

SHELTER

**ANNUAL REPORT
AND
ACCOUNTS
2022/23**



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INTRODUCTI

Introduction

Helen Baker – Chair

Shelter exists to defend the right to a safe home. Our strategy across England and Scotland is built on the conviction that a safe home is a fundamental human need as well as a basic moral right, as vital as education or healthcare.

The intensity of the housing emergency – considerably worse over the past year – is testament to the fact that successive governments have not given the right to a safe home the importance it deserves. The emergency now affects 17.5 million people. Homelessness was already rising, but the cost of living crisis has further exacerbated the challenges. People are struggling in the face of record high rents, a collapse in the supply of social housing and the erosion of support systems. Even more families are stuck in poor quality temporary accommodation which is often anything but temporary.

Across 2022-3 Shelter has continued to work across England and Scotland to tackle the root causes of unfit housing and homelessness, focusing on our three strategic priorities; campaigning for a new generation of social homes, improving the rights of those who are at risk of homelessness and a shift of power built on anti-racism and putting the views, experiences and needs of people living through the housing emergency at the centre of everything we do.

We can achieve none of this alone. In the last year in England, we have worked with steadily increasing numbers of supporters, many of whom are directly affected by the housing emergency, and a coalition of partners and communities to call for reform of the private and social rented sectors. We have successfully campaigned alongside Grenfell United for big changes to the way social housing is managed and maintained. Parliament has now passed the long-awaited Social Housing Regulation

Bill into legislation, improving safety, and living conditions for millions. We have also campaigned on the Renters' Reform Bill aimed at abolishing no fault evictions – a leading direct cause of homelessness – and creating a national landlord register.

In Scotland, we have seen communities taking action to demand social homes and have ensured that those languishing in temporary accommodation are at the top of the political agenda. Our supporter base in Scotland has grown and become more active, demanding change as never before.

In both nations, we have created unprecedented awareness that only building social homes which people on low incomes can genuinely afford can end the housing emergency.

Our authority to speak truth to power derives from our direct work with individuals, families and local communities who experience its worst effects. Across our emergency helpline, our live webchat and our 11 community hubs we worked with over 45,400 households in 2022-3. More than ever before we have been achieving systemic change at a local level through joining forces with more community and grassroots organisations and people with lived experience of homelessness. Each of our hubs has its own plan for delivering change, focusing on what matters most to the individuals and groups who most need it locally. What we learn at a local level has also then helped shape and inform our national campaigns. In the same way, our legal teams have continued to play a vital role in defending individual rights whilst also taking on strategic litigation where just one case has made it easier for thousands of private renting families to find a suitable home to rent.

As the level and urgency of demand facing the organisation has increased, Shelter has been able to respond by continuing to diversify sources of income, exploring new ways of working and developing new delivery and service models. The energy, creativity, and commitment of all our staff

and volunteers has been central to this, and we are extremely grateful to them for all they have contributed to keeping Shelter both secure and effective. We are also 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 home. Only together can we overcome the emergency we face and defend everyone's right to a safe home.

Helen Baker
Chair of Trustees



What is the housing emergency?

Shelter was formed in 1966 in response to the country's massive housing crisis. Shelter's founders wanted to establish one organisation who could speak for the millions of 'hidden homeless' living in overcrowded slums. They understood that homelessness is more than people sleeping on the streets, that it included people living without a permanent home, in poor conditions, and those living precariously because of insecure tenancies or unaffordability.

The housing emergency today affects 17.5 million people. people denied a safe, stable home. That includes thousands of people sleeping on the streets on any given night, over a quarter of a million people stuck in temporary accommodation, and millions more living in overcrowded, dangerous, unfit or unaffordable housing.

The housing system is broken, successive governments have failed to provide the good-quality, stable social housing people need, leaving millions shut out and struggling to find a secure home. People are crammed into unsafe housing – places that are riddled with mould or damp that makes them sick. Private renting lacks regulation, leaving renters facing insecurity, the threat of unfair eviction and unsustainably high rents. And when people struggle, our welfare system is too weak to support them.

What we do

Shelter exists to defend the right to a safe home. Every year, we help those 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:

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

Our strategy

Last year was the first under our new strategic plans, in pursuit of the same ten-year strategic goals.

With growing inequality, hardship, fear and social division, our goals are even more urgent, and the stakes are getting higher. The only answer to the housing emergency is sustained investment in high-quality, secure homes that people on low incomes can afford to rent.

We have a number of goals for the three-year strategic period:

A new generation of social homes

- A broad public movement demanding a new generation of homes.
- In Scotland, ensuring everyone waiting in temporary accommodation can access a social home.

Housing rights – right now

- Equipping individuals and communities to fight housing injustice.
- Increasing access to a safe home for People of Colour.
- Strengthening and enforcing everyone's housing rights.

A shift of power in our fight for home

- Expertise by experience, anti-racism and climate justice are at the heart of Shelter.



STRATEGIC REPORT

A new generation of social homes

Our ultimate goal is the delivery of a new generation of social homes. We recognise that a home is a fundamental human need but that a home is more than a building. Having a home allows people to put down roots in a community. It's the stable foundation we all need to build our lives.

The housing market relies on different types of homes to buy and rent. Social housing has historically been a key part of this, so failing to build these homes has caused problems throughout the system. These problems include:

- **reliance on private housebuilding**, which can never solely provide all the homes we need;
- **declining rates of home ownership**, as rising rents leave most private renters unable to save towards a deposit;
- **negative impacts on remaining social housing stock**, as many registered social landlords struggle to maintain and improve homes adequately in the face of shrinking rent revenues; and
- **strained communities and local labour markets**, as young people and families find themselves priced out of many areas entirely.

Social homes are the only permanent solution to the housing emergency. As more people are exposed to homelessness due to the cost-of-living crisis, only building a new generation of social housing can make the difference.

In Scotland the first step is to make sure that there are homes for people where they are needed most. By 2029, we want everyone who needs social housing to have it; and to bring us closer to that vision, we must first address those languished in temporary accommodation. By 2025, we want everyone in temporary accommodation to have access to a social home, quickly, and where they need it.

Waiting for housing has devastating effects on individuals, affecting education, family life, health and job prospects. The Scottish Housing Regulator has also identified an emerging risk of systemic failure in homelessness services. Ahead of the local elections, in Scotland we raised our voices to say that to end homelessness, our council leaders should be "bricking it". People across Scotland led the campaign by signing our petitions and campaigning on the streets to demand that local councils build the social homes they've already planned and telling them to get on with it. Thanks to the collective pressure of more than 12,000 people across Scotland, city leaders from across the political divide pledged to build social housing.

In England we successfully influenced the **Levelling Up and Regeneration Act** during its progress through the parliamentary process. After years of campaigning, the government has voted through an amendment to make land cheaper for councils to build social housing by reforming rules around compulsory purchase, so they don't have to pay 'hope value'. To deliver this change, thousands of Shelter's supporters lobbied members of the House of Lords, showing that even on difficult issues like planning reform, we can use public campaigning to achieve change.

Housing rights

After years of campaigning, the **Renters Reform Bill** was introduced into parliament in May 2023. The bill gives tenants greater security by abolishing 'no-fault' Section 21 evictions and introducing a landlord register. Until the bill is passed, we will continue to ensure that the bill is strengthened – particularly in areas such as longer notice periods, greater security at the start of a tenancy and the end of discrimination against renters who are in receipt of benefits or have children. This legislation is urgently needed – section 21 no-fault evictions continue to be a key driver of homelessness and figures show that no-fault evictions have more than doubled in a year.

The **Social Housing Regulation Bill** completed its passage through parliament and is now law. This act aims to protect social tenants and ensure that high management standards are achieved in the social rented sector. The legislation is testament to the tireless work over many years of those directly affected by poor housing conditions. Working closely with campaigners like Grenfell United and social tenants like Awaab Ishak's family (Awaab tragically died in 2020 after prolonged exposure to damp and mould), we secured major improvements to the bill, including Awaab's Law (which ensures social landlords have a duty to repair health hazards like damp and mould) and ensuring professionalisation of the sector through an amendment that will ensure social housing managers are suitably qualified.

This legislation will have a monumental impact on social and private tenants all over England, improving the lives of millions of people trapped in poor quality, insecure and expensive homes. Our work continues as we campaign to ensure that the legislation is as strong as possible and that there is proper implementation and enforcement.

Temporary accommodation

In March we published major research exposing the devastating impact of temporary accommodation. Our survey of over one thousand people living in temporary accommodation – the largest ever piece of research with this group – revealed the dangerous, slum-like conditions that tens of thousands of people are living in. We called for temporary accommodation to be time-limited and barely used, highlighting the need for more social housing to end homelessness.

A Steering Group of people with lived experience guided every stage of the research and spoke directly to MPs at our launch event in the Houses of Parliament. The research secured widespread media coverage, including over 150 regional pieces and a feature on BBC Radio 4's *Today* programme.

Scottish Housing Emergency Action Plan

In summer 2022, following another 17% increase in the number of children in temporary accommodation and the threatened collapse of the homelessness system in Scotland, we called upon the First Minister to lead an action plan without delay. The plan aimed to safeguard households from homelessness, reduce the need for affordable housing by 2026, and address the impending challenges of Covid-19-related rent arrears, escalating rents and energy costs. It also aimed to address the needs of those already trapped in the broken and biased homeless system.

The action plan focuses on immediate actions that the Scottish Government can take with its existing powers and emphasises the appointment of a dedicated senior government minister to

oversee its implementation. The plan revolves around three key priorities identified as critical in tackling the crisis: buying and building 38,500 social homes by 2026, fully funding local authority homelessness services, and ensuring every homeless household has the right to a permanent home.

The transition from a pandemic to a cost-of-living crisis has intensified the housing emergency. The worsening situation is pushing more individuals into poverty, and forcing them to make tough choices between rent and basic necessities. In response, in October 2022, the Scottish Government implemented emergency measures under the **Cost of Living (Tenant Protection) (Scotland) Act 2022**. These measures included rent freezes and eviction moratoriums for social and private tenants. While we appreciated efforts to keep people in their properties, some of these measures proved ineffective and did not adequately support people to stay in their homes.

We persisted in advocating for prioritising structural solutions ensuring the delivery of social homes in the right places to address the root causes of the housing emergency, rather than rely on temporary measures.

The plan garnered attention, prompting a visit from the former First Minister to Shelter Scotland offices and housing was high on the political agenda. Continuous pressure was exerted on the Scottish Government through parliamentary questions, debates and discussions led by housing spokespeople from various political parties. Our advocacy and public affairs activities played a crucial role in raising awareness of the housing emergency in parliament.

Scottish budget – stop the cuts!

In December, the Scottish Government made the decision to reduce the housing capital budget for 2023/24 by 16%, amounting to a year-on-year cut of

£112.8m. Despite earlier promises to prioritise social housing investment, this cut posed a significant threat to the government's ability to address housing needs during its current term.

Throughout the government's budget-setting process, we urged our supporters and the public to directly email the Deputy First Minister, emphasising the need to stop the cuts. We also worked to raise awareness about the extent of the cuts and their potentially disastrous consequences for the urgent delivery of much-needed social homes in Scotland. Our call received support from sector partners and the public, with over a thousand emails sent within 14 days. While that pressure led to some additional funding being allocated to the Affordable Housing Supply Programme, the amount falls short of what is truly needed.

The unexpected announcement of a change of First Minister came shortly after. Paul McLennan was announced as housing minister when the new cabinet was formed, largely in response to our call for a minister with a dedicated remit.

Looking forward

Under pressure from Shelter Scotland, the Scottish Government established various working groups to combat rising homelessness. One such group was the Temporary Accommodation Task and Finish group, co-chaired by the Director of Shelter Scotland, Alison Watson. The group's objective was to find ways to significantly reduce the number of people living in temporary accommodation and shorten their stay. In March 2023, the group, comprising organisations from across the sector, published a report closely aligned with the recommendations in our Scottish Housing Emergency Action Plan.

We have partnered with the Housing Association Charitable Trust on a three-year research study aimed at demonstrating the social value generated

by new social housing. Using UK Social Value Bank calculations, the research quantifies the positive impact on individuals' wellbeing and the cost savings for the state.

We collaborated with Heriot-Watt University and CEMVO to conduct qualitative research involving minoritised ethnic participants. The aim is to identify the barriers the participants face in achieving favourable housing outcomes. This research equips us with an evidence base to advocate for policy and practice changes with the Scottish Government, local authorities, housing providers and other crucial stakeholders.

We will continue to advocate for the recommendations from the Temporary Accommodation Task and Finish group and Scottish Housing Regulators report to be implemented as well as the funding required to deliver the social homes needed to address the housing emergency. The new First Minister and newly appointed housing minister have inherited a system that is buckling under the strain with the housing emergency now beyond critical. We must now redouble our efforts on a whole system response to tackle it.

Telephone and online advice services

Shelter's telephone and online advice services run in England and Scotland, supporting and equipping individuals with the information they need to fight housing injustice, ensuring they are able to assert their rights. These services also gather data that can be used to inform systems-change activities. These services have truly national reach and are the at-scale solution to the emergency.

Our telephone and online advice services are uniquely positioned to gather data on the housing emergency from across England and Scotland. They give us the ability to understand the issues people are facing across the country and provide the evidence to support systems-change activities.

During the year, in Scotland our goal was to change the service delivery approach; moving away from being demand led to focusing on being a source of data and insight, making each call or chat count in the fight for home. The data and insight generated has a significant role to play in the delivery of our strategic goals. During the year, the team transformed to focus on quality evidence, responding to the strategic imperative that places real stories at the heart of our activities.

