants	40	624	664	540
Ministry of Justice contracts	2,568	-	2,568	3,994
Ministry of Housing, Communities and Local Government grants and contracts	-	1,994	1,994	2,008
HMRC Job Retention Scheme (furlough)	11	5	16	1,079
<b>Other public body grants and contracts:</b>				
Legal Aid Agency contracts	1,255	-	1,255	1,254
Local authority grants and contracts	2,518	1,837	4,355	4,925
National Lottery grants	-	1,565	1,565	1,493
Other agencies grants and contracts	716	883	1,599	837
<b>Total statutory grant and contract income</b>	<b>7,108</b>	<b>6,908</b>	<b>14,016</b>	<b>16,130</b>
Income from training and resources for housing professionals	935	1,218	2,153	1,644
Other income	1,230	51	1,281	1,094
<b>Total income from charitable activities</b>	<b>9,273</b>	<b>8,177</b>	<b>17,450</b>	<b>18,868</b>

Grant and contract income contributes towards 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 £1.08m, this comprised of £1.04m in retail grants (see note 3), and £0.04m in relation to the HMRC Job Retention Scheme. Of that relating to the Job Retention Scheme £0.03m was in relation to retail staff (see note 3) and £0.02m relating to non-retail staff (see note 5).

Whilst most staff utilising the furlough scheme were able to return to work following the re-opening of retail shops in April, a small number of staff remained unable to perform their roles until later in the year.

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 2022.

The list is prepared in compliance with section 37 of the Local Government and Housing Act 1989.

Funder	Purpose of funding	Income 2022 £'000	Expenditure 2022 £'000
<b>District, borough and county councils in England and Wales:</b>			
Birmingham City Council	Provides a single point of access for single people and childless couples who are homeless or at risk of homelessness.	97	97
Birmingham City Council	Support for rough sleeper clients who have not previously engaged with services.	83	74
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.	5	4
Blackburn with Darwen Borough Council	Provides welfare and debt information and advice services within the Borough of Blackburn with Darwen.	185	174
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.	53	28
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.	70	41
Dorset Council	Provide a Programme Coordinator for Dorset Rough Sleeping Drug and Alcohol Treatment Programme on behalf of Dorset Council in order for the council to satisfy a number of health service obligations.	29	28
Dorset Council	This contract is to provide intensive floating support to people who have been rough sleepers in Dorset Council area.	107	63
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.	120	101
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	48
London Borough Of Hackney	We are contracted to deliver Housing Advice to families who have no recourse to public funds who have been referred to Children and Families Services, but who are not yet viewed to meet threshold for a Section 17 assessment or support.	20	15
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.	1,003	994

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
London Councils	As part of the Supporting Tenancies, Accommodation and Reconnections project, Praxis and Shelter provide specialist work to support migrants and refugees with No Recourse to Public Funding (NRPF).	108	114
London Councils	To provide support to voluntary homelessness service organisations and ensure they are aware of the policies affecting their clients.	41	45
Manchester City Council	To deliver an innovative support programme for people with complex needs in Manchester who are at risk of homelessness.	162	61
Norwich City Council	Debt prevented and/or reduced and improved financial capability.	28	28
Public Health England funding via Blackburn Council	To improve the mental health of the local community by focusing on systemic housing, welfare and benefits issues, all of which impact negatively on mental health and wellbeing.	80	29
Public Health England funding via Sheffield City Council	To improve support and outcomes for people experiencing rough sleeping who have drug and alcohol dependence needs.	30	25
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.	938	946
Sheffield City Council	A specialist non-clinical support service for people with drug and alcohol misuse in a vulnerable housing situation.	323	306
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.	30	31
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	134
Sunderland City Council	To contribute to preventing homelessness in Sunderland through the delivery of specialist housing advice within Sunderland, hosted by Community Housing.	33	37
Westminster Borough Council	Provision of frontline housing advice, homelessness prevention and support services.	410	361
<b>Total</b>		<b>4,180</b>	<b>3,833</b>

