mencap

ROYAL MENCAP SOCIETY

ANNUAL REVIEW

APRIL 2021 to MARCH 2022

mencap

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INTRODUCTION

Foreword

Derek Lewis, chair

A year ago I claimed that the year to 31 March 2021 had been like no other. Sadly, this last year has been in the same mould, with the resurgence of Covid-19, the impact of compulsory vaccinations for care workers, acute shortages of staff and the beginnings of double-digit inflation.

The response of our colleagues had been magnificent in 2020-21; the response in 2021-22 equally so, despite the residual exhaustion from the first year, the acute discomfort of working in PPE and the stressful lack of social contact. Our deepest gratitude goes to everyone involved, even though no simple thank you is an adequate recognition of their dedication.

As the impact of Covid-19 diminished we were left with its legacy of mental health issues, staff shortages, delays to some of our key initiatives and the absence of any effective response from government to the underfunding of social care. These are tough times, but it is quite remarkable how much has been achieved by Royal Mencap Society, together with local Mencap groups and other partners. As a result of sector pressure, the particular needs of people with a learning disability in coping with Covid-19 were recognised. Our new Big Plan was published, setting out an inspiring vision for the UK to become the best place in the world for people with a learning disability to live. With careful financial management and removal of a large potential back-pay liability for sleep-ins by the Supreme Court's decision after five years of uncertainty, Royal Mencap Society has emerged from these two devastating years with its financial resources intact and an ability to invest in the future.

Mencap's commitment to a better world for people with a learning disability has never been in doubt, although sometimes it has appeared to come with a belief that Mencap knows best, that we act for people rather than support them, and that we can do it alone.

I believe that has now evolved into a more supportive and respectful ethos that accepts we have no monopoly on wisdom and expertise and that we have at least as much to learn as to offer.

We are equally clear that Royal Mencap Society is here to support people with a learning disability in representing their own views and shaping their own lives, not to do those things for them. And we now know we must learn from others, share what we have learned and work together.

As an indicator of this change, what we started in 2014 as our Learning Disability Advisory Forum, has since grown in stature and influence to become the Voices Council. Made up entirely of people with a learning disability, it sets its own priorities, monitors the work of the executive team and trustees, and makes its views known to both as and when it wishes. Plans are underway to give the Voices Council an even bigger role in the governance structure consistent with our developing ethos.

Achieving lasting impact usually takes time. For example, our Treat Me Well campaign to ensure that people with a learning disability receive the same quality of healthcare as other people has resulted in the passage of the Oliver McGowan mandatory training for NHS workers being enshrined in law, requiring the training of healthcare workers in learning disability, four years after the campaign launched. Seven years ago, we partnered with the Tizard Centre on the Early Positive Approaches to Support programme which has now helped hundreds of families of children with a learning disability in seven locations. The What Matters Most Quality and Practice Framework, ensuring that the aspirations and needs of people we support are fully understood and acted upon, was fully embedded in our personal services in 2021, after 5 years in development and roll-out.

Under the new Big Plan there are similar long-term programmes such as our mental health campaign. Others include the adoption of new ways of working in our personal services to ensure that our colleagues who deliver those services have the freedom and information to make the decisions needed to respond to the aspirations identified by the people they support. The new ways are underpinned by the pioneering adoption of the Positive Outcome Scale to give us for the first time a rigorous and quantifiable way of assessing the wellbeing of those we support, and evidence to those who commission services that outcomes can be measured. Similarly, we are trialling new ways of facilitating the creation of local communities of interest, led by people with a learning disability, to enable communities to work together to create the best environment and the right services. These priority projects give us confidence that Royal Mencap Society can deliver on its commitment to be at the leading edge of services for people with a learning disability.

This report marks the end of my eight-year term as chair. While the words are over used, it has been a genuine privilege to have been able to serve in this role. The chief executives, members of the executive team and fellow trustees with whom I have worked have been an inspiration throughout this period, showing commitment, courage, wise judgement, and mutual respect.

I thank them all, past and present, and value what I have learned from them. Particular thanks are due at this time to three trustees – Geoff Alltimes, Katie Hollier, and Graham Williams – who retired at the end of 2021, having willingly extended their terms of office to support Royal Mencap Society through the pandemic; and to Stephen Jack who joined and leaves at the same time as me. Graham served as interim chair prior to my appointment, as chair of the Audit and Risk Committee, and latterly as vice chair. Stephen has chaired the Finance, Remuneration and Planning Committee and been the Mencap nominee on the board of our subsidiary company, Golden Lane Housing. Geoff gave us invaluable input from his experience in local government, while Katie provided the perspective of local Mencap groups and the benefit of her marketing experience.

Although the farewells were sad, we were delighted to welcome four new trustees early this year followed more recently by Dame Carolyn Fairbairn who takes over from me as chair. I wish them all well, confident that Royal Mencap Society has an exceptional team of executives and trustees, well able to steer Royal Mencap Society though the current challenges and to realise our ambitions for the future.

QUESTION & ANSWER

Asking the questions:
Vijay Patel

Click to read Vijay's profile online

What's the best thing that's happened this year?

Sam: We're still here, and we're still fighting. I suppose that's the best thing that's happened.

Jack: Also, being able to reunite face-to-face. Certainly, for some of our members, it has been a much greater struggle in using online systems to have our meetings and to adapt to the sudden change that was forced on us after the pandemic came into the UK.

And what's the worst?

Sam: Life is a struggle at the moment with the ongoing cost of living. That's especially true for someone with a learning disability because they incur extra costs because of that disability. They might have to contribute towards their care and costs are going up. Things have sort of all come at once. People are just getting over Covid-19 which has affected their mental health. And now transport costs and food bills are all going up.

Jack: The area that I feel quite passionate about is transforming care and the number of people that remain in long-stay hospitals. There has been some pretty terrible treatment that these individuals have faced. This year was the tenth anniversary since the Winterbourne View scandal that was shown on Panorama. There's been very slow progress at best in trying to prevent incidents like that happening again. So that's something that, you know, we'll have to continue pushing on.

How does Mencap listen to people with a learning disability?

Jack: Our Voices Council is made up of people with a learning disability. The reason we exist in the first place is so that the governance of the charity has the input of people with a learning disability.

Sam: We're hopefully getting the message out that people with a learning disability can work. They can do these things if they're given the chance. We may need some support but we're the same as everybody else. We need to make it so people don't think people with a learning disability can't work – or they're just on benefits.

Jack: It's about changing the way people perceive people with a learning disability as a whole. There are certainly a range of characteristics and people who have different needs. There's stigma, that happens in the media, but also through medical perceptions as well.

It's about clinicians who specialise in this area taking a much more positive view about learning disability – understanding that it's not life-limiting in every case. People can still have happy and fulfilled lives and ambitions and goals that they're able to achieve.

What do you like about working at Mencap?

Sam: It's being part of a whole Mencap family, who share the same passions and commitments. It's listening to other people with a learning disability talk about their experiences, learning new things and getting stuck in with different things. For example, I know people that take part in the London Marathon, and campaigns like Treat Me Well. It's also about seeing things change for the better – seeing people across the country come together and take part in campaigns.

Jack: I work at Mencap because I see it as an organisation that can improve the quality of life for people with a learning disability. We have the connections with government or decision makers, so they can put some of these issues at the forefront of the agenda. Mencap has a strong community feel to it, as an employer and organisation, and a strong emphasis to support people's access needs.
The Voices Council is a particularly interesting and dynamic group, where many areas of discussion and priority in the charity have been sought from us. We've contributed across a diverse range of subjects, in sometimes challenging subject areas. We've given our views and in many cases they've been responded to – or we've seen the changes or where things have happened as a result of our feedback.

What excites you about our Big Plan?

Sam: Mencap is making the UK the best place for people with a learning disability to live happy and healthy lives. We're including a more diverse range of people with a learning disability in the work we do. I think that Mencap is actively listening to more people with a learning disability as a result.

Jack: It's safe to say that we have a very bold vision for the UK. What's exciting to me is ensuring people with a learning disability have positive outcomes in respect of better equity, and that people in local communities are empowered to make change.

People need to find local solutions without, say, 'Mencap in London' dictating to people in Dorset (where I live) 'this is the way it should be done'. It's trying to equip people with the right tools and means to achieve change.