Also in Scotland during the year we managed our exit from the ScotWRAS service. The funding for this service for professionals came to an end after ten years. The team of two staff advised around 1,000 professionals every year and this work undoubtedly strengthened partners' confidence in their own advocacy work and ultimately helped improve the support available to people across Scotland. This service was instrumental in helping ensure housing and welfare rights were defended.

In England, time was dedicated to developing a system that prioritises access

to webchat for users with the most urgent demand. This involves a method of triage that asks clients a series of questions before transferring them to an adviser. Our definition of an emergency is homeless, threatened with homelessness or at risk of harm from either domestic abuse or poor housing conditions. In the initial test, 85% of emergency advice seekers were triaged. Further work is required to develop this into our live webchat systems.

With the transformation of our operating model in communities, our telephone and online advice services will continue to be pivotally important. We will continue work on prioritising those with emergency and priority need and to build evidence and insight that can be used to inform our systems-change activities.

In addition to that role as Shelter's emergency national service equipping people with the tools and information to assert their rights, these services will continue to gather the critical evidence and insight that informs our work and provides credibility to our campaigns for change.

Next year, significant resources will be dedicated to procuring and implementing new contact centre technology, replacing the current systems and allowing Shelter to further enhance our emergency response capability. Following the implementation of the new contact centre technology we will revisit the project scope for integrating artificial intelligence with our webchat.

Legal services and strategic litigation

Our Community Legal teams use the law strategically to create change locally as well as nationally. We target our expert legal advice on the key issues impacting communities, influencing and challenging poor or unlawful practices to bring about systemic change.

Last year, Shelter solicitors represented thousands of people at court through the

Housing Possession Court Duty Scheme. Many thousands of these people would have lost their home without our representation. Our legal teams fight to assist those who are homeless or faced with homelessness through possession claims and evictions, challenging unlawful evictions, dangerous housing conditions, and discrimination.

We use the insight gained from our work representing individuals, to use the law strategically to challenge housing injustice, inequality and discrimination more widely. Our legal teams are located in communities across England and Scotland, and we can use our insight to recognise when issues can be addressed through targeted litigation.

We use strategic litigation to achieve change nationally as well as locally. In 2022/23 we worked with a range of partners to ensure that 'Awaab's Law' was enacted to bring about lasting change. With the passage of the Social Housing Regulation Bill, the entirely avoidable tragedy of Awaab Ishak should not happen again.

Our Strategic Litigation colleagues have also led 'super-complaints' to challenge persistent poor practice and worked with the Property Ombudsman to challenge 'no kids' discriminatory letting practices. On a more local level, examples of improving systems for communities includes work in Sheffield to address problems with the allocation of housing, and Manchester where issues of race discrimination are being challenged.

Our legal teams are also an invaluable internal resource, providing legal expertise in developing key policy positions and responses to legislation.

National services

During the year we built on our existing partnership with the Royal British Legion, working through our helpline and with other housing organisations to develop specific support for veterans and serving forces personnel to provide both direct casework support, as well as expert advice, training and awareness raising for Royal British Legion caseworkers/advisers. This is aligned with our strategy to help people understand their housing rights and improving practice through capacity building.

We secured Voluntary and Community Frontline Sector (VCFS) Grant funding from the Department for Levelling Up, Housing and Communities (DLUHC) to deliver two programmes designed to: increase the capacity and capability of the sector to prevent and relieve rough sleeping and homelessness and deliver specific advice to help frontline workers resolve individual cases.

We delivered our Professionals team, an integrated approach to supporting other professionals by providing relevant content, training and specialist advice to help other organisations tackle the housing emergency. The programme is also funding some of our systems-change work with local authorities and is providing the opportunity to share good practice to address some of the systemic issues regarding homeless and rough sleeping by working directly with DLUHC and other providers involved in delivering the VCFS grant.

Our Training Services, which deliver training both commercially and/or as part of grant-funded programme delivery has successfully transitioned out of Covid-19 by building on the growth in interest in online and webinar courses. During 2022/23, we delivered approximately 1,400 webinars as well as 217 face-to-face courses compared to the 54 courses run the previous year.

Scottish Empty Homes Partnership (SEHP)

This work is funded by the Scottish Government and hosted by Shelter Scotland. The partnership's remit is to encourage local authorities to work with owners of empty privately owned properties to bring them back into use, where possible as social homes.

In 2022/23 the partnership was able to bring 1,257 long-term empty homes back into use.

SEHP have continued to build up capacity within each local authority (LA) to ensure delivery of empty homes work and we have seen more commitments to doing empty homes work, and the need to resource empty homes teams to support the work.

During 2022/23 SEHP has developed three new strategic partnerships to bring empty homes back into use and has worked with local authorities to develop a strategic framework for them to use to ensure that empty homes work is embedded within the council's housing strategies. SEHP continues to support empty homes officers and provide advice through their advice service with 441 new contacts made last year.

Helpline case studies

Scotland

A client with multiple health issues contacted us after sofa surfing for three weeks following eviction from their previous property.

Having initially attempted to present as homeless to the local authority and being advised that someone would call her back, the Shelter adviser intervened and learned that the client's request had been recorded as an advice case rather than a homeless presentation. Our adviser advocated on the client's behalf for a homeless application to be made.

The client initially chose to remain sofa surfing but contacted us a second time when she was no longer able to do so. The local authority's homeless officer incorrectly advised that temporary accommodation was not an option.

Our adviser made the client aware of their rights which empowered them to request the temporary accommodation that they are entitled to and come back to us if she needed assistance challenging the charges or suitability of the accommodation.

The client contacted us for a third time as the temporary accommodation offered was unsuitable for her health needs. As the accommodation breached the Unsuitable Accommodation Order, after the seven days the adviser was able to successfully challenge it. The client was moved to a temporary furnished flat and issued an unintentionally homeless decision. This outcome was only due to the expert advice and advocacy provided by Shelter Scotland.

England

Through our helpline we became aware of another local authority who required people to make their homelessness application via an online form, creating a barrier to accessing services. When Shelter contacted them, they advised that there was no way to speak to anyone in the homelessness department unless we email or complete the online form and that once contact had been made response times were two working days.

We made a complaint to the local authority who responded positively and have carried out training, changed their approach to ensure that urgent enquiries will get a response by the end of the day and agreed to review telephone access to the homelessness department, as well as the website.

Year in numbers

Last year we helped over twenty thousand households through our Emergency Helplines (15,555 England and 4,704 Scotland). Of those calls:

England	Scotland	
54%	55%	were homeless or high risk of homelessness
43%	36%	were in the Private Rented Sector (PRS)
30%	21%	wanted to keep their current home
25%	15%	needed temporary accommodation
11%	14%	were seeking to improve their circumstances by leaving their current home
57%	56%	were female
38%	36%	had dependants

Our webchat services had 23,340 webchat conversations (14,026 England and 9,314 Scotland) and over a thousand social media contacts seeking advice.

Our teams of lawyers, legal advisers and support staff worked with over four thousand households across England and Scotland, and in England we saw 3,196 people through our court duty schemes.

Our community-based teams helped 16,974 households (15,846 England and 1,128 Scotland).

Our specialist services for professionals responded to 16,588 queries from other organisations needing our housing expertise.

Justice Services supported 3,453 in custody and in the community with their housing needs.

A shift of power in our fight for home

Our ten-year strategy is predicated on our community based teams becoming bases for change within their communities, moving away from transactional advice centres to places to galvanise local activism and address systemic causes of homelessness and housing insecurity. Our aim is to be there for individuals and communities who are facing bad housing and homelessness.

That move to a systems-change model is a response to the growing demand for our services. Shelter cannot meet all the need we see and if our services remain demand-focused, we risk papering over the cracks in unfair systems and missing opportunities to highlight the complexities in the way the housing emergency impacts people we connect with. Our impact is greater when we are challenging and fundamentally changing housing systems.

Our community based teams continue to work with individuals, and through that work we gain an understanding of the complexities and systemic inequalities at the heart of the housing emergency. This results in us being better placed to link lived experience, community voices and frontline knowledge with our national campaigns, drawing on evidence, insights and ideas from across our Hubs.

While our ultimate goal remains increasing the supply of social housing as the solution to the housing emergency, our community-based teams continue to work challenging the unfair, discriminatory and broken housing systems that prevent the delivery of and access to homes. That work is delivered collaboratively within local networks, addressing the root causes of housing issues within communities.

Our approach in communities recognises the complexity of the systems causing housing injustice and works to identify and understand the underlying conditions and beliefs which influence those systems,

while working with others, including those most affected, to dismantle barriers and build better systems together.

Change programme

To achieve the new operating model a change programme was established to transform the way we operated in England. This included a review of operating processes, changes in ways of working including how we monitor and evaluate our work as well as restructures to provide the correct environment to deliver against our strategic goals.

Our community model

The community model is the way we work locally, using a range of activities to engage with and work with local people and community groups on local housing and homelessness issues. It's called the community model, because we reach people and community groups by proactively seeking them out, in addition to working with those who approach Shelter themselves. This provides us with insight into the lived experience of the housing emergency at a local level.

Working in this model, our community-based teams are providing:

- housing advice and support;
- legal advice and representation;
- rights awareness work including workshops with local groups and communities; and
- campaigning and influencing.

The purpose of these activities is to achieve systems change locally using tools such as partnership working, co-production and involvement.

Community organising

Over the past four years we've been building our community-organising capacity, and now have community organisers across England and Scotland.

In England, we have an organiser based in each of our Hubs. In each area, organisers have been listening to communities, coaching, and training people in campaigning, and working alongside them to take action on the housing issues affecting them. At the same time, they've been helping people connect their local struggles to the wider housing emergency and the need for more social housing, including through rights awareness work. In Scotland, the year was spent forging ahead with developing the community-organising approach in each of the four cities we work in. We now have active housing campaign groups in each city who are independently and successfully fighting for housing rights. In Scotland, the organising team have also delivered the first campaign leadership course where campaigners can learn how to become activist leaders.

Most recently, in Norwich we have supported renters in the city to form the Norwich Renters Collective, and helped them campaign for more social housing to be included in one of the largest proposed developments in the city in decades, winning commitments from the council to identify three new sites for new social housing. In Birmingham, we supported people to come together and get Birmingham City Council to commit to improving the housing services they provide. In January, the campaign successfully persuaded the council to pass a motion declaring a housing emergency in the city – one of the first cities in the country to do so. The Birmingham campaign was recognised by the Sheila McKechnie Foundation (SMK) campaigning awards. In Bristol, we supported tenants in their demands for action to tackle the cost of renting, which brought about the city's

first Living Rent Commission to explore how politicians can act to tackle the high cost of housing.

Lived experience

Putting the voices of people with lived experience of the housing emergency at the heart of Shelter is a headline goal for the organisation. We operate and deliver a range of activities with people with lived experience, enabling them to use their experience to influence, shape and change Shelter's work.

We widened the scope of involvement activities over the last year to the whole organisation, with over 350 people with lived experience participating in involvement activities. This has included activities supporting income generation, activism activities, recruitment and equity and inclusion initiatives. Lived experience groups have been developed in Hubs across England, which have been key in shaping local community priorities.

A community-reporting project was delivered in Manchester, where participants were trained as community reporters, to gather stories, which provided critical evidence around the local housing emergency.

A toolkit and associated resources have been developed to upskill staff and volunteers combined with a series of workshops to scope the opportunities to further embed coproduction across the organisation.

We continued to deliver the Getting Real Opportunities of Work (GROW) Programme, supported by partnerships with Société Générale and Adecco. A new Changing Futures partnership was also launched in Greater Manchester, which delivers five GROW Traineeships hosted within local authorities in Greater Manchester.

GROW case study

I never thought that the GROW traineeship would make such a big difference to me. It's been a life-changing experience and a stepping stone to my success. It was so important for me to be offered part-time hours that were flexible. The roof I now have over my head is because of the GROW traineeship. Having been homeless, living in a refuge and being on the homeless register, I know exactly what it's like to live in temporary accommodation. Going through that made me realise that I wanted to go on to support others. This GROW role has meant that I've been able to start working with clients; I now even have my own caseload. I've completed so many other trainings and completed most courses that Shelter have on offer. I've recently completed the Housing Law Foundation course and am even an appointed Mental Health First Aider for the organisation.

I've recently had the opportunity to sit on an interview panel, I've attended an awards ceremony and attended workshops with the anti-poverty alliance. I've also had the chance to get involved with local campaigns, I've literally been given the opportunity to fight injustice!

The best part of the programme is the support from the GROW officer. They are always there and make me feel like a priority. It's been great getting to know the other GROW trainees too. It makes me feel strong when we share our views and our experiences.

My line manager has been really supportive, and I know I can go to her when I need support. I was also assigned a 'buddy' on the team. But it's not just my line manager or assigned buddy, the whole team is always there when I need support. One of the service managers shadowed me recently and they told me my way of approaching and working with clients is fantastic!

I have worked and volunteered in lots of other places before, but I have never seen an organisation that is so inclusive. It is an organisation that accepts you.

You can express your voice and your opinions and be listened to. I am a member

of the anti-racism steering group and on the SWANN Committee (Shelter, Women and Non-binary Network) which gives me a dedicated place to share my experiences. I've also been matched with a career mentor provided by programme funders Société Générale. My mentor is excellent and has helped me so much. They've helped me prepare my CV and given guidance on how to structure job applications.

The GROW traineeship has really made my dream come true as I wanted to give back to the community. This role will lead me to the next step on my journey.

GROW trainee

During the year, ten GROW trainees were recruited, with 70% moving on to further employment, volunteering or training. We have continued to develop pathways from involvement into volunteering and employment. In the last year, three lived experience participants progressed from involvement groups to GROW traineeships, in addition to many others moving into other roles internally and externally.

