



Mencap's Annual report **2020**

Annual Report **2020**



123 Golden Lane
London
EC1Y 0RT
T: 020 7454 0454
www.mencap.org.uk
Learning Disability Helpline: 0808 808 1111
helpline@mencap.org.uk

Registered charity number 222377 (England and Wales);
SC041079 (Scotland) 2020.008



Contents

Introduction	4
A word from the chair and chief executive.....	5
A message from the Voices Council	8
What is a learning disability?	10
How we help.....	11
Trustees’ report	12
Coronavirus.....	13
Our plans for 2020/21 and beyond	16
What we said we would do this year.....	18
Reducing stigma and discrimination	20
Social care.....	24
Supporting friendships and relationships	28
Improving health.....	32
Early intervention	36
Employment.....	40
How we will achieve our goals	46
A big thank you to all our supporters.....	52
Strategic report.....	54
Financial Review	56
Reference and administration details.....	66
Structure, governance and management	67
Statement of trustees’ responsibilities	76
Independent auditor’s report to the members and trustees of the Royal Mencap Society.....	77
Financial statement	80
Financial statements.....	82



Introduction

A word from the chair and chief executive

The emergence of the coronavirus towards the end of the year to March 2020 has inevitably overshadowed the work of Royal Mencap Society and our network partners since the year end. Next year's report will provide the opportunity for a more extensive reflection on the impact of the virus and the lessons to be learned.

Nevertheless, now is the right time to record our immense gratitude to colleagues and volunteers throughout the organisation. They have responded to the challenge of coronavirus magnificently, tirelessly and with great personal sacrifice in ensuring that people with learning disabilities continue to receive the support they need.

It has been a team effort, ranging from the many colleagues delivering front line support to people with learning disabilities in exceptionally demanding conditions; to those providing vital enabling services and coping with multiple challenges such as virtual working, PPE supply constraints, urgent staff recruitment and rapidly changing government requirements; to the executive team providing outstanding leadership in the face of unrelenting pressures.

Our sympathies are with all those people we support, colleagues, volunteers and family members who have lost loved ones because of the virus or have suffered from it themselves.

This year was marred by the continued uncertainty about the treatment of sleep-ins and the potential financial consequences, with the final hearing in the legal process taking place in the Supreme Court in February 2020. As we go to press, nine months later, the Court's decision has still not been handed down.

Despite the above challenges, it was a positive year for Royal Mencap Society. It was the last year of the 2015 Big Plan which had led to important progress in many areas. These include making our support for people with learning disabilities completely person-centred; securing government commitments to make learning disability training mandatory for health care professionals and to reduce the use of Assessment and Treatment Units; upgrading our digital technology to make it fit for our purposes; and maintaining a strong financial position. The year also saw the start of work on development of the successor to the 2015 Big Plan.

Early last year, Jan Tregelles announced her intention to step down after six years as chief executive and a total of 22 years' service with Royal Mencap Society. We are deeply grateful for her commitment to Mencap and to people with learning disabilities, as well as for her achievements. These included the creation of Golden Lane Housing, successfully leading the organisation through the serious financial challenges faced when she was appointed chief executive, and the development and implementation of the 2015 Big Plan.

The trustees also pay tribute to the executive team who steered the organisation seamlessly through the period prior to the arrival of our new chief executive in January. We were delighted to welcome Edel Harris to this role, bringing with her deep experience of the charity sector, social care and learning disabilities. Faced within days of her arrival by the wholly unexpected and unprecedented challenge of coronavirus, she and the executive team have provided exceptional leadership in responding to this challenge while also spearheading the development of our new strategic direction.

I must record my profound gratitude to my fellow trustees who have been called upon to contribute well beyond the normal expectation because of the leadership transition, the threat posed by the sleep-ins case and, latterly, the impact of coronavirus. They have responded magnificently. Similar appreciation is also due to the members of the Voices Council which has established itself ever more firmly as an essential and valued part of the Royal Mencap's governance structure, ensuring that the voice of people with learning disabilities is at the centre of the work of the board.

Derek Lewis,
chair of Royal
Mencap Society



Edel Harris,
chief executive



Nothing could have prepared me for my first few months at Mencap. The warmth of the welcome shown by Harry Roche and other colleagues when I first entered the office blew me away. On my very first day, I met the Prime Minister Boris Johnson whilst the residents of Worcester Road, Uxbridge proudly showed him their home and introduced him to their team of support workers.

I enjoyed a whistle stop tour of Mencap Cymru and visited the Mencap children's centre in Northern Ireland. But just before I commenced a tour of Mencap's services in England, we were in the throes of the coronavirus pandemic and everything had changed. They say that a crisis brings out the best and the worst in humankind, but at Mencap I only saw the best.

I saw colleagues demonstrate remarkable care for the people they support – volunteering to move in with people who were shielding for three months; using their own precious supermarket slots to buy groceries; working double shifts and more. They displayed incredible creativity as people turned houses into ice cream parlours and art galleries; made over gardens and turned sheds into shops, coffee shops and pubs.

We shored up our helpline, refocused our policy work, launched emergency fundraising appeals, pushed our employment services online and introduced Mencap TV – from concept to delivery within three weeks! The drive and determination shown throughout the whole organisation to make sure that people with a learning disability would not be forgotten during this crisis was impressive.

And despite the uncertainty and tough times, we have been able to look forward. Every challenge was met with enthusiasm and openness. We have embarked on developing a new big plan which will set Mencap up for the future and beyond, and our plans are bold and exciting.

I cannot end this reflection without paying tribute to members of the Mencap family who have lost their lives due to coronavirus. At various times we faced outbreaks in our services, as well as the sadness of losing seven people we support, and two loyal and treasured colleagues. I was immensely touched to hear about the full and varied lives you all led and by how much you are missed by your families, friends and support teams. We will not forget you.

A message from the Voices Council

The Voices Council is a group of people with a learning disability who meet six times a year. They provide the board of trustees with input, support and advice on the activities and priorities of Mencap, as well as wider issues relating to learning disability.

The last year has been one of significant change, as coronavirus arrived and had a big impact on the way Mencap's Voices Council works and informs our priorities.

We were sad to see the departures of two colleagues who have played a crucial role since the introduction of our group, Eileen Downey and Bob Pearce. All of us wished them well as they began new adventures. However, we were equally delighted to welcome their two successors, Zac Taylor and Mandy McQueenie.

This year has been particularly challenging, in light of the coronavirus pandemic and having to adjust to the new way of working. Some members of the Voices Council had particular difficulties as we shifted our work online, but we have worked closely with them to ensure they are able to participate and develop new skills in using online programmes. Our aim is to always remain mindful about how inclusive we are and give people access to technology that enables them to stay an active part of the team.

A major focus in 2019/20 has been the development of the next Big Plan, and we have been working alongside the new executive director of transformation to have significant input into its progress. We have also been reshaping our priorities in the exceptional circumstances created by coronavirus, making sure we focus on what matters for people with a learning disability at this time.

In addition, our relationship with the trustee board remains strong and we continue to attend their meetings and feed back the views of all our members. We were especially pleased to interview and help appoint two new trustees who have joined this year, amongst other appointments in the organisation.

We have also been active in other pieces of work across the organisation, such as *Treat Me Well* and research steering groups.

While 2020 has not been the year we planned and we are feeling the impact, we have responded to the new adjustments we've had to make and ensured that the Voices Council continues to make important contributions to all Mencap's work.



What is a learning disability?

A learning disability is a reduced intellectual ability and can mean people have difficulty with everyday activities – for example household tasks, socialising or managing money. People with a severe learning disability or profound and multiple learning disability (PMLD), will need more care and support with areas such as mobility, personal care and communication. People with a moderate learning disability may also need support in these areas, but not definitely.

What causes a learning disability?

A learning disability occurs before, during or soon after birth, when the brain is still developing. In some cases a learning disability can develop in early childhood, and in rare cases, up until the age of 18.

The causes of a learning disability vary. They can include things happening to the brain when in the womb, lack of oxygen for the baby during childbirth, early childhood illnesses, accidents or head traumas in early life.

When is a learning disability diagnosed?

A learning disability can be diagnosed at any time. A child may be diagnosed at birth or a parent or professional may notice a difference in a child's early development.

For some people it may be many years before they receive a diagnosis and others may never receive a diagnosis at all.

Do people with a learning disability need support?

People with a learning disability find it harder than others to learn, understand and communicate. They may need support with everyday things – such as shopping and travelling to new places.

People with profound and multiple learning disabilities need full time help with every part of

their lives – including eating, drinking, washing, dressing and toileting.

Are there different types of learning disability?

Every person's experience of a learning disability is unique to them. Sometimes people can be described as having a mild, moderate, severe or profound learning disability. These different 'categories' of learning disability can help people to receive appropriate support for their needs, but ultimately every person's needs can vary widely even within those categories.

Can you cure a learning disability?

A learning disability is permanent. It starts before adulthood and is lifelong, with lasting effects on the person's development. This does not mean that people with a learning disability cannot learn, grow and develop their understanding, knowledge and skills – with the right support they can do all of these things.

Is a learning disability a mental illness?

Mental illness is not the same as a learning disability. Unlike a learning disability, mental health problems can affect anyone at any time and may be overcome with treatment.

A learning disability is a reduced intellectual ability and difficulty with everyday activities which affects someone for their whole life.

Sometimes in medical contexts, a learning disability can be referred to as a mental 'disorder'. This is not the same as a mental illness.

Just like everyone else, someone with a learning disability can have mental health problems, alongside their learning disability.

How we help

Mencap exists to improve the lives of people with a learning disability and their families now, and support them to create the change for a better future.

All our work supports people with a learning disability to live life the way they choose. We team up with our network of over 300 local groups to reach people across England, Northern Ireland and Wales. Here is how we help:

Campaigning

When we see things that are not fair, we campaign until we see real change. We work with people with a learning disability to change laws and services, and challenge bad attitudes.

Support

We provide personalised support to people in a way that best suits their needs. That could be a little bit of extra help with things like going to the shops, paying bills or giving carers a break, right through to giving 24-hour support to

people who have very complex needs. We also support families and children through a range of programmes and interventions.

Work

Having a job can transform someone's life. We help people with a learning disability become job-ready, find a suitable role, and give them and their new employer the support to make it work.

Advice and information

We offer advice on all sorts of things, from getting the right benefits to problems with family and personal relationships. Whatever the issue, we will do our best to help, on the phone and online.

Leisure

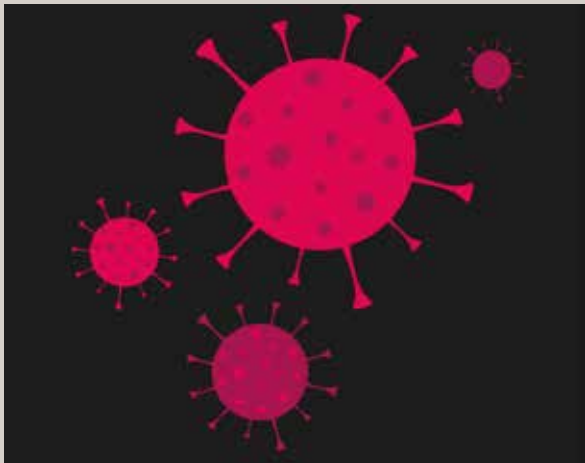
Getting out and meeting people can make the world of difference for someone with a learning disability. Whatever their passion, we find out what it is and help them do it.



Trustees' report



Coronavirus



Towards the end of the 2019/2020 financial year we faced an enormous challenge in the form of the coronavirus pandemic. Though the situation is still developing, we are immensely proud of the organisation's response.

The coronavirus pandemic continues to have a significant impact on everything we do at Mencap, and we expect this to continue impacting our work for the foreseeable future.

Here is a summary of how each of our key areas has been affected, during the period covered by this report and the following months.

The challenges

- At various times we faced outbreaks in our services, as well as the sadness of losing seven people we support, and two loyal and treasured colleagues. Each of these losses was felt deeply across the whole organisation.
- We found ourselves responding to a range of direct support challenges, from infection control through to behaviour support for those who found the outbreak and associated restrictions difficult to manage.

- Coronavirus restrictions meant removing much of the direct, face to face intervention we usually offer for children through our early intervention programmes.
- The 2020 Virgin Money London Marathon was postponed from April to October due to coronavirus and changed from the usual mass participation event to a virtual one. This significantly impacted our opportunity to gain visibility and media coverage in the run up to and on race day.
- The delivery model of our inclusive sport programme All Move is based on face to face interactions amongst children in schools, which means it has been on pause since March due to coronavirus.
- Our friendships and relationships projects have been hugely impacted by the introduction of lockdown and social distancing, as friends and volunteers were no longer able to meet in person or attend events. School closures also meant we had to pause or end some of our programmes.
- All 38 of our local *Treat me well* health campaigning groups were either suspended or had meeting restrictions put in place, limiting their ability to engage local hospital Trusts and plan their campaigns. We also had to pause setting up new groups.
- As schools and further education providers closed and employers moved to home working, we were unable to provide our usual face to face employment support services.
- Lockdown and social distancing have prevented traditional community fundraising, third party events, special events and staff fundraising from taking place in the usual way.

What we achieved

- All of our services have remained open, redeploying colleagues as necessary and recruiting hundreds of new support workers to cover for those who are self-isolating or unwell.
- We ensured the wellbeing of our teams by supplying appropriate personal protective equipment (PPE), clarifying unclear government guidance, and developing rotas and working practices that enabled us to keep providing vital support whilst minimising risks. This included providing full contractual pay for all types of coronavirus related absence, personal risk assessments, and full pay for colleagues on furlough.
- We continue to provide regular advice to the governments across England, Northern Ireland and Wales during the pandemic, in order to make sure any legislative changes do not unintentionally disadvantage people with a learning disability or their families.
- In response to increased demand, the helpline has extended its opening hours from 30 to 50 hours a week in order to handle the number of urgent and complex queries since coronavirus began. This work was funded by the Department of Health and Social Care.
- We adjusted delivery models for many of our programmes, focusing on how to support people to stay in touch virtually. This included delivering many services through Facebook and Zoom sessions, and supporting Gig Buddies, Heroes and Transform participants to stay in touch through online quizzes, singalongs, coffee catch-ups, bingo sessions and more. We also sent physical activity packs to 2,500 people to help them stay active with their friends safely.

- We created accessible information for people with a learning disability about how to stay safe, how to follow government guidelines and what to do if you became unwell.
- We challenged problematic guidance, including the first version of the National Institute for Health and Social Care Excellence (NICE) critical care guidance, which suggested that those with support needs should not have access to life saving healthcare. We also supported some people to have inappropriate do not attempt cardiopulmonary resuscitation (DNACPR) decisions reversed.
- We supported families who were finding it hard to cope, and assisted people who were having difficulties supporting someone in hospital due to the restrictions on visiting.
- In Northern Ireland, the cancelled *Treat me well* workshops are being turned into online sessions.
- At the Mencap Children's Centre in Northern Ireland, we moved to providing online support to both parents and children where possible, following each child's personalised development plan through one to one video calls, phone calls and daily scheduled online activities. We have also worked with our local Trust to create an emergency respite response and provide short term direct support for families who needed it most.
- We adapted our employment services to a virtual classroom delivery model wherever possible, and have continued to support 98 supported interns, as well as 161 learners on Employ Me programmes and 296 participants in Northern Ireland.
- We worked closely with London Marathon Events and Virgin Money to maximise our special moment in the run up to the Virtual Virgin Money London Marathon and on 40th Race Day on the 4th October. Despite

the challenges, our partnership was Virgin Money's most successful charity partnership to date, and Virgin Money colleagues raised over £470,000 for Mencap.

- Despite having to pause all our usual volunteering services, in a number of areas volunteers assisted with the running of errands, delivery of PPE and essential shopping for people who were self-isolating. New processes and induction training were put in place so that volunteers could maintain contact with the people they support through telephone and online befriending.

We would like to say a huge thank you to all our colleagues and volunteers in our front line and enabling teams for their dedication and hard work in response to the coronavirus crisis.

The pandemic is far from over, and the repercussions of this year's events will undoubtedly affect our sector for years to come. However, we are hugely proud of the organisation's ability to come together to find new ways to continue our vital work.



Our plans for 2020/21 and beyond

Our focus for 2020/21 will be to develop a new strategy to transform Mencap. We want to be even more responsive to the needs of people with a learning disability. To achieve this, we want to work in partnership with other organisations to make communities accessible, as well as empowering communities to campaign for societal change. Simply put, we want the UK to be the best place for children and adults with a learning disability to live happy and healthy lives.

Whilst this exciting piece of work is underway, the organisation will continue to deliver against the objectives set out in the original Big Plan, as well as dealing with the ongoing coronavirus pandemic.

Coronavirus

Our greatest focus will continue to be on keeping the people we support safe and well. This will involve making sure that all our hard working colleagues – particularly those working in direct support roles – have the correct equipment and processes in place to keep them safe and healthy. We aim to continue working towards achieving grades of good or excellent in all our CQC, NISCC and Care Inspectorate Wales regulated services.

As coronavirus continues to disrupt our normal service delivery, we will provide services and programmes virtually and work to support people with a learning disability to use technology, so that they can keep pace with the rapid digital transformation which is happening in wider society. We will also offer support to our network of affiliated organisations to develop and thrive in their local communities.

The ongoing uncertainty and disruption caused by coronavirus has already led to an increase of people with a learning disability and their families reaching crisis point. To meet this need, we will continue to develop the provision of information and advice through our helplines, website and social media channels. They have been a lifeline for people with a learning disability and their families during the pandemic so far.



Social care

As coronavirus continues to change the face of social care, it is critical that we contribute to government thinking across England, Wales and Northern Ireland on social care reform and funding. We will stand up for the 1.5 million people in the UK with a learning disability to ensure that they are not disadvantaged by the governments' handling of the coronavirus crisis. It is a central mission of Mencap's work to tackle discrimination where we see it, and working with government is crucial to achieving this goal, as well as promoting the visibility of people with a learning disability in mainstream and social media.

In Wales, we will provide a voice for people with a learning disability and their families in the implementation of the Welsh Government Improving Lives programme. We will ensure their experiences during coronavirus influence the priorities of the Welsh Government. We will also work with partners in Wales to support young people with a learning disability to participate in the Welsh Parliamentary elections in May 2021 for the first time.

Healthcare

Our work to improve healthcare for people with a learning disability will also continue. We will campaign for people who are currently in Assessment and Treatment Units to be supported to live in the community. We will participate in the pilot of the Oliver McGowan Mandatory Training Scheme, and push for the extension of mandatory learning disability training to Northern Ireland. Working with the Paul Ridd Foundation in Wales, we will also ensure better awareness of the Learning Disability Care Pathway by family carers, as well as the implementation of the Paul Ridd Mandatory Training.

Employment

Employment is still an important issue for people with a learning disability, and we intend to embed our Three Ships models (supported internships, traineeships and apprenticeships) and achieve a 'good' Ofsted rating of our employment services. We also aim to secure replacement funding for our employment programme in Northern Ireland, the majority of which is currently funded through the European Social Fund.

Early years




Over the coming months, we plan to maintain our early years provision and expand our family support programmes through the Belfast Children's Centre and across Northern Ireland. We will roll out the Early-Positive Approaches to Support (E-PAtS) programme in selected areas in England, and support more parents through our online forums in each of the three nations. It is also our aim to secure replacement funding for our Peace IV funded youth work in Northern Ireland, maintain provision across all existing programmes in Northern Ireland, and develop a new youth club for young adults aged 18-25 in the Mencap Centre, Belfast.

The next few months will undoubtedly present a huge challenge, as we continue to face the pandemic. However, we are confident that the dedication and enthusiasm of our teams means we are up to the task.

What we said we would do this year

Here is an overview of the goals we set for ourselves last year. Each section has a corresponding chapter with a full explanation of how we met or didn't meet those goals.

Priority area	What we said we would do in 2019/20	Did we achieve this?
 Reducing stigma and discrimination	<ol style="list-style-type: none">1. Use the high-profile platform of the Virgin Money London Marathon Charity of the Year partnership to increase public awareness of learning disability and Mencap.2. Deliver our All Move programme in 30 schools to students with and without a learning disability.3. In conjunction with our network partners, deliver 40 events during Learning Disability Week enabling people with and without a learning disability to take part in a sporting event in their local community.4. Design and execute a survey of people with a learning disability to identify key issues associated with stigma and discrimination.	<div>Y</div> <div>N</div> <div>Y</div> <div>Y</div>
 Social care	<ol style="list-style-type: none">1. Continue to support thousands of people with a learning disability to have the best quality of life, including working towards our ambition of achieving 'good' or 'outstanding' Care Quality Commission (CQC) ratings for 100% of our services, and continued negotiations with local authorities to recover the cost of statutory pay and sleep-in uplifts.2. Deliver more information, advice and early legal help to people with a learning disability, their families and supporters.3. Scope and trial a cross sector system for the sharing of data on unlawful public body decision making.4. Raise the profile of working age adults receiving social care in the media by increasing national, regional and local coverage.	<div>Y</div> <div>Y</div> <div>Y</div> <div>Y</div>
 Supporting friendships and relationships	<ol style="list-style-type: none">1. (a) Deliver Me And My Body to 115 people with a learning disability.1. (b) Deliver Me And My Body to 60 professionals, parents and carers by March 2020.2. Support over 2,500 people with a learning disability to increase opportunities to build and sustain friendships and relationships through our projects.3. Support 54 people with a learning disability to be more included in their community through peer to peer support programmes.	<div>Y</div> <div>N</div> <div>Y</div> <div>Y</div>

Priority area	What we said we would do in 2019/20	Did we achieve this?
 Improving health	<ol style="list-style-type: none">1. Support <i>Treat me well</i> groups to campaign for reasonable adjustments in their local hospital trust. Develop an organising approach which enables groups to grow their reach and impact locally.2. 50% of people attending Know Your Rights workshops go on to be part of their local campaign group.3. Influence mandatory health training so that the <i>Treat me well</i> standards are built in by the end of 2019 and can be sustained.4. Organise a second conference for Hospital Champions in Wales in partnership with The Paul Ridd Foundation.	<div>Y</div> <div>N</div> <div>N</div> <div>Y</div>
 Early intervention	<ol style="list-style-type: none">1. Support 100 families across Northern Ireland through our family support work.2. Develop the early intervention approach and framework, working with stakeholders in Newham, England.3. With our partners, the Tizard Centre at University of Kent and CEDAR at Warwick University, report on the feasibility study for E-PaTS.	<div>Y</div> <div>Y</div> <div>N</div>
 Employment	<ol style="list-style-type: none">1. Continue to provide supported employment for people with a learning disability through a range of programmes.2. Review the effectiveness of our programmes and delivery models in delivering a range of outcomes for people with a learning disability.3. Use our findings to influence government on supported employment models to ensure they are accessible and beneficial for people with a learning disability.	<div>Y</div> <div>Y</div> <div>Y</div>



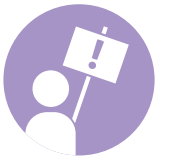
Reducing stigma and discrimination

Why is this important?