What needs to change?

Sam: I'd like to see more people in work. Whether that's voluntary work or paid work employers should be confident and support people to enable that.

Jack: We're a long way off yet, realistically, from seeing the lives of all people with a learning disability being high quality and inclusive. So, to start with, I want to see better healthcare support, with fewer people in hospitals. The number of people that are being discharged back into the community is still far too low. We also need social care that fully meets the needs and wishes of individuals. So that people who want to go out in the evening, for example, have supporters that aren't just there one or two days because there's a lack of funding available. It's about enabling people to be empowered to go out and do the things that they enjoy most.

"We're still here and we're still fighting."

Vijay Patel, campaigns assistant and member of our leadership team, asks **Jack Welch and Sam Jefferies from our Voices Council about their year**.

Our Voices Council is made up of people with a learning disability who advise and guide our priorities and decisions.

Jack Welch

Sam Jefferies

“We should make sure people with a learning disability are always in the driving seat”

Vijay Patel, campaigns assistant and member of the leadership team quizzes **CEO Edel Harris on how the Royal Mencap Society has been changing lives for 75 years.**

Edel Harris

So what has changed in the last 75 years?

Seventy-five years is a long time, isn’t it? So much has changed since Mencap was founded all those years ago. In that time, it’s wonderful to see so many people with a learning disability are living better lives now than they were 75 years ago. But you and I know there’s still so much to do.

There are still people who have a learning disability and autism who are locked away in inappropriate hospital settings, often a long way from home. We know that life expectancy for people with a learning disability is poor compared to their non-disabled peers. And we know even after 75 years of campaigning, many people who have a learning disability still feel discriminated against.

Although we have changed as a charity over the last 75 years, our mission and our charitable purpose really hasn’t changed very much. We all want a world where people with a learning disability are valued, equally listened to, and included. That’s the same as it was in 1947.

How are you including people with a learning disability in your work?

It’s really important to me and everyone at Mencap that we’re led by people who have a learning disability. We try to make sure that everything is personalised and co-produced – which means developed in partnership with people with a learning disability.

All our priorities, and where we spend our money, should be determined by the views and the needs and the dreams of people who have a learning disability.

As you know, we made some changes in the last year, including recruiting colleagues who have a learning disability onto our leadership team – you’re one of those colleagues.

We’ve also strengthened the role of our Voices Council and involved people who have a learning disability in our governance review. All our campaigning efforts are led by people with a learning disability. This includes the work we did last year, when we campaigned to ensure people who had a learning disability were on the priority list for the Covid-19 vaccine. Today, as we continue to campaign on the closure of the long-stay hospitals, we’re supporting families and other self-advocacy groups to ensure their voices are heard.

OK, how should society do the same?

It’s been a good year for raising awareness of learning disability with things like our very successful Myth Busters campaign. And we’ve seen lots of people with a learning disability being far more visible in the mainstream media.

The more the general public are aware of what a learning disability is, and the more people in society encounter someone who has a learning disability, the more inclusive society becomes. So, we’ll need to just continue to do what we do, and support people with a learning disability to be far more visible in society.

What’s the best thing that’s happened this year?

It’s really difficult to choose just one thing! But if I was forced, I’d say the Oliver McGowan mandatory training for NHS colleagues in England. This is now included in the Health and Care Act, which has gone beyond the government’s initial commitment.

And what was the worst?

One of the biggest challenges has been recruitment and retention, particularly of support workers.

Unfortunately, working in social care is still not seen as a valued profession in society. And yet, we know what our amazing support workers give every day. They worked so hard during the pandemic in really difficult circumstances. Many of them are now suffering from Covid-19 burnout.

So, I was pleased that Mencap was able to offer a better pay and reward package this year. But I don’t think it’s enough. We’ll continue to campaign so that there’s proper funding in the social care sector. And we’ll keep campaigning so our governments and society recognise what a highly-skilled role providing social care support is.

Why is our Big Plan exciting?

I think our Big Plan is really ambitious and visionary. We want the UK to be the best place in the world to live a happy and healthy life if you have a learning disability. To help us achieve that vision (because we can’t do it on our own) we have to work in partnership with others, and we have to change as a charity. So Mencap is changing.

We want to work far more in local communities, supporting people and their communities to develop their own capabilities. We want to be known for all the leading research that we do and for working far more in partnership with other people. We also want to be known for providing specialist support and advice to people with a learning disability and their families and for being a great employer.

How do you want the future to look for people with a learning disability?

People with a learning disability have told us what’s important to them. And so Mencap is focusing our resources on a few particular areas – the ones that are most important to people with a learning disability. So health inequality, in particular, is one of the priority areas in our Big Plan. Plus, the issues emerging around mental health and wellbeing are really concerning.

We’re also looking at what’s happening right now. The cost-of-living crisis is having a detrimental impact on the lives of people with a learning disability. So, when I look to the future: wouldn’t it be wonderful if the health inequalities were removed? And that people with a learning disability had the same life expectancy as everyone else? Wouldn’t it be great if everyone who needed social care support had a very personalised package of support that they didn’t have to contribute towards the costs of, and that really met their needs? Wouldn’t it be great if everyone who wanted to work had the opportunity, not only to get a job, but to have a really rewarding career?

That’s what I’d like the future to look like.

What makes Mencap a fun and exciting place to work?

I love working at Mencap. It’s a combination of our people and our culture. We work alongside some really amazing colleagues and volunteers, people that are committed to improving the lives of people with a learning disability. Passionate and caring people like you, Vijay.

Although everyone works really hard, we also find time to have some fun.

Do you have a message to everyone who works here?

I’d like to say a really big thank you to everyone who works or volunteers at Mencap. You should be very proud of what you’ve achieved this year! Although we faced quite a few challenges, and we haven’t always got things right, there’s a real desire in our organisation to learn and to improve, which I think is all we can ask of each other.

I would also like to say a big thank you to our volunteer board of trustees who do so much to guide and support our work. In particular, a very heartfelt thank you to our chair Derek Lewis who steps down in July 2022 after eight years’ service.

Trustees' Report

This report incorporates the Directors' Report and Strategic Report required by the Companies Act 2006.

THIS IS MENCAP

We're listening – and taking action

We want the UK to be the best place in the world for people with a learning disability to live happy and healthy lives.

To achieve this, we listen carefully to our communities – and are led by what we hear.

Through the pandemic we worked hard to provide the right services and support. Now, we're making sure everyone's voices are heard to shape what comes next.

People with a learning disability still don't have the same opportunities as everyone else. Too often people are denied the support they need, bullied online and often kept at hospital against their will.

Meanwhile the cost-of-living crisis is affecting lives – and add to this the mental health disaster left behind by Covid-19.

This must all change. And we won't stop until it does.

Join us.

What are we doing about it?

We are:

- providing services that model our vision and ambition
- supporting people with a learning disability to ask for what they want and need, and empowering them to campaign for change
- providing people with information and advice for all areas of their lives
- doing research into important issues to create a positive impact and see real change
- supporting people to find solutions in their own communities.

Meet Ellie

"I'm an inspirational and cheeky model and I love being on the camera. I want to show the world that people with a learning disability are all equals and can live their best lives."

Disability:
I have Down's Syndrome

Age and location:
20, London

Likes:
1. Drake
2. Going on dates to Nando's
3. Yellow eyeshadow

Dislikes:
1. Spinach
2. Broccoli

What is a learning disability?

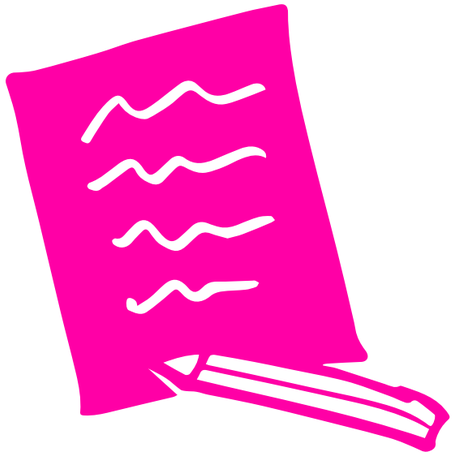
A learning disability is a reduced intellectual ability which affects someone for their whole life.

People with a learning disability tend to take longer to learn and may need support to develop new skills, understand complicated information and interact with other people.