Community organising case studies

Dundee

Through our Time for Change work in Dundee, our development workers were told by people with lived experience of homelessness that hostels across the city were not meeting their needs. This was particularly true for those who were most vulnerable and those with multiple and complex needs. We had already been concerned about the number of people who were struggling to access temporary accommodation within the city.

Our team met with managers in the housing and homelessness team in Dundee City Council and two people with lived experience shared their first-hand experience of staying in hostels, which emphasised the poor standards and trends we had identified through our work in the city. Collectively we agreed that we should create an opportunity for residents and people with previous lived experience of staying in the hostels to create a charter which all hostels in Dundee would sign up to and implement.

This charter is now in place and regular meetings have been held with providers to identify best practice and to help them to work towards these standards and practices, improving and aligning experience across the hostels in the city. We are continuing to visit hostels regularly and have seen a marked improvement.

Birmingham

Our community organiser in Birmingham supports the Birmingham Fair Housing Campaign, a campaign that has brought together people from across the city affected by the housing emergency.

The Birmingham Fair Housing Campaign has developed the People's Manifesto for Fair Housing, outlining the changes people want to see. Having launched their campaign last year, most recently the group secured the passage of a city council motion to 'Declare a Housing Emergency in Birmingham', which commits the council to stepping up its actions and improving its housing services across the city.

Renters, social housing tenants, temporary accommodation residents, unions, faith groups and other civil society organisations worked together to meet with their own councillors and build support for the motion, which was voted on and passed in January 2023. Now that the campaign has convinced the council to face the problem, they're working with them to implement the changes needed to tackle the emergency.

Norfolk

In Norfolk, our community organiser supports the Norwich Renters Collective, which has brought renters together to call for more social housing in Norfolk, recognising that the best solution to terrible housing in the private rented sector is truly affordable and decent social housing.

The campaign group has focused their energy on increasing the amount of social housing being built in new developments in Norwich, and calling on the council to live up to their commitment to ensuring that a third of all new housing built is affordable housing in every new development – a promise they have hitherto been failing to deliver.

The campaign mobilised over 3,000 people across Norwich to call for more social housing in the Anglia Square development and challenge the planning application. While the campaign didn't win the vote, they did secure a commitment from the council to identify three new sites for development in the city, and that these new sites will be made up of 100% social housing.

The next step is to make sure the council lives up to this commitment and gets the social housing people need in Norwich built.



**SUPPORTING
OUR WORK**

Fair, honest and open fundraising

We're committed to fair, honest and open fundraising and strive for the highest possible standards. Shelter is registered with the Fundraising Regulator, and is committed to complying with the Fundraising Promise.

Shelter is also a member of the Chartered Institute of Fundraising, with our in-house face-to-face fundraising programme certified under their accreditation scheme.

We have policies and procedures in place to protect people in vulnerable circumstances, and insist on checking the policies of our suppliers as part of any tender process. We always give our supporters the opportunity to opt out of either any further contact or specific methods of communication as part of every approach for donations. We have agreed processes to screen people against the Telephone Preference Service register when selecting them for an approach by telephone and regularly review our mailing lists for potential new supporters against industry-standard bereavement registers and the Mailing Preference Service.

Shelter does not share or sell data with third parties for their marketing benefit and we 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) and we cap the number of telephone contacts for existing Direct Debit supporters, limited to no more than one every three months.

During 2022/23 we worked with:

- Three fundraising agencies on our Regular Giving programme. Two are members of the Chartered Institute of Fundraising and the 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.
- Five face-to-face fundraising agencies on our Lottery programme. Three are members of the Chartered Institute of Fundraising and four are registered with the Fundraising Regulator. We conduct shadowing and mystery shopping of these agencies internally and through a mystery shopping agency.
- 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.

We regularly provide training sessions for all our agency partners to make sure they meet our high standards.

Complaints

Shelter has thousands of clients, supporters and campaigners and as such millions of opportunities to engage with them through a range of channels, including face-to-face in our shops, and our events, via our publications and direct mail, on the telephone as well as virtually. We welcome feedback, including complaints, and learn lessons whenever concerns are raised. Complaints about our fundraising activities are managed via our Supporter Helpdesk and during 2022/23, we dealt with 116 complaints this way.

Our Fundraising Charter

We will:

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

Our culture

At Shelter, the focus on our culture and how we do things here is crucial. We recognise that embedding our culture requires capable, confident, and inclusive leaders who are able to lead by example to deliver our strategic plans. During the year we prioritised investment in the organisation's leaders with the launch of our Leadership Development Programme (LEAD). The LEAD framework is an exciting new approach to leadership and management development, is centred around leadership habits and is designed to create a more inclusive culture. It is specifically aligned to our strategic objectives.

We continued to act on the findings of our staff and volunteer engagement survey, focusing on the continued development of our anti-racism plan and acting on the results of the areas for improvement. We also laid the groundwork for the full engagement survey that took place in May 2023, which helped us gain greater understanding of all the great things about working and volunteering at Shelter, as well as areas for improvement. Through understanding these results, we will continue to work towards embedding a culture centred around fearlessness, compassion, inclusion and trust.

These staff surveys measure engagement across the organisation. The most recent engagement score was 76% (on a response rate of 58%). The survey shows significant improvements since the 2018 survey with trust identified as the area most requiring attention. In response, a series of organisation-wide workshops and masterclasses focused on trust were undertaken during the year.

We celebrate and embed our culture in part through our network of Culture Beacons. Our monthly network meetings bring together colleagues from across the organisation to share stories of our culture in action, highlight where there is potential to build on our culture and input on key strategic projects as the voice of Shelter and Shelter Scotland staff alongside our

recognised trade union. In 2022-23, our Beacons network shaped our Affinity Group Policy, Equity and Inclusion Strategic Scope and the question set for measuring our culture through our staff and volunteer engagement survey.

Anti-racism

In September 2022, we marked National Inclusion Week for the first time with various events including celebrating our networks, equity and inclusion pledges from our Executive Leadership Team and a talk on intersectionality from members of the Executive Leadership Team.

The Equity and Inclusion Strategic Plan was finalised during the year. The approach taken to the plan was an 'inclusion by design' approach, with a focus to co-design this strategy with Black and People of Colour, retail staff and volunteers, underrepresented groups and people with lived experience of the housing emergency. Three key interventions were identified, including leadership development and progression, recruitment and retention, and wellbeing and psychological safety. We have successfully tendered providers to support the delivery of Psychological Safety and Succession Planning programmes.

We also launched the Equity and Inclusion Corporate Partners Network. The network provides an opportunity for colleagues who support equity and inclusion activities within their organisations to come together to share information and ideas and collaborate on new initiatives. It is focused on professionals working within the equity and inclusion area to gain practical strategies and insight to bring about lasting and meaningful change.

Shelter became members of Inclusive Employers and have also begun the process to become an independently assessed accredited Inclusive Employer. We aim to understand our organisational culture from an external inclusion lens and are committed to developing a workplace culture that is meaningful and positive. This will enable us to measure our current position, identify improvement and learn to embed best practices within our organisation.

Three leadership workshops were delivered which aimed to develop a mutual understanding of all leaders' roles in

delivering our goal of being recognised as an authentically anti-racist organisation.

The next steps for anti-racism at Shelter are to finalise the organisation's anti-racism priorities and outcome measures and identify the challenges and best practice through the Anti-Racism, Equity and Inclusion Forum (AREIF) and working towards our Inclusive Employer's accreditation.

Anti-racism survey

Our first anti-racism survey in 2020 gave us a valuable baseline to view racism and related issues. In 2022 we conducted a follow-up survey allowing us to keep track of where we are improving and what we need to do better. Improvements the survey showed us were:

- an increase in perception of anti-racism being seen as a leadership priority;
- a reduction in staff perception of Shelter having a 'blame culture'; and
- that leaders make more effort to talk about anti-racism and encourage staff to learn about it.

Following a review of the main recommendations summarised, we have also developed an action plan to address outstanding items such as psychological safety.

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 1,000 people and have over 2,000 volunteers in addition to supporters, campaigners and partners who all play a pivotal role in the broad public movement, 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 and Scotland. We also employ campaigners, policy experts 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 that ensure the organisation is enabled to deliver the strategy.

Pay and reward

We continue to progress our work to create full transparency of all pay grades. During the past year we have invested in harmonisation of pay across all our operations, ensuring that we achieve equity by improving terms and conditions so that all colleagues are treated the same, regardless of their area of work. We are proud of our benefits package and our focus on wellbeing. During 2022, colleagues were allocated three additional day's paid leave to take as 'Wellbeing Days'.

Like many organisations, in the context of an inflationary spiral, with a cost-of-living crisis, Shelter was subject to a pay dispute which resulted in ten days of industrial action. This was resolved when Shelter

agreed an extraordinary pay settlement with its staff. At the heart of the settlement was a need to reflect the financial burden facing all colleagues, treating them fairly and with respect, while at the same time recognising the tremendous challenges facing the charity, thereby ensuring that we can still deliver on our mission. This unique set of circumstances required an extraordinary response. This year we continue to strive to agree a settlement that reflects the best that we can do - a pay award that is fair for all, balanced and sustainable for our future, that demonstrates our care for our people and reflects our collective passion to deliver our mission.

Volunteers

We mobilise volunteers in support of our strategic objectives. Volunteers deliver a range of roles across the organisation, which vary in the type of activity, the amount of time they give and their responsibilities. They play an important and valued part in generating income, delivering community priorities and building our movement for change. In 2022/23, 2,450 individuals contributed 224,440 hours to our fight for home.

This year, we have introduced volunteering to two new areas of Shelter – Community Fundraising and Campaigns. These roles offer new, flexible ways for people to give their time to tackling the housing emergency. We have continued to take significant steps in developing the volunteering experience, improving the recruitment process, and the quality and consistency of volunteer induction and learning, particularly focusing on engaging volunteers in anti-racism learning. We also dedicated significant resources developing a learning offer for volunteer managers, crucial to volunteers' experiences with Shelter. We have also introduced a Volunteer Council which will provide an opportunity to share power and to be led by volunteer experience and insight.

Sustainability and carbon footprint

Shelter is a large energy consumer, and we have been committed for many years to reducing our energy use and carbon footprint in response to the growing climate emergency. We take every practical opportunity to reduce our energy consumption and carbon footprint.

The switch to hybrid working has had an enormous impact on the carbon impact of the organisation, through the reduced frequency of commuting and energy costs for our properties. In addition, the organisation's estate of offices has changed, with increased use of serviced offices and smaller premises in general. Across all sites where Shelter has control, the fitouts have included the installation of energy efficient lighting and heating systems wherever practical.

The implementation of a dedicated carbon reduction plan has been delayed due to resource constraints, however we remain committed to reducing our impact on the environment. We are currently working towards ESOS Phase 3 and are in the process of conducting site audits and scrutinisation of data. We intend to use the information produced and build on it to reduce Shelter's carbon footprint and intend to complete a full carbon footprinting exercise, and develop carbon targets aligned with practical steps to reduce our emissions as well as a circular waste plan.

Shelter's total energy consumption for the financial year was 2,277,326 kWh, a decrease compared to the 2,588,330 kWh the previous year.

Shelter's total emissions using location-based reporting was 450.03 tonnes CO₂e compared to 549.26 tonnes CO₂e the previous year.

The intensity ratio is 6.109 (2021/22 - 7.312) based on tonnes CO₂e of emissions versus financial year group turnover (£73.67m).

Energy use disclosure

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

	Consumption (kWh)
Gas	291,828
Electricity	1,777,566

Consumption and emissions for the reporting period were as follows:

Scope	Energy Type	Consumption (kWh)	Location-Based Emissions (CO2e)	Market-Based Emissions*
One	Natural Gas	291,828	53.17	53.17
	Transport Fuels	16,507	4.22	4.22
	Air Conditioning Refrigerant Leaks	0	0	0
Two	Electricity	1,777,566	343.75	0
Three	Transport Fuels from Employee-Owned vehicles	191,425	48.90	48.90
Total		2,277,326	450.04	106.29

*Market-Based Emissions - electricity purchased and consumed was supplied from sources accredited by Ofgem as renewable and backed by Renewable Energy Guarantees of Origin (REGO) certificates from the supplier.

Methodology

When calculating total energy consumption, Shelter uses verifiable data where reasonably practicable. In this report we have used DEFRA Conversion Factors 2022 to convert:

- electricity and gas consumption in kWh to tonnes CO2e;
- transport fuel consumption (either in litres where available or in miles where litres is not available) to tonnes CO2e and to kWh; and
- refrigerant usage in kilograms to tonnes CO2e where applicable.

THANKS



We are so grateful to everyone who has chosen to support Shelter and helped power the fight for home. Every donation we receive goes to ensuring the right to a safe home is protected.

In particular, we'd like to thank the following:

Supporters

Andrea Hopkins and Andy Phillipps	Gareth Williams	Lisa Anderson	Richard Cormack
Andrew Sutton	Giles Wright	Margaret Sheppard	Robert Davis
Andrew Wilson	The Golding Family	Mark Sorrell for Goldman Sachs Gives	Robert and Nicole Lind
Baillie Gifford	Gordon Cooper	Martin Wolfson	Sarah Morgan
Ben and Rebecca Spiers	Guy Morton	Miel de Botton	Saskia Gavin
Professor Charles Baden-Fuller	The Harris Family	Mike Rosenberg	Sir Simon and Lady Jill Campbell
Colin Temple	Jamie Newell	The Mitchell Charitable Trust	Tim Hincks and Pippa Healy
David Cairns	John Young	Neil Adleman	Tom Anderson
David Lubin	Jo Willett and Stuart Rock	Nicholas Janni	The Trillium Trust
Deborah and Laurence Harris	Judith and David Hankinson	Paul Butcher	TY Danjuma Family Office
Diarmuid Ó Séaghdha	Judith Rattenbury	Peter Backhouse	Victoria and Edward Bonham Carter
Mr and Mrs D Peck	Justin Ash	Peter Oliver	
Edward and Carole Hill	Lindsey Alln	Mr and Mrs R Swann	

Legacies

We are indebted to those supporters who remembered Shelter with a gift in their will. Their determination to leave real change for people facing the UK's housing emergency lives on in our work today.