- Negative attitudes towards people with a learning disability are an enduring issue impacting on multiple areas of life, from education and employment to socialising and relationships. Challenging these negative attitudes and stereotypes is central to improving the lives of people with a learning disability and their families.
- Reducing stigma and discrimination became one of Mencap's strategic priorities after a UK-wide consultation process five years ago, which involved people with a learning disability telling us about their experiences of everyday life.

What we have done this year

What we said we would do in 2019/20	Did we achieve this?
1. Use the high-profile platform of the Virgin Money London Marathon Charity of the Year partnership to increase public awareness of learning disability and Mencap.	Y
2. Deliver our All Move programme in 30 schools to students with and without a learning disability.	N
3. In conjunction with our network partners, deliver 40 events during Learning Disability Week enabling people with and without a learning disability to take part in a sporting event in their local community.	Y
4. Design and execute a survey of people with a learning disability to identify key issues associated with stigma and discrimination.	Y



1. Increased public awareness of learning disability and Mencap through the Virgin Money London Marathon Charity of the Year partnership

This partnership has provided a huge opportunity for us to increase visibility of people with a learning disability, using the global platform of the 2020 Virgin Money London Marathon.

Although race day looked very different this year without the usual event in London, our team of runners did us proud, completing their own virtual marathons across the UK.

Over the year, we secured over 230 pieces of media coverage around the marathon, including 62 broadcast items. People with a learning disability were interviewed in the majority of our media coverage, including on national TV and radio. Our social media activity surrounding the marathon generated over 9 million impressions, with over 17,000 people clicking on our links to find out more.

Aaron Plummer was part of Mencap's incredible team of runners with a learning disability, and his story received a lot of attention online. His videos about marathon training, motivation and never giving up were seen by his heroes at Arsenal FC, who responded with a video of their own. Thousands of people saw Aaron's story, shared it and donated to his fundraising page. And on race day, Aaron was featured on BBC Sport, taking his story to over 18 million viewers across the world.

"It's important because I think stories like mine need to be heard. All the stigma about learning disability needs to be removed. I'm proud of my disability, I'm proud to get it out there in the open because there's a lot of stigma about it. I've been so glad for what Mencap has done over the years. It's about proving people wrong, proving the whole world wrong."

2. Delivered our All Move programme in 25 schools



All Move is an inclusive sports project designed to help young people with and without a learning disability to get active together. Over a school year, teams of students aged 11-16 complete 26 hours of activity together – one for every mile of the marathon. By bringing young people of all abilities together on an equal platform to work towards a common goal, the project can help to change attitudes and reduce stigma.

From September 2019 to March 2020, All Move was delivered in 25 schools in England and Wales, and the feedback from schools and participants has been very positive.

"I'd describe All Move as a place where no matter your disabilities... you come together, you unite together and you work as a team to achieve things. And that's the best bit about it." – All Move student.

"It's good, and amazing meeting people... I met loads of new friends just by talking to each other, and having fun." – All Move student with a learning disability.

"What was lovely in that moment was that everybody was helping each other and encouraging each other – 'You can do it', 'Put that foot there!' And for me, that was a moment of actually, we're together in this." – Teacher from Shireland Collegiate Academy.

The delivery model of All Move is based on face to face interactions amongst young people in schools, which means it has been on pause since March 2020 due to coronavirus.

3. Delivered 40 events during Learning Disability Week

Here We Are events aim to reduce stigma through fun sporting events that bring people with and without a learning disability together.

In collaboration with the Mencap network partners, we delivered 40 Here We Are local events across England, Wales and Northern Ireland as part of the Virgin Money London Marathon Charity of the Year partnership. A total of 5,166 people, of whom 1,420 had a learning disability, attended the 40 events during June 2019 which ranged from boccia to orienteering. 26 network partners held events. One of these was held in Wales, one in Northern Ireland and the remainder were held in England, including one in Jersey.

In collaboration with Arsenal Football Club, we also ran a football coaching session with expert coaches, followed by a tournament played by people with and without a learning disability – including the UK Minister for Disabled People, Justin Tomlinson MP.

4. Researched how stigma affects people with a learning disability

We undertook The Big Learning Disability Survey¹, A national survey of 1,625 adults with a learning disability, which has provided us with a deeper understanding of stigma, discrimination, and people's everyday experiences.

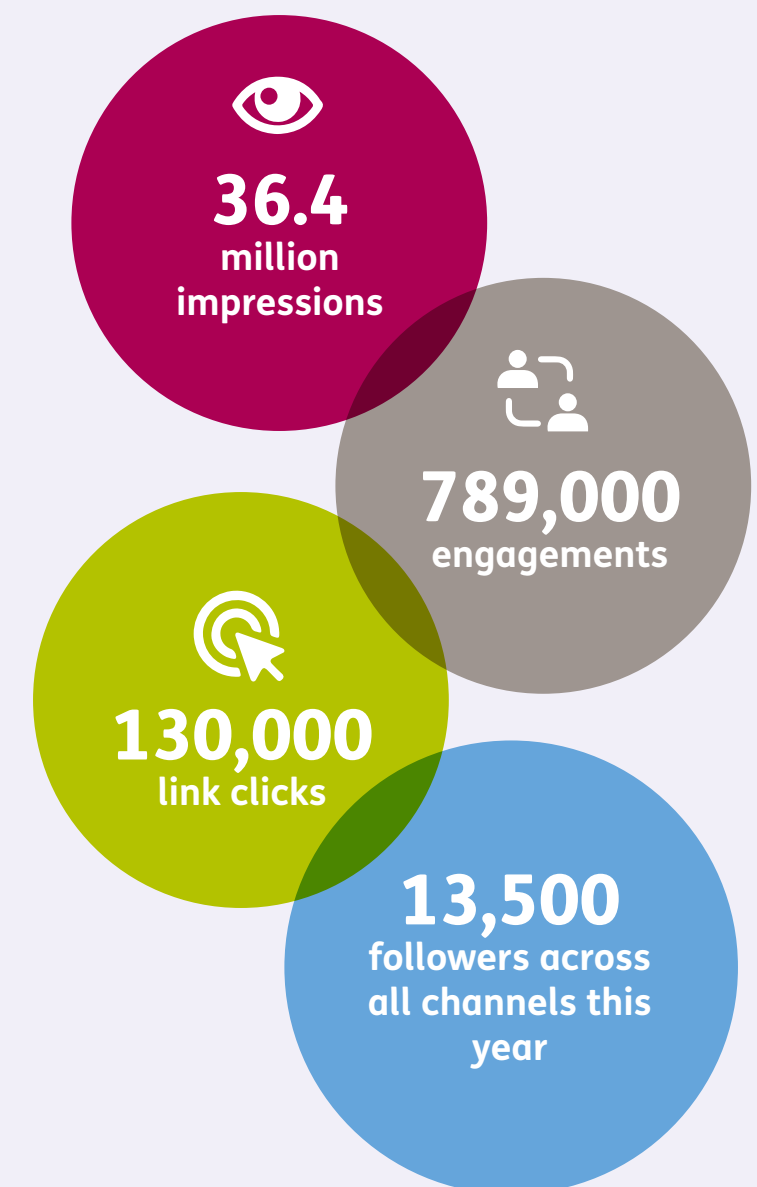
We are also working with researchers from University College London (UCL) to evaluate a programme called 'Standing Up for Myself' (STORM). The programme seeks to empower people with a learning disability to challenge stigma in their everyday lives.

Media coverage

In 2019/20, we secured a total of 707 pieces of media coverage talking about different aspects of the lives of people with a learning disability, exceeding our expectations. Of the 707 pieces, 184 were national, 339 were regional, 177 were trade and 7 were consumer. 24.5% of our media coverage featured either an interview or comment from a spokesperson with a learning

disability. Across all of our social media channels, we have had over 36.4 million impressions, 789,000 engagements and 130,000 link clicks. Overall we gained over 13,500 followers across all channels this year.

Across all of our social media channels we have had over:





Social care



Why is this important?

As a leading provider of care and support, supporting people with a learning disability to improve their quality of life is central to our mission. We believe passionately that people with a learning disability should have the same opportunities as anyone else, and this purpose drives our day-to-day activity.

Direct services to improve people’s lives are a huge part of what we do, and they make a real difference to people with a learning disability every day. But our vision is not limited to our own services.

As the coronavirus pandemic has recently brought to the public’s attention, there are many issues which need to be tackled in the social care sector, from large scale investment and re-structure to the professionalisation and proper valuing of social care workers.

As governments across England, Northern Ireland and Wales plan for significant social care reform, we will use our experience to influence their decision-making, so that we can ensure that people with a learning disability and other working age disabled adults are not left out of the conversation.

What we have done this year

What we said we would do in 2019/20	Did we achieve this?
1. Continue to support thousands of people with a learning disability to have the best quality of life, including working towards our ambition of achieving ‘good’ or ‘outstanding’ CQC ratings for 100% of our services, and continued negotiations with Local Authorities to recover statutory pay and sleep-in uplifts.	Y
2. Deliver more information, advice and early legal help to people with a learning disability, their families and supporters.	Y
3. Scope and trial a cross sector system for the sharing of data on unlawful public body decision making.	Y
4. Raise the profile of working age social care in the media by increasing national, regional and local coverage.	Y



1. Supported thousands of people with a learning disability to have the best quality of life

We are one of the leading providers of support to people with learning disabilities - providing direct personal support to some 5,000 individuals. We continue to work on improving our quality standards and are committed to empirically measuring our impact on quality of life through validated tools.

As of the end of September 2020 we have 112 registered locations with CQC, 6 locations registered with CIW and 4 locations registered with RQIA.

91% of our services are good or outstanding, and we are committed to improving where are ratings indicate a need for improvement. The CQC has rated 4 of our locations as outstanding, 99 as good, and 8 as requiring improvement. The CIW and RQIA have rated all of our locations as compliant. One service is yet to be inspected.

2. Delivered more information, advice and legal help to people with a learning disability, their families and supporters

In 2019/20, our helplines handled a total of 10,602 enquiries, broken down thus: 9,222 in England, 1,154 in Wales, and 226 in Northern Ireland. We provided 4,536 specialist pieces of information and advice and provided 161 people with legal advice and legal casework.

People's experiences of social care are consistently the leading reason for calls into our helpline service. The other issues people raise in their calls to us in England are community care, money and welfare benefits, mental capacity, work and employment, and safeguarding.

We had a 96% success or partial success rate on casework delivered by our legal team, helping

people with a learning disability to get the social care support they need and the welfare benefits they are entitled to.

In 2018 we set up our Legal Network project, which provides an expert hub to share our legal knowledge with other organisations and their beneficiaries. With support from colleagues within Mencap, the service has now been set up as an independent charity called Access Social Care, so that it can support even more people across the social care sector.

In Wales a decision to stop funding the Wales learning disability helpline was overturned, and a new and enhanced regional helpline has been commissioned by ministers in the Welsh Assembly, providing longer hours and greater local support to people with a learning disability and their families.

During the coronavirus pandemic, we were inundated with calls and as a result increased the capacity of our helpline.

3. Scoped and trialled a cross sector system for the sharing of data on unlawful public body decision making

Data captured by helplines can help identify patterns of unlawful public body behaviour, but the social care sector has not previously collaborated to gain insight from data in this way. We received funding from Barings to enable us to build our data analysis capability so that we can take a more strategic approach to casework across the sector. As part of this work we have:

- Started to pilot strategic use of data in relation to social care charging.
- Formed a partnership with other members of the Care and Support Alliance who offer information and advice to people with social care needs.

- Completed a pilot pooling the data we collect with partner organisations to spot trends and patterns of public body unlawful behaviour.

This work enables us to act promptly when decisions are being made that negatively affect the lives of people with a learning disability. The partnership also enables us to evidence with greater levels of confidence the true impact of funding cuts made to local authority budgets.

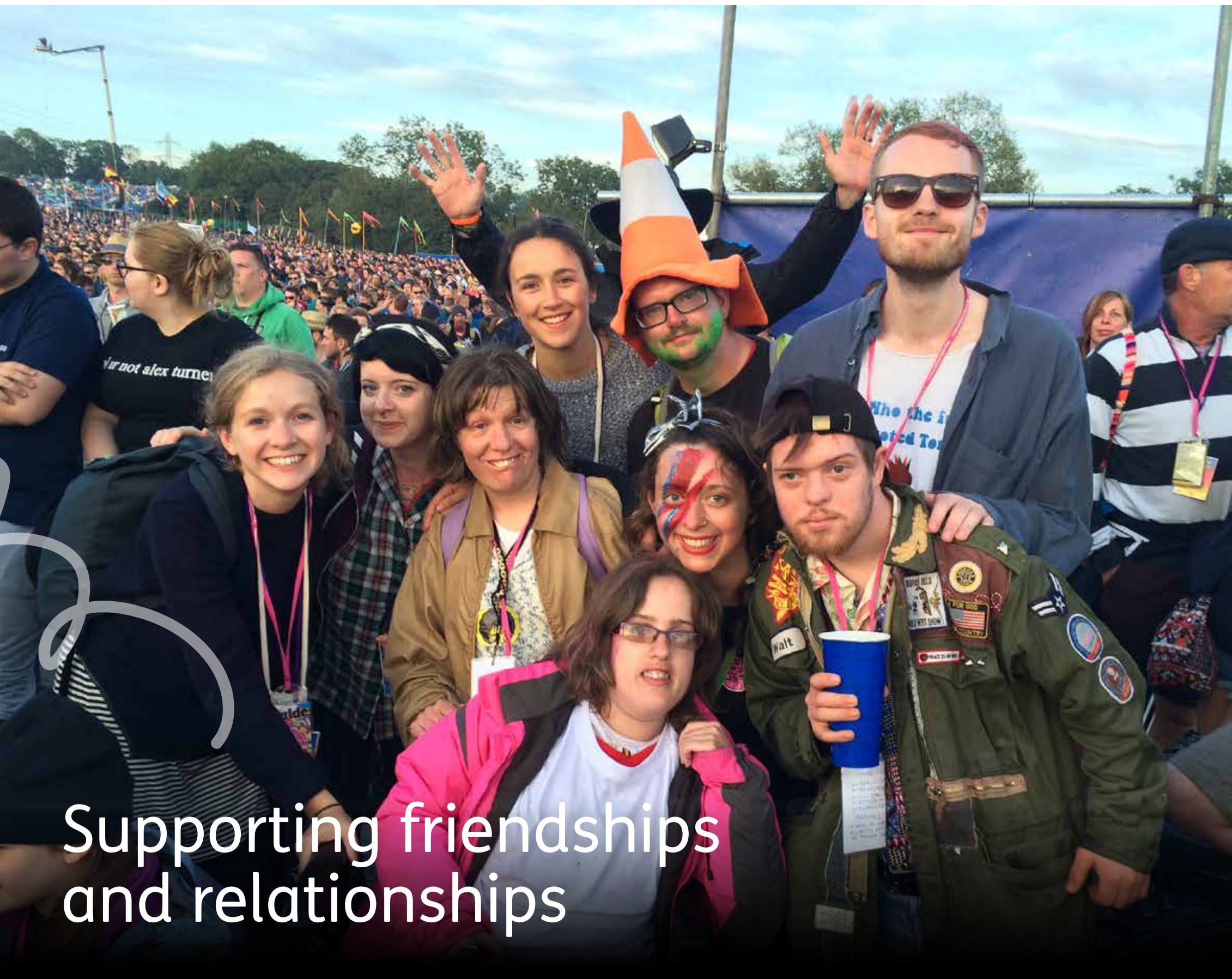
4. Raised the profile of working age social care in the media by increasing national, regional and local coverage

As the UK government considers long-term solutions for social care, we believe it is vital to make sure people with a learning disability are not left out of the conversation. Media coverage is a tool we can use to raise the profile of adults with a learning disability, and improve public and government understanding of their needs within the social care system. This is particularly the case for people who are detained in Assessment and Treatment Units.

This year we secured more media coverage on the issue of social care than we had initially aimed for, with 55 pieces of national coverage, 22 pieces of regional coverage and 34 pieces of trade coverage. As well as gaining coverage, we have also built good relationships with some of the journalists who operate in this area, and continued to work with coalitions such as the Care and Support Alliance to draw attention to issues affecting social care.

Social care stats:





Supporting friendships and relationships

Why is this important?

We know from our Big Learning Disability Survey² that people with a learning disability are often excluded and have fewer opportunities to experience fulfilling friendships.

- Almost 1 in 3 people who took part in the survey spend less than 1 hour outside their home on a typical Saturday.
- Almost 1 in 3 adults with a learning disability said there were times in the last month when they didn't go out because they were worried about something negative happening to them.

In our Going Out And Nightlife survey³, 46% of people with a learning disability said they do not go out in the evenings because they do not have anyone to go out with.

The impact of social isolation and an overdependence on paid supporters and families leaves people with a learning disability experiencing increased levels of loneliness, which impacts on their health, wellbeing and confidence.⁴

Our programmes provide much needed opportunities for people to develop social skills, form friendships and become part of networks that support ongoing socialising, inclusion and participation. Inclusion contributes to the increased visibility of people with a learning disability in local communities, and greater public awareness and understanding of what people with a learning disability can contribute to others.

In our Going Out And Nightlife survey
46%
of people with a learning disability said they do not go out in the evenings because they do not have anyone to go out with.



What we have done this year

What we said we would do in 2019/20	Did we achieve this?
1. (a) Deliver Me And My Body to 115 people with a learning disability.	Y
1. (b) Deliver Me And My Body to 60 professionals, parents and carers by March 2020.	N
2. Support over 2,500 people with a learning disability to increase opportunities to build and sustain friendships and relationships through our projects.	Y
3. Support 54 people with a learning disability to be more included in their community through peer to peer support programmes.	Y

1. Delivered Me and My Body to people with a learning disability and professionals, parents and carers

Me and My Body supports people with a learning disability to understand how to have safe and consensual relationships. This year we have surpassed our target, delivering 47 Relationships and Sex Education courses to 203 people with a learning disability, in a combination of individual and group sessions.

A key part of the programme is building the skills and confidence of family members and professionals who support people with a learning disability to realise their personal and relationship ambitions. To date we have delivered 4 workshops to 42 family members

and professionals, which does not quite meet the target we set to reach 60 people. This was due to unexpected issues with the training provider which meant that delivery had to end earlier than planned.

2. Supported over 4,400 people with a learning disability to increase opportunities to build and sustain friendships and relationships

- We have supported 4,499 people across England, Wales and Northern Ireland to build and sustain relationships, and to have greater choice and control over how and when they see friends.
- Our flagship project Round The World Challenge (RTWC) supported 2,159 people to access sporting activities which enable friendships, skills development, independence and community inclusion.
- We have also supported a further 1,273 people in England, 89 people in Wales, and 393 in Northern Ireland to build social skills and access the community through a variety of projects.
- We work with Mencap network partners, local organisations and individuals, as partnership working is central to how we deliver our work in the community. Our Beacon Project supports leisure groups to innovate, grow and be sustainable. We have worked with many other organisations including the Lawn Tennis Association, StreetGames, Leeds Rhinos, GoodGym and ParkRun to make sure communities are equipped with the skills to support everyone living in their local area who has a learning disability.

3. Supported 59 people with a learning disability to be more included in their community through peer to peer support programmes

Gig Buddies matches a person with a learning disability with a volunteer who shares similar interests so that people with a learning disability can access nightlife and cultural activities with the support of a friend, rather than relying on paid staff or family.

To date we have reached 59 people with a learning disability, and 56 of them have been paired with a Gig Buddy. Activities that the pairs have accessed include going to the pub, theatre and football matches as well as attending monthly social events organised by project coordinators such as open mic nights, pantomimes and bowling. This has resulted in over 600 hours of peer to peer social activity in the community.

“My favourite evening with Andy was when we went to watch Man United play at the pub. He’s becoming a real friend, we have fun. I go out on my own in Bingley but it’s been nice to go into Bradford and feel more confident.”
Richard – Gig Buddy member in Bradford

“Since becoming a volunteer at Gig Buddies, I felt more fulfilled. It’s such a rewarding project to be involved in. I have only been doing it for a short time and I have loved every second, and I can’t wait to get involved with future projects.”
Jess – Volunteer in Hull

We have seen a huge amount of work in this priority area over the last year, with delivery across the three countries reaching 4,771 people with a learning disability. People like Richard, who has been part of our Gig Buddies project, tell us that he has more friends, better relationships and that this makes him feel a greater sense of belonging as well as having a positive impact on his wellbeing, skills and confidence.

Our delivery models have become embedded in local communities, providing people with more choice about how and where to spend their time and see their friends. This has meant working with a wider range of organisations and making better use of existing resources based within the local community.

This year we have worked with 64 of our network partners, 29 of our personal support services, 291 organisations from across at least 30 local communities and 126 volunteers. We have been able to develop positive relationships and new ways of working locally, helping organisations and individuals to support people with a learning disability to develop and sustain their social networks.

Friendship and relationships stats:





Improving health



Why is this important?

In 2018/19 men with a learning disability died, on average, 23 years earlier than men without a learning disability; for women with a learning disability, the difference was 27 years.⁵ While some people with a learning disability live with very complex health needs, this does not explain such a large inequality in life expectancy.

Research shows that people with a learning disability are at a high risk of missing out on the healthcare they need, and we know that approximately 1,200 people with a learning disability die avoidably every year⁶. We also know that many more people miss out in small ways throughout their lives, which we believe negatively affects their health. Mencap's 2017 research⁷ showed that many healthcare professionals struggle to make the adjustments that people need, due to a lack of training, resources and system level support.

What we have done this year

What we said we would do in 2019/20	Did we achieve this?
1. Support <i>Treat me well</i> groups to campaign for reasonable adjustments in their local hospital trust. Develop an organising approach which enables groups to grow their reach and impact locally.	Y
2. 50% of people attending Know Your Rights workshops go on to be part of their local campaign group.	N
3. Influence mandatory health training so that the <i>Treat me well</i> standards are built in by the end of 2019 and can be sustained.	N
4. Organise a second of three conferences for Hospital Champions in Wales in partnership with The Paul Ridd Foundation to support the Learning Disability Care Pathways.	Y



1. Challenged NHS Trusts to improve their reasonable adjustments

This year, 13 more *Treat me well* groups have been set up across the country, making a total of 38 *Treat me well* groups at the end of March 2020. The groups campaign for the reasonable adjustments that they want to see in their local hospital Trust, receiving support from Mencap to reach the goals they set for themselves.

Treat me well groups are made up of different people from the local community, including people with a learning disability, carers, Mencap network partners, Mencap personal support services, local advocacy groups, healthcare professionals and local learning disability organisations. This grassroots approach empowers local communities to campaign in a highly targeted way. We believe this approach combined with a national influencing campaign is the most effective way to achieve our ambitious goals.

Some examples of key successes:

- Harrow *Treat me well* group ran workshops to raise awareness of hospital passports.
- Southampton *Treat me well* group worked with the NHS Property service to review and replace inaccessible signage.
- Northampton *Treat me well* group fed into Trust meetings and discussed reasonable adjustments.
- Bradford *Treat me well* group has successfully campaigned to recruit a learning disability nurse to the Trust.