#### Local authorities in Scotland:

Aberdeen Council	Housing advice for households at risk of homelessness through legal proceedings.	33	65
Glasgow City Council	To establish a locally responsive model for homeless individuals with multiple and complex needs in Glasgow.	78	83
North Lanarkshire Council	Independent advocacy in relation to housing issues for eligible persons in North Lanarkshire.	20	1
South Lanarkshire Council	Provide transport for families in temporary accommodation in South Lanarkshire.	6	0
South Lanarkshire Council	Client-focused housing support service for families affected by homelessness and who have complex needs across the South Lanarkshire area.	38	132
<b>Total</b>		<b>175</b>	<b>281</b>

#### De minimis contracts and grants:

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	456,078	448,073
Delivery partner-Thames Reach	397,235	415,056
Delivery partner- St Mungo's	40,182	39,195
Delivery partner- Stonewall Housing	110,000	110,000
<b>Total</b>	<b>1,003,495</b>	<b>1,012,324</b>

  

<b>Expenditure on:</b>	<b>Grant awarded £</b>	<b>Grant spent £</b>
Staffing	746,221	765,469
Running cost*	108,652	110,990
Premises cost	50,980	49,775
Central overheads	97,642	86,090
<b>Total</b>	<b>1,003,495</b>	<b>1,012,324</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 2021/22.

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 2021/22, 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 £8,829. Thames Reach overspent by £17,821. Shelter underspent by £8,005 and St Mungo's by £987. Shelter had a B/F balance of £292 from FY 19/20 and this was approved by London Councils to be used in FY 21/22.

For the 20/21 S37 disclosure in the accounts, the following errors were identified:

- The S37 disclosure should have read that there was a B/F balance of £292 from 19/20, instead of 18/19 as stated in the accounts.
- There was also a rounding error in the total expenditure of the grant awarded column, which should have read as £1,000,092 per the sum of the figures above it, instead of £1,000,091.
- There was also an error in the total grant spent by Shelter. The total grant spent by Shelter should have read as £460,909, instead of £459,474 and the total grant spent should have been £1,026,143, instead of £1,024,708.
- The grant spent on Running Cost should have stated £116,733, instead of £116,226 and the grant spent on Central Overheads should have been £92,367, instead of £91,439.
- The overspend by Shelter should therefore have read as £8,235, instead of £6,800 and the total overspend should have read £26,051, instead of £24,616.

## 7. Direct and apportioned costs

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

	Direct costs	Apportioned support costs	Total costs 2022	Total costs 2021
	£'000	£'000	£'000	£'000
<b>Expenditure on:</b>				
Raising donations and legacies	14,396	1,735	16,131	13,435
Retail operations	9,555	2,356	11,911	12,001
<b>Charitable activities:</b>				
Housing advice and support:				
Face-to-face advice	13,490	3,848	17,338	17,831
Intensive support	8,801	2,473	11,274	11,950
Telephone and online advice services	5,266	1,821	7,087	7,340
Training and resources for housing professionals	4,228	1,056	5,284	4,776
Campaigning	2,045	524	2,569	2,394
Research and policy	1,565	366	1,931	1,844
<b>Total expenditure on charitable activities</b>	<b>35,395</b>	<b>10,088</b>	<b>45,483</b>	<b>46,135</b>
<b>Total direct and apportioned costs</b>	<b>59,346</b>	<b>14,179</b>	<b>73,525</b>	<b>71,571</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

	2022	2021
	£'000	£'000
Human resources	3,766	3,350
Finance	1,720	1,707
Information technology	5,585	5,776
Facilities	1,622	766
In-house design and creative	1,278	1,970
Other corporate costs	208	1,212
<b>Total apportioned support costs</b>	<b>14,179</b>	<b>14,781</b>

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

## 8. Governance costs

	2022 £'000	2021 £'000
Fees payable to the external auditors for the audit of the group annual accounts	60	49
Fees payable to the external auditors for non-audit services	9	3
Internal audit	73	33
Trustee expenses, insurance and recruitment	13	5
Board and committee support costs*	52	48
<b>Total</b>	<b>207</b>	<b>138</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 comprise trustees and members of the Executive Leadership Team. Trustees are not remunerated. The total cost of employing the charity's Executive Leadership Team during the year, including employer's social security and pension contributions, was £916,861 (2021: £831,669). There are adequate systems in place to manage expenses and these do not form part of directors' remuneration.