They might need help with some everyday tasks like socialising or managing money. A learning disability is nothing to do with mental health, although some people with a learning disability do suffer from mental health issues.

Trustees' strategic report

OUR BIG PLAN



Our exciting plan to create change

In the last year, Royal Mencap Society, with our 75 years of experience, has reinvented itself. We're now well-placed to weather future challenges, drive change, make improvements for people with a learning disability and offer opportunities to colleagues in the care sector to work in new ways.

We don't just want to help build better lives for people with a learning disability. We also need to work with communities to make society more equal and inclusive for everyone.

Last year we launched our Big Plan after developing it with people with a learning disability and their families. Over the next five sections you'll find out how we're putting this exciting plan into action.

We've called the different areas 'levers' – because we need to work them to get things moving.

How do we know we're making a difference?

We have developed an Evaluation and Monitoring Framework (EMF) to help us measure how we're doing on an individual, community, society and organisational level. We've invested in collecting information, and analysing it, to make sure our work is effective and is having a real impact on the lives of people with a learning disability.

At an **individual level** we want people with a learning disability to have a great quality of life. We will provide good services and work with every single person we support to understand their quality of life to help them identify areas they want to improve.

At a **community level** we want people with a learning disability to feel part of their community. We will work with communities so that they have a better understanding of their strengths and assets and how they can involve more people with a learning disability.

At a **society level** we want people with a learning disability to have the same rights and opportunities as everybody else. We will campaign on issues that are important to people with a learning disability, such as health, social care and work.

At an **organisation level** we want to be a thriving organisation making positive change possible. We will:

- focus on quality
- listen to our people, so that even more colleagues and volunteers recommend Mencap as a great place to work
- work with stakeholders to be more effective as an organisation
- monitor our finances, so that we can deliver the best for people with a learning disability and their families.

Becoming more inclusive

Equity, diversity and inclusion has been a big focus for us and we have made a very clear commitment to being an anti-racist organisation. As you'll see in the Our People section, we're more representative at both board and executive level – some progress, but still a lot more to do and we look forward to updating you further in future annual reviews. The whole board, executive team and wider leadership team has had intensive training in inclusive leadership.

We've also made fairer pay and reward a real focus – and expect it to continue to be a major issue in 2022/23. Workforce is a challenge across the care sector, and our hard-working support worker colleagues deserve to be paid well.

At the end of this financial year, we waved farewell to Golden Lane Housing which has become an entirely independent housing provider and is no longer part a subsidiary of Royal Mencap Society. Of course, we will still work very closely with them, but this allows them greater flexibility to operate. We should expect this to be reflected in the accounts of next year's annual review.

In our first year we've:

1. developed new ways of working – including being clear and simple so everything is easy to understand
2. given our teams a very clear set of rules, but then giving them more freedom to make decisions and changes that work for them and the people they support
3. listened to and involved colleagues in creating positive change
4. supported local people to change the communities they live in
5. used a 'test and learn' approach
6. reflected on what has worked well and where we can improve
7. aimed for equity – both in Royal Mencap Society and in the wider society.

This is what we achieved in our first year of our Big Plan:

LEVER 1:

Providing services that model our vision and ambitions

- Provided support to over 4,000 people with a learning disability
- Rolled out the ground-breaking Personal Outcome Scale
- Set up three local pilots to test our new way of delivering personal support
- Reviewed and gave recommendations on activities to continue, develop or end (Future, Activity and Delivery Review)

LEVER 2:

Campaigning for change

- Social care reform
- Homes not hospitals
- Health and wellbeing
- Work
- Built in flexibility so we can respond to people's needs as they arise

LEVER 3:

Supporting people with information and advice

- Developed a plan to improve and expand our information and advice services

LEVER 4:

Researching and evaluating complex issues and opportunities

- Started a research project which will highlight the issues that prevent people with a learning disability from accessing work
- Launched the national survey of people with a learning disability
- Delivered various research findings and reports across key priority focus areas

LEVER 5:

Supporting people to build their own capabilities to find local solutions

- Launched our 14 community pilots to test our new approach to working with communities around the UK
- Developed plans to turn our shops into community hubs
- Launched a pilot community grant fund

BECOMING A THRIVING ORGANISATION:

Focused on four key areas

- Quality
- People
- Finance
- Equity, Diversity and Inclusion

This is what we'll focus on in 2022/2023:

LEVER 1:

Providing Services

- Continue to support over 4,000 people with a learning disability
- Expand and evaluate our personal support local delivery pilots
- Implement the recommendations that came from our review of our services
- Develop a new business development strategy

LEVER 2:

Campaigning for Change

- Continue to campaign for change on our priority campaigning areas: Social Care Reform, Homes not Hospitals, Health and Wellbeing and Work
- Ensure that people with a learning disability are properly supported with mental health services and the government's response to the cost of living crisis
- Continue to campaign for better pay for support workers – not only because this will improve the pay and reward of our own colleagues, but also because better pay will improve the quality of care for everyone with a learning disability

LEVER 3:

Information and Advice

- Implement the recommendations that were identified in the Future, Activity and Delivery Review for the Advice and Helpline in England and Northern Ireland
- Increase information and advice provision in Wales
- Review our CRM system and develop plans to improve our website

LEVER 4:

Research and Evaluation

- Publish the findings from our national survey of people with a learning disability
- Publish our work research and develop an action plan based on its recommendations
- Establish a new community of interest, made up of a diverse group of external stakeholders, to share best practice and new research

LEVER 5:

Working with communities

- Continue to test the community led approach across all our inclusive community sites.
- Develop our family-led support pilot in Newham and establish this model in further sites
- Embed our retail activities in communities
- Expand and measure the impact of grant giving to individuals and communities, via our project, MyFun:D

THRIVING ORGANISATION:

Focus on key areas

- A new Digital and Technology Strategy
- Review our central enabling services
- Improve pay and reward

What happens next?

The foundations are in place, now we want to drive things forward.

However, the outlook is challenging. Workforce will continue to be difficult, and we are concerned about the impact of inflation on people with a learning disability and our colleagues. Public finance and disposable income will be tight and that will impact our income streams. We need to balance our ambitions against the restrictions of our finances. You can find our approach to risk management and our reserves policy later in this report.

We look forward to seeing the evaluation of our new ways of working, and our service delivery pilots. This is ground-breaking work and we aim to be able to demonstrate how they benefit both the people we support and our support worker colleagues. We hope to demonstrate how this model can improve quality, personalisation and pay.

We're also looking forward to seeing the outcomes of the innovative work we're doing in communities. This is a very different way of delivering programmes, much more responsive to people's needs and the existing community infrastructure.

Although initial progress is slower, it should be a much more sustainable way of inspiring people to participate in their communities and ultimately should have greater impact.

We expect to see the final stages of delivery of our Better. Faster. Digital. project which has personal digital care records at its heart. Technology will continue to play a key part of our future plans, and we will take further action to secure our organisation against the increasing threat of a cyber-attack.

We have also just completed a full review of our governance (more detail later in the report) which puts the Voices Council in the lead. We're looking at a new committee structure that supports our strategy as well as putting more focus on our people – our greatest asset.

We'll continue to campaign on social care reform, homes not hospitals, health and wellbeing and work. Plus, we know we need to address the cost-of-living crisis, mental health and loneliness, and ensure that people with a learning disability are not forgotten in the government's post-Covid-19 recovery planning. Their voices must be heard as part of the Covid-19 Inquiry.

LEVER

1

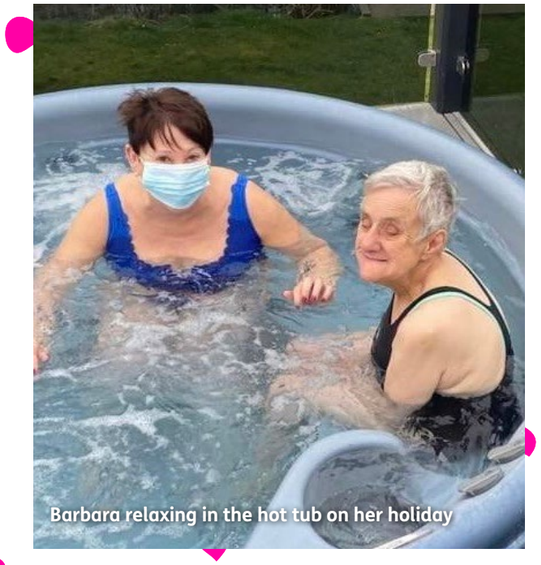
Providing services that model our vision and ambitions

Peter made this display for Chinese New Year

Supporting Jenna to step up

Jenna's challenge was simple: walk 10,000 steps for the NHS. She aimed to do it in a month but achieved her goal in a week.