A Wallace	Diana Martin	John Gorton	Marion Lees
Adam Marshall	Doreen Meehan	John Green	Mark Fitton
Alan Mackay	Dorothy Scruton	John Orcott	Mark Stephenson
Alan Smith	Edith Gillatt	John Salingar	Mary Lund
Alicia Myers	Eleanor Bruce	John Stebbings	Maurice Cahalan
Andrea Newman	Elizabeth Ryland	Josephine Macnamee	Maxim Darvell
Anne Marston	Elizabeth Walker	Keith Jones	Patricia Coote
Barbara Kitchen	Florence Hicks	Keith Mathewson	Patricia Littlewood
Barbara Semple	Francis Thackeray	Kenneth Hind	Patricia Muir
Barbara Statham	Freda Goodhead	Laura Bisset	Patricia Snow
Betty Thackeray	George Shearman	Leslie Mellor	Patricia Worley
Brenda Peach	Grahame Downer	Lynette Pelan	Pauline Fisher
Caroline Smurfit	Hazel Murdoch	Maisie Bond	Penelope Gregory
Christopher Mayer	Helen Robinson	Marcus Nicholson	Peter Jordan
Christopher Peters	Hilda Stoddard	Margaret Davidson	Peter Ryland
Colin Morris	Ian McIntyre	Margaret Durie	Sheila Brooks
Daphne Thomas	Jack Grunwell	Margaret Foxall	Sheila Stay
David Dobie	Joan Greenleaf	Margaret Maddren	Stanislaus Sullivan
David Griffiths	Joan Meunier	Margaret Salter	Stefan Kay
David Hadley	Joan Zurick	Margaret Ticehurst	Sydney Jones
David Hannaford	John & Muriel Davey	Margaret Wolfson	Victoria Wisher

Trusts and foundations

The 29th May 1961 Charitable Trust	Hugh Fraser Foundation	Oak Foundation
abrdn Financial Fairness Trust	Hyde Park Place Estate Charity	Odin Charitable Trust
Albert Hunt Trust	Ingram Trust	The Options Fund
Ann Jane Green Trust	J & J R Wilson Trust	Pilkington Charities Fund
The Barbour Foundation	Mrs J S Innes Charitable Trust	Miss R C R Angel Charitable Trust
BBC Children in Need	Sir James Knott Trust	Royal British Legion
The Bentley Family Trust	John James Bristol Foundation	Souter Charitable Trust
CB & HH Taylor 1984 Trust	Joseph Ettedgui Charitable Foundation	St Katharine's Fund
The Constance Travis Charitable Trust	Joseph Rowntree Foundation	Tay Charitable Trust
Cruden Foundation Ltd	The Legal Education Foundation	Oak Foundation
David William Traill Cargill Fund	The Liz and Terry Bramall Foundation	Odin Charitable Trust
DG Charitable Settlement	The Lyons Charitable Trust	
DMF Ellis Charitable Trust	M.K. Rose Charitable Trust	
E M Chapman Discretionary Will Trust	Mabel Cooper Charity	
Evan Cornish Foundation	The Material World Foundation	
The Eveson Trust	The National Lottery Community Fund	
The Franey Foundation	Nationwide Building Society – Community Grants	
Garfield Weston Foundation	Nationwide Foundation	
George Cadbury Fund	The Northwood Charitable Trust	

Corporate partners

Corporate partnerships are vital to helping us end the devastating impact the housing emergency is having on people and communities. Together, we use our voices to create lasting change through fundraising, awareness raising and campaigning.

Adecco Group UK&I	British Land	Ibstock Group	Network Rail
AllSaints	Dreams	IKEA	SCS
Art Marketing	FatFace	L'Occitane	Société Générale UK
ARUP	First Direct	M&S	TCC Foundation
B&Q/Kingfisher	Freshfields Bruckhaus Deringer	Mitchells & Butlers plc	Unilever
Birmingham Midshires	HSBC UK	Nationwide Building Society	Wayfair

Stock generation

Stock generation provides a unique way for organisations to help tackle the housing emergency while simultaneously supporting sustainability in the retail sector. These partners donate pre-loved or end-of-life stock, which is then sold through Shelter's chain of community and boutique shops. Funds raised from sales help to support our vital work across the country.

M&S	Fat Face	NRBY	SCS
ACS	Furniture and Choice	Office Shoes	Urban Outfitters
AllSaints	IKEA	Oliver Bonas	Wayfair
Fallain Fitness	Nobody's Child	Quiz	



GOVERNAN

Structure and management

Shelter, the National Campaign for Homeless People Limited (trading as 'Shelter'), is a registered charity (number 263710 for England and Wales and SCO02327 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.

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 the year.

The Board consists of twelve 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.

Board committees

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

- **Scotland Committee**
Uses its Scotland-specific knowledge, expertise and presence to support and oversee the development and delivery of our activities in Scotland.
- **Audit and 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.
- **Committee for Resources and 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.
- **Quality and Impact Committee**
Supports the Board by evaluating and assessing the organisation's external-facing activities, to ensure they align with Shelter's strategy.
- **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.

Trustees

Helen Baker
Chair

Philippe Lintern

Vice Chair and Chair of Resources and Internal Systems Committee

Laurice Ponting

Chair of Quality and Impact Committee

Kezia Dugdale

Chair of Scotland Committee

Karen Kneller

Chair of Audit and Risk Committee

Leonie Foster**Jackie Killeen****Jim Strang****John McQuade****Louisa Baxter****Myfanwy Barrett****Alison Taylor****Arshmeena Durrani****Steve Haines****Harbinder Kaur** – resigned 5 April 2023**Prem Goyal** – resigned 18 November 2022**Jason Arthur** – resigned 9 February 2023**Goi Ashmore** – resigned 30 March 2023
Chair of Audit and Risk Committee

Biographies of all current trustees are available on our website.

Co-opted Members

The trustees have established committees to support the delivery of their responsibilities, and we thank the following for the expert advice they provide:

Scotland Committee

Linda Bendle

Sarah Miller

Ken Gibb

Annie Mauger-Thompson

Jamie Kinlochan**Resources and Internal Systems Committee**

Catherine Jobling**Audit and Risk Committee**

Andrew Martyn-Johns

Steven Board

Manpreet Dillon**Quality and Impact Committee**

Jonathan Simmons

Chris Pitt

Insurance

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

Executive leadership

Overall operational management of Shelter is delegated by the Board to the chief executive and the Executive Leadership team. Shelter has six directorates:

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

Polly Neate CBE FAcSS HonDLaws
Chief Executive

Judith Banjoko - appointed January 2023
Director of Services

Osama Bhutta
Director of Campaigns, Policy and Communications

Mary Foulkes OBE FCIPD
Director of Equity, Inclusion and Culture

Tim Gutteridge
Director of Strategy Enablement

Andy Harris
Director of Income Generation

Alison Watson
Director of Shelter Scotland

Alison Mohammed – retired
Director of Services

Biographies of all current members of the Executive Leadership team are available on our website.

Advisers

External Auditors
BDO LLP
55 Baker Street, W1U 7EU

Internal Auditors
Crowe LLP
55 Ludgate Hill, EC4M 7JW

Solicitors
Bates Wells & Braithwaite London LLP
10 Queen Street Place, EC4R 1BE

Investment Managers
Cazenove Capital Management
1 London Wall, EC2Y 5AU

Bankers
Lloyds Bank Plc
25 Gresham Street, EC2V 7HN

Measuring success

Shelter has a framework for performance reporting and the Executive Leadership team and Board receive regular reports on progress against the strategy, and the delivery of strategic plans, key activities and programmes as well as a suite of key performance indicators.

During the year we initiated a strategic programme to improve and develop Shelter's approach to performance reporting. Building on insight and information from across Shelter, our aim is to be able to better understand and articulate how our activities, and those of our partners, contribute to the delivery of our campaign and policy goals, deliver meaningful change for individuals and communities and support continuous improvement of Shelter's activities with the ultimate goal of ending the housing emergency.

In our Services Directorate the Outcomes Framework has been developed aligned to the change in our community model. This ensures we can monitor the new mix of activity delivered by our community-based teams, understand our progress towards systems change, and promote a learning culture with staff.

We know systems change involves working with complexity, and so it was important to be open to exploring the many influences on homelessness and bad housing, including local practices, cultures and allocation of resources, as well as the place of housing rights and housing supply. Each community-based team has their own challenges arising from the local external environment. Being present in a city or region makes us part of the community, and helps us identify how barriers, injustice and discrimination play out for people day in, day out. This influenced how we decided on priorities, but there was also a need to connect local insights, lived experience and influencing with Shelter's strategy and national campaigning. This approach enabled us to consider the impact of the work as nation specific and

across both nations we operate in, as a model and in thematic terms.

There are three impact areas of the Outcomes Framework:

- change with individuals
- change with communities
- change on systems

Safeguarding

In 2022 Shelter recruited a Safeguarding Manager. The purpose of this new role is to have dedicated specialist resource and oversight of all aspects of safeguarding, covering service users, colleagues and those we come into contact with through our work. The safeguarding manager acts as the designated safeguarding lead for Shelter and Shelter Scotland and leads on safeguarding governance and improvements to practice and policy. A programme of work has been created for 2023/2024 which focuses on improved policies, procedures, training and reporting across the organisation.

The safeguarding panel, originally established by our Board of Trustees, supports our commitment to safeguarding during the year the panel was paused for a period during recruitment for the Safeguarding Manager. The panel recommenced in June 2023 with a clearer focus and purpose.

Shelter recognises 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 invested in improving the governance framework that supports our safeguarding practice. The framework includes trustee sponsorship and involvement in the organisation's safeguarding panel.

The panel ensures that we have a fully cross-organisational approach. This means everyone in Shelter is aware of their responsibilities and is equipped to support our safeguarding practices. That includes

an annual report to the Board to provide assurance that our framework and practice are helping us to maintain our commitment, that we keep our framework and practice under review, and that we share and learn from our collective knowledge and experience of safeguarding matters.

Data privacy and security

Data protection and security sit at the centre of everything we do. We take significant steps to uphold the privacy of personal information of our donors, supporters, clients, staff and volunteers. We have implemented privacy by design to fit with our ways of working, and with our robust data 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 data protection 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 individual's 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 framework, which also includes our robust policies, procedures, processes, data documentation, communication plans, third party supplier due diligence 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.

In 2023 a company Shelter works with to manage some of our supporter surveys notified us of a data security incident. The breach did not include any sensitive or financial details, and the company conducted a detailed forensic investigation and assured us there was no evidence to suggest the data has been shared further. All of the data has since been destroyed. We reported the incident to the ICO and the Charity Commission. We took all the necessary steps and took the decision to notify supporters out of an abundance of caution. We have and will continue to do everything possible to prevent this from happening in the future.

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 20 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.

Principal risks and uncertainties

Taking risks is an inherent part of Shelter's operations. Without taking risks we will not be able to deliver our strategic plans. The organisation has a well-developed risk framework designed to support the organisation's leadership to manage, rather than eliminate risk and supporting informed decision making. The framework supports colleagues to take a consistent approach to identifying and managing risk, ultimately ensuring risk is managed within the Board-agreed appetite and tolerance.

The expertise of Shelter's staff is essential to the identification, evaluation and management of risks. Our approach recognises six primary risk types (strategic, operational, compliance, financial, reputational and cultural) and we consider all risk against the risk to the organisation, its people and the delivery of our strategic aims.

The Audit and Risk Committee reviews the risk register regularly and approves the annual internal audit plan which includes reviews of areas of significant risks. The committee receives regular reports from the internal auditors on the effectiveness of Shelter's internal controls, the delivery of the audit plan and the implementation of audit recommendations.

Shelter's trustees determine how much risk the charity is willing to take in the pursuit of its objectives (its risk appetite) as well as changes requiring the charity to operate an appropriate risk management framework. The Audit Committee reviews the

operational effectiveness of the risk management and internal control systems and it reports its findings to the Board, identifying any matters on which it considers action is needed, and making recommendations on the steps to be taken.

For major activities, projects and programmes, Shelter adopts standard governance approaches to ensure the activities are properly planned, managed and implemented. Risk management is a key responsibility of project teams.

Our principal risks are shown in the following tables. This is a summary of the more detailed risk register entries including mitigations.

Reserves risk

Shelter's reserves are maintained in line with Charity Commission guidance to mitigate against and manage risks to the organisation, as well as to invest in new opportunities. Rather than calculate reserves based on a number of months' expenditure, Shelter takes a risk-based approach. The organisation's leadership and Audit and Risk Committee regularly review and analyse the financial risks faced by the organisation and recommend to the Board a suitable level of financial reserves. This analysis considers both the organisation's and external circumstances, as well as Shelter's activities and principal risks. The aim is to ensure a level of reserves adequate for Shelter to survive economic shocks without compromising on our strategic aims.

Strategic risk

Strategic risk are those risks to the delivery of our strategy and strategic plans. That includes the strategy becoming less effective at addressing the housing emergency, the organisation being unable to deliver our goals, or the goals being less or no longer relevant. That could include, for example, shifts or increases in service demand, changes in the landscape in which we operate or changes in external expectations of the organisation.