The CEO's annual salary was £135,016 (2021: £132,625). Shelter's median salary was £27,084 (2021: £28,104), which represents a ratio against the highest salary of 4.99:1 (2021: 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	2022 £'000	2021 £'000
Wages and salaries	38,724	39,480
Social security costs	3,792	3,686
Pension costs	3,025	2,957
Other staff-related costs	1,808	1,033
<b>Total</b>	<b>47,349</b>	<b>47,156</b>

Overall staff costs are broadly in line with 2021. Other staff-related costs have significantly increased year-on-year due to greater expenditure on agency staff in our direct dialogue fundraising function, which was not in operation for much of the prior year due to government restrictions relating to the pandemic.

Redundancy and termination costs during the year were £407,691 (2021: £558,877).

Average staff headcount	2022 No.	2021 No.
Raising donations and legacies	128	118
Retail operations	196	209
Housing advice and support:		
Face-to-face advice	300	315
Intensive support	194	263
Telephone and online advice services	138	138
Training and resources for housing professionals	83	82
Campaigning	38	32
Research and policy	27	25
Support functions	166	153

<b>Total</b>	<b>1,270</b>	<b>1,335</b>
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Intensive support headcount has declined significantly year-on-year due to the loss of two Ministry of Justice contracts.

The number of employees who received emoluments (excluding pensions) in the following ranges were:

	<b>2022 No.</b>	<b>2021 No.</b>
£60,001 to £70,000	11	15
£70,001 to £80,000	7	5
£80,001 to £90,000	1	3
£90,001 to £100,000	2	2
£101,001 to £110,000	2	1
£110,001 to £120,000	1	-
£120,001 to £130,000	-	-
£130,001 to £140,000	1	1
£140,001 to £150,000	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.

	<b>2022 No.</b>	<b>2021 No.</b>
Group number of volunteers	2,617	2,584

The number of volunteers increased in 2022 due to the reopening of Shelter's retail shops following the lifting of government restrictions.

### 10. Leasing commitments – group and charity

As at 31 March 2022, the group and charity's total future minimum lease payments under non-cancellable operating leases fall due for payment as follows:

	<b>2022</b>		<b>2021</b>	
	<b>Land and buildings £'000</b>	<b>Other £'000</b>	<b>Land and buildings £'000</b>	<b>Other £'000</b>
<b>Operating leases which expire:</b>				
within one year	2,894	111	3,127	122
between one and five years	6,203	120	5,277	137
after more than five years	200	-	299	-
<b>Total lease commitments</b>	<b>9,297</b>	<b>231</b>	<b>8,703</b>	<b>259</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 2021	2,271	7,000	341	6,036	7,028	22,676
Additions	1,757	-	-	711	284	2,752
Transfers	(2,714)	-	-	156	2,558	-
Disposals	-	-	-	-	-	-
<b>At 31 March 2022</b>	<b>1,314</b>	<b>7,000</b>	<b>341</b>	<b>6,903</b>	<b>9,870</b>	<b>25,428</b>
<b>Depreciation</b>						
At 1 April 2021	-	(712)	(289)	(5,224)	(5,416)	(11,641)
Charge for the year	-	(93)	(32)	(524)	(681)	(1,330)
Transfers	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>At 31 March 2022</b>	<b>-</b>	<b>(805)</b>	<b>(321)</b>	<b>(5,748)</b>	<b>(6,097)</b>	<b>(12,971)</b>
<b>Net book values</b>						
<b>At 31 March 2022</b>	<b>1,314</b>	<b>6,195</b>	<b>20</b>	<b>1,155</b>	<b>3,773</b>	<b>12,457</b>
At 1 April 2021	2,271	6,288	52	812	1,612	11,035