Our colleagues helped make it happen by getting a MeyWalker for Jenna (which are difficult to get hold of). This essential bit of kit helps her stand up straight and walk with support from colleagues. Jenna is a definite walking fan – so much so that she wore out her boots.


Barbara relaxing in the hot tub on her holiday

Lesley and Edel (our CEO)

Brampton Court residents' enjoying a Sunday lunch at the pub

Linda celebrating her birthday with 'Elvis'

More than just a job: Lesley McCormack

Lesley is a support worker in Wigan, she has worked for Royal Mencap Society for 16 years.

Lesley is extremely passionate about her job. She regularly took on extra shifts during the Covid-19 pandemic when people were isolating, picking up shopping and dropping off food parcels and Personal Protective Equipment (PPE) to those who needed it – or just touching base with other carers to ensure they were OK. Lesley even gave up Christmas Day with her family in order to be there for the people with a learning disability who she supports.

Many of the people that Lesley supports struggled to understand what was happening as lockdown began, so finding new ways to ensure people were happy and well was critical. And with everyone's routine being lost Lesley became a driving force in innovating, even creating a pop-up restaurant at her service.

Lesley was recently honoured with an invitation to the Royal Garden Party at Buckingham Palace. She was recognised for her positive impact in the community and her outstanding contribution to society during the pandemic.

Lesley said: "It was so exciting and such an honour to go to Buckingham Palace. I feel incredibly proud to do the job I do and am really pleased to be recognised in this way."

4,141 people with a learning disability get support through our social care services across England, Wales and Northern Ireland.

We work with **109** local authorities to deliver services across England, Wales and Northern Ireland.

We support **104** children in our Early Years Centre in Belfast and 104 families with parent support.

We work with **543** employers to get people jobs, work experience and skills.

636 people with a learning disability have had support from our employment and training services.

Supporting people to live brilliant lives

We're one of the largest social care providers for people with a learning disability. We aim to give people the support they want so they can live brilliant, independent lives. This is rewarding but can be challenging – and has been made even more so because of the pandemic and lack of funding.

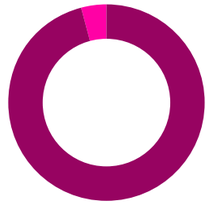
Covid-19 continued to dominate this year. Keeping people safe, well and happy was our number one priority and we continued to do this in a way that saved lives and helped people to enjoy themselves as much as possible. We had outbreaks at our services and it was sometimes difficult having enough colleagues to cover shifts when people were ill. The UK government made a law that only vaccinated people could work in care homes, which meant some of our colleagues left. Very sadly one colleague and two people we support died from Covid-19 this year. Our thoughts are with their families and friends and we will miss them very much.

We're proud of our hard-working colleagues and they have truly inspired us during these difficult times. They care deeply about the people they support. Many were exhausted after working through the early days of Covid-19. Christmas 2021 was extremely tough. Instead of people having a much-needed break and time with their families, many worked double shifts.

Our colleagues still work in Personal Protective Equipment (PPE) every day and practice rigorous infection controls. Social care is a long way from being 'back to normal'.

The staffing challenge

Along with the rest of the sector, it's getting harder for us to attract and retain colleagues in social care roles. We have asked the UK government to develop a sector-wide people plan as well as more funding so that everyone can increase pay. We are also working with the devolved governments in Wales and Northern Ireland to ensure social care staffing remains a priority for them.



96.9% of our CQC-registered services in England were good or outstanding at their last inspection.

Our Regulation and Quality Improvement Authority ratings in Northern Ireland and our Care Inspectorate Wales ratings are **100% compliant.**

Working to give people what they want, not just what they need

We are developing the use of the personal outcomes scale to measure people's quality of life and help them identify areas they want to improve. This internationally recognised tool covers eight different areas of people's lives (like 'relationships' and 'money') and allows the person to take decisions about what they want to improve. We plan for everyone we support to have personal outcome scale interviews in the next few years. This approach helps us focus on people's strengths and build on them.

Taking the time to focus on what life is like for the person now and what it could be like in the future ensures that we are listening carefully to what a good life means for each person and planning with them the outcomes and any changes we need to make that will help them achieve this.

Developing the skills needed to complete the interviews takes time and practice, and we have a programme of work in place to develop these skills across our teams so that everyone we support will have had the opportunity of a personal outcome scale interview in the next few years, and will in the future have an annual review of their quality of life as a key way of us ensuring that we are supporting people to lead the life they chose.

Our new approach to support

We're trying out a new way of working to improve the quality of life for people with a learning disability. Our first three pilots launched in January 2022, two services in Mansfield, England and one service in Bath. We will be working with more services to pilot this approach and evaluating them by the end of next year.

This fresh approach is designed to give our colleagues the freedom to make safe and effective decisions with the right tools and expert support. They have to work within a framework, but the rules are much clearer and easier to follow, and people understand what they have to do and where they are free to take their own decisions. Having greater independence will help attract talented staff to provide the excellent support people deserve. Our teams now have instant, easy to access data on how each team is operating and feedback on how well each person's needs are being met so we can do even better.

In this way, our teams will be able to be more responsive to the people they support who will have greater power to direct their support. This should mean that people get the care they want, not the care they are allocated and directed from remote authorities.

We'd like to thank the people we support, their families, local authorities and NHS Trusts for helping us try a new way of working – and to our colleagues for making it happen.

Supporting people into work

We all need a role that helps give our lives purpose and meaning. And people with a learning disability are no different.

We help people get ready for work through our apprenticeships, supported internship and traineeship schemes, which support people to develop new skills. Unfortunately, the challenges of Covid-19 meant the number of trainees was lower than we thought this year, and many apprenticeships paused.

In England we've worked with 543 employers to help:

350 people onto supported internships

51 people onto traineeships

2 people onto apprenticeships

233 people onto Employ Me programmes.

In Northern Ireland we run an employment project called Employability 2, which is funded by European Social Fund (ESF). The project supports people with a learning disability to build their skills and confidence to progress towards and into employment. The project focuses on matching interests and abilities to work placements. In 2021/22 we supported:

- 339 people with a learning disability to develop their employability skills. 216 of these trainees continue to be supported under ESF
- 31 leavers into paid employment during the year
- 45 leavers into full time education or training.

All of this was supported by six local teams.

We also deliver Workable NI, which is funded by The Department for Communities in Northern Ireland. In 2021/22 the programme supported:

- 55 people with a learning disability to sustain paid employment of 10 hours of more per week, by working with them and their employers.

This includes 11 people who progressed from Workable NI into unsupported employment during the 2021-22 year.

Building on people's strengths

We support learners to build on their strengths: what they can do, rather than what they can't.

All too often, people start our programmes feeling unconfident and hopeless. So, we begin by building self-esteem, confidence and independence. Our programmes encourage people to volunteer in their communities. This can mean helping at food banks, litter picking and planting trees. Each project gives people the chance to experience success and achievement – sometimes for the first time.

Alongside this, learners get classroom teaching and on the job training in work placements to develop practical skills, knowledge and experience.

31% of learners who complete our traineeship programme progress into further education programmes, unless they get a job. This could include a traineeship or an apprenticeship. A big advantage of delivering all three programmes means we can signpost between them.

Sadly, Covid-19 affected these services too. Some learners lost independence and social skills during long periods of isolation. We had to help them to rebuild their confidence and skills before they could develop more.

Despite this, in our evaluation, learners told us that after they had had support from us they felt more prepared to succeed, more resilient, confident and independent.

“

I was so happy that I had two parties in one day.