Risk	Comment	Management / Mitigations
Failure to build and maintain a movement	Addressing the housing emergency means convincing the public that there is an emergency and galvanising them to act and demand change. We recognise a broad public movement as essential to addressing the housing emergency and therefore failing to build effective, engaging activities and journeys that drive supporters to join our movement (locally or nationally) will mean our strategic goals cannot be achieved.	<ul style="list-style-type: none"> • Our networks of community organisers; community fundraisers and the local community teams they work within are embedded across communities in England and Scotland. • Our local and national partnership building approach means we are influencing wider civic society. • We have key metrics and performance indicators around the health of that supporter movement that allows for corrective action to be taken as necessary.
Financial Risk	<p>Internal and external financial pressures result in a greater level of financial risk to the organisation. These range from inflationary cost pressures to greater competition and uncertainty in fundraising.</p> <p>We no longer have the level of reserves we held previously, meaning the financial risk to the organisation has changed. This is ameliorated by the organisation's access to lending if necessary.</p>	<ul style="list-style-type: none"> • Shelter has robust processes for budgeting, financial modelling, reporting, and forecasting that supports the organisation's leadership to take informed timely decisions to manage Shelter's finances. • Over the past few years, we have implemented new budgeting and forecasting tools that give budget holders more access to information, alongside developments in training to improve capability. • Robust financial controls supported by access to short-term borrowing if required allow the management of cashflow and maintain a risk-based reserves policy, monitored by our trustees.
Political Context and Relevance	There are multiple competing priorities for policymakers, ensuring the salience of housing and homelessness issues is critical to the delivery of our strategic aims. The last few years have shown that seismic changes in the political landscape can come quickly, and Shelter needs to ensure the continuing relevance of housing and homelessness issues.	<ul style="list-style-type: none"> • Shelter has a proven ability to influence decision makers and policymakers (locally and nationally) as well as galvanise a wider movement of campaigners and civil society towards our campaign and policy aims. • Our new brand, positions Shelter to campaign on the housing emergency and help the organisation better articulate how we view equity as a key part of our social justice mission.

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.	<ul style="list-style-type: none"> • We undertake regular research and focus groups into brand perception. • We undertake surveys of our supporters to understand their perceptions of the organisation, allowing us to address any misunderstandings of the organisations purpose.
Social Housing Campaign	Campaigning for government commitments to build a new generation of social homes requires significant investment to address public perceptions of social housing and to hold decision makers to account for commitments.	<ul style="list-style-type: none"> • This risk is managed through the adaptability of our campaign, we must maintain an ability to respond to opportunities as well as continue advocating a systemic solution rather than a short-term one.
Shelter's Commitment to Equity and Inclusion, Anti-Racism and Lived Experience	<p>A key part of our strategy is that our enemy is social injustice because it denies the right to a safe home, and that equity is a fundamental part of that.</p> <p>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 of our remit.</p>	<ul style="list-style-type: none"> • Our campaigns and marketing include messages about how equity is a key part of our social justice mission. • Regular strategic and tactical communications planning. • Our Equity and Inclusion Plan has increased our ability to provide a coherent and clear way forward to address priorities. • The development of 'Inclusive Employer and Volunteering Organisation of choice' as well as other accreditations. • The Anti-Racism, Equity and Inclusion Forum ensures transparency of the work internally.
Internal Capability, Capacity and Culture	Shelter's ten-year strategy was a significant departure from the previous operating model, and with new ways of working post-pandemic there is a risk that the organisation doesn't have the correct capability, capacity, or culture to deliver the stated strategic aims.	<ul style="list-style-type: none"> • Ongoing work to nurture and develop organisational culture. This is supported by the work of the relatively new Equity, Inclusion and Culture Directorate who lead the work developing the organisation's culture. • Shelter's in-house leadership development programme (LEAD) includes modules to embed the behaviours associated with our desired culture and includes masterclasses on trust and psychological safety. • As well as the general LEAD programme there is a tailored development programme for senior leaders, as well as succession planning exercises. • Delivery of 'Outward Mindset' Training has commenced, supporting development of organisational culture and capability.
Shelter's position on the Climate Emergency	<p>The climate emergency is a global problem and a significant social justice issue facing the world today.</p> <p>Shelter is taking steps to reduce the organisation's impact on the environment. There is a risk that our policy and campaigning work calling for the building of a new generation of social housing isn't seen as sustainable or worse is perceived to be irreconcilable with sustainability goals.</p>	<ul style="list-style-type: none"> • Continued implementation of the energy-saving recommendations including changes to the small number of Shelter-operated cars and vans has already reduced our energy use by 20%. • The internal 'eco-champions group' advocate and support Shelter taking further steps to reduce our environmental impact.

Section 172 Statement

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 regarding 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 throughout the organisation's leadership (both executive and non-executive). Shelter's trustees and Executive Leadership team 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.

The Board has delegated day-to-day management and decision making to the chief executive and Executive Leadership team through two formal schemes 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 the 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, policymakers and others with significant interest or involvement in housing. The chief executive and other Executive Leadership team members regularly report on partnerships (financial or otherwise), stakeholder relationships, engagement activities and current issues and relevant feedback received from interaction with stakeholders.

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 any decision in the long term

The nature of the work Shelter is engaged in depends on long-term thinking. Our goal to tackle social injustice and ensure that the right to a safe home is defended requires identifying the interventions most likely to deliver long-term impact to those affected by the housing emergency.

Supported by our internal auditors, the Board and the Audit and Risk Committee reviewed Shelter's principal strategic risks and risk appetite. 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 trade union engagement, particularly during the period of industrial action.

- **The desirability of the charity to maintain a reputation for high standards of conduct**

Shelter has been investing time and resource into its internal culture for several 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. We are also developing a 'Do not Tolerate' statement to embed our anti-racism and inclusion work into all that we do.

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 Lived Experience Insight Team, we regularly involve people with lived experience in the work we do. This is across the breadth of the organisation's activities; not just service provision, but also our campaigns, our policies, governance and the development of the organisation's strategic plans and priorities. Time at board meetings has been given to consider the insight of those with lived experience.

Our staff and volunteers

Our staff are essential to the organisations effectiveness and the Board regularly considers the impact of key decisions on staff and volunteers. This is received via the executive and through regular engagement surveys, and through engagement with staff representatives both formally through a recognised trade union and staff groups such as the internal culture beacons and affinity groups (Racial Equality Network, LGBTQ+, Women and Non-Binary, Disabled and Neurodivergent).

Our supporters

Shelter was established as a campaign for change, and our supporters are essential to achieving our campaigning goals. Regular consideration is given to the views and priorities of our supporters. This includes considerations of research and focus groups of our supporters. The Trustees use this insight to guide the development and delivery of our activity to ensure that our supporters' views inform our activity.

Key opinion leaders, policymakers 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. Regular consideration is given to our influencing plans and proposals for how we will work in partnership with other organisations to pursue shared policy outcomes. The regularity with which our research is quoted by parliamentarians demonstrates that we are considered an effective organisation by politicians of all parties.

Significant Event/Decision	S172	Action/Impact
Cost of Living Crisis and Inflationary Cost Pressures	<ul style="list-style-type: none"> • Our staff and volunteers • People affected by the housing emergency 	<ul style="list-style-type: none"> • The cost-of-living crisis has exacerbated the already acute housing emergency, and renters already at breaking point are being hit with spiralling rents. The Board considered this and approved the launch of a campaign calling on the government to avert the looming catastrophe by making housing benefit adequate to protect vulnerable renters, cap social increases in social rent at 3% and build the social homes needed to end the housing emergency. • Internally we saw the effect of rising inflation on our costs, expenditure has risen across the organisation due to the inflationary impacts on staff and non-staff costs. • Trustees were actively involved in ongoing pay negotiations with Shelter's recognised trade union
Industrial Action	<ul style="list-style-type: none"> • Our staff and volunteers • People affected by the housing emergency • The desirability of the charity maintaining a reputation for high standards of conduct • Key opinion leaders, policymakers and others with significant interest or involvement in housing • Our supporters 	<ul style="list-style-type: none"> • Regrettably the pay negotiations resulted in a formal dispute with the trade union and a period of industrial action. The Board regularly discussed and considered both the impact of inflationary pressures on staff, as well as the organisation's ability to meet pay demands. • Trustees were kept apprised of the organisation's preparations for industrial action and reviewed mitigation plans to ameliorate the impact on our beneficiaries as well as manage risks to the organisation's reputation. Trustees were also apprised of, and reviewed responses to key opinion leaders and policymakers who had expressed concern regarding the dispute. • The Board ultimately approved the final revised offer accepted by the trade union, bringing an end to the industrial action.
National Homelessness Advice Service	<ul style="list-style-type: none"> • Our staff and volunteers • People affected by the housing emergency • Key opinion leaders, policymakers and others with 	<ul style="list-style-type: none"> • The funding of the contracts to deliver the National Housing Advice Service (NHAS), shared between Shelter, Homeless Link, Housing Justice and St Basils were retendered during 2022. As a result, Shelter was awarded new funding as part of DLUHC's VCFS Grant Programme for 2022-2025 to fund the development of skills, knowledge and experience of staff and volunteers working in the housing and homelessness sector.

	<p>significant interest or involvement in housing</p>	<ul style="list-style-type: none"> • The amount of money secured was less than previous grant funding and there was a corresponding reduction in capacity. Consideration and consultation on alternative models of delivery and funding were discussed. • Ultimately the new grants presented significant opportunity to further our strategic aims of ensuring that people have greater housing security and that individuals and communities are equipped to fight housing injustice and discrimination. • Ultimately the result was a number of voluntary redundancies and staff being redeployed within Shelter.
Funder Due Diligence	<ul style="list-style-type: none"> • Our staff and volunteers • Our supporters • People affected by the housing emergency • Key opinion leaders, policymakers and others with significant interest or involvement in housing 	<ul style="list-style-type: none"> • As a charity, Shelter relies upon voluntary donations from a variety of sources. But we are also committed to ensuring that our fundraising, including who we accept donations and support from, or partner with, is at all times in line with our purpose and values and meets our moral and ethical standards. • Shelter has robust due-diligence processes and leadership including trustees are involved in decisions to approve or decline any financial relationship where there is any perceived reputational risk. • Within the framework set out in charity law, Shelter will refuse donations from individuals or organisations whose activities are, or appear to be, detrimental to our beneficiaries.

Our Finances

Financial review

Shelter's financial performance in 2022/23 showed positive signs despite challenging economic conditions. Expenditure exceeded income, resulting in an operating deficit of £9.11m as the anticipated drawdown of Shelter's reserve position took place in line with the current phase of Shelter's strategic plan. Expenditure increased by £9.25m over the prior year, with income decreasing slightly, leading to a net increase in deficit of £10.78m compared to the surplus generated in 2021/22.

Shelter's investment portfolio decreased in value by £0.13m. Further analysis of this decrease can be found in the investments review below. Including this movement, Shelter generated a deficit of £9.24m in 2022/23.

Income

Income totalled £73.67m in 2022/23. This is £1.53m (2%) lower than the prior year, due to a significant reduction in statutory grant and contract income, partly offset by strong growth in income from corporate relationships.

Donations and legacies totalling £45.17m are consistent with 2021/22, down by £0.01m (0.0%) on the prior year. This is the net of a £1.57m (4%) increase in donations and a £1.58m (19%) decrease in legacies.

The increase in donations is primarily due to continued strong growth in Shelter's lottery and support from corporate donors.

Legacies have decreased by £1.58m to £6.57m in 2022/23, following what had been a high performing year in 2021/22 due to the clearance of probate backlogs which had arisen as a result of the pandemic.

There has been a £2.57m (15%) decline in income from charitable activities to £14.29m in 2022/23. The primary reason for this decrease in income is due to Shelter's previous contracts with MOJ ending in June 2021, although there was an interim extension for Greater Manchester for which we received £0.3m. As part of the new contracts which commenced in

July 2021, we also received mobilisation funding of £0.4m for the 21/22 financial year. No income was received in 22/23 for either the extension or mobilisation. The second reason is because of the Inspiring Change Manchester National Lottery funded activity ending after eight years in July 2022, which led to a decline in income of £0.9m between 21/22 and 22/23. Further information can be found in note 5 to the accounts.

Shelter's retail operation performed strongly, consolidating their impressive gains from 2021/22 following the return of shoppers to highstreets after the end of pandemic-related shop closures. Income of £12.87m was £0.31m (2%) higher than 2021/22. This growth was the product of both increased sale of donated goods, which increased by £1.09m (10%) on 2021/22 and growth in sale of new goods of £0.20m (55%), which offset the loss of the government's coronavirus relief grants, which had accounted for £1.07m of income in 2021/22 and following the completion of the phased re-opening of stores Shelter ceased to benefit from in 2022/23. This increase was partly enabled by the continued development of Shelter's e-commerce offer which continues to provide a growing outlet for the sale of both new and donated goods.

Expenditure

Expenditure totalled £82.77m in 2022/23. This is £9.25m (13%) higher than the prior year with costs rising across expenditure lines due to inflationary impacts on staff costs and a planned reduction in reserve levels as Shelter invested in teams to deliver its strategic plan.

Included in 2022/23 expenditure is £2.14m apportioned across charitable expenditure and support functions, relating to a historic VAT liability. This was identified during the year, following Shelter's decision to commission an independent third party review of Shelter's VAT processes and procedures, which showed the current rate of recovery to be overly favourable to Shelter. Processes have been updated to reflect this in the 2023/24 financial year and a voluntary declaration made to HMRC for sums owed to them.

The cost of raising donations and legacies increased by £3.69m (23%) in 2022/23. This is due to the inflationary effect on staff costs and the full resumption of face-to-face fundraising, which restarted in 21/22 following the end of pandemic-related social distancing measures and is now more in line with pre-pandemic activity.