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

	2022 Unit Trusts £'000	Group 2022 Total Inv. £'000	Group 2021 Total Inv. £'000	Charity 2022 Total Inv. £'000	Charity 2021 Total Inv. £'000
<b>Listed investments:</b>					
Investments at market value at 1 April 2021	5,922	5,922	4,716	5,922	4,716
Additions	-	-	5,969	-	5,969
Disposals	(400)	(400)	(5,570)	(400)	(5,570)
Net gain/(loss) for the year	526	526	807	526	807
<b>Listed investments</b>	<b>6,048</b>	<b>6,048</b>	<b>5,922</b>	<b>6,048</b>	<b>5,922</b>
Cash investments	-	559	1,570	559	1,570
Investment in subsidiary	-	-	-	80	80
<b>Total investments at 31 March 2022</b>	<b>6,048</b>	<b>6,607</b>	<b>7,493</b>	<b>6,687</b>	<b>7,573</b>
<b>Historical cost: Listed investments as at 31 March 2022</b>	<b>5,362</b>	<b>5,362</b>	<b>5,762</b>	<b>5,442</b>	<b>5,842</b>
<b>Common strategy investment funds:</b>					

JP Morgan Liquidity Fund	47	47	448	47	448
SUTL Charity Responsible Multi-Asset Fund	6,001	6,001	5,475	6,001	5,475
<b>Cash Investments:</b>					
Schroders Cash Management	-	559	1,570	559	1,570
<b>Total</b>	<b>6,048</b>	<b>6,607</b>	<b>7,493</b>	<b>6,607</b>	<b>7,493</b>

### 13. Debtors

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	2,766	2,460	2,303	2,460
Amounts due from subsidiary companies	-	-	1,265	181
Taxation recoverable - Gift Aid	5,557	856	5,557	856
Taxation recoverable - VAT	823	70	823	70
Other debtors	1,245	1,330	1,245	1,330
Prepayments	1,454	1,036	1,454	1,036
Accrued income	4,732	3,869	4,684	3,669
<b>Total debtors</b>	<b>16,577</b>	<b>9,621</b>	<b>17,331</b>	<b>9,602</b>

## Liabilities

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

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	1,075	1,590	1,052	1,572
Amounts due for taxation and social security	945	970	945	970
Other creditors	66	79	66	79
Accruals	2,863	3,997	2,857	3,997
Deferred income	249	281	249	281
<b>Total creditors</b>	<b>5,198</b>	<b>6,917</b>	<b>5,169</b>	<b>6,899</b>

Movement on deferred income	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Deferred income brought forward	281	762	281	762
Realised during year to 31 March 2022	(281)	(762)	(281)	(762)
Deferred in year to 31 March 2022	249	281	249	281
<b>Deferred income carried forward</b>	<b>249</b>	<b>281</b>	<b>249</b>	<b>281</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