Aisha’s story:
Young Vic

“A few years ago, my brother told a friend that I was looking for a job and that’s how I was introduced to Mencap”

The first meeting was really positive. Then, Mencap got me onto their Traineeship Programme. It only took a few weeks to get on the course. I did the training for five weeks with about six other people. I was taught how to do interviews. We would do role play of work situations and I got some travel training, so I could get from my home to work. My placement was at the Young Vic Theatre, which I was really excited about. At the halfway point I was offered an interview for a job. My colleagues said, ‘you’ve got this one’, and I did! I was so happy that I had two parties in one day. A party at home and one at work with my colleagues.

We’ve got a good little team at the Young Vic. I work on a rota for 16 hours a week and sometimes at the weekends. My colleagues are very friendly and a good laugh. They feel like family. When I first started, I was so quiet. No one could get a word out of me except ‘hello’. Now, we go for lunch dates. I had a workplace buddy to show me what to do at first.

Some things are tricky like helping people to see the theatre programme on their phone, or telling people that they can’t change their seats, but you learn how to handle this with people skills. I sometimes get put in charge of groups of students – just like I did at school! There can be as many as 80 children sometimes! The Young Vic is great because you get to meet celebrities, and the directors of the plays can’t thank the ushers enough for being so warm in welcoming the audiences. Once, I was interviewed about my job by the BBC. The TV crew came to my house to film. My mum loved that, and it was watched halfway round the world by my family in Jamaica and Zimbabwe!”

Darren's story: Me Time

"When my partner passed away I was lonelier than ever. I was really unhappy. I would shout and lash out at people and I always had a sore hand because I would bite my hand. People did not want to be around me so I did not have any friends.

But eventually I got some help and I started going to the Me Time service run by Mencap. That's when things started to change for the better.

Staff helped me to cope with my feelings. We used traffic light cards that I would show staff to show how I was feeling. Eventually I stopped needing to use them and could just talk to a staff member or move myself away from situations.

I am much happier now and I hardly ever get upset and angry. I have a social life now too, and rather than drinking at home on my own I go to the pub for two pints with my friends.

I go to the garden project on one of my days at Me Time and I love it. I am very happy there. I have my own raised bed there which I helped to build and I can pick what I grow in there. At the moment I have some nice flower plants and a tomato plant.

Mencap gives me a reason to get up in the morning. If I did not go to Mencap I would just be alone at home watching TV all the time. That's no way to live. Coming to Mencap means I have a social life, and I can get help with any problems."

"Mencap gives me a reason to get up in the morning.

Me Time

Me Time is one of our programmes which gives people with a learning disability access to social, leisure and community-based activities.

In 2021/22 235 people have accessed our Me Time services.

Supporting young children and families

Getting the right support early on ensures better lives for children no matter what their background, ability or disability.

In Northern Ireland we support two-to-three-year-old children with developmental delay and their families with the Belfast Health and Social Care Trust (BHSCT) through our Royal Mencap Society Children's Centre. We see children before they're diagnosed and give them the right support to develop and be their best alongside an expert team of nurses, therapists, paediatricians and social workers.

Our Children's Centre aims to provide a stimulating, caring and therapeutic play environment, working in a multi-disciplinary approach. Colleagues use a variety of strategies and evidence-based approaches to meet every child's individual learning needs.

In Newham, England we are piloting a new approach to supporting families with children with additional needs that is built around putting families with lived experience at the centre.

Working together in Nottingham

Notts County Foundation have offered Me Time a base in their community hub – with full access to gyms, health and wellbeing suites and swimming. They want us to co-produce and run a community café at the site as well as co-design and produce graffiti and wall art for the centre.

Providing services people need

We conducted a comprehensive review of future activity and delivery in the context of our Big Plan. We wanted to understand whether the services were still relevant, needed and useful, and also wanted to make sure we are focused on the right activities. The review included 23 of Royal Mencap Society's activities across England, Wales and Northern Ireland with each assessed in relation to impact, delivery model and financial sustainability.

As a result, 10 activities were recommended to continue to be expanded, nine activities were recommended to transition out of Royal Mencap's Society control/lead and four activities ended during the review period.

LEVER

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Campaigning for change

We ask people with a learning disability what matters to them. They told us they are concerned about health, being in homes not hospitals, social care and work, as well as bullying and education. **We're campaigning hard in all these areas while also responding to new challenges as they arise**.

We campaign on health

Supporting people through Covid-19 and beyond

In early 2021 we successfully campaigned for people with a learning disability to get the Covid-19 vaccine as a priority. This was a major win since they were nearly four times more likely to die from Covid-19 than the rest of the population. This means people have been prioritised for boosters too. We are also raising concerns about remote GP consultations and other issues.

People with a learning disability die 25 years younger than the general population.

x3

They're three times more likely to die avoidable deaths.

x9

Asian people with a learning disability are over 9 times more likely to die in early adulthood.

Reducing avoidable deaths

Our Treat Me Well campaign supported Paula McGowan to succeed in her demands for the UK government to introduce the Oliver McGowan Mandatory Training in England. This will mean all health and care workers will understand people with a learning disability and autism better and as a result better meet their needs.

We led a consortium to pilot new training on learning disability and trained 2,775 health and care staff face-to-face in 2021. The training will now launch to 3.7 million NHS staff in England.

We worked with Baroness Hollins to secure an important clause to the new Health and Care Act which means this is now the law.

We also got a commitment for a nominated learning disability and autism lead on every Integrated Care System board so that learning disability is a high priority both for health and social care.

“

We were able to pay for some extra help so someone could come and film us and help us co-ordinate our project. We have been able to produce something meaningful that can be used not only now, but in the future too.

Birmingham Treat Me Well

We asked the Sheila McKechnie Foundation to do an independent review of our Treat Me Well campaign to see what worked.

They said:

- our campaign inspired lasting change – like the Oliver McGowan training and practical local changes including hospital passports
- group leaders learned new skills, including how to share what works and overcome barriers
- policy makers praised our credibility and influence with MPs and the media
- our ‘welcoming coaching’ approach supported family campaigners to make their voices heard.

We gave 18 Treat Me Well groups across England funding to support their campaigns on health during the pandemic. The funding fuelled groups to create podcasts to influence decision-makers, make informative videos and more.

Our Mid-Yorkshire group used the funding to launch a VIP Red Bag Scheme. The bags contain key items (like hospital passports) that people with a learning disability need to take into hospital.

Getting more people on the learning disability register in England

Not enough people with a learning disability are on the learning disability register – especially in Black and Asian communities. So, we’ve been working hard to spread awareness and encourage more people to join.

We continue to work closely with NHS England, the Race Equality Foundation and the Royal College of GPs (RCGP) to promote the learning disability register and annual health checks in England. In Wales we work with the Learning Disability Consortium to encourage take up of annual health checks. In Northern Ireland, people with a learning disability can use the Direct Enhanced Service (DES) for annual physical and mental health checks.

20,000
new people joined the register between 2020 and 2021.

We worked alongside Black, Asian and Minority Ethnic (B.A.M.E.) community groups to produce resources in different languages. We also used digital advertising in pharmacies, particularly targeting people from other diverse groups.

Next, we need to spread awareness of the register in GP surgeries. We’ll target 500 surgeries in the north of England with information packs.

Tackling the mental health crisis

Not enough support. Fewer services. Social isolation and loneliness. During the pandemic all these pressures made the mental health of people with a learning disability worse. Not to mention a higher risk of dying from the virus.

Royal Mencap Society’s Voices’ Council said action was needed. So right away we produced accessible information about mental health and the pandemic in partnership with the mental health charity, Mind.

Mental health will become a major focus for our future campaigning. We’re planning to raise the profile of poor mental health and change how it’s talked about.

We’ve already got funding from the UK Department of Digital, Culture, Media and Sport (DCMS) to do some research about loneliness and mental health for people with a learning disability during the pandemic. We’re working with the Foundation of People with a Learning Disability to explore partnerships around mental health.

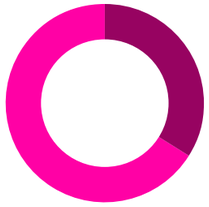
What’s next on health?

Over the next year we will:

- launch a multi-year mental health campaign
- continue to raise awareness of the learning disability register
- make sure that the new Integrated Care Systems in England tackle the health inequalities faced by people with a learning disability
- campaign on the cost-of-living crisis and the link to health and poverty.

We campaign on social care

Over 150,000 people with a learning disability and their families get social care support. But social care is still badly underfunded – and too many people with a learning disability are going without.