2. Delivered Know Your Rights sessions and campaign workshops

A crucial aim of our *Treat me well* campaign is to help people with a learning disability and those around them know what their rights are when they go into hospital. We share information on the Mental Capacity Act, the Accessible

Information Standard and the Equality Act, as well as ways to make a complaint if needed, and how to request that reasonable adjustments are made.

Since the start of the *Treat me well* campaign in 2018, 1,567 people have attended Know Your Rights and campaign workshops, and 563 attendees took part over the last year. Approximately 25% of people who attended a Know Your Rights workshop went on to form a local *Treat Me Well* group.

In Northern Ireland, 218 people also benefited from our various health and learning disability awareness training sessions.

3. Influenced mandatory health training across England

This year we have witnessed the power of local and national campaigning and influencing. The governments in England and Wales have announced that all health and social care staff will be trained in learning disability and autism in the future. The English training has been named in memory of Oliver McGowan, who died in 2016, and in Wales after Paul Ridd, who died in 2009. Both Oliver and Paul had a learning disability, and would have received better treatment in hospital if staff had better training on how to make appropriate adjustments to their care.

Due to the timing of the Westminster government's announcement in November 2019, we were not able to meet our target of ensuring our *Treat me well* standards were built into the mandatory training for England by the end of 2019. However, we have been working with partners led by Learning Disability England to ensure the upcoming training pilot engages with all the valuable experience gathered in the sector so far, including our *Treat me well* standards. We are part of a coalition of learning disability and autism organisations that will be taking part in a pilot of this training, which also

includes people with a learning disability and autism leading on this work.

To promote and communicate the *Treat me well* standards, we ran workshops with people with a learning disability, local groups, health professionals and the Royal College of Nursing. Our *Treat me well* steering group were also supported to meet with Department of Health & Social Care officials. We have also worked with Skills for Health and Skills for Care as they updated their Core Capabilities Framework for Supporting People with a Learning Disability⁸.

4. Organised a conference for Hospital Champions in Wales

We have continued to work with our partner organisation The Paul Ridd Foundation, an organisation established by the brother and sister of Paul Ridd, a man who had a learning disability and died in Morriston hospital in 2009. This year we funded, organised & co-hosted a conference for hospital champions and key stakeholders from across Wales, which was attended by 120 people. The aim of this conference was to help hospital champions understand different models of reasonable adjustments, and enable them to share their understanding in their own local settings.

Improving health:





Early intervention



Why is this important?

What happens in the earliest years of life is critical for all children, and this is no different for children with a learning disability⁹. If anything, it is even more important for children with a learning disability, as they are at a much higher risk of poor outcomes and need early support to help them meet their potential. However, despite much evidence of the positive impact of early intervention, families who have a child with a learning disability often feel isolated and struggle to get support when they need it¹⁰.

Our early intervention approach involves working with parents and children to develop and test programmes that provide the right support at the right time. We are able to support children before their official diagnosis, which can make all the difference in helping them make important progress during the early developmental stages. We have been growing this work in different contexts and local communities, making sure it is delivered in partnership with local communities. By developing the skills and capabilities of those communities, we aim to create long term change.

What we have done this year

What we said we would do in 2019/20	Did we achieve this?
1. Support 100 families across Northern Ireland through our family support work.	Y
2. Develop the early intervention approach and framework, working with stakeholders in Newham, England.	Y
3. With our partners, the Tizard Centre at University of Kent and CEDAR at Warwick University, report on the feasibility study for E-PaTS.	N



1. Supported over 200 families across Northern Ireland through our family support work

Between April 2019 and March 2020, the family support programme in Northern Ireland has supported 300 parents and carers (representing over 200 families) through a range of programmes, workshops and one to one support offered in our sites in Belfast and Derry/Londonderry. We have delivered 20 parent and toddler sessions and 18 workshops, including therapist-led sessions on sensory processing and communication skills.

We have also delivered vital paediatric first aid training, as well as nine courses in Early Positive Approaches to Support (E-PaTS). The E-PaTS programme, developed by the University of Kent, is for caregivers of children aged up to five years with a learning disability or developmental delay. The main aim of E-PaTS is to meet the needs of families at an early stage, usually prior to or just after the development of behaviour difficulties.

We have also hosted a number of workshops on sleep, toileting and behaviour support delivered by the Children's Nurse Learning Disability team and the Children's Therapeutic Service team from the Belfast Trust.

This year we also delivered three major family events at the Mencap Children's Centre in Belfast, providing parents with opportunities to network, build peer support and get information and advice on key issues. Our Christmas family day was attended by over 100 parents and children, and the family information fair in January 2020 had 42 families in attendance. 75% of these families did not have children at the centre, which underlines the reach of the family support programme beyond the Children's Centre into the community.

2. Developed the early intervention approach and framework, working with stakeholders in Newham, England

Based on insights from our work with organisations and families in England and Northern Ireland, we are seeking to achieve change for children and their families across three key strands: improving direct support for families, developing access to services that support their child's development, and influencing wider system change.

Our approach is to start locally, co-producing with families, and build on what is already strong in the community. The ultimate goal is sustainable improvement in local areas which is embedded within existing networks, systems and structures. We are delighted to have secured the support of Pears Foundation as part of a four year plan to test this programme in the London Borough of Newham.

We have formed strong relationships with services and community organisations who work with children and families across the London Borough of Newham (LBN). This year we partnered with Children's Centres to deliver E-PaTS with 43 family caregivers. LBN has committed to support the scaling up of E-PaTS across seven of its Children's Centres in 2020/21, and is inviting Mencap to participate in strategic conversations to identify better pathways and support for families in the borough.

3. Participated in a feasibility study for E-PaTS

In partnership with Warwick and Kent Universities, Mencap has been part of a feasibility study for E-PaTS, funded through the National Institute for Health Research. A key focus of the study is to measure whether it is feasible to run a larger randomised control trial of the E-PaTS programme across Northern Ireland and England. We look forward to the final report being published.

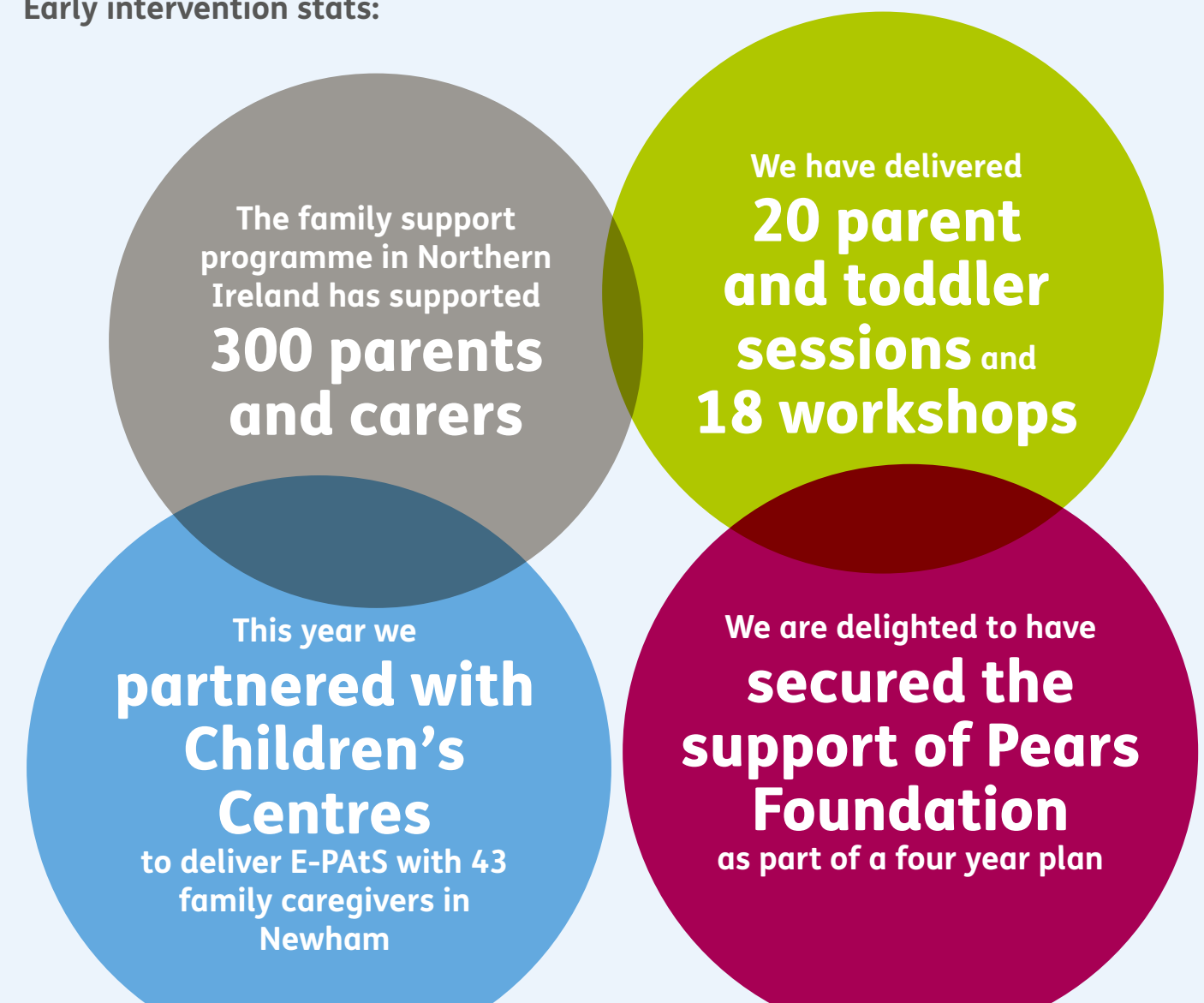
Over the last two years a key role of the Mencap family support team has been to support recruitment and access to the E-PaTS study. The team has made sure programmes were delivered to families at an appropriate time, in an accessible venue and that parents were given support with transport and childcare costs when needed.

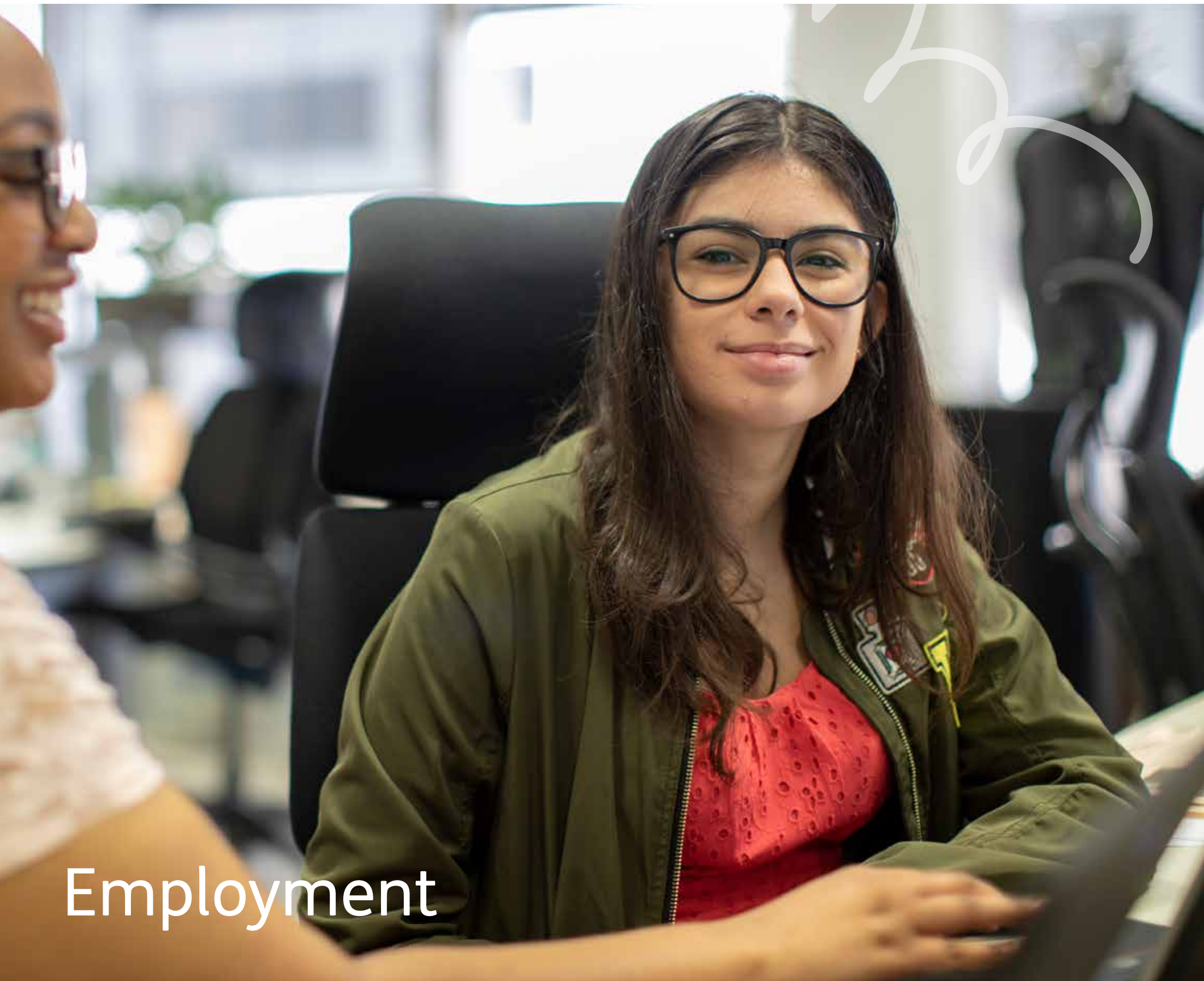
A total of 72 families (94 participants) from Belfast, Barnet and Derry/Londonderry were

recruited to be part of the study. In order to ensure enough families were participating in this crucial research, the Derry site was added six months into the initial study. This has resulted in a delay to the final report.

In Wales we have continued to promote E-PaTS and Early Years within the Welsh Government Improving Lives strategy.

Early intervention stats:





Employment

Why is this important?

People with a learning disability can and do make excellent employees. Employers report that they are highly motivated, highly productive and often have better attendance and productivity than employees without a learning disability¹¹. At Mencap, we are proud to employ people with a learning disability in a variety of roles across the organisation, and our work is much more effective thanks to their wide ranging experience and dedication.

Only 6% of adults with a learning disability known to their local authority in England are in paid work¹². But we know that many people with a learning disability can and want to work. In our Big Learning Disability Survey, 47% of the working age adults who were not working said they would like a paid job¹³. Being employed is about more than earning money. It’s about feeling valued, becoming more independent and fulfilled. That is why employment remains a priority area for Mencap.

What we have done this year

What we said we would do in 2019/20	Did we achieve this?
1. Continue to provide supported employment for people with a learning disability through a range of programmes.	Y
2. Review the effectiveness of our programmes and delivery models in delivering a range of outcomes for people with a learning disability.	Y
3. Use our findings to influence government on supported employment models to ensure they are accessible and beneficial for people with a learning disability.	Y



1. Supported employment for people with a learning disability through a range of programmes.

Whilst primarily focused on securing paid work, all our delivery is aimed at increasing independence, developing skills and progressing people towards positive outcomes. Each programme is tailored to a different group:

- **Supported internships:** an unpaid 12 month study programme with a minimum of 300 hours of work experience for 16-24 year olds with an Education, Health and Care (EHC) plan.
- **Traineeships:** a flexible unpaid training programme for 19-24 year olds with qualifications below level 3, lasting between 6 weeks and 6 months, with a minimum of 100 hours of direct work experience.
- **Apprenticeships:** a full time or part time paid programme with 80% on the job learning and 20% off the job study.
- **Employ Me:** a bespoke modular programme tailored to individuals of any age or ability. Includes CV writing, job searching, travel training, work experience and job coaching.

This year in England, we have supported 1,529 learners across our programmes. 195 people completed supported internships, 101 completed traineeships, 16 completed apprenticeships and 1,217 people accessed our Employ Me programme, ranging from phone advice to direct support.

Of the people who have completed their programme in the last 12 months:

- 42% of **supported interns** have progressed into paid work, with a further 39% achieving a positive outcome (moving into volunteering, traineeships, further education or further training).
- 51% of **trainees** that started and finished the programme this year have progressed into

paid work or onto an apprenticeship, with a further 13% progressing to further education.

- 67% of **apprentices** that completed their programme this year have now secured paid work, with the others actively seeking new opportunities with Mencap's support.

Employ Me courses have different outcomes due to the bespoke nature of the programme. Highlights this year include 94 young people completing work placements and 121 people securing paid employment.

In Northern Ireland, we deliver a different range of employment programmes. Our European Social Fund funded EmployAbility 2 programme has supported 360 participants, with 24 moving into paid employment, 20 retaining paid employment for 6 months and 55 moving into further training. Our Workable programme has also supported 68 participants to stay in paid work in Northern Ireland.

2. Reviewed the effectiveness of our programmes and delivery models

Over the last 12 months our aim has been to achieve a better understanding of the impact of each of our employment programmes. We have made some significant structural changes in England which have also saved us £631,000 in delivery costs.

We had our first Ofsted inspection this year¹⁴. As a new provider we were rated 'requires improvement', which was consistent with our own self-assessment. The report acknowledged the ambitious work we have undertaken, stating: "Trustees and managers have implemented a very ambitious strategy to establish national employment programmes for young people with learning difficulties and/or disabilities."

We have started to improve our data and evidence of impact, and continued building positive relationships with the Department for

Education (DfE), employers and local authorities. This puts us in a strong position to influence further funding and growth so that even more people can benefit from our education and employment services in the future.

Feedback suggests our programmes are having a across the board:

"Job coaches provide very high-quality support in the workplace. They make adjustments that enable apprentices and learners to participate effectively, manage anxieties and become more independent."

"Mencap helped me with skills and interviews preparation. They were always there to support me from paying for my transport, to my mentor giving me good feedback, motivating me, being there for me - I like them a lot." - Trainee.

"We are delighted with the quality and performance of our colleagues recruited via Mencap under the Clipper FreshStart scheme. We have witnessed a very positive impact on our site operations and the diversity and inclusion impact on Team Clipper has been truly remarkable." - Tony Mannix, CEO at Clipper Logistics.

3. Influenced government on supported employment models

Highlights of our influencing work this year include an All Parliamentary Party Group where we launched our paper Access All Areas, and a successful Learning Disability Work Week in November which culminated in a business breakfast hosted by Virgin Money and the Financial Times.

We also worked with the DfE and the Special Educational Needs sector to ensure that apprenticeships for people with a learning disability are accessible, for example by introducing more flexibility around maths and English requirements for apprentices.

As well as supporting people with a learning disability into work, we need to make sure that welfare benefits are not a barrier to employment. We have worked with the Disability Benefits Consortium to highlight concerns around the Work Capability Assessment and Universal Credit. This has included the publication of reports such as Has Welfare Become Unfair?¹⁵ and Mending The Holes¹⁶.

Positive impact of our programmes:

“Mencap helped me with skills and interviews preparation. They were always there to support me from paying for my transport, to my mentor giving me good feedback, motivating me, being there for me - I like them a lot.”

Trainee.

“We are delighted with the quality and performance of our colleagues recruited via Mencap under the Clipper FreshStart scheme. We have witnessed a very positive impact on our site operations and the diversity and inclusion impact on Team Clipper has been truly remarkable.”

Tony Mannix, CEO at Clipper Logistics.



How we will achieve our goals

Growing a stronger network and developing our collaborative capability

Mencap's vision of a world where people with a learning disability are valued equally, listened to and included cannot be achieved by Mencap alone. This is why we aim to put local communities at the heart of our work, so that plans are owned and shaped by local people. We believe this enhances the quality of delivery, the number of people we can reach and the ongoing impact we can have.

We currently have 317 partner organisations in our network across England, Northern Ireland and Wales. This network reaches 3,640 colleagues, 6,063 volunteers and 44,491 people with a learning disability.

Every year we go through an affiliation process with our network partners. Between January and March every organisation in the network is asked to complete a return where they provide us with information about their activity, their finances, the policies and procedures they have in place to manage risk and drive quality and the numbers of staff, volunteers and people they support.

This year we have worked with 145 of our partners to deliver projects about friendships and relationships, inclusion, campaigns, early intervention, employment support, and policy work.

Examples include Round The World Challenge and *Treat me well*, both of which have been owned and led by groups of people locally, working with 24 of our own Mencap teams, 23 network partners and 82 other community organisations. Through this we have engaged more than 2,000 people with a learning disability. We could never have reached this many people without working in collaboration. 100% of the Round The World Challenge participation hubs have committed to continue working together, and at least 38 of the *Treat me well* groups will be supported to continue using a community organising model.

We support our network partners to be stronger and more sustainable so that they can have a lasting impact locally for people with a learning disability. 186 network partners accessed support from us over the last year, using services like our DBS checking service and HR support, and sharing their insights on social care best practice.

We gain a lot from being part of the network. During the pandemic we have shared good practice and resources across the Network and have been able to learn from and support each other.

Income generation and fundraising activities

Like many charities, we continue to work in a challenging fundraising environment, and the impact of the coronavirus pandemic has been significant. Despite this, our gross voluntary income in 2019/20 has increased by £2 million from the previous year, to a total of £13 million.

Our approach to fundraising includes the following:

- direct marketing appeals to individuals who have already expressed an interest in Mencap
- running charitable events for which participants raise money
- encouraging people to participate in other events to raise funds on our behalf
- community fundraising
- securing donations from corporate partners, charitable trusts and philanthropists
- encouraging people to remember us in their will with a gift or legacy.

Highlights from this year:

As the official charity for the 2020 Virgin Money London Marathon, from 2019/2023 we aim to raise a total of £1.5 million from the partnership, to be invested into life changing projects for people with a learning disability. We are

incredibly grateful to Virgin Money employees and all our Mencap marathon runners whose commitment to support us resulted in a phenomenal £756,000 being raised this year towards our sport and inclusion project All Move.

Many loyal donors continue to leave extremely generous donations to us in their wills, and this is still our largest source of voluntary income, generating £6.8 million this year, an increase of £0.6 million from last year. We are very grateful to everyone who has left a gift in their will or trust fund to Mencap.

Our Connected Living project, co-created with Vodafone Business Ventures, the social enterprise division of Vodafone, has continued to improve independence and quality of life for people with a learning disability through accessible technology. The project has been a huge collaborative effort between the people we support, support workers and Vodafone to create a product that meets the need of each individual and helps them in their everyday life. Connected Living has been successfully piloted in 48 homes over the past 18 months in 30 locations.

We have also benefited from pro bono support from Field Fisher LLP, Baker McKenzie, Orrick and others, winning the Law Works Pro Bono Award for Most Effective Pro Bono Partnership. These relationships, as well as valued support from other companies including Sweet Causes, IBM and Deloitte LLP, have contributed to a 134% growth in gross corporate partnership income.

Trusts and Major Donors continue to be a significant income stream for Mencap, with £1 million secured in this financial year to support our work. Some of our largest donations in this financial year have included additional funding of £150,000 from Pears Foundation, and £100,000 from Ulster Garden Villages. We have received continued support from The Zochonis Charitable Trust and City Bridge Trust.