	2022 £'000	2021 £'000
Balance at 1 April 2021	3,493	3,454
Utilised during the year	(215)	(259)
Additions in the year	18	298
<b>Balance at 31 March 2022</b>	<b>3,296</b>	<b>3,493</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 2021 £'000	Income and endowments £'000	Total expenditure £'000	Net gain on investments £'000	Transfers £'000	Balance at 31 March 2022 £'000
<b>Unrestricted income funds:</b>						
General funds	12,906	61,625	(57,906)	-	(1,854)	14,771
Unrealised investment gain	1,755	-	-	526	-	2,281
<b>Total general funds</b>	<b>14,661</b>	<b>61,625</b>	<b>(57,906)</b>	<b>526</b>	<b>(1,854)</b>	<b>17,052</b>
<b>Designated funds:</b>						
Revaluation reserve	5,024	-	-	-	(93)	4,931
Property and fixed asset fund	6,011	-	-	-	1,515	7,526
Strategic investment fund	2,309	-	(2,741)	-	432	-
<b>Total designated funds</b>	<b>13,344</b>	<b>-</b>	<b>(2,741)</b>	<b>-</b>	<b>1,854</b>	<b>12,457</b>
<b>Total unrestricted funds</b>	<b>28,005</b>	<b>61,625</b>	<b>(60,647)</b>	<b>526</b>	<b>-</b>	<b>29,509</b>
Restricted income funds (note 17)	3,114	13,572	(12,878)	-	-	3,808
Permanent endowment - John Rees Fund	39	-	-	-	-	39
<b>Total restricted funds</b>	<b>3,153</b>	<b>13,572</b>	<b>(12,878)</b>	<b>-</b>	<b>-</b>	<b>3,847</b>
<b>Total funds as at 31 March 2022</b>	<b>31,158</b>	<b>75,197</b>	<b>(73,525)</b>	<b>526</b>	<b>-</b>	<b>33,356</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.

The Board authorised an additional transfer of £0.43m from general funds to the SIF during 2021/22, to enable the delivery of key strategic projects in the year.

#### 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 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
Empty Homes	Scottish Government	To bring empty homes in Scotland back into use through the establishment of Empty Homes officers.	295	305	(446)	<b>154</b>
Glasgow Community Grant	Glasgow City Council	Working with people with lived experience of homelessness in Glasgow so they can be part of and inform our work tackling the housing emergency whilst undergoing personal journeys of development.	7	78	(83)	<b>2</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.	-	269	(269)	-
Inspiring Change Manchester	National Lottery Community Fund	Supporting people with multiple and complex needs.	209	1,127	(1,059)	<b>277</b>
Supporting Tenancies, Accommodation and Reconnections	London Councils	Providing specialist prevention support for adults at risk of experiencing homelessness.	-	1,003	(995)	<b>8</b>
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.	-	1,947	(1,903)	<b>44</b>
Housing Voluntary Grant Scheme	Scottish Government	Legal advice and representation for people with housing related issues.	-	206	(206)	-
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.	-	71	(70)	<b>1</b>
Restricted - Scotland	Various	Small donations restricted to specific areas of work in Scotland.	2	1,634	(1,627)	<b>9</b>

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
Restricted - Services	Various National Lottery Community Fund/European Social Fund	Small donations restricted to specific areas of work in England.	357	1,183	(1,183)	<b>357</b>
Motiv8 (Building Better Opportunities)		Supporting disadvantaged individuals and families to enter or re-enter education, training and/or employment.	-	101	(98)	<b>3</b>
DIY Skills Advisers	B&Q Plc and Kingfisher Plc	Providing funding and in-kind support for DIY skills advice and support services.	85	482	(527)	<b>40</b>
Hardship	The Albert Hunt Trust and John Young	Funding to support homeless prevention and resettlement and to make a one-off payment where there is no alternative source of money available or the situation is an emergency one, e.g. for accommodation, food, toiletries, household items and other essentials	6	138	(85)	<b>59</b>
Nationwide Partnership Policy	Nationwide Building Society	Supporting Nationwide's Community Funding Programme, providing insight on national housing policy.	48	61	(36)	<b>73</b>
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	86	(79)	<b>40</b>
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.	126	684	(616)	<b>194</b>
Scotland Digital Debt Advice	SLAB (Scottish Legal Aid Board)	Application of a service-design approach to content, so we can better understand the user needs of clients and advice seekers engaging with our website and co-create solutions with them.	26	76	(80)	<b>22</b>
Breaking The Cycle	HSBC	Developing a training programme and comprehensive advice for the financial services sector; to better support vulnerable customers experiencing or at risk of homelessness. The funding will also support our emergency helpline to answer calls from those most in need.	-	345	(12)	<b>333</b>