34% of the social care budget for working age disabled adults is spent on people with a learning disability.

It is important that this is maintained and people with a learning disability do not lose out on care as social care charging reform is rolled out.

We've campaigned very hard together with other organisations to create change in England – including influencing the social care reform white paper, the integration white paper and the all-important Health and Care Act.

Most people agree that the governments of all three nations need to act fast. But sadly, the money isn't there, and we're told it won't be any time soon. We've won some gains at a time when cost pressures are high. But the future could be extremely tough.

More money for social care

Independent bodies think the social care budget in England ought to rise by £8-12 billion. The Health and Care Levy will raise £12 billion a year, but most of that is going to the NHS and only 14% to social care. While this sounds a lot, it is not enough – especially with the changes the government want to make to charging for older people. This is a start. But people with a learning disability desperately need more.

We are one of the chairs of the Care Support Alliance – 70 organisations which represent care users – that campaign on social care. Together we inspired 20,000 people to write to their MP and 60,000 people to sign a petition calling on the UK government to fix social care and put more money into the system.

We generated **494 items of media coverage** on social care.

We ran a co-production pilot in Rhondda Cynon Taff to **influence commissioners** on how they use co-production in shaping social care.

We tried very hard to get a 'zero cap' implemented for under-40s to **combat unfair social care charging**, but were unsuccessful. We will continue to keep a close eye on social care charges and are worried that people with a learning disability won't have enough money to live on.

We host the Disabled Children's Partnership and sit on their steering group. They ran a very successful Give It Back campaign resulting in £30m investment in innovative best practice.

Getting social care for more people with a learning disability

The number of adults with a learning disability getting social care in England dropped by 2,470 between 2019/20 and 2020/21, from 155,400 to 152,930.

We think this might be due to Covid-19 as we know that many people had their care cut and Local Authorities were taking longer to assess people. Sadly, we also know that many people with a learning disability died during that time.

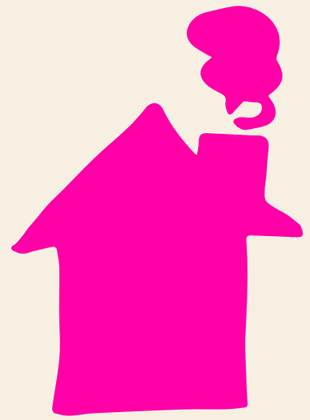
What's next?

We'll work with groups like the Care and Support Alliance on more high-profile campaigns like #SocialCareIsn'tFixed and the Future Social Care Coalition which campaigns on support worker pay and conditions.

We'll continue to influence government plans on social care reform to ensure people with a learning disability are included in all decisions made.

We campaign on securing Homes not Hospitals

We need to get people with a learning disability out of hospital and into a place they can call home. Sadly, despite our efforts, the system hasn't changed much – but we'll keep fighting.



There are 2,005 people with a learning disability in mental health hospitals or assessment and treatment units which they are not allowed to leave. Their average detention is 5.5 years.

4,820 reported restrictive interventions (restricting people's movement or freedom) were taken in one month (815 against under-18s).

Most independent units don't supply this information (even though they are required to), so the problem is probably much bigger.

This year:

- we supported 15 families to get legal support for their loved one to be released
- we generated 83 items of media coverage keeping up pressure and visibility of this human rights scandal and gave evidence to Parliament's Joint Committee on Human Rights
- we helped shine a spotlight on the deaths of people with a learning disability at the Cawston Park unit in Norfolk
- we supported families of people who were at Winterbourne View to produce a 10th anniversary report on the failure to deliver the change promised. We sent it to the Prime Minister and it was debated in Parliament.

Our work to tackle bullying

More people with a learning disability are bullied than the general public. This is not acceptable. We need to make sure bullying doesn't stand in the way of the health and happiness of anyone with a learning disability.

Better understanding bullying

By understanding bullying, we can try to stop it. In November 2021 we looked at recent research to guide our approach. We decided to focus on tackling online harms and bullying on social media and on changing attitudes by increasing the visibility of people with a learning disability.

Changing the Online Safety Bill

We influenced the Online Safety Bill so that people with a learning disability should be safer online. We've worked with social media companies to get abuse taken down quickly. We also campaigned for more focus on tackling legal but harmful content and accessible ways to report online harms to Ofcom.

"[Social media companies] can make it more obvious how you report abuse. They should put a big button to report abuse and make sure it's accessible and easy to use. In my experience, it took ages for them to get back to me. If you report something, they should get back to you quicker and also provide a number to call to speak to someone. Not everyone is good with using emails so it's good to have someone to speak to." Amy Clarke, who has a learning disability and is a Digital Assistant at Mencap, giving evidence in Parliament.

Meet the Myth Busters

Stopping bullying starts by changing attitudes, so in 2021 our Myth Busters campaign gave audiences the chance to meet people with a learning disability. They heard about their passions, hobbies and what it's really like to live with a learning disability.

We worked with photographer India Whiley-Morton, who has an aunt with a learning disability, to create a series of unique portraits and videos. You can see some of them in this report. We launched the campaign on BBC Breakfast where five of our Myth Busters were interviewed. We got lots of media coverage and social media engagement. We've had very positive feedback from policy makers, the media and the learning disability community about the campaign.

"I'm a sociable creative artist, skateboarder, explorer and people-watcher who wants to show the world that non-verbal teenagers with a learning disability can lead full, exciting lives."

Alastair Smith, Myth Buster

We campaign on work

Government figures show that only 6% of people with a learning disability known to their local authority are in paid work – these are probably people who receive social care or have applied for it, so not everyone in our last Big Learning Disability Survey, 23% told us they have a paid job – but that's still not good enough.

Many people with a learning disability would love to work but they face major obstacles. We're doing research to better understand these barriers to work and campaigning to change them.

Unlocking apprenticeships

Many people with a learning disability can't be apprentices because of the requirement for English and Maths qualifications. In our 2021 Accessibility of Apprenticeships Survey many of the employers surveyed told us they don't care whether people with a learning disability have these qualifications or not.

We met with the Minster of State for Apprenticeships and Skills' to share our findings, which the government accepted. We hope that they will now drop the requirement.

Changing Access to Work

We worked with the UK government to change the process for assessing people with a learning disability for Access to Work. This will reduce red tape and help people get support quicker.

Our work on education

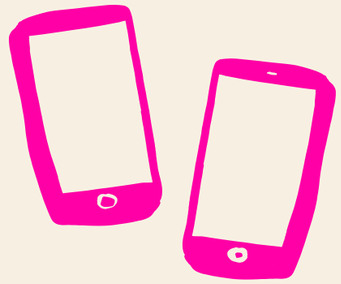
We are members of the Special Education Consortium who are the experts on education for people with a learning disability. Together we want to improve access to good quality education and keep children in local schools.

Changing the way we campaign

We've developed a new activism strategy. We want it to fuel a movement for change by encouraging people with a learning disability in local communities to come together and campaign for change.

We've held focus group discussions with people with a learning disability and their families from B.A.M.E communities and organisations representing their interests. We want to understand their specific experiences and barriers, and the support they require to live happy, productive and fulfilling lives and will build their views into our work.

We will make this happen next year.



Our media work and social media platforms support our campaigning work.