Retail costs are significantly higher than the prior year with an increase of £2.08m (17%) due to inflationary effects on both staff costs and premises. Given the considerable increase in retail expenditure, our retail operation has moved from a profit-making position in 2021/22 to a net loss of £1.11m in 2022/23, after the attribution of shared support costs.

Expenditure on charitable activities increased by £3.48m (8%) to £48.97m in 2022/23. This is largely driven by the VAT liability which accounts for £1.69m of the change, with the balance of the increase attributable to inflationary effects on staff costs.

At £18.42m, support costs are £4.25m (30%) higher than the prior year due to inflationary effects on staff costs and exacerbated by the VAT liability (£2.14m).

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 £9.24m deficit generated in 2022/23 is comprised of a £0.064m restricted surplus, relating to grants or donations restricted to a particular purpose for which the funds were received in prior years and carried forward, and a £9.30m unrestricted deficit. The unrestricted deficit is the sum of a £0.74m decrease in funds designated for particular purposes by the Board and a £8.56m decrease in general funds, also known as reserves.

The trading company (Shelter Trading Limited) made a distribution of £0.47m to the charity, broadly in line with the £0.38m distribution made in 2021/22. The trading company's income comprises corporate

sponsorship partnerships as well as the sale of purchased stock through retail, and commission earned by selling donated goods on behalf of the charity under the Retail Gift Aid Scheme. (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 current Reserves Policy target level is currently £8.26M. Reserves are £0.23m higher than this, at £8.49m. This balance is £8.56m lower than 2022, reflecting the planned draw down of reserves that has taken place in 2022/23 in the delivery of Shelter's current strategic plan, and the realisation of some risks within Shelter's risk-based reserve strategy, which did include sums provided for in relation to VAT risk.

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 £0.74m have been made to reserves from these funds, to reflect the net decrease in fixed asset values in 2022/23 as depreciation charges have exceeded additions. This decrease has primarily been driven by the depreciation of Shelter's recently refurbished Old Street office and Customer Relationship Management software.

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.

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 2022/23, investments have unfortunately decreased in value by £0.13m or 2%.



FINANCIAL STATEMENT

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; and
- 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 28th September 2022 and signed on their behalf by:

Helen Baker

Chair of the Board of Trustees

Date:

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 2023 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.

Heather Wheelhouse (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

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 2023 (incorporating income and expenditure accounts)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
Income from:					
Donations and legacies	2	40,208	4,958	45,166	45,180
Charitable activities:					
Grants and contracts	5	4,024	6,210	10,234	14,016
Training and resources for housing professionals	5	1,013	1,094	2,107	2,153
Other	5	1,030	915	1,945	688
Retail operations	3	12,873	-	12,873	12,563
Investments	4	14	-	14	4
Other trading income		1,326	-	1,326	593
Total income		60,488	13,177	73,665	75,197
Expenditure on:					
Raising donations and legacies	2	19,817	-	19,817	16,131
Retail operations		13,987	-	13,987	11,911
Charitable activities:					
Housing advice and support:					
Face-to-face advice		12,939	4,738	17,677	17,338
Intensive support		9,992	880	10,872	11,274
Telephone and online advice services		6,177	2,879	9,056	7,087
Training and resources for housing professionals		3,233	2,790	6,023	5,284
Campaigning		2,442	837	3,279	2,569
Research and policy		1,070	989	2,059	1,931
Total expenditure on charitable activities		35,853	13,113	48,966	45,483
Total expenditure	7	69,657	13,113	82,770	73,525
Net (expenditure)/income before investment (losses)/gains		(9,169)	64	(9,105)	1,672
Net (losses)/gains on investments	12	(130)	-	(130)	526
Net (expenditure)/income for the year	22	(9,299)	64	(9,235)	2,198
Reconciliation of funds:					
Fund balances at the start of the year	22(a)	29,509	3,847	33,356	31,158
Fund balances at the end of the year	16, 18	20,210	3,911	24,121	33,356

Charity and Group Balance Sheets

As at 31 March 2023

	Notes	Group		Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets					
Tangible fixed assets	11	9,838	9,735	9,838	9,735
Intangible fixed assets	11	1,878	2,722	1,878	2,722
Investments	12	5,918	6,048	5,998	6,128
Investments - cash deposits	12	560	559	560	559
Total fixed assets		18,194	19,064	18,274	19,144
Current assets					
Stock		119	86	-	-
Debtors	13	14,922	16,577	15,409	17,331
Cash at bank		2,556	6,123	2,086	5,331
Total current assets		17,597	22,786	17,495	22,662
Current liabilities					
Creditors: amounts falling due within one year	14	8,830	5,198	8,824	5,169
Net current assets		8,767	17,588	8,671	17,493
Total assets less current liabilities		26,961	36,652	26,945	36,637
Provisions for liabilities and charges	15	2,840	3,296	2,840	3,296
Net assets		24,121	33,356	24,105	33,341
Accumulated funds:					
Unrestricted income funds:					
General funds	16	8,494	17,052	8,478	17,469
Designated funds	16	11,716	12,457	11,716	12,025
Restricted income funds	17	3,872	3,808	3,872	3,808
Permanent endowment fund	16	39	39	39	39
Total charity funds		24,121	33,356	24,105	33,341

The net movement in funds for the year for the charity only was -£9,107,000 (2022: £1,672,000), not including gains/losses on investments.

The charity only income was £72,127,000 (2022: £74,612,000) less expenditure of £81,234,000 (2022: £72,940,000).

The financial statements were approved by the Board of Trustees and authorised for issue on 6th December 2023.

They were signed on its behalf by:

Helen Baker

Chair of the Board of Trustees

Date of signing:

Shelter company registration number 1038133

Consolidated Cash Flow Statement

Year ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities			
Net (expenditure)/income for the year		(9,235)	2,198
Adjustments for:			
Depreciation charges	11	2,297	1,330
Losses/(gains) on investments	12	130	(526)
Income from investments		(14)	(4)
Increase in stocks		(33)	(15)
Decrease/(increase) in debtors		1,655	(6,956)
Increase/(decrease) in creditors		3,632	(1,719)
Increase/(decrease) in provisions	15	(456)	(197)
Net cash out flow from operating activities		(2,024)	(5,889)
Cash flows from investing activities			
Income from investments		14	4
Purchase of fixed assets	11	(1,556)	(2,752)
Purchase of investments	12	-	-
Sale of investments	12	-	400
(Increase)/decrease in investment cash	12	(1)	1,011
Net cash out flow from investing activities		(1,543)	(1,337)
Change in cash in the year		(3,569)	(7,226)
Cash and cash equivalents at the beginning of the year		6,123	13,349
Cash at the end of the year		2,556	6,123
Net funds reconciliation			
	1 April 2022 £'000	Cash flows £'000	31 March 2023 £'000
Cash at bank and in hand	6,123	(3,569)	2,556
Net cash	6,123	(3,569)	2,556

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 2022/23 accounts, i.e., until December 2024.

Shelter's income, expenditure and cashflow have been projected up to December 2024, considering 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 realistic. Projections for 2024/25 show a balanced outlook, with cash and reserves closing 24/25 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 only 1% of our total expenditure.

After considering the current level of reserves and cash, the forecast to December 2024 and related sensitivities, and the mitigation actions available to the business (including obtaining external finance secured on freehold properties, if necessary), 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 20. 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.

During the 2022/23 financial year intangible fixed assets relating to software costs were separated from the tangible fixed assets in which they had previously been reported. This can be seen in note 11a and 11b with prior year balances restated accordingly. This prior year adjustment has had no impact on the reported net income for the year ended 31 March 2022 nor on the reported net assets at either 31 March 2022 or 31 March 2021.

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

	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Total £'000
Income from donations and legacies:				
Individuals	29,474	818	30,292	30,425
Donated services	167	112	279	229
Charitable foundations	1,276	1,524	2,800	2,359
Corporate donors	1,201	2,254	3,455	3,053
Lottery	1,767	-	1,767	960
Legacies	6,323	250	6,573	8,154
Total	40,208	4,958	45,166	45,180
Expenditure on raising donations and legacies:				
Direct staff costs	7,678	-	7,678	7,005
Direct non-staff costs	9,909	-	9,909	7,391
Allocated support costs	2,332	-	2,332	1,735
Total	19,817	-	19,817	16,131

Shelter has been notified of legacies with an estimated value of £6.30m (2022: £4.33m) which have not been included in income for the year ended 31 March 2023, because either probate has not been received or Shelter is not satisfied that the amount receivable can be reliably measured.

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).

In 2022 Lottery income was included within income received from individuals.

3. Retail operations: income and expenditure

	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Total £'000
Income from retail operations:				
Donated goods	11,871	-	11,871	10,784
Purchased goods	577	-	577	373
Retail, Hospitality and Leisure Grants	-	-	-	1,042
HMRC Job Retention Scheme (furlough)	-	-	-	27
Other	425	-	425	337
Total	12,873	-	12,873	12,563
Expenditure on retail operations:				
Direct staff costs	5,187	-	5,187	4,448
Direct non-staff costs	5,925	-	5,925	4,963
Allocated support costs	2,875	-	2,875	2,536
Total	13,987	-	13,987	11,911
Net income/(expenditure) available for charitable application	(1,114)	-	(1,114)	652

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) from 2019/20 to 2021/22 as part of the government's response to the COVID-19 pandemic and resultant lockdown measures. Shelter ceased to benefit from these grants in 2021/22 as the phased re-opening of shops was completed, and the retail chain returned to full operations as before the pandemic.

The retail chain made a gross contribution available for charitable application of £1.76m in 2022/23 (2022: £3.00m). After the application of support cost allocation (see note 7) the chain made a net loss of £1.11m.

Whilst income remained strong, increasing £0.31m on 2022 income levels, the decrease in contribution was driven by the result of significant increases in direct costs which totalled £11.11m (2022: £9.56m, see notes 7 and 21) and were driven up by the inflationary impact on staff wages and operating costs.

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

4. Income from investments

	2023 £'000	2022 £'000
Interest on cash at bank	11	2
Dividends from listed securities	3	2
Total	14	4

5. Income from charitable activities

	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Total £'000
Central government grants and contracts:				
Scottish government grants	40	332	372	664
Ministry of Justice contracts	602	-	602	2,568
Ministry of Housing, Communities and Local Government grants and contracts	-	1,714	1,714	1,994
HMRC Job Retention Scheme (furlough)	-	-	-	16
Other public body grants and contracts:				
Legal Aid Agency contracts	170	1,251	1,421	1,255
Local authority grants and contracts	2,504	1,423	3,927	4,355
National Lottery grants	-	157	157	1,565
Other agencies grants and contracts	708	1,333	2,041	1,599
Total statutory grant and contract income	4,024	6,210	10,234	14,016
Income from training and resources for housing professionals	1,013	1,094	2,107	2,153
Other income	1,030	915	1,945	688
Total income from charitable activities	6,067	8,219	14,286	16,587

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).

In 2023 Shelter ceased to benefit from income received under government support schemes in response to the pandemic, which previously comprised of retail grants (see note 3), and the HMRC Job Retention Scheme.

In addition to the income shown in this note, Shelter also received £0.40m on behalf of partner organisations, to whom these funds were passed. This is not shown as income and expenditure as Shelter acted as an agent in regard to these funds. As at 31st March 2023 Shelter was owed £84k by councils in relation to these funds.

In 2022 Other Income included £0.59m trading income now shown in the Statement of Financial Activities as Other Trading Income.

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 2023 £'000	Expenditure 2023 £'000
District, borough and county councils in England and Wales:			
Birmingham City Council	Provides a single point of access for single people and childless couples who are homeless or at risk of homelessness.	88	106
Birmingham City Council	Support for rough sleeper clients who have not previously engaged with services.	25	13
Blackburn with Darwen Borough Council	To enable the secure sharing of service user data to assist with the driving up standards of accommodation and support provided in supported accommodation.	30	-
Blackburn with Darwen Borough Council	Provides welfare and debt information and advice services within the Borough of Blackburn with Darwen.	150	167
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.	-	13
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.	65	63
Borough Council of Kings Lynn & West Norfolk	To support ex-offenders to access the private rental sector with the ambition of supporting them into sustainable accommodation.	30	43
Dorset Council	Specific Local Authority funding for hardship payments	-	-
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	64	56
Dorset Council	This contract is to provide intensive floating support to 8 people who have been rough sleepers in Dorset Council area.	53	58
Dorset Council	To provide 10 properties in the Dorset Council area for rough sleepers with very high/complex needs whose needs are best met through the provision of very intensive wraparound support.	79	88
Dorset Council	Community makeover project with B&Q, match funded by Dorset Council.	3	3
Dorset 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	107
Liverpool City Council	To provide specialist housing advice and support to families residing in Liverpool to secure and successfully maintain suitable and affordable accommodation for their family, preventing homelessness.	143	13

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.	64	66
London Borough Of Hackney	One-off award to recruit a Qualified Advisor to reduce Shelter's backlog whilst increasing availability of social welfare advice for residents seeking support from the Council's health partners.	24	24
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.	469	501
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.	20	24
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 through a dedicated London advice line.	34	43
London Councils	To provide support to voluntary homelessness service organisations and ensure they are aware of the policies affecting their clients.	36	32
Manchester City Council	To deliver an innovative support programme for people with complex needs in Manchester who are/at risk of homelessness.	133	203
Manchester City Council	To provide a traineeship programme which provides supported employment opportunities for people who have a lived experience of multiple disadvantages.	225	129
Norwich City Council	Debt prevented and/ or reduced and improved financial capability	33	25
Norwich City Council	Specific Local Authority funding for Shelter employee's salary costs	35	42
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.	-	47
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.	92	73
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.	897	1,014
Sheffield City Council	A specialist non-clinical support service for people with drug and alcohol misuse in a vulnerable housing situation.	320	353
Sheffield City Council	To provide specialist housing advice for residents of safe accommodation, to work alongside the providers of refuge and safe zones accommodation, and to ensure that people receive resettlement support to safely move on from safe accommodation to home.	64	64
Sunderland City Council	To contribute to preventing homelessness in Sunderland through the delivery of specialist housing	50	54

advice within Sunderland, hosted by Community Housing.