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
West Midlands L&D Peer Mentor	NHS Trust	To provide peer mentoring support to individuals with mental health concerns, who are in contact with the criminal justice system.	-	64	(42)	<b>22</b>
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.	11	108	(114)	<b>5</b>
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.	16	101	(95)	<b>22</b>
Entrenched Rough Sleeper worker	Birmingham City Council	Support for rough sleeper clients who have not previously engaged with services.	20	101	(92)	<b>29</b>
Societe Generale – Getting Real Opportunities of Work (GROW) Programme	Societe Generale	Funding our GROW programme to help people with lived experience of homelessness into employment through access to 12-month paid placements with work, training and personal development opportunities.	-	259	(43)	<b>216</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.	53	140	(122)	<b>71</b>
The Housing Rights Advocacy Project	Legal Education Foundation	Funding to support a trainee Solicitor within our Law Service who will work on strategic litigation arising from casework referrals.	24	98	(101)	<b>21</b>
Edinburgh Hub Family Adviser	The Volant Trust	To provide focused, expert advice and advocacy for families and pregnant people facing housing or homelessness issues, including outreach, rights awareness work and evidencing systemic practice issues.	-	105	(19)	<b>86</b>
GROW Coordinator - Adecco	Adecco	Funding towards delivering Shelter's GROW Programme, which breaks down barriers to employment for people with lived experience.	9	147	(53)	<b>103</b>

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
Time For Change Dundee	National Lottery Community Fund	To combine Shelter's organisational learnt experience with the lived experience of people who have been homeless in Dundee to better develop responses locally.	-	45	(35)	10
Private Rented Sector Homeless Prevention in Dundee	Scottish Government	Taking a proactive approach to working with tenants in the Private Rented Sector in Dundee to prevent build-up of arrears and reduce the risk of homelessness.	-	75	(65)	10
Blackburn Better Mental Health	Blackburn with Darwen Borough Council	Prevention project delivered through the co-location of a mental wellbeing coach with partners who deliver services that fall under the remit of the wider determinants of health such as debt advice, welfare, and housing support.	-	80	(29)	51
Changing Futures Manchester	Manchester City Council	Funding for local organisations to work in partnership to better support those who experience multiple disadvantages, including homelessness, substance misuse, mental health issues, domestic abuse, and contact with the criminal justice system.	-	162	(61)	101
Health Now Coordinator	Groundswell Network Support UK	Tackling health inequalities faced by homeless people.	1	116	(88)	29
Digital Triage Design Project	Fidelity UK Foundation	Supporting the design and road mapping of a system to triage people when they contact our National Helpline and online advice services, so that homelessness emergencies can be seen quickly and effectively.	-	95	(91)	4
Sheffield - Domestic Abuse Housing Support Service	Philip King Charitable Trust/ Evan Cornish Foundation	Sheffield - Domestic Abuse Housing Support Service.	-	67	(56)	11
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.	104	373	(414)	63



Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
ASG Foodbank Outreach	National Lottery Community Fund	To provide housing related and other social welfare advice to residents of London, to create links with other advice agencies and provide housing awareness workshops to upskill non specialists in the voluntary/third sector	1	53	(28)	26
Justice First Fellowship	Legal Education Foundation	Providing legal services across our Hubs in Manchester and Plymouth, offering a range of services to assist people facing homelessness or housing issues, including litigation and specialist advice.	17	135	(111)	41
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	104	(191)	40
Emergency Appeal	Various	Emergency funding for the continuing telephone and online advisory service.	-	203	(178)	25
Birmingham Families	Oak Foundation	To empower underserved communities in Birmingham to fight homelessness through advice, systemic change, and funding support for grassroots community organisations.	-	232	-	232
Other funds: income <£60k	Various	Various	1,537	913	(1,476)	974
<b>Total</b>			<b>3,114</b>	<b>13,572</b>	<b>(12,878)</b>	<b>3,808</b>