- **In 2021/22 we had 1,236 pieces of media coverage.**
- **We have over 340,000 followers on Twitter, Facebook, Instagram and LinkedIn.**

LEVER

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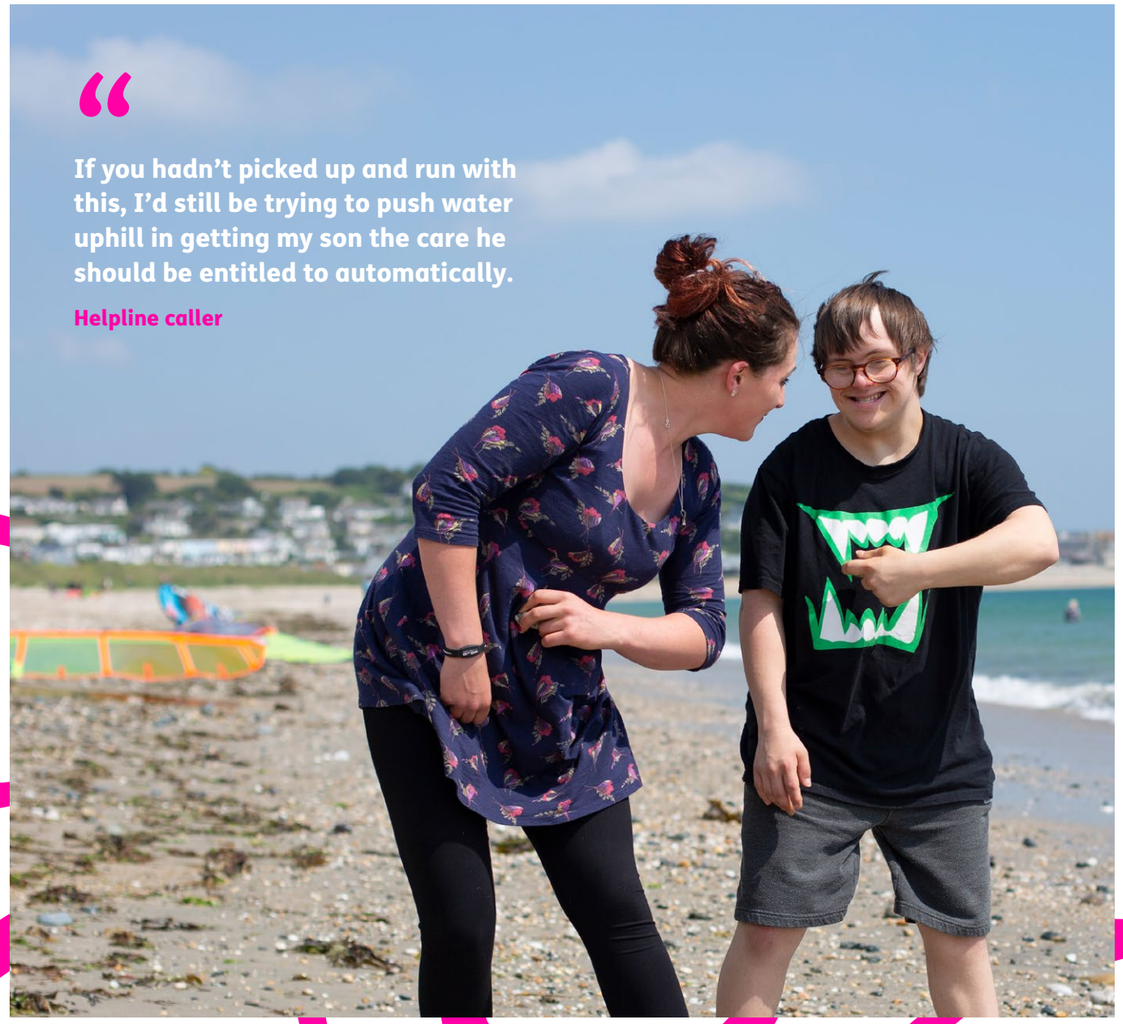
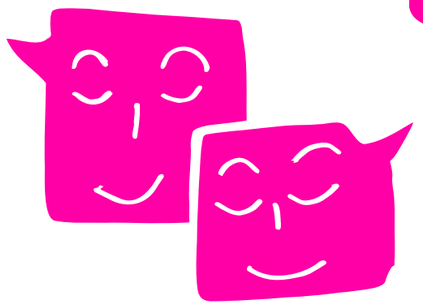
Supporting people with information and advice



"If you hadn't picked up and run with this, I'd still be trying to push water uphill in getting my son the care he should be entitled to automatically.

Helpline caller

Through our Learning Disability Information and Advice service, we provide vital support for anyone with a learning disability, their families and carers.



People get in touch with us for many reasons. They may need help getting the rights they deserve. Or ways to keep people safe and ensure their needs are met. Their biggest problem is getting the right care and support.

Responding to the pandemic

It's been a challenging year and we're very proud of our brilliant team. Their hard work and care helped us handle over 11,000 calls.

At the start of the year, we were busy responding to people's problems about Covid-19. Even after the peak, people were looking for information about getting the vaccine, advice about shielding, antivirals and visiting loved ones. Some of the calls were emergencies including a race to get hold of lifesaving antiviral treatments.

The pandemic hit social care hard. Many services, in particular day services and respite care, closed and haven't re-opened. We had many reports of people having their care packages reduced or removed because they have been unable to access services for months.

We've advised people on challenging cuts and closures and tackling problems with benefits. We fund our partners at Access Social Care to support the people we refer to them with legal advice to help them get their rightful packages of care. We also pay them to provide legal support for people sectioned under the Mental Health Act. We've helped families stop loved ones going into completely unsuitable inpatient units. We've also helped others get discharged.

People need help with the cost of living

Calls about Covid-19 are falling – but the problems it caused are increasing. Now, we're supporting people to get their care packages reinstated, get vaccines and get back out into society. Cost of living increases will affect us all over the next year – and lead to more calls.

Price rises will be tough on everyone, but people with a learning disability will have an even tougher time as many people need help to budget; often need to shop around for cheaper food and their energy costs are often higher. We're really worried about what comes next.

We need to support more people

We asked for an independent review of our Helpline. It confirmed just how vital the helpline is to people with a learning disability, but also that it is overstretched. Next year we will employ two new people, including someone who can speak languages other than English – because we want to support people where English is not the first language. We'll also investigate on-demand translation and create an online hub of information and advice like the one we developed during Covid-19 (though many people prefer a phone call to going online).

Our helpline number is
0808 808 1111

Reece's story:
Homes not hospitals

Reece's mum, Susie, contacted Mencap for help after Reece was removed from his family home, at the age of 24, when his behaviour and support needs changed. Reece has a learning disability, autism and is non-verbal.

Reece, his mum and younger brother are from Birmingham but had moved to Cheshire temporarily, to help care for Reece's grandma. This meant they were away from family support networks. Reece had also recently stopped going to college, which he had really enjoyed. The family were due to move to better housing, but in the meantime Reece did not have his own bedroom which is important for his needs.

In response to Reece having some unsettled behaviours, social services suggested he should go into a 24-hour care placement. Reece's mum asked them to hold off making any major changes but the local authority removed him and placed him in a residential respite service.

Reece's distress at being kept away from home led to his health and mental state deteriorating. Eventually he was sectioned under the Mental Health Act and was being detained in a mental health inpatient unit. By then Reece's grandmother has passed away and the family needed to move back to Birmingham, but were having to stay in Cheshire, almost 100 miles away from their home area, to be near Reece and be able to visit him.

Reece's mum was desperate to have him discharged back into her care, but felt like no one was listening to her or involving her in planning for Reece's future. It was nearly two years since Reece had been removed from home, and he was getting more and more distressed and unwell.

Reece was expressing this through increasingly challenging behaviours including biting, destroying furniture, refusing to eat and making himself sick. Staff were concerned about his weight loss and other health issues, but his mum felt they were not understanding the causes of his behaviours, including boredom, missing home, and sensory problems from being in a noisy and disruptive hospital environment. Instead he was being physically restrained, kept in isolation with four to one staffing at times, and put on strong medication which he had never needed when living at home.

Professionals responsible for Reece's community support had started contacting care homes and other services in Cheshire about a placement for him to be discharged to. But they had failed to carry out a Care Act needs assessment, which was the vital first step needed to understand, with help from family, what would work for Reece in the community.

Jason's story:
What it feels like to be denied the support you need

Jason was diagnosed with a learning disability at 12. Now in his forties he's in supported living and finds it difficult to express himself – especially when he's unwell. Which is why his annual health check is so important.

So, his father Michael was shocked to find he'd been taken off the learning disability register. This meant no more annual health checks.

Michael called our helpline for advice. We gave him the facts he needed to help Jason get back on the register. While it wasn't easy (his GP didn't understand the criteria) our support meant success. And that means Jason's essential health checks are back.

Incredibly, Jason isn't the only person to be wrongly denied treatment. There are many families that desperately need our help and advice.

Our Wales Learning Disability Helpline

Our Wales Learning Disability Helpline is funded by the Welsh Government until March 2025. As well as responding to enquiries through the 0808 8000 300 number, email and social media, the three regional caseworkers do face-to-face support and outreach. They visit spaces and events where people with a learning disability and their families meet.