In addition, we are grateful to Sport England, whose £1 million funding for our Round The

World Challenge programme from June 2018 to June 2022 will help more people with a learning disability engage in physical activities, develop friendships and reduce isolation.

Our House to Home appeal in conjunction with Golden Lane Housing has raised £700,000 to date, helping to fund adaptations in properties that enable people with a learning disability to live independently.

Mencap's fundraising team played a pivotal role in securing an incredible £2 million of funding from Oak Foundation to launch Access Social Care, the UK's first charity to provide legal support to the social care sector. Access Social Care aims to ensure that everyone has access to legal aid and the justice that they deserve. It grew out of Mencap's Legal Network project with the aim of filling a gap in the legal aid market, supporting the many vulnerable people in need of legal advice who currently fall between the cracks in the UK.

A total of 1,600 people participated in sporting events across the country raising money for Mencap over 2019/20. This year's performance in events has been particularly good due to our Virgin Money London Marathon Partnership.

This year we have continued to contact our supporters through mail, online communication and calls. In these communications, we make sure to highlight how our services improve people's lives and how supporter donations make an impact. We include materials written by our colleagues with a learning disability and people we support whenever possible. It is important to us that people with a learning disability have a genuine voice in our communications.

We reached over 4,782 families through our Wills & Trusts Service. The service offers parents and carers valuable information on the best way to ensure their child is financially protected when they are no longer around.

We are extremely grateful to all of our loyal supporters who continue to support the vital work of Mencap. We are committed to maintaining the highest standards when undertaking our activities, and insist on the same from those raising funds on our behalf.

We comply with the latest fundraising guidelines from the Fundraising Regulator and the Charity Commission, and this includes the Code of Fundraising Practice for the UK. Where people or organisations raise funds on our behalf, we require that they also comply with these standards. For individuals, this is through our fundraising guidelines, and for professional fundraisers it is included as a contract term. We are not aware of any instances where those acting on our behalf have failed to comply.

We occasionally use professional fundraisers as part of direct appeals, but not for unsolicited approaches or 'cold calling'. Other commercial participators are only involved as partner organisations fundraising from amongst their own staff, or encouraging their staff to fundraise on our behalf on a personal level.

Where we do use professional fundraisers, calls are monitored directly to ensure our instructions and requirements are being followed, and regular feedback is provided. We also have a supporter care team which can be contacted by telephone or e-mail with any issues in relation to our fundraising activities.

Mencap's events and community team provides those people raising funds on our behalf with a guide that sets out what we expect from them. The team maintains regular contact to provide them with support and monitor their activities and progress.

In the year ending 31 March 2020, we received 32 complaints through our supporter care team or other channels. Of the 32 complaints, 8 were related to mailings, 5 were related to tele-fundraising, 3 were related to emails, and 16 were related to stewardship or other.

All complaints are logged and addressed appropriately. In order to protect vulnerable people and other members of the public, Mencap has a vulnerable customer policy in place, and a fundraising promise is displayed on our website. The fundraising team is required to complete enhanced GDPR training and all fundraising teams have policy and procedure handbooks in place which they are required to abide by.

We are careful to protect the private data of our supporters, and give them clear options if they wish to stop being contacted by us. As part of our compliance with the Code of Fundraising Practice, we ensure our approach to fundraising is not unreasonably intrusive or persistent, and we do not aim to solicit donations by pressuring potential supporters. By doing this, we ensure that people have a choice about whether to donate to Mencap.

Every one of our donors and supporters ensures that we are able to continue to deliver our vital work for people with a learning disability. For this we are extremely grateful.

From everyone at Mencap, thank you to all our donors for making this possible.

Improving the way we work

Our people

Mencap is committed to providing the best possible place to work. Our colleagues deliver incredible support and campaign tirelessly for people with a learning disability, and we want to make sure that their experience of working for Mencap is a great one.

Across our internal enabling functions, such as HR, finance, quality and IT, we collaborate and make improvements that will help us achieve our objective: to create an organisation that lives our values and can deliver our Big Plan.

Our employee engagement survey, The Big Listen, continues to be our key measure of how Mencap colleagues feel about their work

experience. In 2019 the results told us that levels of commitment, pride and overall satisfaction remain high across all teams.

Focus areas during 2019

Understanding our culture at a local level

Last year we decided to plan and carry out more of our culture and workforce improvements at a local level. This has allowed us to take a more targeted approach, and empower colleagues and managers to identify, tailor and make the changes that will make the biggest difference to them.

Streamlining our plans and processes

We have set up a number of new internal forums and mechanisms to help us plan, organise and monitor our projects in a more consistent and impactful way. This has allowed us to prioritise plans more efficiently, made it easier for our colleagues when plans or processes change, and improved how we work together across teams.

Pay and reward

Our reward strategy has been relatively successful and has helped us to set out our vision for how we want to reward our colleagues, now and in the future. We implemented an increase in pay for all colleagues last year of 1.5%, and launched a number of family friendly policy enhancements.

System and process improvements

We have started to move towards an online self-service approach to accessing and using our systems and processes. For example, all colleagues can now ask for IT help, book holiday and see their payslips online. We have also launched a range of new IT products, including a new intranet where colleagues can access all policies and systems, and a new e-learning platform which has reduced cost traditionally incurred on classroom-based training.

Looking to the future

Our digital transformation and data projects are making progress and the digital confidence of our colleagues has improved greatly. We are ready to roll out the second phase of digital transformation, which focuses on digitalising records in our services. In addition, our data strategy will be central to our plans next year, making sure everyone has access to useful, timely and reliable information.

We have also designed and executed a new 'equality, diversity and inclusion' strategy, and will be focusing on improving employee knowledge and issue resolution systems throughout 2020, so that all of our colleagues feel included and can perform their best at work.

Voluntary donors
generated
£6.8 million
of income this year

As the official charity for
the 2020 Virgin Money
London Marathon, from
2019/2023 we aim to
raise a total of
£1.5 million
from the partnership



A big thank you to all our supporters

■ 2019 Virgin Money London Marathon Team
 ■ Acopia
 ■ Alexandra Milton at Barlow Robbins Solicitors
 ■ Ann Farnill at Hawley & Rodgers
 ■ Anne Minihane at Clarke Willmott
 ■ Ashwin Kumar
 ■ Ayshah Tull
 ■ BBC Children In Need
 ■ Beverley Humphreys DL
 ■ Bianca Hendrickse-Spendlove
 ■ Bill Bryson
 ■ BNI Cathedral Chapter
 ■ Brian Ambrose
 ■ Cambridgeshire Community Foundation
 ■ Cariat Medway-Smith at Ellis Jones Solicitors
 ■ City Bridge Trust
 ■ City of Bradford Metropolitan District Council
 ■ City Sightseeing, Belfast
 ■ Community Development and Health Network, Elevate Program
 ■ Co-op Foundation
 ■ Dame Norma Major

■ Darren Price at Blake Morgan LLP
 ■ David and Eleanor Holloway
 ■ Deborah Soloman
 ■ Deloitte LLP
 ■ Dennison Commercials Ltd
 ■ Department of Health Northern Ireland
 ■ Dr Katrina Scior
 ■ Dr Steve Beyer
 ■ Duchy of Lancaster Benevolent Fund
 ■ Education Authority
 ■ Education Authority, Youth Services
 ■ Edward Rees at Lanyon Bowdler Solicitors
 ■ Emma Claire Sweeney
 ■ Emma Harper at Birkett Long LLP
 ■ ESF
 ■ Fiona Dillon at Gunnercooke LLP
 ■ Friends & Family of Mencap Centre
 ■ Garfield Weston Foundation
 ■ George Parker, Parker Plant Hire
 ■ George Webster
 ■ Graham Watson
 ■ Hayley Goleniowska

■ Helen Honeyball at Trowers and Hamlin LLP
 ■ Helen Jago at Palmers Solicitors
 ■ Helen Taylor at Franklins Solicitors LLP
 ■ Heritage Lottery Fund (Wales)
 ■ HRH Countess of Wessex
 ■ Ian Rankin
 ■ IBM United Kingdom Limited
 ■ Indie Fude
 ■ Jane Gordy
 ■ Jane Raca MBE
 ■ Jessica-Jane Applegate
 ■ Jo Whiley
 ■ Jodie Whittaker
 ■ John Foley
 ■ John James Bristol Foundation
 ■ Kate Spicer
 ■ Katherine Miller at Renaissance Legal LLP
 ■ Kathryn Thornehill at Franklins Solicitors
 ■ Kellie Shirley
 ■ Kit Harington
 ■ Lady Gilly Yarrow
 ■ Leicestershire County Council

■ Legal Access Challenge¹⁷
 ■ LFT Charitable Trust
 ■ Liam Bairstow
 ■ Lisa Whitehouse at Anthony Collins Solicitors LLP
 ■ London Marathon Events
 ■ Lynn Wicks at Ashtons Legal
 ■ Lynne McMahon
 ■ Macklin Group
 ■ Manchester Guardian Society Charitable Trust
 ■ Marc Philips
 ■ Marlene Gabriel
 ■ Mary Oliver MBE
 ■ Mash Direct
 ■ Matt Forde
 ■ Mat Horne
 ■ McKenna's Bar Omagh
 ■ Mencap NI Special Events Committee
 ■ Mencap NI Young Professional Committee
 ■ Mencap Special Events Committee
 ■ Michelle Collins at Cozens Hardy LLP
 ■ Mikey Cobban
 ■ Pathway Fund
 ■ Paul Fraser
 ■ Paul Lowery at Boyes Turner

■ Peace IV Children and Young People's Programme
 ■ Pears Foundation
 ■ Philip Warford at Renaissance Legal LLP
 ■ Professor Brahm Norwich
 ■ Professor Bryony Beresford
 ■ Professor Juliet Goldbart
 ■ Professor Richard Hastings
 ■ Professor Roy McConkey
 ■ Professor Ruth Norway OBE
 ■ Potterspury Lodge Trust
 ■ Richenda Carey
 ■ Ronald Goldstein
 ■ Sally Phillips
 ■ Sarah Gordy
 ■ Sean Coyle, Keystone Lintels
 ■ Sir Alan Yarrow
 ■ Sir Martyn Lewis
 ■ Sir Warren Smith KCVO KStJ JP, Her Majesty's Lord Lieutenant of Greater Manchester
 ■ Special EU Programmes Body
 ■ Sport England
 ■ St Anne's Cathedral Sitout
 ■ Stockport MBC
 ■ Sweet Causes Ltd
 ■ The ARN Foundation
 ■ The Bachofner Family

■ The Baring Foundation
 ■ The Edge
 ■ The Hillingdon Community Trust
 ■ The Jones 1986 Charitable Trust
 ■ The Kathleen Laurence Charitable Trust
 ■ The Legal Education Foundation
 ■ The Lord Leonard And Lady Estelle Wolfson Foundation
 ■ The Morrisons Foundation
 ■ The Rubin Foundation Charitable Trust
 ■ The Zochonis Charitable Trust
 ■ Tom Bachofner
 ■ Tom Morrish at Morrish Solicitors
 ■ Tommy Jessop
 ■ Travel Ireland Coaches
 ■ Ty Glaser
 ■ Ulster Garden Villages
 ■ Virgin Money
 ■ Vodafone Business Ventures
 ■ Western Health and Social Care Trust
 ■ Westfield Health

Strategic report

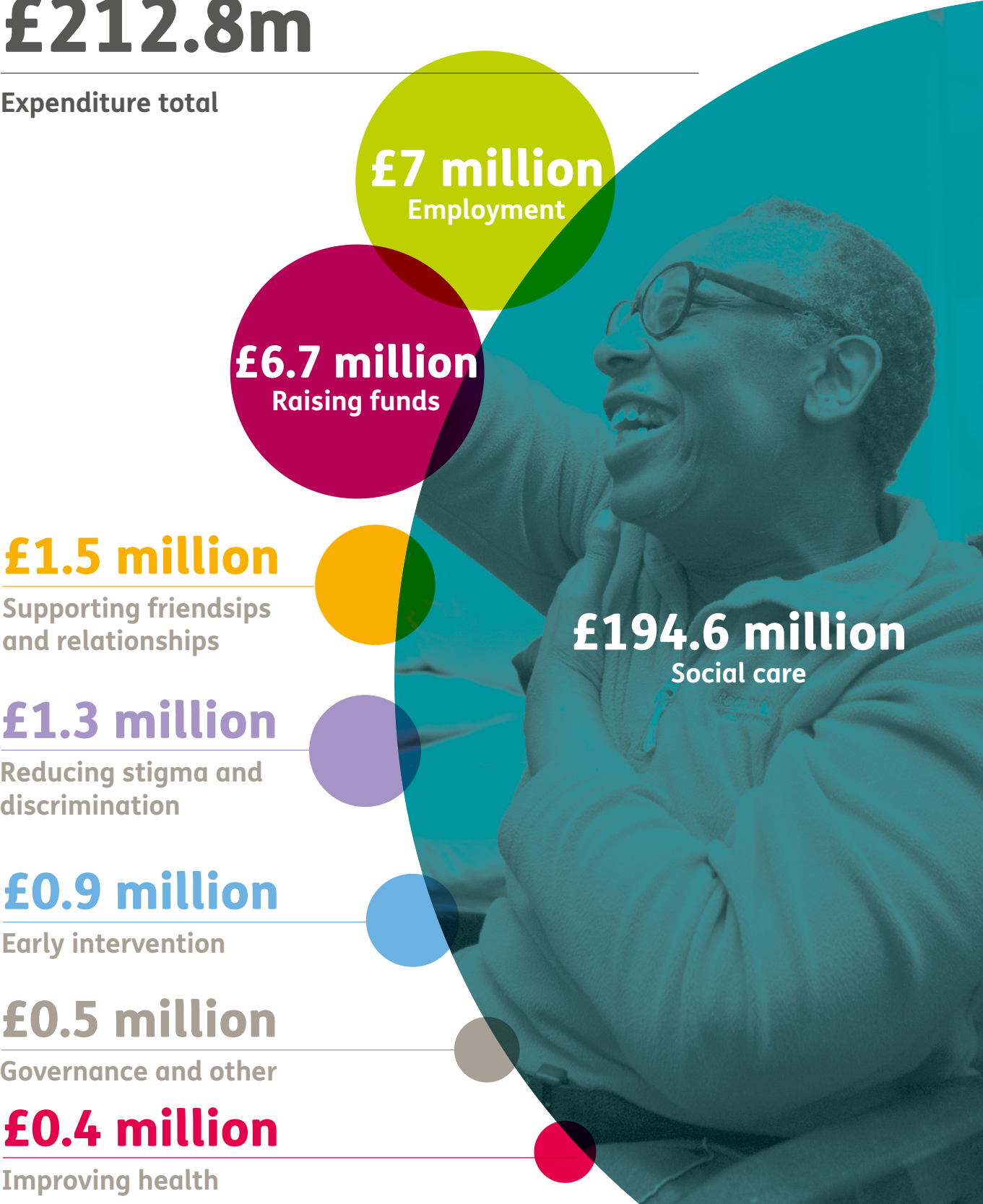
£220.2m

Income total



£212.8m

Expenditure total



Financial Review

This review focuses on the year ending 31 March 2020. In the last month of the financial year the world was hit by the coronavirus pandemic, which had a significant impact on the world economy. The pandemic had little effect on last year's results but there are significant implications for our future financial planning, which are covered in greater detail as part of our going concern note on page 62. The only area that has been significantly affected has been the value of our investments, which is covered in more detail below.

Charitable Activities

Our total income for 2019/20 was £220 million (£209 million in 2018-19), up by £11 million which represents a 5% increase year on year. The largest part of our income continues to come from receipts for the provision of direct service delivery and includes income from central and local government contracts. This income in 2019/20 was £179.8 million (£176.1 million in 2018-19) people through services which range from support with living independently in the community or finding work, through to providing 24-hour care.

Our focus continues to be delivering personalised support to the highest quality standard, using the resources available as efficiently as possible.

Donations and legacies

Donations and legacies rose to £12.96 million from £10.96 million. We saw rises across all categories and more detail can be seen in note 2 of the accounts.

There has been a significant increase in receipts of gifts in kind, rising to £1.26 million from £0.37 million. Legacies continue to be a major source of funding, providing £6.8 million in 2019/20 (£6.2 million in 2018-19) and we are very grateful that people continue to remember us in their wills.

We also saw a small increase in income from trading activities up to £3.3 million (£3.0 million in 2018-19). This was primarily due to growth from our charity shops.

There was an increase of £4.43 million in property income to £23.1 million. This was largely an increase within our subsidiary Golden Lane Housing.

Total Expenditure

Total expenditure increased from £208.8 million to £212.8 million.

Our spend on charitable activities increased from £202.1 million to £206.1 million, and expenditure on raising funds remained at £6.7 million. The increase is principally due to increased payroll related costs.

Net movement in funds

Group operating surplus was £6.8 million, of which £4.7 million is restricted. More detail can be seen in note 23 to the accounts, with the split by company set out in note 16. There was an actuarial gain from the revised accounting estimate of our defined benefit pension scheme liability of £7.6 million.

Mencap has £15.9 million in cash at 31 March 2020, of which £7.1 million belongs to the charity and the remaining £8.8 million is retained by group subsidiaries. Our cash position remains strong enough to allow us to operate effectively, and contributes towards ensuring we meet our reserves policy requirements.

Additionally, around £3.6 million of investments are held in a portfolio with high liquidity. Together with arranged overdraft and credit facilities, this ensures Mencap has adequate liquidity levels.

At 31 March 2020 we held funds of £96.8 million, an increase of £14.4 million on previous year, of which £41.9 million (£31.8 million in 2018-19) relate to the charity, with Golden Lane

Housing holding the majority of the remainder which are not available to the rest of the group. £31.9 million (£24.1 million in 2018-2019) of the charity's funds are available for the general purposes of the charity, and the remaining £10.0 million (£7.7 million in 2018-19) are restricted, details of which are set out in note 23 to the accounts.

Recognising the individual charities

Mencap's financial policies and its risk, reserves and investment policies are all interlinked.

Our risk management processes help identify where we might need reserves, and our financial management policies then determine how our resources are managed and how investment decisions are made.

Our policies and controls also recognise that the Mencap group comprises two separate and distinct charities:

- Royal Mencap Society
- Golden Lane Housing Limited

Each charity has its own board of trustees that is accountable to its beneficiaries for its respective charitable objectives. It should be noted that Royal Mencap Society has no automatic right to the gross assets or reserves of Golden Lane Housing. The financial management objectives and reserves policies reflect the policies of the separate charities, rather than being a single group policy.

Annually, each board of trustees considers what resources will be required to meet its long-term objectives and obligations and what the risks are that might threaten the desired outcomes.

Reserves policy for the charity

Reserves are maintained at a level that enables the charity to manage operational financial risks and short-term income volatility. They allow the charity to sustain service delivery over the long-term, ensuring that financial commitments can

be met as they fall due. As noted above, of the charity's £41.9 million total funds at the end of March 2020, £10 million (£7.7 million 2018-19) are restricted funds and not available for general purposes. The remaining £31.9 million of total funds are unrestricted, and of these we identify £18.6 million as "free reserves".

Reserves are those unrestricted funds which are freely available to the trustees to spend on any of the charity's purposes. However, they exclude amounts which, if spent, would adversely affect the charity's ability to deliver its aims. Reserves do not therefore include property, funds which are set aside for programmes specifically to further our charitable objectives, or amounts set aside for essential costs.

Reserves	31 March 2020 £m	31 March 2019 £m
Unrestricted funds	31.9m	24.1
Add back pension provision	1.3m	10.7
Less unrestricted net fixed assets	(14.6)	(15.4)
Reserves	18.6m	19.4

The trustees have set a target for reserves based upon an analysis of the potential financial impacts of significant risks identified through the charity's risk management processes. Reserves of £18.6 million compare to target reserves of £13.1 million. The charity plans to utilise its reserves in a managed fashion through investment in strategic priorities.

During the year to 31 March 2020, the charity was awaiting legal clarification of the ongoing issue around applying national minimum wage

regulations to historic sleep-in payments. As a result, the trustees continued to delay commitment to utilise significant amounts of reserves until any potential liabilities are clarified. This is addressed further in the going concern note on page 62.

The pension deficit is excluded from the reserve's calculation. A payment plan to reduce the deficit has been agreed with the pension fund trustees, and this commitment is considered in all our financial planning, including the anticipated and targeted levels of reserves.

Golden Lane Housing has designated certain unrestricted funds for specific purposes.

Details of Golden Lane Housing's reserves policy can be found within its accounts. Royal Mencap Society does not have any designated reserves under its own reserves policy.

Investment policy and performance for the charity

The investment policy is designed to support the reserves policy. Royal Mencap Society has adopted a prudent investment policy to balance potential returns with appropriate levels of risk.

The charity holds three investment portfolios. One relates to the Mencap Visiting Service and is designed to meet its funding needs over the long-term so that the service can continue to operate for as long as the beneficiaries need it. The portfolio has a long-time horizon and trustees monitor performance regularly to make sure that the assets will be sufficient to meet the needs of the service.

The other investment portfolios form part of the charity's unrestricted reserves. One is invested for the long term. Its objective is to provide a return in excess of inflation, as measured by CPI, over the long term. A second is invested in liquid funds to provide short term protection against inflation whilst retaining the availability of funds at short notice should they be required.

Investment objectives for the year were set by the trustees as follows:

- Mencap liquid funds – preserve capital value after inflation in the short term (up to 6 months) with assets available to meet cash flow requirements.
- Mencap long term funds – generate a return in excess of inflation over the long term.
- Mencap visiting service – ensure sufficient funds are available to meet the liabilities of the visiting service over its expected life.

During the year, Schroder and Co Ltd, trading as Cazenove Capital Management, continued to be engaged to manage the Mencap and MVS portfolios. The funds were fully invested throughout the year. The returns over the year to 31 March are negative due to the large equity market fall that occurred in late March when the global pandemic took hold. The long-term funds returned -3.2% against a benchmark of CPI, which returned 1.52% over the year. The return for the MVS portfolio was also negative; -5.5% against a benchmark of 3.52% (CPI + 2%). Since the year-end the markets have recovered, and the long-term funds return in the 5 months to August 2020 was +9.8%, and MVS was up +12.8% over the same period.

Details on Golden Lane Housing's investment policy can be found within its accounts.

Risk management and internal control for the charity

Mencap continually reviews its risk framework, ensuring that it aligns with the organisation's strategic aims and objectives. Mencap is in the process of updating their strategy, and the risk framework will be reviewed as part of this process. The board of trustees reviews strategic risks on an annual basis.

The board of trustees is supported by the audit and risk and the quality and compliance committees. Independent assurance is provided by an outsourced internal audit function from RSM UK.

Risk management at the operational level is managed by the executive directors, who review risks regularly both within their directorates and as a group.