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

Our Journey Home Glasgow, for which Shelter received £140,465.04 and spent £122,328.75 in 21/22

Time For Change Dundee, for which Shelter received £45,127 and spent £34,614.95 in 21/22

ASG Foodbank Outreach, for which Shelter received £53,000 and spent £27,269.93 in 21/22

Lancashire Building Better Opportunities, for which Shelter received £57,979 and spent £63,116 in 21/22

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

	<b>Balance at 1 April 2021 £'000</b>	<b>Income £'000</b>	<b>Expenditure / transfers £'000</b>	<b>Balance at 31 March 2022 £'000</b>
Inspiring Change Manchester (National Lottery Community Fund)	213	1,119	(1,060)	272
<b>Total</b>	<b>213</b>	<b>1,119</b>	<b>(1,060)</b>	<b>272</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.

	<b>Deferred / (accrued) income brought forward £'000</b>	<b>Cash received 2021-22 £'000</b>	<b>Deferred / (accrued) income at 31 March 2022 £'000</b>
Inspiring Change Manchester (National Lottery Community Fund)	-	1,119	-
<b>Total</b>	<b>-</b>	<b>1,119</b>	<b>-</b>

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

## 18. Net assets between funds – group

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Endowment funds £'000</b>	<b>Group Total funds £'000</b>
Fund balances as at 31 March 2022 are represented by:				
Tangible fixed assets	12,457	-	-	12,457
Investments	6,568	-	39	6,607
Net current assets	13,780	3,808	-	17,588
Provisions	(3,296)	-	-	(3,296)
<b>Total net assets</b>	<b>29,509</b>	<b>3,808</b>	<b>39</b>	<b>33,356</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. Travel expenses incurred by trustees in respect of Shelter meetings amounted to £1,350 (2021: £nil) during the year. The number of trustees incurring expenses during the year was four (2021: zero).

Shelter received donations totalling £21,600 from trustees during the year (2021: £40,672).

During the year ended 31 March 2022, Shelter recognised £620k of income from Purple Futures LLP in relation to a Transforming Rehabilitation contract (2021: £2,633k). As at 31 March 2022, Shelter was owed £nil by Purple Futures in relation to this contract (2021: £115k). In June 2021 this contract ended and Transforming Rehabilitation became known as Justice Services.

Shelter was a 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 related only to the Transforming Rehabilitation contract which formed part of Shelter's normal charitable activities. Shelter withdrew from membership of the LLP on 26 June 2021.

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.

During the year ended 31 March 2022 the following related party transactions were recognised: Hugh Thornbery CBE (Polly Neate's husband) is chair and Andy Harris is a trustee of the charity Become, which paid £840 for training and publications. Osama Bhutta is a shareholder of Home REIT plc which donated £70,000. P3, a member of the above-mentioned LLP, paid £84 for training and publications. There were no other related party transactions during the year ended 31 March 2022.

A £25,000 ex gratia payment was made to David Evans, the former Director of People, on termination of his contract in October 2021.

## 20. Net income for the year

Net income for the year is stated after charging:

	2022 £'000	2021 £'000
Fees payable to the charity's auditors for the audit of the charity's annual accounts	60	49
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>66</b>	<b>55</b>
Fees payable to the charity's previous auditors for other services	-	-
<b>Total fees payable to the charity's auditors</b>	<b>66</b>	<b>55</b>
Depreciation of tangible fixed assets	1,330	1,132
Loss on disposal of tangible fixed assets	-	-
<b>Rental costs relating to operating leases</b>		
Plant & machinery	47	39
Others	2,592	3,353

## 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>	2022 £'000	2021 £'000
Total income	969	864
Cost of sales	(293)	(212)
<b>Gross profit</b>	<b>676</b>	<b>652</b>
Selling and distribution costs	(247)	(199)
Administration costs	(45)	(33)
<b>Net profit gifted to Shelter</b>	<b>384</b>	<b>420</b>

As at 31 March 2022, Shelter Trading Limited had total assets of £1,388,511 (2021: £294,124) and total liabilities of £1,293,398 (2021: £199,011).