Westminster Borough Council	Provision of frontline housing advice, homelessness prevention and support services.	450	357
Total		3,786	3,781

Local authorities in Scotland:

Aberdeen Council	Housing advice for households at risk of homelessness through legal proceedings.	44	39
Glasgow City Council	To establish a locally responsive model for homeless individuals with multiple and complex needs in Glasgow.	72	73
North Lanarkshire Council	Independent advocacy in relation to housing issues for eligible persons in North Lanarkshire	24	1
Total		140	113

De minimis contracts and grants:

Other grants and contracts: income <£2k	1	1
Total	1	1

Local authority grants and contracts for the prior year are shown in note 21.

London Councils

London Councils Grant Summary	Grant awarded £	Grant spent £
Lead Partner-Shelter	469,284	500,791
Delivery partners		
Thames Reach	235,693	255,232
St Mungo's	100,604	102,786
Stonewall Housing	117,932	119,015
Delivery partner sub-total	454,229	477,033
Grand total	923,513	977,824

Expenditure on:	Grant awarded £	Grant spent £
Staffing	714,057	760,725
Running cost*	77,063	85,546
Premises cost	36,414	26,866
Central overheads	95,979	104,687
Total	923,513	977,824

*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 £923,513 from London Councils during financial year 2022/23.

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 £454,229 to partner organisations in 2022/23, 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.

The total overspend on this project is £54,311. Thames Reach overspent by £19,539. Shelter overspent by £31,507, Stonewall Housing by £1,083 and Praxis by £2,182. Shelter had a B/F balance of £8,005 from FY 21/22.

7. Direct and apportioned costs

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

	Direct costs	Apportioned support costs	Total costs 2023	Total costs 2022
	£'000	£'000	£'000	£'000
Expenditure on:				
Raising donations and legacies	17,485	2,332	19,817	16,131
Retail operations	11,112	2,875	13,987	11,911
Charitable activities:				
Housing advice and support:				
Face-to-face advice	12,622	5,055	17,677	17,338
Intensive support	8,076	2,796	10,872	11,274
Telephone and online advice services	6,323	2,733	9,056	7,087
Training and resources for housing professionals	4,619	1,404	6,023	5,284
Campaigning	2,527	752	3,279	2,569
Research and policy	1,582	477	2,059	1,931
Total expenditure on charitable activities	35,749	13,217	48,966	45,483
Total direct and apportioned costs	64,346	18,424	82,770	73,525

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.

Apportioned support costs include expenditure of £2.14m relating to a historic VAT liability identified during the year arising from an externally commissioned review of Shelter's VAT compliance. This expenditure has been apportioned across charitable expenditure in the same manner as support fees, i.e., full-time equivalent staff numbers.

(b) Breakdown of apportioned support costs

	2023	2022
	£'000	£'000
Human resources	3,649	3,766
Finance	1,757	1,720
Information technology	6,777	5,585
Facilities	2,153	1,622
In-house design and creative	930	1,178
Other corporate costs	1,022	208
VAT	2,136	-
Total apportioned support costs	18,424	14,179

8. Governance costs

	2023 £'000	2022 £'000
Fees payable to the external auditors for the audit of the group annual accounts	89	60
Fees payable to the external auditors for non-audit services	-	9
Internal audit	26	73
Trustee expenses, insurance and recruitment	24	13
Board and committee support costs*	57	52
Total	196	207

* 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 £1,002,116 (2022: £916,861). There are adequate systems in place to manage expenses and these do not form part of directors' remuneration.

The CEO's annual salary was £141,868 (2022: £135,016). Shelter's median salary was £29,012 (2022: £27,084), which represents a ratio against the highest salary of 4.89:1 (2022: 4.99:1). 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	2023 £'000	2022 £'000
Wages and salaries	41,418	38,724
Social security costs	4,271	3,792
Pension costs	3,148	3,025
Other staff-related costs	1,944	1,808
Total	50,781	47,349

Overall staff costs increased due to inflationary effects on staff salaries and Shelter's pay award in response to the cost-of-living crisis. Redundancy and termination costs during the year were £420,540 (2022: £407,691).

Average staff headcount	2023 No.	2022 No.
Raising donations and legacies	123	128
Retail operations	174	196
Housing advice and support:		
Face-to-face advice	266	300
Intensive support	150	194
Telephone and online advice services	141	138
Training and resources for housing professionals	75	83
Campaigning	37	38
Research and policy	25	27
Support functions	176	166
Total	1,167	1,270

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

	2023 No.	2022 No.
£60,001 to £70,000	16	11
£70,001 to £80,000	10	7
£80,001 to £90,000	2	1
£90,001 to £100,000	-	2
£101,001 to £110,000	2	2
£110,001 to £120,000	4	1
£120,001 to £130,000	-	-
£130,001 to £140,000	-	1
£140,001 to £150,000	1	1

Volunteer contribution

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

	2023 No.	2022 No.
Group number of volunteers	2,459	2,617

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:

	2023		2022	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Operating leases which expire:				
within one year	2,914	134	2,894	111
between one and five years	5,826	120	6,203	120
after more than five years	238	-	200	-
Total lease commitments	8,978	254	9,297	231

The net income for the year is stated after charging:

Rental costs relating to operating leases	3,346	177	2,592	47
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Assets

11. Fixed assets – group and charity

a. Tangible fixed assets

	Assets under construction	Freehold buildings and improvements	Short leasehold buildings	Furniture and fittings	Computer and office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 April 2022	1,314	7,000	341	6,903	6,724	22,282
Additions	171	-	48	967	345	1,531
Transfers	(1,483)	-	-	1,483	-	-
Disposals	(2)	-	(18)	(262)	(3)	(285)
At 31 March 2023	-	7,000	371	9,091	7,066	23,527
Depreciation						
At 1 April 2022	-	(805)	(321)	(5,748)	(5,673)	(12,547)
Charge for the year	-	(93)	(21)	(902)	(410)	(1,426)
Transfers	-	-	-	-	-	-
Disposals	-	-	17	262	3	282
At 31 March 2023	-	(898)	(325)	(6,388)	(6,080)	(13,691)
Net book values						
At 31 March 2023	-	6,102	46	2,703	986	9,837
At 1 April 2022	1,314	6,195	20	1,155	1,051	9,735

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.

b. Intangible fixed assets

	Computer software
	£'000
Cost or valuation	
At 1 April 2022	3,146
Additions	25
At 31 March 2023	3,171
Depreciation	
At 1 April 2022	(424)
Charge for the year	(869)
At 31 March 2023	(1,293)
Net book values	
At 31 March 2023	1,878
At 1 April 2022	2,722

The cost and depreciation figures as at 1 April 2022 for computer and office equipment have been restated as software is now separately disclosed as an intangible fixed asset within note 11b. See note 1g for further details.

12. Investments – group and charity

	Group 2023 Total Inv. £'000	Group 2022 Total Inv. £'000	Charity 2023 Total Inv. £'000	Charity 2022 Total Inv. £'000
Listed investments:				
Investments at market value at 1 April 2022	6,048	5,922	6,048	5,922
Additions	-	-	-	-
Disposals	-	(400)	-	(400)
Net (loss)/gain for the year	(130)	526	(130)	526
Listed investments	5,918	6,048	5,918	6,048
Cash investments	560	559	560	559
Investment in subsidiary	-	-	80	80
Total investments at 31 March 2023	6,478	6,607	6,558	6,687
Historical cost: Listed investments as at 31 March 2023	5,362	5,362	5,442	5,442
Common strategy investment funds:				
JP Morgan Liquidity Fund	47	47	47	47
SUTL Charity Responsible Multi-Asset Fund	5,871	6,001	5,871	6,001
Cash Investments:				
Schroders Cash Management	560	559	560	559
Total	6,478	6,607	6,478	6,607

13. Debtors

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	5,240	2,766	4,366	2,303
Amounts due from subsidiary companies	-	-	1,335	1,265
Taxation recoverable - Gift Aid	1,641	5,557	1,641	5,557
Taxation recoverable - VAT	141	823	141	823
Other debtors	1,423	1,245	1,423	1,245
Prepayments	1,672	1,454	1,672	1,454
Accrued income	4,805	4,732	4,831	4,684
Total debtors	14,922	16,577	15,409	17,331

Liabilities

14. Creditors: amounts falling due within one year

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	1,408	1,075	1,408	1,052
Amounts due for taxation and social security	4,098	945	4,098	945
Other creditors	7	66	7	66
Accruals	3,089	2,863	3,083	2,857
Deferred income	228	249	228	249
Total creditors	8,830	5,198	8,824	5,169

Movement on deferred income	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Deferred income brought forward	249	281	249	281
Realised during year to 31 March 2023	(249)	(281)	(249)	(281)
Deferred in year to 31 March 2023	228	249	228	249
Deferred income carried forward	228	249	228	249

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

	2023 £'000	2022 £'000
Balance at 1 April 2022	3,296	3,493
Utilised during the year	(143)	(215)
Additions in the year	(313)	18
Balance at 31 March 2022	2,840	3,296

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 2022 £'000	Income and endowments £'000	Total expenditure £'000	Net gain on investments £'000	Transfers £'000	Balance at 31 March 2023 £'000
Unrestricted income funds:						
General funds	14,771	60,443	(69,612)	-	2,335	7,937
Unrealised investment gain	2,281	-	-	(130)	(1,594)	557
Total general funds	17,052	60,443	(69,612)	(130)	741	8,494
Designated funds:						
Revaluation reserve	4,931	-	-	-	(93)	4,838
Property and fixed asset fund	7,526	-	-	-	(648)	6,878
Strategic investment fund	-	45	(45)	-	-	-
Total designated funds	12,457	45	(45)	-	(741)	11,716
Total unrestricted funds	29,509	60,488	(69,657)	(130)	-	20,210
Restricted income funds (note 17)	3,808	13,177	(13,113)	-	-	3,872
Permanent endowment - John Rees Fund	39	-	-	-	-	39
Total restricted funds	3,847	13,177	(13,113)	-	-	3,911
Total funds	33,356	73,665	(82,770)	(130)	-	24,121

The statement of funds for the prior year is shown in note 21.

Strategic investment fund

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

Revaluation reserve

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

Fixed asset fund

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

17. Statement of restricted funds

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2022 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2023 £'000
DIY Skills Advisers	B&Q Limited and Kingfisher Plc	Providing funding and in-kind support for DIY skills advice and support services.	40	707	(747)	-
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.	44	479	(506)	17
Supporting Tenancies, Accommodation and Reconnections	London Councils	Providing specialist prevention support for adults at risk of experiencing homelessness.	8	469	(501)	(24)
Housing Law & Debt Advice (Tayside & Borders) - Scottish Housing Law Service	Scottish Legal Aid Board	Representation and advice services for people facing court action for mortgage or tenancy repossession.	(1)	289	(285)	3
Empty Homes	Scottish Government	To bring empty homes in Scotland back into use through the establishment of Empty Homes officers.	154	393	(457)	90
Justice 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.	40	68	(109)	(1)
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.	-	-	(1)	(1)
Building Better Opportunities Motiv8 - Manchester Hub	National Lottery Community Fund/European Social Fund	Supporting disadvantaged individuals and families to enter or re-enter education, training and/or employment.	3	120	(123)	-
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.	40	101	(105)	36

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2022 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2023 £'000
Specialist Adviser Support Services - Money Advice Service	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.	194	569	(640)	123
Lancashire Building Better Opportunities (Age of Opportunity)	National Lottery Community Fund/European Social Fund	To engage and inspire disadvantaged young and hard-to-reach unemployed or economically inactive people and to improve work readiness and employability of the over 50s in the Lancashire Area.	5	28	(33)	-
Lancashire Building Better Opportunities (Investing in Youth)	National Lottery Community Fund/European Social Fund	To engage and inspire disadvantaged young and hard-to-reach unemployed or economically inactive people and to improve work readiness and employability of the over 50s in the Lancashire Area.	3	16	(16)	3
Lancashire Building Better Opportunities (Changing Futures)	National Lottery Community Fund/European Social Fund	To engage and inspire disadvantaged young and hard-to-reach unemployed or economically inactive people and to improve work readiness and employability of the over 50s in the Lancashire Area.	(13)	66	(60)	(7)
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.	22	101	(116)	7
Our Journey Home Glasgow	National Lottery Community Fund	To prevent children and families in Glasgow becoming homeless; to secure safe and affordable permanent accommodation.	71	-	(71)	-
Hackney Advice Grant	London Borough of Hackney	To advise and support residents of Hackney in overcoming housing problems and challenges. To support the development of an advice network in the district, one which shares resources and expertise.	2	64	(66)	-
Health Now Coordinator Greater Manchester	Groundswell Network Support UK	Tackling health inequalities faced by homeless people.	29	89	(92)	26
Sheffield - Domestic Abuse Housing Support Service	Philip King Charitable Trust/ Evan Cornish Foundation	Sheffield – Domestic Abuse Housing Support Service.	11	105	(58)	58
Outreach Service (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.	63	456	(321)	198