A summary of the strategic risks and how Mencap mitigates each of the risks is laid out below:

Principal risks for Royal Mencap Society	What the risks mean	How we mitigate the risks
Maintaining financial sustainability	<p>If we do not generate sufficient unrestricted net income, we may be unable to deliver strategic priorities, core activities or be unable to manage the pension deficit.</p> <p>There is a particular risk as to whether National Living Wage should be applied retrospectively to historic sleep-ins.</p>	<p>We have an effective budgeting and forecasting process and have borrowing facilities in place. We have a collaborative approach with the pension trustees.</p> <p>We have a robust relationship with commissioners to ensure ongoing contracts are negotiated to provide for sleep-ins at National Living Wage.</p> <p>Regarding the historic claim and following our success at the Court of Appeal in 2018, we are now awaiting the Supreme Court judgement.</p>
Governance and strategy	<p>If we don’t have the right governance structures in place, we may be unable to drive our new strategy, or to improve the lives of people with a learning disability.</p>	<p>As part of the development of the new strategy, we are reviewing our governance structures. This will ensure that we protect the charity and our beneficiaries, whilst ensuring that we meet charity commission guidelines.</p>
People capability and capacity	<p>We need to attract, develop and retain talented staff in a competitive labour market.</p>	<p>We regularly review recruitment processes. We embed our values in appraisal and training. We benchmark our pay and benefits across the sector and have developed a reward strategy.</p>

Principal risks for Royal Mencap Society	What the risks mean	How we mitigate the risks
Systems, data protection/ cyber security breach	<p>We need to have IT systems that meet our needs, and we need to guard against data breaches or security breaches, which may be due to a combination of several issues which include technology, lack of training, lack of capacity of experts or third party compromise.</p>	<p>We have a programme of work underway to upgrade our systems, and to build digital capability in our support services. We continue to strengthen processes and systems in the areas of data compliance and information security.</p>
External influence and perception	<p>People may not understand our core purpose if our messaging is not clear.</p>	<p>We have invested in communications and are developing a brand strategy.</p>
Coronavirus risk	<p>We need to ensure that we follow guidance and procedures designed nationally and within the organisation to keep people we support and colleagues safe.</p> <p>We may risk a loss of income and/or higher costs as the coronavirus pandemic continues to affect operations over a prolonged period.</p>	<p>We make sure our staff are trained on operational and safeguarding policies and procedures. We use our ‘What Matters Most’ practice framework. We have a clear process for fast reporting of any serious incidents.</p> <p>We have strengthened our forecasting process with increased focus on cash management. We have also taken advantage of the government provisions to support businesses through this challenging time.</p>

Details on Golden Lane Housing’s approach to risk can be found within its accounts.

Going concern and statement of public benefit

Going concern

Royal Mencap Society (RMS) is well placed to manage the business risks we face. This position is supported by strong liquidity, sufficient reserves for business continuity and development plans, a good relationship with our key funders and proven ability to retain and secure new services.

We have set out in this report a review of RMS's financial performance, the reserves position and principal risks and uncertainties.

The 2020/21 budget approved by the RMS Board in March 2020 was prepared against a backdrop of disruption caused by the onset of coronavirus and the continuing uncertainty over the sleep-ins case. The latter was heard by the Supreme Court in February 2020, and we are still awaiting a result as of the date of signing these accounts (discussed below). The budget targeted a small operating surplus and, notwithstanding the pandemic, performance to date has been robust in terms of income generation and cost control.

RMS has also undertaken a scenario-planning exercise of income and planned expenditure including balance sheet and cashflow projections, to forecast how various outcomes might affect operations in 2021. The results of the scenario planning have been used as a basis from which to formulate a model for strategic planning. These medium-term financial projections show free reserves remaining in the region of £20 million over the next 2-3 years, subject to a favourable sleep-ins verdict. As detailed in our reserves policy and explained here, we hold free reserves to provide cover for unexpected changes in income and expenditure and to allow us to adjust our cost base and continue activities. We will continue to monitor the situation and manage our finances accordingly.

The coronavirus pandemic only started to impact the UK towards the end of the 2019/20 financial year that we are reporting, and so had

little effect on these numbers. At the start of the pandemic, the trustees formed a small group which met weekly to work with the executive team through the emergency, guided by a specific coronavirus risk register which focused on:

- following guidance and procedures designed nationally and within RMS to keep the people we support and colleagues safe,
- delivering contractual obligations,
- continuity of business,
- financial security and planning,
- ensuring support for the wider cohort of people with a learning disability, beyond those we directly support.

The board continues to receive key statistics on a monthly basis, and updates are sent at least weekly to all Mencap colleagues. Whilst the pandemic has been hugely challenging at the operational level, RMS has remained firmly in control of its service quality and financial performance throughout. Whilst the future is uncertain, Mencap has maintained its cash and reserves at levels which provide a high degree of financial protection against a continuation of the pandemic through FY 21/22.

RMS has yet to receive the verdict from the Supreme Court hearing in February 2020 concerning the application of average national minimum wage (NMW) to noncontractual sleep-in hours carried out by our support workers.

Since April 2017, we have ensured that sleep-in hours are included in NMW calculations, although this is not required under the current legal position which was determined at the Court of Appeal in July 2018.

However, the Supreme Court hearing concerns the potential liability for historic payments prior to April 2017. This could involve almost 3,500 past and current members of staff and may be applied over a 6-year period. Due to there being no obligation under current legislation and the outcome of legal proceedings being uncertain, no provision has been recognised within the financial statements. However, in order to

provide stakeholders with guidance around the potential impact, and in accordance with FRS102, a contingent liability of up to £15 million is noted.

If we were to receive an adverse verdict, RMS would immediately liaise with central government, local authorities and HMRC to explore central funding and to determine next steps. We anticipate that it may take 6 to 18 months from the date of judgment before all payments are made. We would first deal with employment tribunals that have been frozen until the verdict on this case is received.

At the year-end RMS was holding marketable investments of £14.0 million, in addition to £7.1 million of operational cash. We have started negotiations with our bankers in order to be able to increase existing (unused) borrowing facilities as required – these currently stand at £7.3 million, secured against our freehold buildings.

In addition to the funding options above, we would manage discretionary expenditure to the extent necessary to ensure the financial sustainability of the charity. This may have consequences in the short term with regard to the level of programme work we could undertake.

Our planning processes, including financial projections, take into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We acknowledge our pension fund obligations and have a clear strategy to manage the deficit, which includes a deficit reduction plan that is designed to get the scheme to self-sufficiency by 2028, subject to continued discussion and agreement with the pension scheme trustee board.

The trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements, even in the event of an adverse Supreme Court verdict. Accordingly, the

financial statements continue to be prepared on the going concern basis.

Statement of public benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Royal Mencap Society's charitable objects are enshrined within its memorandum and articles and as such the trustees ensure that the charity's activities are carried out for the public benefit through its strategic priorities. This is done primarily through the delivery of services aimed at all those with a learning disability. This report allows us to show how our charitable funds are spent and the impact and benefits that has on those using our services, as well as the wider impact on society.



Reference and administration details

The trustees of Royal Mencap Society are the charity's trustees under charity law and the directors of the charitable company.

Trustees

- Derek Lewis, chair
- Geoff Alltimes CBE
- Yogendra Amin
- Lucy Edge
- Elaine Hindal
- Katie Hollier
- Stephen Jack OBE
- Jacqueline Pollock
- Linda Redford (resigned 15 April 2019)
- Graham Williams, vice chair
- Andrew Wilson (appointed 21 August 2019)
- David Wolverson
- Philip Loney (appointed 1 July 2020)
- Kathryn Cearn (appointed 1 July 2020)

Vice Presidents

- Brian Baldock CBE
- Barrie Davis
- Dame Pauline Harris DBE
- Michael Mackey MVO BEM
- Dame Norma Major
- Mary Oliver MBE
- Lord Wigley
- Sir Alan Yarrow

Royal Patron

- HRH The Countess of Wessex

Administrative details

The full name of the charity is Royal Mencap Society. We are commonly known as Mencap.

The registered charity number is 222377 (England and Wales) and SC041079 (Scotland).

The company registration number is 550457.

Registered office: 123 Golden Lane, London, EC1Y 0RT.

Chief executive: Edel Harris.

Company secretary: Oonagh Smyth, director of strategy and influence (resigned 18 February 2020).

Leigh Banks, governance manager (appointed 18 February 2020).

The day to day management of the charity is delegated by the trustees to the chief executive Edel Harris and her executive team.

Independent auditor: Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

Bankers: Barclays Bank PLC, Level 28, 1 Churchill Place, London, E14 5HP.

Solicitors: Simons Muirhead & Burton LLP, 8-9 Frith Street, London W1d 3JB.

Investment managers: Investec Wealth & Investment Limited, Unit 4, The Billings, 3 Walnut Tree Close, Guildford, GU1 4UL and Schroder & Co. Limited, trading as Cazenove Capital Management, 31 Gresham Street, London EC2V 7QA.

Objects

The charity's objects are specifically restricted to advancing the health, education and the wellbeing of people with a learning disability and their families and carers (the beneficiaries) by providing, procuring or facilitating care, services and facilities and to advance equality and diversity for people with a learning disability.

Structure, governance and management

Royal Mencap Society is a company (registration number 550457) limited by guarantee and a registered charity regulated by the Charity Commission (registered number 222377) and with the Office of the Scottish Charity Regulator (registered number SC041079). Our main governing document is our Articles of Association which was amended on 16 April 2019.

Board and committees

Royal Mencap Society (RMS) is governed by its board of trustees which has ultimate responsibility for setting the vision, mission and values of RMS, setting the strategic direction in order to achieve the charity's objects and overseeing performance. The trustees also serve as directors under company law.

There are clear distinctions between the role of trustees and the executive team. The board of trustees holds a range of reserved matters and delegates certain authority to the executive team in order to run the organisation efficiently. Matters such as policy, strategy and budgets are prepared by the executive team for consideration and approval by the trustees, who then monitor the implementation of these plans.

There are a number of board committees with clear terms of reference which are reviewed as part of the regular review of committee effectiveness. They all have trustee members and some have non-trustee members who are appointed for their particular skills and knowledge. The committees meet three or four times a year and the minutes of meetings are available to all trustees.

The committees include:

- **Audit and risk** – which considers the control and risk management systems, assures trustees on the effectiveness of those

systems, and monitors and reviews the effectiveness of the internal and external audit functions. The members of the committee on 31 March 2020 were:

- Trustee members: Graham Williams (chair), Yogendra Amin, Stephen Jack, Derek Lewis.
- Co-opted member: Nick Chapman.

- **Finance, planning and remuneration** – which ensures the board receives the appropriate financial information for the purposes of planning, performance monitoring and major decisions. The members of the committee on 31 March 2020 were:

- Trustee members: Stephen Jack (chair), Lucy Edge, Elaine Hindal, Derek Lewis, Graham Williams.

- **Nominations** – which provides oversight of the composition and balance of the board of trustees and its committees. It also oversees recruitment as well as assessing and recommending new trustee and committee appointments. The members of the committee on 31 March 2020 were:

- Trustee members: Derek Lewis (chair), Geoff Alltimes, Katie Hollier. Co-opted members: Sam Jeffries, Mary Oliver, Paul Savage, Corinne Wells.

- **Quality and compliance** – which monitors the organisation's compliance with quality and regulatory requirements, and progress in relation to delivering high quality and innovative services.
- Trustee members: David Wolverson (chair), Geoff Alltimes, Derek Lewis, Jacqueline Pollock.
- Brendan Clifford, the independent chair for RMS's safeguarding panel, attends all quality and compliance committee meetings.

Voices Council

The Voices Council is a group of people with a learning disability who meet six times a year and provide input, support and advice on matters relating to learning disability and the priorities and activities of RMS to the board of trustees. The members of the forum on 31 March 2020 were:

- Karen Gray
- Sam Jefferies (vice chair)
- Barbara Norris
- John Phillips
- Councillor Sara Pickard
- Paul Savage
- Dave Taylor
- Jack Welch (chair)

Royal Mencap Society trustees would also like to thank the members of the Wales and Northern Ireland Advisory Panels. These groups meet to support the work of Mencap in the devolved nations and provide expert advice to the country directors and board of trustees.

In addition, they would like to thank Mencap's External Advisory Forum, a group of respected individuals and academics in the field of learning disability who provide Mencap with independent guidance on issues such as policy, activities and research.

Subsidiaries

The results of the subsidiaries of the group headed by Royal Mencap Society are disclosed in note 16 of these accounts. A brief description of each subsidiary is as follows:

Golden Lane Housing Ltd (GLH)

Golden Lane Housing is an independent charity with its own independent board of trustees, and a registered provider regulated by the Homes and Communities Agency. It specialises in finding suitable homes for people with a learning disability.

GLH was launched by Royal Mencap Society in 1998 and helps people with a learning disability in England and Wales choose their own homes

and become tenants. It also gives information, advice and guidance to hundreds of families every year.

For more information on GLH and what it does, call **0845 604 0046** or go to **www.glh.org.uk**

Mencap Trust Company Limited (MTC)

Mencap Trust Company was established in 1976 to lessen the worry parents have for a vulnerable family member by helping them make arrangements to provide for that family member in the future. We have helped over 2,500 families and manage around 270 discretionary trusts for people with a learning disability and autism, with over 750 trust deeds awaiting activation.

MTC works in partnership with investment, tax and legal experts to provide a professional service, managing trusts for people with a learning disability.

For more information about Mencap Trust Company, go to **www.mencaptrust.org.uk**

Mencap Limited

Mencap Limited is a trading subsidiary whose primary purpose is profit making external DBS checking activity. There is also activity in relation to RMS bought in goods to be sold online and in RMS retail stores, promotional events and revenue generating (for RMS) sponsorship agreements with third party commercial organisations.

Mencap Promotions Limited

Mencap Promotions is a dormant promotional and sponsored events subsidiary.

Blue Sky Housing Limited

Blue Sky Housing is a dormant property development subsidiary.

Mencap visiting service

The Mencap visiting service (MVS) is a trust fund established to provide a visiting scheme to named beneficiaries after the death of a donor. It is not a separate legal entity. MVS funds are

held in a discretionary trust, and MVS activities are delivered by Royal Mencap Society.

Governance

Mencap is committed to maintaining the highest standards of governance and has determined that the organisation should meet the principles outlined in the Charity Commission's Code of Governance.

Organisational purpose

The board is clear about the charity's purposes and has a clear, sustainable strategy and business plan. Our 2015-20 strategy is coming to an end and work on the next five year strategy is underway. We have an evaluation and monitoring framework to monitor our impact and measure and track our outputs. Collaborative working continues to be an area of focus particularly with our network partners.

Leadership

Ultimate responsibility for governance of the charity and its subsidiaries is entrusted to the trustee board, which consists of up to 12 trustees and the chair. Trustees can serve for a maximum of two four-year terms of office. Whilst suitably challenging and diverse views are welcome, the trustee board takes collective responsibility for everything we do. Trustees receive out of pocket expenses but no remuneration or any other benefits. The trustees are also the charitable company's Companies Act members.

Best practice is followed in terms of the support, supervision, appraisal and remuneration of the chief executive and executive team.

Integrity

The board remains very conscious of the need to safeguard Mencap's reputation and operates to the highest ethical standards, with trustees signing up to a set of principles and code of conduct and regularly declaring conflicts of interest.

Decision making, risk and control

The board is clear that its primary role is strategic, and this is reflected in Mencap's clear schedule of delegation and a number of board committees with clear terms of reference. These are reviewed annually as part of wider effectiveness review. The minutes of meetings are available to all trustees on a timely basis and the board receives updates from the committee chairs. The board regularly reviews operational plans, budgets and the organisation's main risks. The audit and risk committee is responsible for overseeing good practice in relation to risk, and the corporate risk register is reviewed by the audit and risk committee at each of its meetings. The risk registers of individual directorates are reviewed by the relevant board committee. In the last year the board has undertaken sessions on risk and risk appetite with our independent external auditors.

Board effectiveness

The board regularly reviews its effectiveness and that of the committees. The role of vice chair, held by one of our trustees, was established to provide a sounding board for the chair and act as an intermediary for the other trustees if required. All new trustees receive a comprehensive induction programme and are provided with a governance handbook which outlines the main policies and governance structure of the charity. Further training and development is offered individually or to the board as a whole as required.

The board meets regularly, is provided with timely and clear information and can access independent advice at Mencap's expense if necessary. The optimum board size is reviewed regularly. Trustees are appointed for a four-year term of office and can serve two terms in total.

Diversity and inclusion

Mencap is committed to having a diverse board and has a systematic and transparent recruitment process. This involves advertising widely, reviewing the recruitment process and looking at how we can attract a diverse pool

of candidates. The nominations committee regularly reviews the skills and experience of the board to identify any gaps

Our last recruitment round had some success in increasing diversity, but we recognise that more needs to be done to ensure a reasonable balance across various areas and this will be a priority in our next recruitment round. We continue to seek ways of reducing or removing obstacles to trusteeship and regular review such things as times and frequency of meetings, how papers and information are presented and better use of information technology.

This year the role and input of the Voices Council has been strengthened to increase inclusion in governance, and its chair and vice chair attend board meetings.

Openness and accountability

Trustees continue to increase their visibility with stakeholders through visits to local groups, projects and services. Our external advisory forum made up of academics, retail forum made up of people with significant external retail experience and stakeholder groups continue to act as advisors.

There is a transparent process for making complaints and whistleblowing, and regular reports are received by the board and relevant committees. Trustees can and do request independent input if they feel that this will help in identifying lessons to be learnt.

New trustees are recruited based on skills and experience. Vacancies are advertised publicly and search agencies used where particular specialist knowledge and skills are required. Candidates are assessed by the nominations committee and by a panel made up of people with a learning disability and recommendations on appointments are made to the board.

A register of trustee and senior staff interests is kept although it is not made public. We continue to publish the salaries of our senior staff.

Mencap gender pay gap

Following the requirement for all organisations with more than 250 employees to report on their gender pay gap (Equality Act 2010 (Gender Pay Gap Information) Regulations 2017), we published our 2019 results in February this year.



Safeguarding

We have continued to work with Brendan Clifford as the independent chair of our internal safeguarding panel who has been in post since in April 2018, and he has continued to spend time developing his connections with safeguarding chairs from across the sector, to help support sector wide sharing of ideas and practice.

This has continued to strengthen our arrangements for safeguarding and we have benefited from increased objectivity and challenge in progressing this important area of our work. The chair reports into the quality and compliance committee and meets with the board of trustees twice a year to report on safeguarding activity and plans.

There have been a number of key activities during this reporting year, including:

- working with the Voices Council to review our safeguarding policy statement,
- continuing our work on the three year review programme we have developed of our safeguarding arrangements,
- undertaking a safeguarding audit,
- planning an RMS wide safeguarding week for 2020, to compliment the annual safeguarding week already run by the Anne Craft trust.

GDPR

Extensive work has been undertaken to ensure Mencap's compliance with the General Data Protection Regulation (GDPR). We have a designated GDPR lead and data governance and contact permissions have been reviewed, and all colleagues are trained to ensure understanding and compliance. This has had a direct impact on the number of data protection incidents and breaches suffered by Mencap and a decline in the number of incidents reported to the Information Commissioner's Office.

Senior remuneration

As a charitable group, Mencap believes it is important to be transparent about the pay levels

of senior colleagues and how their remuneration is set.

Our senior reward approach encompasses two main factors:

- external job evaluation, which is weighted by the distinct elements of roles
- external pay benchmarking via the use of market data taken from sector pay surveys and reports.

We generally use the market median in the charity sector as a rule of thumb for setting salaries. Some flexibility is applied to take into consideration the specific requirements for each post and to ensure we can recruit the best candidate possible to meet the needs of our beneficiaries.

All senior staff receive ongoing performance management and an annual feedback report and appraisal. This provides feedback from the chief executive, their peers and teams about how they have contributed to the achievement of our strategy and any personal development areas they may have.

We made some changes to our executive team during the year and employed some people on an interim basis as roles transitioned and merged. We are considering the appropriate size of our executive team, which at 31 March 2020 comprised the six roles in bold below, as we develop our strategy and the leadership it requires.

Our executive team remuneration in the year, including basic pay, pension and benefits, was as follows:

Notes	Role	Remuneration to 31 March 2020 (£)	Remuneration to 31 March 2019 (£)
1a	Former chief executive	193,772	173,783
1b	Current chief executive	42,229	Nil
	Chief Financial Officer	163,819	38,513
2	Interim Chief Financial Officer	Nil	173,114
	Executive Director of Services	168,850	155,198
3	Executive Director of Fundraising	52,533	105,127
	Executive Director of Communications	120,790	113,586
	Executive Director of People	113,432	118,920
4	Executive Director of Quality	69,430	113,324
5	Executive Director of Quality (Interim)	50,353	Nil
6	Executive Director Strategy & Influence	120,113	119,240

- 1a - Left Oct 19

1b - Started Jan 2020

2 - Interim post filled by external contractor.
Left Dec 2018
- 3 - Left Sep 19

4 - Left Oct 19

5 - Started Nov 19

6 - Left Mar 20

Members of the board of trustees are not remunerated for their roles with Mencap.

Volunteers

During the year, Mencap benefited from the time and efforts of 1,981 volunteers. Volunteers are involved across a range of activities:

- 311 participating in fundraising & 890 in trading
- 710 assisting across our direct services (social care, employment, early intervention and programmes supporting friendships & relationships)
- 70 supporting us across a range of other projects.

Equality, diversity and inclusion

We are committed to equality, diversity and inclusion within Mencap and continue to work to ensure our policies and working practices encourage, reflect and support the diversity of our colleagues.

In 2019 /20, we took the following steps as art of our holistic approach to equality, diversity and inclusion:

- Improved our family friendly policies and further increased our maternity provision.
- Conducted analysis to gain a holistic view of opportunities for improved equality across the organisation. We have worked on building capacity to continue this analysis and are conducting focus groups with colleagues on a variety of issues.
- Appointed qualified professionals such as an organisational development manager and equality, diversity and inclusion officer to design and coordinate a programme of diversity and inclusion work.
- Benefited from a committed senior leadership and board of trustees who support a full equality, diversity and inclusion strategy and three year work plan.
- Developed new tools for addressing bullying and harassment throughout the organisation.
- Promoted wider platforms, such as Yammer, for discussing equality, diversity and inclusion and developing broader awareness throughout the organisation.

- Established an inclusion network to empower a group of colleagues from across the organisation to promote and drive forward the equality, diversity and inclusion agenda.
- Delivered a pay award for colleagues in addition to the National Living Wage increase.

Section 172 Statement

The Trustees must act in accordance with a set of general duties. These duties are laid out in s172 of the U.K. Companies Act 2006, which is summarised as follows: ‘A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to:

1. The likely consequences of any decision in the long term
2. The interests of the Charity’s employees
3. The need to foster the Charity’s business relationships with suppliers, customers and others
4. The impact of the Charity’s operations on the community and the environment
5. The desirability of the Charity’s maintaining a reputation for high standards of business conduct,
6. The need to act fairly as between members of the Charity.’

The Trustees believed they have completed their duties under s172.