## Prior year disclosures

### 22. Prior year disclosures

#### 22(a) 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
<b>Income from:</b>				
Donations and legacies	2	41,184	5,486	46,670
<b>Charitable activities:</b>				
Grants and contracts for housing advice and support	5	10,101	6,029	16,130
Training and resources for housing professionals	5	454	1,190	1,644
Other	5	615	479	1,094
Retail operations	3	7,175	-	7,175
Investments	4	170	-	170
<b>Total income and endowments</b>		<b>59,699</b>	<b>13,184</b>	<b>72,883</b>
<b>Expenditure on:</b>				
Raising donations and legacies	2	13,003	432	13,435
Retail operations	3	12,001	-	12,001
<b>Charitable activities:</b>				
Housing advice and support:				
Face-to-face advice		13,130	4,701	17,831
Intensive support		10,252	1,698	11,950
Telephone and online advice services		5,477	1,863	7,340
Training and resources for housing professionals		1,893	2,883	4,776
Campaigning		2,263	131	2,394
Research and policy		1,701	143	1,844
<b>Total expenditure on charitable activities</b>		<b>34,716</b>	<b>11,419</b>	<b>46,135</b>
<b>Total expenditure</b>		<b>59,720</b>	<b>11,851</b>	<b>71,571</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>		<b>(21)</b>	<b>1,333</b>	<b>1,312</b>
Net gains/(losses) on investments	12	807	-	807
<b>Net income/(expenditure) for the year</b>	20	<b>786</b>	<b>1,333</b>	<b>2,119</b>
Reconciliation of funds:				
Fund balances at the start of the year		27,219	1,820	29,039
<b>Fund at the end of the year</b>	16, 18	<b>28,005</b>	<b>3,153</b>	<b>31,158</b>

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

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

Shelter has been notified of legacies with an estimated value of £8.6m (2020: £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).

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

	2021 Unrestricted £'000	2021 Restricted £'000	2021 Total £'000
<b>Income from retail operations:</b>			
Donated goods	3,982	-	3,982
Purchased goods	636	-	636
COVID-19 support grants	860	-	860
HMRC Job Retention Scheme (furlough)	1,521	-	1,521
Other	176	-	176
<b>Total</b>	<b>7,175</b>	<b>-</b>	<b>7,175</b>
<b>Expenditure on retail operations:</b>			
Direct staff costs	4,448	-	4,448
Direct non-staff costs and allocated support costs	7,553	-	7,553
<b>Total</b>	<b>12,001</b>	<b>-</b>	<b>12,001</b>
<b>Net income available for charitable application</b>	<b>(4,826)</b>	<b>-</b>	<b>(4,826)</b>

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

	2021 £'000
Interest on cash at bank	11
Listed securities	159
<b>Total</b>	<b>170</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 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>

#### Local authorities in Scotland:

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>

#### De minimis contracts and grants:

Various	Other grants and contracts: income <£2k	1	1
<b>Total</b>		<b>1</b>	<b>1</b>

#### London Councils

London Councils Grant Summary	Grant awarded £	Grant spent £
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>

Expenditure on:	Grant awarded £	Grant spent £
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>1,000,092</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

	Grant awarded £	Grant spent £
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>

  

Expenditure on:	Grant awarded £	Grant spent £
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 £28,816. Praxis underspent by £17,730 and Shelter by £11,086. The underspend will be used to extend the project into FY 21/22.



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

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

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

	<b>Balance at 1 April 2020 £'000</b>	<b>Income and endowments £'000</b>	<b>Total expenditure £'000</b>	<b>Net gain on investments £'000</b>	<b>Transfers £'000</b>	<b>Balance at 31 March 2021 £'000</b>
<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>

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

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>

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
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>
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)	-

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
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)	16
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)	53
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)	-

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2020 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2021 £'000
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
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.

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

	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>