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2022 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2023 £'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	26	-	(26)	-
Children In Need Family Service Expansion	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.	40	224	(225)	39
Legal Education Foundation	Legal Education Foundation	Funding to support a trainee Solicitor within our Law Service who will work on strategic litigation arising from casework referrals.	21	74	(97)	(2)
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.	2	72	(73)	1
Restricted to Sheffield Rough Sleeping, Drug, and Alcohol Service	Sheffield City Council	To provide housing support to entrenched rough sleepers to help them move into independent living.	5	92	(73)	24
Research on Temporary Accommodation	Joseph Rowntree Foundation & Trust for London	To conduct a survey of over one thousand people living in temporary accommodation and brought together findings from this, as well as recommendations for policy change, in a piece of research titled Still Living in Limbo: Why the use of temporary accommodation must end.	26	62	(84)	4
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.	11	46	(47)	10
Changing Futures - Manchester	Manchester City Council	Funding for local organisations to work in partnership to better support those who experience multiple disadvantage, including homelessness, substance misuse, mental health issues, domestic abuse, and contact with the criminal justice system.	101	133	(203)	31
RBL Homeless Armed Forces	The Royal British Legion	Funding over three years (September 2022 to August 2025) to fund Shelter England and Scotland (in partnership with Shelter Cymru and Housing Rights NI) to train RBL advisors to advise veterans on housing issues directly, such as homelessness, accessing housing, eligibility, advocacy and more.	-	318	(146)	172

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2022 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2023 £'000
Changing Futures GROW Campus - Greater Manchester Combined Authority	Greater Manchester Combined Authority (GMCA)	Funds GROW Traineeships across Greater Manchester, including at the GMCA and four Local Authority areas. Provides meaningful employment roles for people who have experienced multiple disadvantage and supports systemic change by removing barriers to employment and creating opportunities for Local Authorities to co-produce and co-deliver their services.	-	225	(129)	96
TOAS Triage Project	Fidelity UK Foundation	Funding over two and a half years (April 2022 - September 2024) to set up an automated triage system for Shelter's helpline and webchat, so that only priority calls get through to advisors.	-	72	(33)	39
VCFS Lot 1 Training	Department for Levelling Up, Housing and Communities (DLUHC)	To build the capacity, skills and knowledge of a range of frontline staff and volunteers in England through the provision of effective, quality homelessness and housing training, information resources and skills development.	-	787	(718)	69
VCFS Lot 2 Advice Line	Department for Levelling Up, Housing and Communities (DLUHC)	The specialist advice team to deliver housing, homelessness and welfare benefit advice via telephone, webchat and digital tools, to new and existing frontline audiences. This service will be for professional and volunteer use only and it will not deliver advice directly to the general public or people who are at risk of or are experiencing homelessness.	-	654	(583)	71
Liverpool City Council Families Team	Liverpool City Council	Providing Housing Right Workers based within Liverpool City Council's Families Teams, providing a dedicated resource for vulnerable families experiencing / at risk of homelessness.	-	143	(13)	130
Birmingham and Solihull NHS Trust Peer Mentors	Birmingham and Solihull Mental Health Foundation Trust (NHS England)	To support service users who come into contact with the Criminal Justice System and are experiencing mental health conditions to reduce re-offending behaviours and improve their engagement and resilience in the community.	-	121	(95)	26
Birmingham FIRST Peer Mentor Services-St Andrews	Birmingham and Solihull Mental Health Foundation Trust (NHS England)	To support those service users going through transition from secure care into the community, or those living in the community experiencing mental health concerns with improving engagement with services and resilience in the community.	-	97	(100)	(3)
A Future Foundation for Families (National Lottery Community Fund)	National Lottery Community Fund	To work with families and their supports in the Glasgow city area to effect positive changes at individual and system level.	-	97	-	97
Network Rail Southern Region	Network Rail	Outreach person centred support for people who are sleeping rough in train stations.	-	175	(140)	35

Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2022 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2023 £'000
Family Adviser Post (Aberdeen)	Anonymous	Supporting families and pregnant women facing homelessness to improve their housing outcomes as well as gathering insights and lived experience to effect long term change for these groups.	-	123	(11)	112
Salford HHPA	Salford Integrated Care Partnership (NHS)	Funded contract as part of the Salford Innovation and Improvement Fund aiming at improving neighbourhood based care. Peer-led service supporting those experiencing homelessness to get better access to healthcare.	-	90	(7)	83
Restricted - Scotland	Various	Small donations restricted to specific areas of work in Scotland.	18	1,061	(729)	350
Restricted - Services	Various	Small donations restricted to specific areas of work in England.	876	3,649	(3,897)	628
			1,967	740	(1,376)	1,331
Other funds: income <£60k*	Various	Various.				
Total			3,808	13,177	(13,113)	3,872

The statement of restricted funds for the prior year is shown in note 21.

18. Net assets between funds – group

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Group Total funds £'000
Fund balances as at 31 March 2023 are represented by:				
Tangible fixed assets	11,716	-	-	11,716
Investments	6,439	-	39	6,478
Net current assets	4,895	3,872	-	8,767
Provisions	(2,840)	-	-	(2,840)
Total net assets	20,210	3,872	39	24,121

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 £5,779 (2022: £1,350) during the year. The number of trustees incurring expenses during the year was seven (2022: four).

Shelter received donations totalling £30,665 from trustees during the year (2022: £21,600).

During the year ended 31 March 2023 the following related party transactions were recognised:

Polly Neate is chair and Andy Harris is a trustee of the charity Become, which was invoiced £258 for office rental during the year (2022: £840 for training and publications). A balance of £258 was owed to Shelter as at 31 March 2023 (2022: nil).

During the year ended 31 March 2023, Shelter didn't recognise any income from Purple Futures LLP in relation to a Transforming Rehabilitation contract (2022: £620k). In June 2021 this contract ended, and Transforming Rehabilitation became known as Justice Services.

No settlement payments were made to directors during the year (2022: £25,000).

Shelter Trading Limited is a trading subsidiary of Shelter. During the year ended 31 March 2023 Shelter received gift aid of £383,977 from Shelter Trading Limited (2022: £419,865). A balance of £1,365k was owed to Shelter, by Shelter Trading Limited as at 31 March 2023 (2022: £1,265k).

There were no other related party transactions during the year ended 31 March 2023.

20. Trading subsidiary

The principal activities of Shelter Trading Limited (STL) Company No. 02573404 in the period under review were the sale of new goods via Shelter's retail chain, managing the corporate sponsorship activities of Shelter, the National Campaign for Homeless People Limited, and the sale of donated goods under the retail gift aid scheme on behalf of Shelter, the National Campaign for Homeless People Limited.

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

Shelter Trading Limited	2022 £'000	2021 £'000
Total income	2,011	969
Cost of sales	(234)	(293)
Gross profit	1,777	676
Selling and distribution costs	(1,039)	(247)
Administration costs	(265)	(45)
Net profit gifted to Shelter	473	384

As at 31 March 2023, Shelter Trading Limited had total assets of £1,436,332 (2022: £1,388,511) and total liabilities of £1,341,219 (2022: £1,293,398).

Prior year disclosures

21. Prior year disclosures

21(a) 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 2021 £'000
Income from:				
Donations and legacies	2	39,785	5,395	45,180
Charitable activities:				
Grants and contracts for housing advice and support	5	7,108	6,908	14,016
Training and resources for housing professionals	5	935	1,218	2,153
Other	5	1,230	51	1,281
Retail operations	3	12,536	-	12,536
Investments	4	4	-	4
Total income and endowments		61,625	13,572	75,197
Expenditure on:				
Raising donations and legacies	2	15,715	416	16,131
Retail operations	3	11,911	-	11,911
Charitable activities:				
Housing advice and support:				
Face-to-face advice		12,448	4,890	17,338
Intensive support		8,683	2,591	11,274
Telephone and online advice services		5,644	1,433	7,077
Training and resources for housing professionals		2,069	3,215	5,284
Campaigning		2,471	98	2,569
Research and policy		1,706	225	1,931
Total expenditure on charitable activities		33,021	12,452	45,483
Total expenditure		60,647	12,878	73,525
Net income/(expenditure) before investment gains/(losses)		978	694	1,672
Net gains/(losses) on investments	12	526	-	526
Net income/(expenditure) for the year	20	1,504	694	2,198
Reconciliation of funds:				
Fund balances at the start of the year		28,005	3,153	31,158
Fund at the end of the year	16, 18	29,509	3,847	33,356

21(b) Donations and legacies: income and expenditure (prior year)

	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000
Income from donations and legacies:			
Individuals	30,753	632	31,385
Donated services	229	-	229
Charitable foundations	868	1,491	2,359
Corporate donors	1,777	1,276	3,053
Legacies	6,158	1,996	8,154
Total	39,785	5,395	45,180
Expenditure on raising donations and legacies:			
	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000
Direct staff costs	6,989	16	7,005
Direct non-staff costs and allocated support costs	8,726	400	9,126
Total	15,715	416	16,131

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).

21(c) Retail operations: income and expenditure (prior year)

	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000
Income from retail operations:			
Donated goods	10,784	-	10,784
Purchased goods	373	-	373
COVID-19 support grants	1,042	-	1,042
HMRC Job Retention Scheme (furlough)	27	-	27
Other	337	-	337
Total	12,563	-	12,563
Expenditure on retail operations:			
Direct staff costs	4,592	-	4,592
Direct non-staff costs and allocated support costs	7,319	-	7,319
Total	11,911	-	11,911
Net income available for charitable application	652	-	652

22(d) Income from investments (prior year)

	2021 £'000
Interest on cash at bank	2
Listed securities	2
Total	4

21(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
District, borough and county councils in England and Wales:			
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. 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.	30	25
Sheffield City Council	A specialist non-clinical support service for people with drug and alcohol misuse in a vulnerable housing situation.	938	946
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.	323	306
Sheffield City 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.	30	31
Southwark Council	To contribute to preventing homelessness in Sunderland through the delivery of specialist housing advice within Sunderland, hosted by Community Housing.	126	134
Sunderland City Council	Provision of frontline housing advice, homelessness prevention and support services.	33	37
Westminster Borough Council		410	361
Total		4,180	3,833
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
Total		175	281
De minimis contracts and grants:			
Various	Other grants and contracts: income <£2k	1	1
Total		1	1

London Councils

London Councils Grant Summary	Grant awarded £	Grant spent £
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
Total	1,003,495	1,012,324
Expenditure on:	Grant awarded £	Grant spent £
Staffing	746,221	765,469

Running cost*	108,652	110,990
Premises cost	50,980	49,775
Central overheads	97,642	86,090
Total	1,003,495	1,012,324

*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.

The 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.

London Councils Grant Summary - Praxis expansion

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

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
Total	150,934	122,118

*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.

21(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 2022
	£'000	£'000	£'000
Expenditure on:			
Raising donations and legacies	14,396	1,735	16,131
Retail operations	9,555	2,356	11,911
Charitable activities:			
Housing advice and support:			
Face-to-face advice	13,490	3,848	17,338
Intensive support	8,801	2,473	11,274
Telephone and online advice services	5,266	1,821	7,087
Training and resources for housing professionals	4,228	1,056	5,284
Campaigning	2,045	524	2,569
Research and policy	1,565	366	1,931
Total expenditure on charitable activities	35,395	10,088	45,483
Total direct and apportioned costs	59,346	14,179	73,525

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
Total apportioned support costs	14,179	14,781

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.

21(g) Statement of funds (prior year)

	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
Unrestricted income funds:						
General funds	12,906	61,625	(57,906)	-	(1,854)	14,771
Unrealised investment gain	1,755	-	-	526	-	2,281
Total general funds	14,661	61,625	(57,906)	526	(1,854)	17,052
Designated funds:						
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	-
Total designated funds	13,344	-	(2,741)	-	1,854	12,457
Total unrestricted funds	28,005	61,625	(60,647)	526	-	29,509
Restricted income funds (note 17)	3,114	13,572	(12,878)	-	-	3,808
Permanent endowment - John Rees Fund	39	-	-	-	-	39
Total restricted funds	3,153	13,572	(12,878)	-	-	3,847
Total funds as at 31 March 2022	31,158	75,197	(73,525)	526	-	33,356

21(h) Statement of restricted funds (prior year)

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. 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.	295	305	(446)	154
Glasgow Community Grant	Glasgow City Council		7	78	(83)	2
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)	277
Supporting Tenancies, Accommodation and Reconnections	London Councils	Providing specialist prevention support for adults at risk of experiencing homelessness.	-	1,003	(995)	8
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)	44
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)	1

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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 - Scotland	Various	Small donations restricted to specific areas of work in Scotland.	2	1,634	(1,627)	9
Restricted - Services	Various	Small donations restricted to specific areas of work in England.	357	1,183	(1,183)	357
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.	-	101	(98)	3
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)	40
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)	59
Nationwide Partnership Policy	Nationwide Building Society	Supporting Nationwide's Community Funding Programme, providing insight on national housing policy.	48	61	(36)	73
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)	40
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)	194

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Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
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)	22
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)	333
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)	22
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)	5
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)	22
Entrenched Rough Sleeper worker	Birmingham City Council	Support for rough sleeper clients who have not previously engaged with services.	20	101	(92)	29
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)	216

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Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
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)	71
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)	21
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)	86
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)	103
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	-	80	(29)	51

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Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
		determinants of health such as debt advice, welfare, and housing support.				
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
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

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Restricted fund name	Funder	Purpose of funding	Balance at 1 April 2021 £'000	Income £'000	Expenditure / transfers £'000	Balance at 31 March 2022 £'000
Justice First Fellowship	Legal Education Foundation Children in Need, The Garfield Weston Foundation and the Liz and Terry Bramall 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		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
Total			3,114	13,572	(12,878)	3,808

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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:

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

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 2021-22 £'000	Deferred / (accrued) income at 31 March 2022 £'000
Inspiring Change Manchester (National Lottery Community Fund)	-	1,119	-
Total	-	1,119	-

21(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 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)
Total net assets	29,509	3,808	39	33,356