Royal Mencap Society exists to improve the lives of people with a learning and their families. To ensure this we achieve this in the both the short and long term, it is essential that we engage with each of our key stakeholder groups in a proactive and engaged manner. By taking a bespoke approach to engaging with our stakeholders, we can ensure that any decisions we make as a Board factor in the potential impacts on these groups.

People we support and their families

The people we support and their families are central to our purpose. Mencap supports more people with a learning disability than any other provider, and direct services continue to be a significant part of our activity.

Supporting the wider learning disability community

There are approximately 1.5 million people in the UK with a learning disability, and Mencap is a leading advocate for these individuals. We actively support the wider community of people with a learning disability through our outreach programmes, campaigning and lobbying government. We also actively combat stigma and discrimination through our awareness raising work.

Colleagues

Our colleagues are pivotal to our success and Mencap is committed to be the best place to work. We are especially proud of the incredible service our colleagues have continued to provide through the current pandemic, and we are committed to safeguarding the wellbeing of all our colleagues through this difficult time.

Donors, supporters and volunteers

To deliver our work we rely on the generosity of our donors and supporters. We value the partnerships that we have with corporate partners and donors, as well as our volunteers who give their time freely.

Network Partners

We work with over 300 independent network partners across the country. These independent groups are connected to the Mencap Network with the purpose of sharing best practices and improving quality of service provision for people with a learning disability.

Local authorities, regulators and government bodies

We continue to build strong relationships with local authorities through direct service

provision and collaborative work. Our work with government bodies enables us to champion best practice in areas such as social care and healthcare, as well as challenge developments that could disadvantage people with a learning disability. We continue to work with regulators to improve our services and thereby provide the best possible outcomes for the people we support.

It is vital for Mencap that we inspire the trust of all our stakeholders by holding ourselves to the highest standards of conduct in all we do. To achieve this, we actively monitor our relationships with those we support, our staff, suppliers and the wider communities in which we work. Our reputation and culture is crucial to our ability to succeed now and in future.

The full executive team participate fully in all board meetings, excepting those where the performance of the executive members is considered. For major initiatives and issues, joint working groups of the executive team and the board are established for a limited period.

Board members and executive team members regularly reach out to key stakeholders such as local groups, people we support and commissioners of services, in order to understand their differing needs and perspectives. We are learning about the ways that those differences can be better understood and used to improve the quality of our plans and decisions.

Streamlined energy and carbon reporting summary

This is the first year that we have reported on our environmental impact, and we have taken the decision to report on our actual usages. Climate change is one of the major themes of our times, and Mencap is working to reduce our impact year on year, both in usage terms and our effect on the planet.

As part of our new strategy beginning in 2020, we will be focusing on ways that we can be more environmentally friendly. Currently we encourage our staff to recycle where they can, minimising our contribution to landfill.

Within our retail stores, we recycle wherever possible, including damaged and unsold donations which would typically include textiles, shoes and cardboard. In addition, we are working towards removing as much of the plastic used within our stores as possible. Our first steps have been to replace all our plastic carrier bags with paper ones.

To reduce our carbon footprint, we encourage our staff to use online applications for meetings

(Skype or Teams). During the year we delivered 33,949 pieces of training, with 31,912 being delivered digitally. The monthly average since the beginning of the coronavirus pandemic has increased threefold, and our intention is to continue to deliver digital courses wherever we can. A generous cycle to work scheme is also available to our employees who do need to attend work in person.

As can be seen from the table below, we have reduced our usage across all types of energy.

	2020	2019	% change
Electricity use kWh	4,610,415	5,032,930	-8.39%
Associated Greenhouse gas emissions. Tonnes CO2 equivalent	1,178 tonnes	1,425 tonnes	-17.33%
Intensity ratio Emissions per CO2/square foot	0.0094	0.0114	-0.2%
Gas use kWh	9,568,329	9,900,356	-3.35%
Associated Greenhouse gas emissions. Tonnes CO2 equivalent	1,759 tonnes	1,821 tonnes	-3.40%
Intensity ratio Emissions per CO2/square ft	0.014	0.0145	-0.05%
Fuel for fleet managed cars CO2	175 tonnes	191 tonnes	-8.37%
Fleet vehicles	102	110	-7.27%
Intensity ratio Emissions per CO2/fleet managed cars	1.72	1.74	-1.14%

Intensity ratios for gas and electricity are calculated on a square foot basis, as circa 65% of usage relates to the people we support.

Intensity ratios for fleet managed vehicles is calculated on a per mile basis. We currently do not have a mechanism for collating the data for mileage claimed or business travel.

UK energy use covers all activities across Royal Mencap Society. Our subsidiaries’ use is less than 40,000kWh, so their usage is not included.

Statement of trustees' responsibilities

The trustees (who are also directors of Royal Mencap Society for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company/group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as

amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

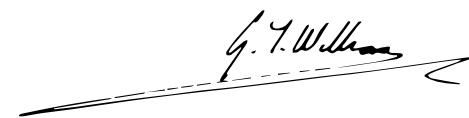
Disclosure of information to auditors

Insofar as each of the trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' report, under the Charities Act 2011 and the Companies Act 2006, was approved by the board of trustees on 18 November 2020, including approving in their capacity as company directors the strategic report contained therein, and is signed as authorised on its behalf by:



Derek Lewis, chair



Graham Williams, trustee

Independent auditor's report to the members and trustees of the Royal Mencap Society

Opinion

We have audited the financial statements of the Royal Mencap Society for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows 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). In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure 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 (amended).

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 are independent of the group in accordance with the ethical requirements that are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. 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.

In connection with our audit of the financial statements, 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our 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 included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts

(Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 trustees' responsibilities statement on page 76, 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 determine 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 or the 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 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 Regulation 10 of

the Charities Accounts (Scotland) Regulations 2006. 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.

N Hashemi

Naziar Hashemi

Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP

Statutory Auditor

London

18 November 2020

Financial statements



Financial statements

Consolidated statement of Financial Activities for the year ended 31 March 2020
(incorporating the income and expenditure account)

	Notes	Unrestricted funds	Restricted funds	Total 2020 Funds	Unrestricted funds	Restricted funds	Total 2019 Funds
Income from:		£'000	£'000	£'000	£'000	£'000	£'000
Donations and Legacies	2,29	9,055	3,902	12,957	9,376	1,586	10,962
Charitable activities	3,29	174,562	5,190	179,752	170,951	5,110	176,061
Other trading activities	4	3,254	-	3,254	3,029	-	3,029
Investments	5	193	142	335	178	133	311
Property income	6	20,969	2,132	23,101	18,564	110	18,674
Gain on disposal of fixed assets		841	-	841	286	-	286
Total		208,874	11,366	220,240	202,384	6,939	209,323
Expenditure on:							
Raising funds	7	6,394	292	6,686	6,520	184	6,704
Charitable activities	7	200,158	5,976	206,134	195,059	7,084	202,143
Total		206,552	6,268	212,820	201,579	7,268	208,847
Net gains/(losses) on investments	14	(236)	(403)	(639)	82	135	217
Net income/(expenditure)		2,086	4,695	6,781	887	(194)	693
Transfers between funds	23	252	(252)	-	(63)	63	-
Other recognised gains/(losses)		-	-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	24	7,581	-	7,581	(1,470)	-	(1,470)
Net movement in funds		9,919	4,443	14,362	(646)	(131)	(777)
Reconciliation of funds							
Total funds brought forward		54,072	28,385	82,457	54,718	28,516	83,234
Total funds carried forward		63,991	32,828	96,819	54,072	28,385	82,457

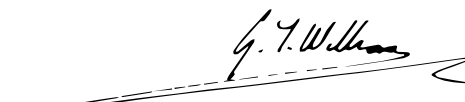
Consolidated balance sheet as at 31 March 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Intangible assets	12	301	103
Tangible assets	13	120,944	113,630
Investments	14	13,965	15,657
Total fixed assets		135,210	129,390
Current assets			
Debtors	17	26,742	29,769
Stock		47	62
Cash at bank and in hand		15,850	10,863
Total current assets		42,639	40,694
Liabilities			
Creditors: Amounts falling within one year	18	(23,442)	(21,098)
Net current assets or liabilities		19,197	19,596
Total assets less current liabilities		154,407	148,986
Creditors: Amounts falling due after more than one year	19	(51,048)	(48,248)
Provisions for liabilities	21	(5,199)	(7,611)
Net assets or liabilities excluding pension asset or liability		98,160	93,127
Defined benefit pension scheme liability	24	(1,341)	(10,670)
Total net assets or liabilities		96,819	82,457
The funds of the group:			
Restricted income funds	23	32,828	28,385
Unrestricted funds		58,800	58,720
Designated funds		6,532	6,022
Pension reserve		(1,341)	(10,670)
Total unrestricted funds	23	63,991	54,072
Total group funds		96,819	82,457

These financial statements were approved and authorised for issue by the trustees on 18th November 2020 and signed on their behalf by:



Derek Lewis: Chair



Graham Williams: trustee

The notes on pages 82 to 122 form part of these financial statements.

Charity balance sheet as at 31 March 2020

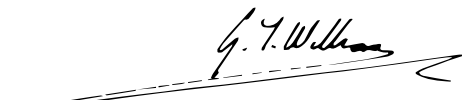
	Notes	2020 £'000	2019 £'000
Fixed assets			
Intangible assets	12	298	97
Tangible assets	13	17,649	18,772
Investments	14	13,965	15,657
Total fixed assets		31,912	34,526
Current assets			
Debtors	17	27,890	31,359
Cash at bank and in hand		7,096	2,086
Total current assets		34,986	33,445
Liabilities			
Creditors: Amounts falling within one year	18	(18,044)	(17,388)
Net current assets or liabilities		16,942	16,057
Total assets less current liabilities		48,854	50,583
Creditors: Amounts falling due after more than one year	19	(749)	(835)
Provisions for liabilities	21	(4,839)	(7,299)
Net assets or liabilities excluding pension asset or liability		43,266	42,449
Defined benefit pension scheme liability	24	(1,341)	(10,670)
Total net assets or liabilities		41,925	31,779
The funds of the group:			
Restricted income funds	23	10,017	7,666
Unrestricted funds		33,249	34,783
Pension reserve		(1,341)	(10,670)
Total unrestricted funds	23	31,908	24,113
Total charity funds		41,925	31,779

The charity has taken exemption from presenting its unconsolidated profit and loss account under section 408 of the Companies Act 2006. The net income of the charity in 2020 was £3.152m (2019: Net expenditure £2.642m).

These financial statements were approved and authorised for issue by the trustees on by the trustees on 18th November 2020 and signed on their behalf by:



Derek Lewis: Chair



Graham Williams: trustee

The notes on pages 82 to 122 form part of these financial statements.

Consolidated statement of cash flows for the year ended 31 March 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
Net cash provided by operating activities (see below)	9,524	(427)
Cash flows from investing activities		
Dividends, interest and rents from investments	335	311
Proceeds from the sale of property, plant and equipment	2,896	1,315
Purchase of property, plant and equipment	(11,346)	(7,682)
Proceeds from the sale of investments	9,200	1,969
Purchase of investments	(8,146)	(1,832)
Shared investment contribution	(327)	(75)
Net cash provided by/(used in) investment activities	(7,388)	(5,994)
Cash flows from financing activities		
Repayments of borrowing	(1,149)	(1,084)
Cash inflows from new borrowing	4,000	5,000
Net cash provided by/(used in) financing activities	2,851	3,916
Change in cash and cash equivalents in the reporting period	4,987	(2,505)
Cash and cash equivalents at the beginning of the reporting period	10,863	13,368
Cash and cash equivalents at the end of the reporting period	15,850	10,863

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £'000	2019 £'000
Net income for the reporting period (as per the statement of financial activities)	6,781	693
Adjustments for:		
Depreciation and amortisation charges	2,105	2,323
Loss/(gain) on investments	639	(217)
Dividends, interest and rents from investments	(335)	(311)
Defined benefit pension expense	396	574
Loss/(profit) on the sale of fixed assets	(841)	(286)
Decrease/(Increase) in stocks	15	(18)
Decrease/(Increase) in debtors	3,027	(866)
Increase/(decrease) in creditors (excluding loans)	2,293	(467)
(Decrease)/Increase in provisions	(2,412)	297
Defined benefit pension deficit (reduction)	(2,144)	(2,149)
Net cash provided by operating activities	9,524	(427)

Analysis of cash and cash equivalents

	2020 £'000	2019 £'000
Cash at bank and in hand	9,859	4,197
Notice deposits (less than 3 months)	5,991	6,666
Overdraft facilities repayable on demand	-	-
Total cash and cash equivalents	15,850	10,863

1. Accounting policies

(a) Company information

Royal Mencap Society is a public benefit entity registered as charity in England and Wales and a company limited by guarantee. It was incorporated on 9 June 1955 (company number: 550457) and registered as a charity on 23 July 1964 (charity number: 222377). It is also registered with the Office of the Scottish Charity Regulator on 11 December 2009 (charity number: SC041079).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association (last amended 15 October 2014).

In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

The registered office of Royal Mencap Society is: 123 Golden Lane, London EC1Y 0RT.

(b) Basis of preparation and going concern

The consolidated financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

The financial statements have been prepared consolidating the results of the charity and its subsidiary Golden Lane Housing Limited, a charitable company of which the charity is the sole member (company number: 03597323). Both charities within the Mencap group are separately registered and governed by their own Memoranda and Articles of Association.

Additionally, the charity's other trading subsidiaries as disclosed in the accounts are fully consolidated, as in all cases the charity is the sole member.

Mencap is well placed to manage the business risks we face. This position is supported by strong liquidity, sufficient reserves for business continuity and development plans, a good relationship with our key funders and proven ability to retain and secure new services.

The 2020/21 budget approved by the RMS Board in March 2020 was prepared against a backdrop of uncertainty caused by the onset of coronavirus and the continuing uncertainty over the sleep-in case. The latter was heard by the Supreme Court in February 2020, and we are still awaiting a result as of the date of signing these accounts. A contingent liability has been disclosed in note 28 of the accounts, pending this verdict, for circa £15m.

RMS has undertaken a scenario-planning exercise of income and planned expenditure including balance sheet and cashflow projections, to forecast how various outcomes might affect operations in 2021. The results of the scenario planning have been used as a basis from which to formulate a model for strategic planning. These medium-term financial projections show free reserves remaining in the region of £20m over the next 2-3 years, subject to a favourable sleep-in verdict. As detailed in our reserves policy and explained here, we hold free reserves to provide cover for unexpected changes in income and expenditure and to allow us to adjust our cost base and continue activities. We will continue to monitor the situation and manage our finances accordingly.

If we were to receive an adverse verdict, RMS would immediately liaise with central government, local authorities and HMRC to explore central funding and to determine next steps. We anticipate that it may take 6 to 18 months from the date of judgment before all payments are made. We would first deal with employment tribunals that have been frozen until the verdict on this case is received.

At the year-end RMS was holding marketable investments of £14.0m, in addition to £7.1m of operational cash. We have started negotiations with our bankers in order to be able to increase existing (unused) borrowing facilities as required – these currently stand at £7.3m, secured against our freehold buildings.

In addition to the funding options above, we would manage discretionary expenditure to the extent necessary to ensure the financial sustainability of the charity. This may have consequences in the short term with regard to the level of programme work we could undertake.

The trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements, even in the event of an adverse Supreme Court. Accordingly, the financial statements continue to be prepared on the going concern basis.

(c) Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in this note, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

Significant areas of estimate and judgement include provisions, assumptions used to value the defined benefit pension scheme, and the remaining useful life of assets. Related accounting policies for these items are noted below.

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the presentation of the financial statements are as follows:

(d) Income

All income is accounted for when Mencap has entitlement, there is probability of receipt and the amount is measurable.

Charitable activities

Income in respect of contracts for the provision of services is recognised when Mencap is entitled based

on services provided. Amounts received in advance of service provision are deferred until the relevant part of the contracted service is complete.

Legacies

Legacies are accounted for when notified, providing the amount can be reliably measured and that ultimate receipt is probable. Legacies which include a life interest held by another party are recognised on notification of probate.

Gifts in kind

Donated goods and services are included as income within the statement of financial activities (with an equivalent amount in expenditure) at their fair value, where Mencap is entitled to the donation, it is probable that it will be received, and the fair value can be measured reliably.

Assets given for use by Golden Lane Housing Limited have been recognised as incoming resources when they become receivable, and included either in fixed assets when they are received or in other debtors if they have not yet been received. The basis for valuation is the market value at the time of purchase.

Property Income

Rental and Service charge income is recognised on an accruals basis and recognised when the property is available for let, net of voids. Golden Lane Housing operates a fixed service charge scheme. Where periodic expenditure is required this will be treated as deferred income and held on the Statement of Financial Position until the costs are incurred.

Investments

Listed investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Grants

Grant income is recognised in the statement of financial activities when received or when the charity becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

(e) Expenditure

i) Activity related expenditure

The charity's cost of operating includes staff costs, rent and other related costs. Costs are allocated between raising funds (costs of raising funds, investment management costs and trading costs of subsidiaries); charitable activities (raising awareness and changing attitudes, making a difference in the lives of people with a learning disability here and now, supporting friendships and relationships, improving health for people with a learning disability, giving children the best start in life, and governance); and support. All costs are accounted for on an accruals basis.

ii) Basis of allocation of support costs

Support costs are allocated to the different categories of activities based on a judgement of the percentage the specific activity represents in relation to the total non-support expenditure.

Support costs include management, finance, human resources, information technology and some elements of fundraising.

Governance costs other than those disclosed specifically in the notes to these accounts are included within support costs and allocated on the same basis.

iii) Pension costs

Mencap pension scheme (defined benefit)

The Mencap defined benefit scheme was closed to new entrants on 1 October 2001 and closed to future service benefit accrual with effect from 31 March 2009.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial assumptions are reviewed every three years.

The valuation is updated at each balance sheet date and the resulting defined benefit asset or liability is shown separately after other net assets on the face of the balance sheet. This defined benefit asset or liability is also disclosed separately within the unrestricted funds.

The amounts charged to the statement of financial activities are the current service costs, which are included within staff costs, and gains and losses on settlements and curtailments. Past service costs are recognised immediately if the benefits have vested. Defined actuarial gains and losses are recognised under other recognised gains and losses.

The defined benefit schemes are funded, with the assets of the scheme held separately from those of the group in separate trustee administered funds.

If members of the defined benefit pension schemes have not yet retired, their costs are recognised over the period leading to retirement. Further details of the nature of these costs are given in note 24: Pension scheme.

Other defined benefit schemes

Mencap also participates in a number of local government pension schemes in relation to a small number of staff who have transferred over to Mencap. Mencap participates in these schemes by way of admission agreements. Full provision has been made according to FRS 102 in the financial statements in relation to one of the schemes. However, as the liability is not material, disclosure has been limited so as not to distort or overstate the importance of this scheme.

Defined contribution scheme

The charity also contributes to a defined contribution scheme, which was opened on 1 April 2002. This is currently operated by AEGON (Formerly Blackrock). A workplace pension scheme is operated by NEST.

For the defined contribution scheme, the amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The cost of the charity's contributions to the defined contribution scheme is allocated between restricted and unrestricted funds in accordance with the functions of the individual employees to whom the contributions relate.

iv) Redundancy and termination costs

Employee benefits paid on redundancy or termination include accrued amounts where Mencap is demonstrably committed to make these payments but they had not yet been made at 31 March 2020. All accrued amounts are fully funded and expected to be settled within 12 months of the balance sheet date.

(f) Tangible and intangible fixed assets**Tangible fixed assets**

Office properties are held at cost. Residential property is held at cost, less contributions from individuals and their families where applicable.

Shared investment contributions are accounted for where individuals or families have a right to an equity share of the property on disposal, including any resulting profit or loss.

Depreciation is provided so as to write off the cost of the assets net of any shared investment contributions in equal instalments over the estimated useful lives of the assets. The depreciation rates used for other assets are as follows:

- Freehold and leasehold land and buildings: 1% - 10% per annum
- Fixtures, fittings and equipment: 10% - 33% per annum
- Motor vehicles: 25% per annum
- Tangible fixed assets costing more than £2,000 are capitalised.

Assets under construction is a category holding assets pending completion and transfer into the relevant fixed asset category. These assets are capitalised at cost and not subject to depreciation or impairment unless extraordinary circumstances have occurred which would require provision to be made.

All other tangible fixed assets are subject to review for impairment/accelerated depreciation where there is an indication of a reduction in their carrying value. Any impairment/accelerated depreciation is recognised in the statement of financial activities in the year in which it occurs.

Intangible fixed assets

Intangible fixed assets costing more than £2,000 are capitalised.

Amortisation is provided so as to write off the cost of the assets in equal instalments over the estimated useful lives of the assets. The amortisation rates used are as follows:

- Software: 33% per annum

Component accounting - Golden Lane Housing

In accordance with FRS 102, Golden Lane Housing Limited recognises and depreciates tangible and intangible fixed assets using component accounting. As a result, it uses a separate and more detailed set of depreciation rates as follows:

- Freehold and long leasehold buildings (structure only) over 100 years: 1% per annum
- Capitalised leasehold buildings (structure only) less than 100 years: Over the term of the lease
- Bathrooms: 3.33% per annum
- Kitchens: 5% per annum
- Boilers: 6.67% per annum
- Central heating: 3.33% per annum
- Rooves: 1.67% per annum
- Externals (fascias, soffits): 3.33% per annum
- Doors: 3.33% per annum
- Windows: 3.33% per annum

- Electrics (rewire): 3.33% per annum
- Capitalised data system software: 20% per annum
- Capitalised fixtures and fittings: 10% per annum

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term which runs to the date of the first relevant break clause.

(g) Current assets and liabilities**Stock**

Stock, which comprises stationery and goods for resale, is stated at the lower of cost and net realisable value. Donated stock is carried at nil value as it is considered impractical to obtain a reliable valuation. The value of goods is instead recognised at their retail price when sold.

Provisions - general

Provision is made for present obligations where it is probable settlement will be required in the future and the amount can be estimated reliably, but the amount or timing is not certain. Most amounts provided for are expected to be settled within 12 months and are therefore recognised at the estimated settlement amount or discounted to net present value where appropriate.

Provisions - Mencap Visiting Service

Provision is made to cover the estimated future liability in respect of the Mencap Visiting Service. In estimating the provision, account is taken of the estimated number of years that the service will be provided to individuals as well as estimated future inflation rates and rates of return on investments associated with the scheme. The discount rates used in calculating this liability are consistent with rates used in determining our defined benefit pension liability. Investments held by Mencap to cover the liability of providing the Mencap Visiting Service are held in trust for this purpose.

Deferred income

Grants that have been received will be treated as deferred income where there is a specific requirement in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period(s).

(h) Basic financial instruments

Financial assets (including cash and debtors) and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. Additionally all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently remeasured where applicable at amortised cost, except for investments which are measured at fair value with gains and losses recognised in the statement of financial activities.

Financial assets include cash, trade debtors, intercompany debtors, other debtors and accrued income.

Financial assets held at fair value include investments.

Financial liabilities include trade creditors, other creditors, finance leases, bonds, loans and accruals.

(i) Funds

The charitable companies within the group maintain various types of fund as follows:

- Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charities for particular purposes.
- Unrestricted funds are funds which are expendable at the discretion of the trustees in furtherance of the objects of the charities.
- Designated funds are unrestricted funds which have been set aside by the trustees of the charities for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements along with estimated timescales as to when the funds will be spent.

2. Donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£'000	£'000	£'000	£'000
Donations	2,539	936	3,475	3,231
Legacies	5,709	1,119	6,828	6,240
Trust Fund	54	769	823	594
Community/Big Lottery Fund	45	201	246	190
Organisations raising funds	94	231	325	335
Gifts in Kind	614	646	1,260	372
Total donations and legacies	9,055	3,902	12,957	10,962

3. Income from charitable activities

	Group 2020	Group 2019
	£'000	£'000
Personal support	172,046	170,368
Other	7,706	5,693
Total income from charitable activities	179,752	176,061

Other income from charitable activities primarily consists of receipts for a range services: the provision of support, employment, youth services. Some of these are separately named in note 29(e).

4. Income from trading activities

	Group 2020	Group 2019
	£'000	£'000
DBS checks	352	446
Retail trading element	2,425	2,149
Trust management services	477	434
	3,254	3,029

5. Investment income

	Group 2020	Group 2019
	£'000	£'000
Income from listed investments	303	282
Bank interest	32	29
	335	311

6. Property Income

	Group 2020	Group 2019
	£'000	£'000
Rental income	20,575	17,341
Government grant income	2,340	1,106
Consultancy income	186	227
	23,101	18,674

Government grants included within property income are all made to Golden Lane Housing for works to adapt existing properties and to purchase new properties. There are no remaining unfulfilled conditions at 31 March 2020. All grants are repayable if Golden Lane Housing ceases business activity or the related scheme comes to an end.

7a. Total resources expended

	Staff costs	Depreciation	Other direct costs	Reallocated support costs	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds	1,525	-	1,315	294	3,134	3,079
Investment management costs	-	-	67	-	67	65
Trading costs of subsidiaries	1,677	323	1,485	-	3,485	3,560
	3,202	323	2,867	294	6,686	6,704
Charitable activities:						
Reducing stigma and discrimination	767	-	368	117	1,252	1,315
Social Care	146,161	1,085	29,086	18,230	194,562	190,023
Supporting friendships and relationships	1,009	-	359	141	1,509	1,431
Improving health	269	49	48	38	404	365
Early intervention	504	84	230	85	903	936
Employment	5,146	-	1,232	659	7,037	7,656
Defined benefit pension scheme finance costs	-	-	230	-	230	257
Governance	145	-	70	22	237	160
	154,001	1,218	31,623	19,292	206,134	202,143
Support costs	12,893	563	6,130	(19,586)	-	-
	170,096	2,104	40,620	-	212,820	208,847

7b. Support costs allocated

	Management	Finance and IT	HR	Fundraising	Other	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds	68	141	54	16	16	295	269
Reducing stigma and discrimination	27	56	21	6	6	116	115
Social care	4,194	8,742	3,333	982	976	18,227	16,598
Supporting friendships and relationships	33	68	26	8	8	143	125
Improving health	9	18	7	2	2	38	32
Early intervention	19	41	15	5	5	85	82
Employment	152	316	121	36	35	660	669
Governance	5	11	4	1	1	22	14
	4,507	9,393	3,581	1,056	1,049	19,586	17,904

8. Information regarding employees

	Total 2020	Total 2019
£60,000 - £69,999	20	23
£70,000 - £79,999	11	6
£80,000 - £89,999	3	1
£90,000 - £99,999	5	9
£100,000 - £109,999	3	2
£130,000 - £139,999	-	1
£140,000 - £149,999	2	1
£170,000 - £179,999	1	-

Of the 45 employees above, 41 are members of the defined contribution scheme. Payments made to the defined contribution scheme on behalf of these individuals amounted to £151,623 (2019: £141,740) for the year.

Trustees and senior management

The senior management of Mencap consists of the executive team. The total compensation received by members of the executive team during the year amounted to £1,095,321 (2019: £1,103,486). More details of executive remuneration can be found in the Trustees' report. Members of the board of trustees are not remunerated.

	2020	2019
Employee costs during the year:	£'000	£'000
Wages and salaries	154,357	152,583
Social security costs	12,265	10,396
Pension costs	3,474	2,704
Total staff costs as per note 7a	170,096	165,683
Benefits in kind	120	152
Total employee costs	170,216	165,835

Included in the above are amounts paid to temporary staff during the year totalling £6.3m (2019: £7.8m).

Redundancy and termination payments:

Expenditure totalling £417,205 (2019: £326,648) was recognised in the year in respect of redundancy and termination payments for employees.

The estimated average full-time equivalent number of employees by function was:

	2020 Employees (FTE)	2019 Employees (FTE)
Reducing stigma and discrimination	27	24
Social care	4,958	4,927
Supporting friendships and relationships	32	30
Improving health	90	79
Early intervention	18	17
Trading	56	57
Raising funds	30	32
Support costs	261	257
Governance	14	14
Employment	201	228
	5,687	5,665

The estimated average number of employees by function was:

	2020 Employees	2019 Employees
Reducing stigma and discrimination	27	24
Social care	7,864	7,904
Supporting friendships and relationships	32	30
Improving health	90	79
Early intervention	18	17
Trading	56	57
Raising funds	30	32
Support costs	261	257
Governance	14	14
Employment	201	228
	8,593	8,642

9. Expenses of the trustees

During the year, 12 trustees (2019: 12) were reimbursed for out of pocket expenses in relation to accommodation, travel and subsistence, or such expenses paid on their behalf. The total amount of these expenses was £12,122 (2019: £12,784). Members of the board of trustees are not remunerated.

10. Net incoming/(outgoing) resources for the year

	Group 2020 £'000	Group 2019 £'000
--	------------------------	------------------------

Net incoming/(outgoing) resources for the year are stated after charging:

Depreciation and amortisation

Own assets	2,016	2,213
Leased assets	91	110

Rentals under operating leases

Land and buildings	6,833	4,857
--------------------	-------	-------

Interest payable

Interest element of finance leases	6	9
Bank interest	2,209	2,163

Defined benefit pension expenditure movement for the year	230	257
---	-----	-----

Auditors remuneration

Audit of the group	72	73
Other non-audit work:		
- Tax	18	16

Included in the audit fee charged for the group was £60k (2019: £59k) for the audit of the parent charity.

11. Operating lease commitments

At 31 March 2020 the group has the following annual commitments under non-cancellable operating leases:

	Land and buildings 2020 £'000	Land and buildings 2019 £'000
Within one year	7,751	6,168
Within two to five years	13,136	12,482
After five years	15,479	15,725
	36,366	34,375

12. Intangible fixed assets

(a) Group

	Software	Assets under development	Total
	£'000	£'000	£'000
Cost or valuation			
Balance at 1 April 2019	2,640	64	2,704
Additions	281	-	281
Transfers between classes	64	(64)	-
Balance at 31 March 2020	2,985	-	2,985
Accumulated depreciation			
Balance at 1 April 2019	2,601	-	2,601
Charge for the year	83	-	83
Balance at 31 March 2020	2,684	-	2,684
Net book value at 31 March 2020	301	-	301
Net book value at 31 March 2019	39	64	103

(b) Company

	Software	Assets under development	Total
	£'000	£'000	£'000
Cost or valuation			
Balance at 1 April 2019	2,387	64	2,451
Additions	281	-	281
Transfers between classes	64	(64)	-
Balance at 31 March 2020	2,732	-	2,732
Accumulated depreciation			
Balance at 1 April 2019	2,354	-	2,354
Charge for the year	80	-	80
Balance at 31 March 2020	2,434	-	2,434
Net book value at 31 March 2020	298	-	298
Net book value at 31 March 2019	33	64	97

13. Tangible fixed assets

(a) Group

	Freehold land and buildings	Assets under construction	Leasehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
Balance at 1 April 2019	116,154	3,616	6,315	5,258	1,842	133,185
Additions	391	9,629	22	992	31	11,065
Disposals	(2,194)	-	(103)	(11)	(246)	(2,554)
Transfers between classes	7,682	(8,569)	887	-	-	-
Balance at 31 March 2020	122,033	4,676	7,121	6,239	1,627	141,696
Accumulated depreciation						
Balance at 1 April 2019	9,951	-	1,116	3,429	1,700	16,196
Charge for the year	1,209	-	91	638	86	2,024
Disposals	(244)	-	(17)	(11)	(228)	(500)
Balance at 31 March 2020	10,916	-	1,190	4,056	1,558	17,720
Net book value at 31 March 2020	111,117	4,676	5,931	2,183	69	123,976
Less shared investment contribution	(2,156)	-	(876)	-	-	(3,032)
	108,961	4,676	5,055	2,183	69	120,944
Net book value at 31 March 2019	106,203	3,616	5,199	1,829	142	116,989
Less shared investment contribution	(2,453)	-	(906)	-	-	(3,359)
	103,750	3,616	4,293	1,829	142	113,630

(b) Company

	Freehold land and buildings	Assets under construction	Leasehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
Balance at 1 April 2019	18,312	-	24	5,146	1,842	25,324
Additions	-	14	-	944	31	989
Disposals	(1,225)	-	-	(11)	(246)	(1,482)
Balance at 31 March 2020	17,087	14	24	6,079	1,627	24,831
Accumulated depreciation						
Balance at 1 April 2019	1,434	-	24	3,394	1,700	6,552
Charge for the year	264	-	-	620	86	970
Disposals	(101)	-	-	(11)	(228)	(340)
Balance at 31 March 2020	1,597	-	24	4,003	1,558	7,182
Net book value at 31 March 2020	15,490	14	-	2,076	69	17,649
Net book value at 31 March 2019	16,878	-	-	1,752	142	18,772

14. Fixed asset investments

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£'000	£'000	£'000	£'000
Equities and multi-asset funds				
Market value at 1 April 2019	6,296	6,576	6,296	6,576
Disposals	(23)	(476)	(23)	(476)
Net investment (losses)/gains	(620)	196	(620)	196
Market value at 31 March 2020	5,653	6,296	5,653	6,296
Bonds, cash and alternatives				
Market value at 1 April 2019	9,361	9,001	9,361	9,001
Acquisitions	8,146	1,832	8,146	1,832
Disposals	(9,176)	(1,493)	(9,176)	(1,493)
Net investment (losses)/gains	(19)	21	(19)	21
Market value at 31 March 2020	8,312	9,361	8,312	9,361
Total value at 31 March 2020	13,965	15,657	13,965	15,657
Cost at 31 March 2020	14,556	15,629	14,556	15,629

Included in market value of investments is an amount for the Mencap Visitors scheme of £5.3m (2019: £5.8m). This amount is held in a separate investment fund for the purpose of funding the scheme in future years. The liability of the scheme is shown in note 21.

	Equities and multi-asset funds	Bonds, cash and alternatives	Total
	2020	2020	2020
	£'000	£'000	£'000
Group:			
Equities	4,323	-	4,323
Multi-asset funds	1,330	-	1,330
Bonds	-	2,329	2,329
Alternatives	-	4,261	4,261
Cash	-	1,722	1,722
Market value at 31 March 2020	5,653	8,312	13,965
Market value at 31 March 2019	6,296	9,361	15,657
Charity:			
Equities	4,323	-	4,323
Multi-asset funds	1,330	-	1,330
Bonds	-	2,329	2,329
Alternatives	-	4,261	4,261
Cash	-	1,722	1,722
Market value at 31 March 2020	5,653	8,312	13,965
Market value at 31 March 2019	6,296	9,361	15,657

15. Subsidiaries

The charity owns 100% of the issued capital of the following companies. Golden Lane Housing Limited is also a registered charity in its own right:

Subsidiary undertaking	Company registration number	Charity registration number	Principal activity	Net assets/(liabilities)
				£'000
Blue Sky Housing Limited	4412276	-	Property development	-
Golden Lane Housing Limited	3597323	1071097	Property management and development	55,402
Mencap Limited	889191	-	Trading activities	-
Mencap Promotions Limited	1016345	-	Promotional and other special events	-
Mencap Trust Company Limited	1233201	-	Discretionary trust management	74

All the above are registered in England and Wales. The governance of the charities, of which Royal Mencap Society is the sole member, is maintained by their board of trustees, who act to deliver the objectives of each charity.

The above undertakings form part of the group consolidation. Mencap has no automatic right to the gross assets or reserves of Golden Lane Housing Limited.

Blue Sky Housing Limited and Mencap Promotions Limited remained dormant throughout the year.

16. Net income of group companies including consolidation entries

	Blue Sky Housing Limited	Mencap Trust Company Limited	Mencap Limited	Mencap Promotions	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries						
Turnover	-	477	505	-	982	1,079
Cost of sales	-	-	(345)	-	(345)	(436)
Gross profit/(loss)	-	477	160	-	637	643
Administration costs		(482)	(85)		(567)	(479)
Net profit/(loss)	-	(5)	75	-	70	164
Paid to Royal Mencap Society under gift aid	-	-	(75)	-	(75)	(128)
Provision for tax	-	-	-	-	-	(2)
Retained in subsidiaries	-	(5)	-	-	(5)	34

The costs of the above subsidiaries are included in the consolidated statement of financial activities under expenditure on raising funds, less any transactions between companies with the Mencap group.

	Royal Mencap Society	Golden Lane Housing	Total 2020	Total 2019
	£'000	£'000	£'000	£'000
Charitable companies:				
Incoming resources	196,331	22,879	219,210	208,244
Resources expended	(180,513)	(13,983)	(194,496)	(190,760)
Income/(expenditure) before administration costs	15,818	8,896	24,714	17,484
Administration costs	(12,666)	(4,671)	(17,337)	(17,055)
	3,152	4,225	7,377	429
Net gains/(losses) on investments	(639)	-	(639)	217
Net income/(expenditure)	2,513	4,225	6,738	646

17. Debtors

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£'000	£'000	£'000	£'000
Trade debtors	15,047	13,718	14,285	12,859
Amount due from group undertakings	-	-	3,479	3,397
Other debtors	870	833	805	881
Prepayments	1,836	2,768	941	2,142
Accrued income	8,989	12,450	8,380	12,080
	26,742	29,769	27,890	31,359

Included in the net amounts due from group undertakings is a loan from the charity to Golden Lane Housing Limited for £2.78m (2019: £3.12m) of which £0.32m is due within one year. The loan is to be repaid in full over a period of 25 years from initial drawdown; capital paid quarterly, interest paid monthly and charged at an interest rate of 0.5% below Bank of England base rate.

18. Creditors: amounts falling due within one year

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£'000	£'000	£'000	£'000
Obligations under finance leases	38	151	38	151
Trade creditors	2,965	2,280	1,830	1,924
Taxation and social security costs	2,549	2,544	2,549	2,544
Other creditors	1,880	1,703	1,880	1,703
Accruals	6,081	5,848	4,721	4,942
Deferred income	8,755	7,424	6,966	6,064
Current portion of long term loans	1,174	1,148	60	60
	23,442	21,098	18,044	17,388

Deferred income movement

	Group 2020 £'000	Charity 2020 £'000
Balance at 1 April 2019	7,424	6,064
Amount released in the year	(7,424)	(6,064)
Amount deferred in the year	8,755	6,966
Balance at 31 March 2020	8,755	6,966

Grants that have been received are treated as deferred income where there is a specific requirement in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period(s).

At 31 March 2020, the charity holds £2,147,132 (2019: £1,832,920) on behalf of people we support. This balance has not been included within these financial statements.

19. Creditors: amounts falling due after more than one year

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Obligations under finance leases, two to five years	29	55	29	55
Debenture loan	30,000	26,000	-	-
Bank loan	21,019	22,193	720	780
	51,048	48,248	749	835

Mencap

In 2007, Mencap obtained a loan for £1.5m, repayable in equal instalments over 25 years, at an interest rate of LIBOR plus 0.95%. As at 31 March 2020, the value of the loan stood at £0.78m. The loan agreement is secured by an unlimited guarantee between Royal Mencap Society, Mencap Limited, Mencap Promotions Limited and Mencap Trust Company Limited. It is further secured by a first legal charge over our property in Peterborough.

Golden Lane Housing

During 2014 the company issued through the intermediary of Retail Charity Bond a new bond totalling £11m paying a yield of 4.375%. The bond issue was fully subscribed and the full £11m was duly received, the purpose being to purchase properties to rent to people with a learning disability. The funds have been fully utilised in this purpose. The bond is repayable on 29 July 2021.

In November 2017 Golden Lane Housing issued through the intermediary of Retail Charity Bond a new bond totalling £10m paying a yield of 3.9%. The bond issue was fully subscribed and the full £10m was duly received and used to refinance the 2013 bond described above. The bond is repayable in November 2027. In 2019 an additional £4m of the Retail Charity Bond was accessed.

A £5m loan is held with RBS. This matures in 2027 and interest is payable at 2.5%.

Loans

In August 2014 two loans held with Nationwide were refinanced, leaving Golden Lane Housing with a fixed term loan of £704,823 secured on freehold land and buildings. The interest rate is fixed until June 2025.

The remaining loans are provided by Triodos and are secured on freehold land and buildings. £20.12m of the total is subject to fixed interest rates at 31 March 2020 with the remaining balance subject to variable interest rates.

The group loans are repayable as follows:

	2020 £'000	2019 £'000
Under 1 year	1,174	1,148
Between 1-2 years	12,218	1,165
Between 2-5 years	3,948	14,776
Over 5 years	34,852	32,252
	52,192	49,341

20. Financial Instruments

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Financial assets measured at amortised cost (a)	40,756	29,088	34,045	31,304
Financial assets measured at fair value (b)	13,965	15,657	13,965	15,657
Financial liabilities measured at amortised cost (c)	(63,186)	(59,378)	(9,278)	(9,615)

- Financial assets include cash, trade debtors, intercompany debtors, other debtors and accrued income
- Financial assets held at fair value consist of investments. Fair value is the market value of these investments as determined and quoted in an active market.
- Financial liabilities include trade creditors, other creditors, finance leases, bonds, loans and accruals

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

	Income 2020 £'000	Expense 2020 £'000	Gains/ (losses) 2020 £'000	Income 2019 £'000	Expense 2019 £'000	Gains/ (losses) 2019 £'000
Financial assets measured at amortised cost	32	-	-	29	-	-
Financial assets measured at fair value	303	-	(639)	282	-	217
Financial liabilities measured at amortised cost	-	(2,214)	-	-	(2,172)	-

21. Provision for liabilities and charges

(a) Group

	Mencap Visiting Service	Dilapidations	Employee benefits	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2019	4,916	1,324	684	687	7,611
Amount utilised in the year	(337)	(60)	(684)	(945)	(2,026)
Amount released in the year	(1,952)	(46)	-	(266)	(2,264)
Amount provided in the year	-	344	726	808	1,878
Balance at 31 March 2020	2,627	1,562	726	284	5,199

(b) Company

	Mencap Visiting Service	Dilapidations	Employee benefits	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2019	4,916	1,015	684	684	7,299
Amount utilised in the year	(337)	(60)	(684)	(927)	(2,008)
Amount released in the year	(1,952)	(46)	-	(266)	(2,264)
Amount provided in the year	-	344	726	742	1,812
Balance at 31 March 2020	2,627	1,253	726	233	4,839

22. Analysis of assets and liabilities between funds

	Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Group						
Fixed assets	103,697	31,513	135,210	99,402	29,988	129,390
Current assets	38,336	4,303	42,639	37,122	3,572	40,694
Liabilities	(78,042)	(2,988)	(81,030)	(82,453)	(5,174)	(87,627)
Total	63,991	32,828	96,819	54,071	28,386	82,457

23. Group funds

	Balance 1 April 2018	Incoming resources	Outgoing resources	Transfers	Gains and losses	Balance 31 March 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted						
Homes	260	15	(18)	5	-	262
Learning and Development restricted training	1	-	-	-	-	1
Mencap visiting service	791	165	(640)	-	135	451
NewBe Project	3,663	-	(145)	-	-	3,518
Research Fund	19	-	-	-	-	19
Rothenberg Fellowship	119	-	-	(9)	-	110
Rothenberg Memorial Trust	28	-	-	-	-	28
Service provision - Communities & Programmes	369	681	(958)	812	-	904
Service provision - Lifestyles & Work	379	1,413	(1,542)	22	-	272
Service provision - Personal Support	377	2,287	(2,271)	-	-	393
Service provision - Strategy & Influence	505	895	(1,121)	71	-	350
Service provision - other	2,182	408	(462)	(838)	-	1,290
Service provision - Golden Lane Housing	19,684	1,075	(40)	-	-	20,719
Young Ambassadors	119	-	(71)	-	-	48
Special contingency	20	-	-	-	-	20
	28,516	6,939	(7,268)	63	135	28,385
Unrestricted						
General	59,408	202,315	(201,005)	(1,811)	82	58,989
Designated reserves:						
- Seed capital	115	-	-	(40)	-	75
- Non repayable grants	5,367	31	-	(54)	-	5,344
- Tenants support fund	603	-	-	(307)	-	296
- House to Home funds	-	38	-	-	-	38
Pension deficit	(10,775)	-	(574)	2,149	(1,470)	(10,670)
	54,718	202,384	(201,579)	(63)	(1,388)	54,072
Total funds	83,234	209,323	(208,847)	-	(1,253)	82,457

	Balance 1 April 2019	Incoming resources	Outgoing resources	Transfers	Gains and losses	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted						
Homes	262	118	(56)	7	-	331
Learning and Development restricted training	1	-	(6)	5	-	-
Mencap visiting Service	451	189	1,944	-	(403)	2,181
NewBe project	3,518	-	(85)	-	-	3,433
Northern Ireland Housing Executive - Supporting People	-	690	(672)	10	-	28
Research Fund	19	-	-	(19)	-	-
Rothenberg Fellowship	110	-	-	(69)	-	41
Rothenberg Memorial Trust	28	-	-	(28)	-	-
Service provision - Communities & Programmes	904	807	(942)	55	-	824
Service provision - Lifestyles & Work	272	3,291	(2,456)	5	-	1,112
Service provision - Personal Support	393	1,747	(1,737)	(205)	-	198
Service provision - Strategy & Influence	350	913	(926)	32	-	369
Service provision - other	1,290	1,550	(1,311)	(56)	-	1,473
Service provision - Golden Lane Housing	20,719	2,061	-	31	-	22,811
Young Ambassadors	48	-	(21)	-	-	27
Special contingency	20	-	-	(20)	-	-
	28,385	11,366	(6,268)	(252)	(403)	32,828
Unrestricted						
General	58,989	208,548	(206,108)	(2,393)	(236)	58,800
Designated reserves:						
- Seed capital	75	-	-	-	-	75
- Non repayable grants	5,344	-	-	(83)	-	5,261
- Tenants support fund	296	-	-	584	-	880
- House to Home funds	38	278	-	-	-	316
Pension deficit	(10,670)	-	(444)	2,144	7,629	(1,341)
	54,072	208,826	(206,552)	252	7,393	63,991
Total funds	82,457	220,192	(212,820)	-	6,990	96,819

Restricted funds

Restricted funds include the following unexpended balances of donations and grants held in trust to be applied for specific purposes. Mencap holds sufficient resources in an appropriate form to enable each fund to be applied in accordance with its restrictions:

- Homes - specific bequests to residential care homes.
- Learning and Development Restricted Training - extra funding provided by the Big Lottery Fund to concentrate on improving one or two particular aspects of Mencap's skills and knowledge in a way that is likely to have lasting impact on the organisation's work.
- Mencap Visiting Service - special trust used to provide regular visitors to people with a learning disability.
- NewBe Project - capital project in Northern Ireland funding the construction of a new building for an early intervention centre for children with learning disabilities and their families, and a new headquarters for Mencap in Northern Ireland.
- Research Fund - used to sponsor medical research into the causes of learning disabilities.
- Rothenberg Fellowship - used to sponsor students from overseas to study learning disabilities, with an aim of increasing international awareness.
- Rothenberg Memorial Trust - provides income for the special contingency fund.
- Service provision - restricted by funders and donors to specific areas of Mencap and Golden Lane Housing's core services. In each of the areas listed, restricted funds are utilised for the purposes specified in their restriction to further Mencap's activities. More information about Mencap's work in these areas, funded by a combination of restricted and unrestricted funds, can be found in the Trustee's report.
- Young Ambassadors - supports young people aged 16 to 25 with a learning disability who volunteer with Mencap as part of a 6-month programme, to support the work Mencap does, and to develop their employability skills.
- Special contingency - funded by the Rothenberg Memorial Trust for use at the discretion of the chief executive.

Designated funds

Unrestricted funds have been specifically designated by Golden Lane Housing for the following purposes:

- Maintenance funds - for prudence, Golden Lane Housing held an amount in designated funds to cover the potential dilapidation liability for all leased properties. During the year, it decided to make a specific provision for dilapidations and therefore released this designated fund.
- Seed capital - an amount is designated to be used in adapting properties for existing tenants. It has increased due to further donations during the year. This will be used where required to make future schemes viable, and the timing is therefore uncertain.
- VAT for development project - this amount was saved from the building cost of two properties by applying the Notice 708 of HMRC but would be repayable if the properties were sold within ten years of March 2007. In April 2017 it was transferred to general reserves.
- House to Home - raised by the Royal Mencap Society and granted to Golden Lane Housing to support property adaptations

- Non repayable grants - this amount has been used to finance the purchase and development of properties held in fixed assets. The properties are depreciated over 100 years. Funds will be reinvested in capital should the properties be disposed of, but there are currently no plans to do so.
- Tenants support fund - this fund was set up in 2012/13 to cover possible future changes to government policy regarding the payment of exempt rents. It will be maintained at the same level until the impact of universal credit on Golden Lane Housing is clearly determined. The timing of this is uncertain.

Transfers

In addition to the transfers related to restricted and designated funds detailed above, £2,100,000 was transferred from general unrestricted reserves to the pension deficit during the year. This corresponds with the actual cash payments made by the group to reduce the pension deficit.

24. Pension Scheme

Mencap operates a number of pension schemes for the benefit of its employees. At 31 March 2009, Mencap’s defined benefit scheme was closed to future accruals. This means that Mencap will fund the benefits that staff have earned to that date, but does not offer the same benefit moving forward due to the inherent risk involved in running this type of scheme.

Staff are, however, able to save for their retirement through a defined contribution scheme to which Mencap contributes. All contributions are expensed in the year that they are made.

In addition to the above, Mencap participates in the Nottinghamshire County Council Pension Fund in respect of a small number of staff who have transferred over to Mencap. Mencap participates in this scheme by way of an admission agreement. In relation to this scheme Mencap currently has 19 active employees. Full provision has been made in the financial statements for this scheme. However as the liability is not material, detailed disclosure has been limited so as not to distort or overstate the importance of this scheme within Mencap’s overall finances.

At 31 March 2016, Mencap was also participating in the Staffordshire County pension fund in respect of a single active member of staff. This employee has now left Mencap, but a management estimate of the scheme liability is included pending the final liability being settled.

Mencap pension scheme

This scheme is valued annually for the purposes of the annual report and accounts. This valuation, which is carried out under specific accounting rules and detailed in full below, is made so that Mencap can account for the pension liability on its balance sheet.

The Trustees of the pension scheme undertake their own formal valuation once every three years. This valuation provides the basis for agreeing the amounts that Mencap will pay each year to fund the scheme. The last valuation for this purpose was undertaken in March 2017 and Mencap agreed to continue with a schedule of contributions to settle the pension deficit over a period of 17 years.

From the year ended March 2016 and going forward Mencap agreed to make the following cash payments to the scheme:

For the period 1 April 2015 to 31 March 2016

For the periods 1 April 2016 to 31 March 2028

£ 4 million

£ 2.1m per annum

At the end of March 2020, in the annual Scheme valuation, the total scheme liabilities were valued at £136.5 million and the assets at £141.5 million. The net surplus is therefore £5.0 million. However the triennial valuation still shows sizeable deficit.

This surplus cannot be withdrawn from the Scheme until the end of the pension, therefore the valuation in the Balance Sheet is recorded at a no-surplus, no-deficit position. The valuation at 31/3/19 was a deficit of £8.9m.

The main reasons for the change are as follows:

- A lower inflation assumption. (2020 RPI 2.7%. 2019:3.35%) Many benefits in the Plan are guaranteed to increase in line with inflation, so a lower inflation means less funds will be needed for future benefit. This was slightly offset by a fall in the discount rate which would cause an increase in the liability figure.
- Mencap contributes £2.1m per year into the Scheme reducing the deficit.
- Investment returns realised by the Scheme were better than expected resulting in more funds being added to the Scheme

The following assumptions have been used to place a value on the retirement benefit obligations of the charity:

Financial Assumptions

	31 March 2020 % per annum	31 March 2019 % per annum
Retail price inflation (% p.a.)	2.70%	3.35%
Consumer price inflation (% p.a.)	1.80%	2.35%
Discount rate	2.30%	2.40%

The Demographic assumptions used are:

Longevity assumptions as at 31 March 2020

	Male	Female
Base table	Bespoke 2016 Club VITA tables	
Future improvements	CMI 2016 model with a long term rate of improvement of 1.5% and a smoothing parameter of Sk =8.0	CMI 2016 model with a long term rate of improvement of 1.5% and a smoothing parameter of Sk =8.0

Life expectancies as at:

	31 March 2020		31 March 2019	
Males (M) or Females (F)	M	F	M	F
Average future life expectancy (in years) for a pensioner aged 65 at 31 March 2020	22.0	25.1	21.9	24.9
Average future life expectancy (in years) at age 65 for a non-pensioner aged 45 at 31 March 2020	24.0	26.8	23.9	26.6

Based on these assumptions the balance sheet position is as follows:

Assets

	Fund value 31 March 2020	Fund value 31 March 2019
	£'000	£'000
Liability driven investment	23,238	25,187
Investment grade credit (corporate bonds)	86,522	77,706
Diversified growth fund	9,927	10,015
Infrastructure	15,040	15,028
Insurance contracts	2,670	3,105
Cash and cash equivalents	4,144	7,787
Total value of assets	141,541	138,828
Actuarial (value) of liabilities	(136,493)	(147,735)
Surplus/(deficit) of funded Plan liabilities	5,048	(8,907)
Irrecoverable (surplus)	(5,048)	-
Surplus/(deficit) recognised in balance sheet	-	(8,907)
Net pension asset/(liability)	-	(8,907)

Reconciliation of Plan benefit obligation

	31 March 2020	31 March 2019
	£'000	£'000
Opening defined benefit obligation	147,735	140,109
Interest cost	3,494	3,651
Actuarial (gains)/losses	(10,399)	8,122
Past service cost	-	182
Benefits (paid)	(4,337)	(4,329)
Closing defined benefit obligation	136,493	147,735

Reconciliation of fair value of Plan assets

	31 March 2020	31 March 2019
	£'000	£'000
Opening fair value of Plan assets	138,828	131,164
Interest income	3,305	3,440
Contributions by Royal Mencap Society	2,100	2,100
Actual return on assets excluding amounts included in net interest	1,645	6,453
Benefits (paid)	(4,337)	(4,329)
Closing fair value of Plan assets	141,541	138,828

Analysis of amount charged to operating profit

	31 March 2020	31 March 2019
	£'000	£'000
Past service (cost)	-	(182)
Total operating charge	-	(182)

Analysis of amount credited to other finance income

	31 March 2020	31 March 2019
	£'000	£'000
Interest income on Plan assets	3,305	3,440
(Interest) on Plan liabilities	(3,494)	(3,651)
Net interest on defined benefit liability	(189)	(211)
Total amount charged to profit & loss (total operating charge less net interest)	(189)	(393)

Analysis of amount recognised in Other Comprehensive Income (OCI)

	31 March 2020	31 March 2019
	£'000	£'000
Actual return on assets excluding amounts included in net interest	1,645	6,453
Actuarial gains/(losses) on Plan obligations	10,399	(8,122)
Remeasurement gain/(loss) in Plan	12,044	(1,669)
Decrease/(increase) in irrecoverable surplus from membership fall and other factors	(5,048)	-
Remeasurement gain/(loss) recognised in OCI	6,996	(1,669)

Sensitivity analysis

Change in assumptions compared with 31 March 2020 actuarial assumptions:

	Actuarial value of liabilities on 31 March 2020
	£'000
Base case	136,493
-0.5% decrease in discount rate	149,169
1 year increase in member life expectation	141,953
+0.5% change in inflation	145,694

Local authority pension schemes

Nottinghamshire County Council Pension Scheme

The Nottinghamshire County Council Pension Fund is a defined benefit scheme with 19 members at 31 March 2020. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The agreed employer's contribution rate for the year to March 2020 was 14.4% and this was expensed during the year. Contributions have been set at 14.4% for 2020/21.

The estimated asset allocation at 31 March 2020 revealed that Mencap's share of liabilities of the scheme exceeded the value of Mencap's share of the scheme's assets by £1.29 million. This deficit has been treated as an expense during the year and is included in the balance sheet.

Staffordshire County pension fund

The Staffordshire County pension fund is a defined benefit scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension scheme valuation at 31 March 2014 indicated that Mencap's share of liabilities of the scheme exceed the value of Mencap's share of the scheme's assets by £48,000. As any movements in the deficit would not be material to the accounts, a new valuation has not been obtained for the year to 31 March 2020.

Mencap had no active members in the pension scheme in the year to 31 March 2020 and did not expense employer contributions during the year.

Other local government pension schemes

Mencap also participates in four other local government pension schemes. However, as there are no remaining active members, and in view of the cost of obtaining disclosures and the likely liability being immaterial in the context of overall Mencap results, no account or disclosures are made for these four schemes.

Dyfed Pension Fund	No active members
Clwyd Pension Fund (Flintshire)	No active members
Powys Pension fund	No active members
Shropshire County Pension Fund	No active members

The following assumptions have been used to place a value on the retirement benefit obligations of the charity:

Financial Assumptions

	31 March 2020	31 March 2019
	% p.a.	% p.a.
RPI increases	2.60%	3.35%
CPI increases	1.80%	2.35%
Salary increases	2.80%	3.85%
Pension increases	1.80%	2.35%
Discount rate	2.35%	2.45%

The demographic assumptions used are:

Life expectancy from age 65

	31 March 2020	31 March 2019
Retiring today:		
Males	21.8	21.6
Females	24.4	24.4
Retiring in 20 years:		
Males	23.2	23.3
Females	25.8	26.2

Based on these assumptions, the balance sheet position is as follows:

	31 March 2020	31 March 2019
	£'000	£'000
Present value of the defined benefit obligation	(3,700)	(4,349)
Fair value of Fund assets (bid value)	2,407	2,634
Deficit	(1,293)	(1,715)

Reconciliation of present value of the defined benefit obligation

	31 March 2020	31 March 2019
	£'000	£'000
Opening defined benefit obligation	4,349	4,147
Current service cost	123	134
Interest cost	106	108
Change in financial assumptions	(529)	229
Change in demographic assumptions	(105)	(252)
Experience loss/(gain) on defined benefit obligation	(262)	-
Estimated benefits paid net of transfers in	(43)	(38)
Past service costs, including curtailments	42	-
Contributions by Scheme participants	19	21
Closing defined benefit obligation	3,700	4,349

Reconciliation of the fair value of Fund assets

	31 March 2020	31 March 2019
	£'000	£'000
Opening fair value of Fund assets	2,634	2,365
Interest on assets	65	62
Return on assets less interest	(305)	176
Other actuarial gains/(losses)	(6)	-
Administration expenses	(1)	(1)
Contributions by employer including unfunded	44	49
Contributions by Fund participants	19	21
Estimated benefits paid plus unfunded net of transfers in	(43)	(38)
Settlement prices received/(paid)	-	-
Closing defined benefit obligation	2,407	2,634

Analysis of amount charged to operating profit

	31 March 2020	31 March 2019
	£'000	£'000
Current service (cost)	(165)	(134)
Administration costs	(1)	(1)
Total operating charge	(166)	(135)

Analysis of amount credited to other finance income

	31 March 2020	31 March 2019
	£'000	£'000
Interest income on Plan assets	-	-
(Interest) on Plan liabilities	(41)	(46)
Net interest on net define benefit liability	(41)	(46)
Total amount charged to profit & loss (total operating charge less net interest)	(207)	(181)

Analysis of amount recognised in Other Comprehensive Income (OCI)

	31 March 2020	31 March 2019
	£'000	£'000
Return on Plan assets in excess of interest	(305)	176
Other actuarial gains/(losses) on assets	(6)	-
Change in financial assumptions	529	(229)
Change in demographic assumptions	105	252
Experience gain/(loss) on defined benefit obligation	262	-
Remeasurement of the net assets/(defined liability)	585	199

Summary of amounts disclosed in the accounts**Amount recognised in operating profit/(loss)**

	2020	2019
	£'000	£'000
Mencap pension scheme	-	(182)
Nottinghamshire County Council Pension Fund	(166)	(135)
	(166)	(317)

Amount recognised in finance income

	2020	2019
	£'000	£'000
Mencap pension scheme	(189)	(211)
Nottinghamshire County Council Pension Fund	(41)	(46)
	(230)	(257)

Amount recognise in other recognised gains/(losses)

	2020	2019
	£'000	£'000
Mencap pension scheme	6,996	(1,669)
Nottinghamshire County Council Pension Fund	585	199
	7,581	(1,470)

Defined benefit pension liability

	2020	2019
	£'000	£'000
Mencap pension scheme	-	(8,907)
Nottinghamshire County Council Pension Fund	(1,293)	(1,715)
Staffordshire County Pension Fund	(48)	(48)
	(1,341)	(10,670)

25. Related Parties

Donations totalling £220 were received from related parties during the year without conditions.

Group companies

During the year, the following transactions took place between Royal Mencap Society and its subsidiaries:

Mencap Trust Company paid its annual management fee to the charity £362,558

Mencap Limited paid annual earnings of £75,199 to the charity by way of gift aid

A total of £254,693 of other expenses incurred within the group were reallocated between the charity and its subsidiaries

At 31 March 2020, the following intercompany balances were outstanding between the charity and its subsidiaries:

	2020	2019
	£'000	£'000
Golden Lane Housing Limited - loan	2,776	3,121
Golden Lane Housing Limited - other	236	(200)
Mencap Limited	33	100
Mencap Promotions Limited	-	-
Mencap Trust Company	432	376
	3,477	3,397

26. Volunteers

During the year, Mencap received the generous donation of time from a great many volunteers. They provided contributions to a number of activities, as follows:

	2020
	Number of volunteers
Raising funds:	
Raising funds	311
Trading	890
Total raising funds	1,201
Charitable activities:	
Reducing stigma and discrimination	37
Social care	235
Supporting friendships and relationships	298
Improving health	1
Early intervention	32
Employment	107
Other	70
Total charitable activities	780
	1,981

27. Capital commitments

At 31 March 2020, the group has the following capital commitments. All are commitments of Golden Lane Housing Ltd:

	2020	2019
	£'000	£'000
Capital expenditure contracted but not provided for in the financial statements	236	1,005
Capital expenditure authorised by the board but not contracted for	10,000	10,000
	10,236	11,005

These commitments are expected to be financed with:

	2020	2019
	£'000	£'000
Cash reserves	1,236	-
Proceeds from the sale of properties	5,000	3,005
Committed loan facilities	4,000	8,000
	10,236	11,005

The above amounts include the full cost of shared ownership properties contracted for.

28. Contingent liabilities

Contingent liabilities over freehold land and buildings

Over the past years, a number of properties have been acquired with resources provided by local councils. Some of these properties are subject to a separate charge that requires either a share or all of the proceeds on sale to be returned should they not continue to be used for their current purpose (Three properties with a combined cost of £370,000, combined net book value £344,000). There is currently no intention to stop using these assets for their current use, and therefore the potential liability has not been recorded in the balance sheet.

National living wage and sleep-ins

At the date of this annual report, Mencap is expecting the outcome of a Supreme Court hearing concerning the application of average national minimum wage (NMW) to non-contractual sleep-in hours carried out by our support workers.

The Supreme Court hearing will affect the potential liability for historic payments prior to April 2017, as since this date Mencap has included sleep-in hours in NMW calculations. A liability could involve almost 3,500 past and current members of staff and may be applied over a 6 year period.

Due to there being no obligations under current legislation and the outcome of legal proceedings being uncertain, no provision has been recognised within the financial statements. However, in order to provide stakeholders with guidance around the potential impact on an adverse judgement, a contingent liability of circa £15m is noted. At the date of signing the financial statements, this is the best estimate of the maximum liability Mencap might face, based on the available government guidance with regard to both the value and inclusion of elements within the liability calculation, and detailed assumptions concerning how claims for payment may be determined. The calculation of the liability is subject to a wide variety of complex factors and the liability noted in these accounts is based on detailed contract data calculations.

29. Income

(a) Included in Trust income is income from:

	Total 2020
	£'000
The Baring Foundation	33
BBC Children in Need	27
Duchy of Lancaster Benevolent Fund	5
Fordsham Nursing Fund	14
Hillingdon Community Trust	19
John James Bristol Foundation	12
Pears Foundation	150
The Kathleen Laurence Trust	35
Leicestershire County Council	8
Manchester Guardian Society	5
Potterspurty Lodge Trust	65
The Theodore Roussel Memorial Trust	7
Stockport Borough Council	10
The City Bridge Trust	70
The Jones 1986 Charitable Trust	5
The Westfield Health Charitable Trust	8
The Zochonis Charitable Trust	50
James Weir Foundation	5
The Legal Education Foundation	20
Ulster Garden Villages	100
Nesta	50
The Sir Ken & Lady Morrison Charitable Trust	20

(b) Included in Community/ Big Lottery Fund is income from:

	Total 2020
	£'000
City of Bradford MDC	32
Heritage Lottery Fund Wales	201

(c) Included in Organisations raising funds is income from:

	Total 2020
	£'000
Cambridge Community Fund	25
Charity Sweets	62
Dembigshire Memorial Park & Crematorium	8
Field Fisher LLP	7
Michael Page	8
The Morrisons Foundation	13
Virgin Money	166
VF Ventures	20

(d) Included in Gifts in Kind is income from:

	Group 2020
	£'000
Deloitte	57
Field Fisher LLP	142
IBM	118
McKenzie Baker	69
Orrick	320
Vodafone	470

(e) Included in Income from Charitable activities is income from:

	Group 2020
	£'000
Belfast Health and Social Care Trusts for Children and Adults Services in Northern Ireland	290
Dept for Communities for Employment Services	267
Dept of Health (NI)	83
Disability Action for Employment Support in Northern Ireland	6
Early Years for Children's Services in Northern Ireland	25
Education Authority for Youth Services and Youth Hub Project	45
European Social Fund - funding for Employment services in Northern Ireland	700
Northern Health and Social Care Trusts for Advocacy, Children, Adults Services in Northern Ireland	123
Northern Ireland Housing Executive for Supporting People Grant	665
Schools & Regional Colleges for Employment Services in Northern Ireland	60
South Eastern Health & Social Care Trusts for Children and Adults Services in Northern Ireland	1,071
Southern Health and Social Care Trusts for Children, Adults and Information Services in Northern Ireland	552
Special EU Programmes Body for Youth Services in Northern Ireland	418
Sport England for inclusive sports project	363
Toyota Parasport Funding	10
Western Health and Social Care Trusts for Children and Adults Services in Northern Ireland	3,028

30. Events after the end of the reporting period

There are no adjusting or non-adjusting events up to the date of signing of the accounts.

References

¹ Mencap (2020). 'Big Learning Disability Survey'. Mencap ran a survey with 1,625 adults (aged 18+) with a learning disability in the UK. Responses were collected between January and July 2019 using both a paper-based questionnaire and an online survey

² Mencap (2020). 'Big Learning Disability Survey'.

³ Mencap (2019). 'Going out and Nightlife Survey'

⁴ Gilmore, L. & Cuskelly, M. (2014). 'Vulnerability to loneliness in people with intellectual disability: an explanatory model,' *Journal of Policy and Practice in Intellectual Disabilities*, 11(3): 192-199

⁵ University of Bristol Norah Fry Centre for Disability Studies (2019). *The Learning Disability Mortality Review (LeDeR) Programme Annual Report 2018*

⁶ Glover, G. and Emerson, E. (2013). Estimating how many deaths of people with a learning disability in England could be prevented by better medical care. *Tizard Learning Disability Review*, 18(3): 146-149.

⁷ Mencap. (2017). *Treat Me Well: A campaign to transform how the NHS treats people with a learning disability*

⁸ Skills For Care & Skills For Health (2019). *Core Capabilities Framework for Supporting People with a Learning Disability*

⁹ Gore, N., Hastings, R. and Brady, S. (2014). 'Early intervention for children with a learning disability: making use of what we know.'

¹⁰ Relate (2017). *Under Pressure: the relationships of UK parents who have a child with a learning disability.*

¹¹ Beyer, S. and Beyer, A. (2017). A systematic review of the literature on the benefits for employers of employing people with a learning disability.

¹² NHS Digital (2019). *Measures from the Adult Social Care Outcomes Framework, England, 2018-19*

¹³ Mencap (2020). 'Big Learning Disability Survey'.

¹⁴ Ofsted Inspection report: Royal Mencap Society, 25-28 June 2019 <https://files.ofsted.gov.uk/v1/file/50096001>

¹⁵ Disability Benefits Consortium (2019). *HAS WELFARE BECOME UNFAIR? The impact of welfare changes on disabled people.*

¹⁶ Disability Benefits Consortium (2019). *Mending the holes: restoring lost disability elements to universal credit.*

¹⁷ The Legal Access Challenge was delivered in partnership by the Solicitors Regulation Authority and Nesta Challenges. The Challenge was made possible by a grant from the £10 million Regulators' Pioneer Fund launched by The Department for Business, Energy and Industrial Strategy (BEIS) and administered by Innovate UK.