In 2021/2022 the Wales Learning Disability Helpline received **1,216 enquiries** (988 through the helpline number directly).

21% **were about emotional support and loneliness.**

20% **were about health and social care.**

12% **were about Welsh Government and Covid-19 rules.**

36% **were complex cases.**

2% **were about safeguarding support.**

Royal Mencap Society in Wales (Mencap Cymru), also runs a specialist tenancy and housing information and support service working with 166 people in one local authority in South Wales. It supports people with a learning disability or autism with their tenancies from money and benefit support, tenancy agreements to care and repair of their properties.

Mencap Cymru is currently looking for funding to test a model which works more closely within one Regional Partnership Area. We want to see if this improves outcomes for those who contact the Helpline and supports a more collaborative and co-produced Advice, Information and Advocacy service.

Activity: Information and Advice

Over 400,000
people visited the information and advice pages on our website

During the year we received
11,312 enquiries

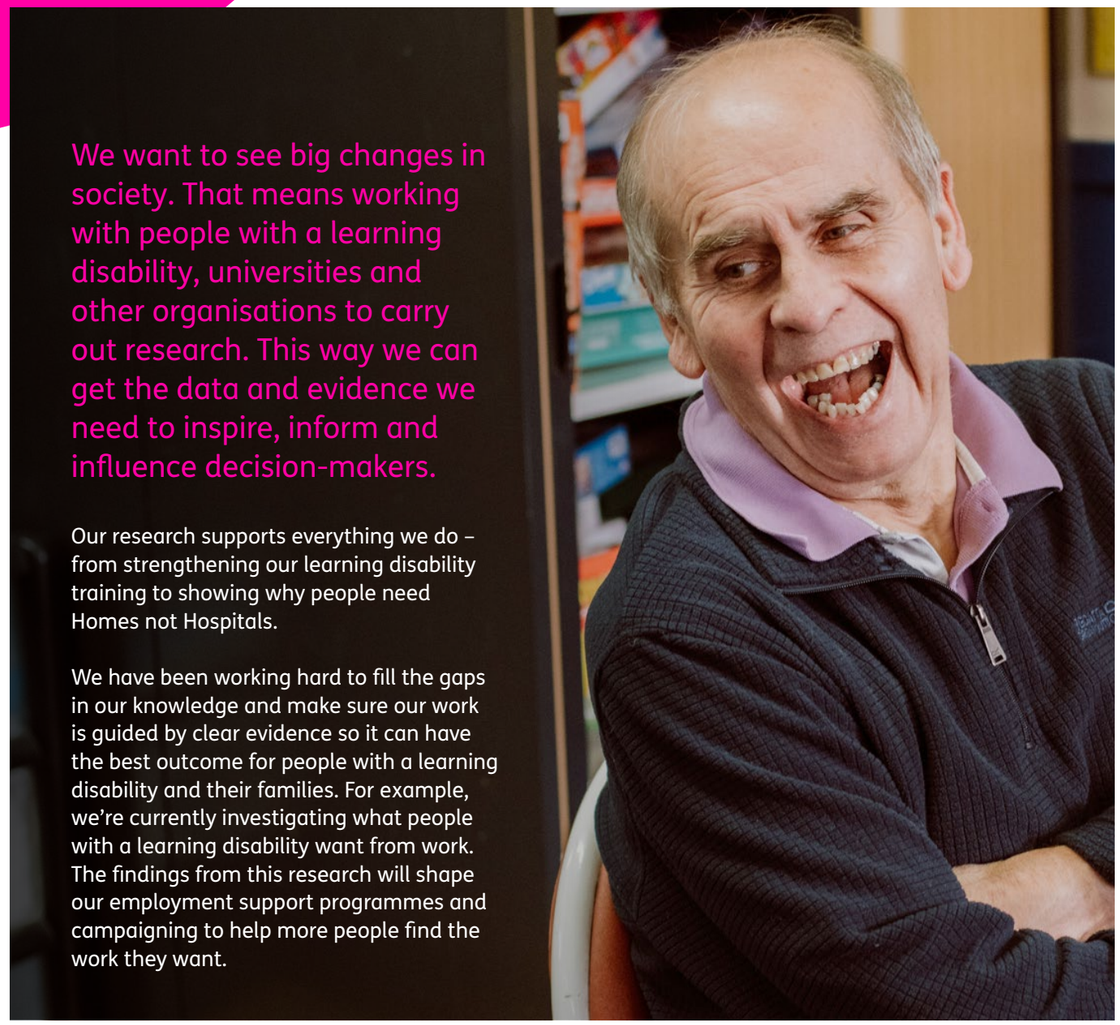
The top five subjects people called about were:

1. **Social care:** assessments, cuts to care packages, charges to care packages
2. **Benefits and money**
3. **Safeguarding and concerns for welfare**
4. **Getting a diagnosis of a learning disability**
5. **Mental capacity**

LEVER

4

Researching and evaluating complex issues and opportunities



We want to see big changes in society. That means working with people with a learning disability, universities and other organisations to carry out research. This way we can get the data and evidence we need to inspire, inform and influence decision-makers.

Our research supports everything we do – from strengthening our learning disability training to showing why people need Homes not Hospitals.

We have been working hard to fill the gaps in our knowledge and make sure our work is guided by clear evidence so it can have the best outcome for people with a learning disability and their families. For example, we're currently investigating what people with a learning disability want from work. The findings from this research will shape our employment support programmes and campaigning to help more people find the work they want.

Fighting bullying

Our research tells us that many people with a learning disability experience bullying, both online and in person. That's why we're working with the Tizard Centre at the University of Kent on the **Safer Online Lives project**, to research internet use and safety for adults with a learning disability.

It's also why we partnered with University College London (UCL) on the **STORM (Standing Up for Myself) project**. STORM is a group programme designed to help people with a learning disability to feel good, say no to bad attitudes and actions, and speak up for themselves.

Work research

We are working with the National Development Team for Inclusion (NDTI) to conduct some research about work and learning disability. We are speaking to people with a learning disability from across the UK to find out what they want when it comes to work, and what factors impact the aspirations and barriers experienced by people with a learning disability in this area.

We will also be speaking to employers to understand what would motivate them to employ more people with a learning disability, and what else can be done to help address the known barriers to people with a learning disability gaining and maintaining paid work.

We have designed the research to gain a better understanding of what could influence a long-term UK-wide change to employing people with a learning disability. We look forward to sharing the results from this research in next year's annual review.

"I want there to be more job opportunities"

"It's important to have people with a learning disability who are also researchers. They have lived experience and know more about what things benefit people with a learning disability and what things don't.

I've helped Mencap produce a national survey to get an understanding of what support and services people with a learning disability in the UK need, and what issues they may face in their day to day lives.

Changes I want to see for people with a learning disability include fairer treatment in the workplace, public transport, and public spaces. I want more people to be understanding in these places. I want there to be more job opportunities for people with a learning disability because they can have lots of skills that will be useful. Also, so they don't get bored and can make their own money."

Mo Hakim, Research Champion

LEVER 5

Supporting people to build their own capabilities to find local solutions

All communities have strengths and every citizen has power. Together, we can focus this energy to make society better for everyone with a learning disability.

In 2022 we launched our new approach to working with communities. Our aim is to support people in any way we can to build their own capabilities to find local solutions.

We want to empower people to:

- come together in their communities to recognise the problems they want to solve
- pool their knowledge and resources to find a solution
- make the solution happen.

Five reasons community counts

Our community approach...

1. **Motivates people by starting with their strengths.**
2. **Makes solutions more sustainable since people feel part of them.**
3. **Breaks down barriers between services and the community and brings people together to combat loneliness.**
4. **Provides people with new skills and knowledge.**
5. **Builds more inclusive and representative communities by getting everyone involved in making decisions.**

We're currently facilitating pilot projects with 14 communities around the UK. We'll learn from our experiences to improve our approach and be more effective.

Our work in Newham

In Newham we are piloting a new approach to supporting families with children with additional needs that is built around putting families with lived experience at the centre.

Our Family Connectors – parents with lived experience – have engaged and built a network of more than 500 families across the borough. These families have been able to access EPAtS (Early Positive Approach to Support) courses, peer networks for emotional support and practical tips and advice on matters ranging from how to access Disability Living Allowance, to support with housing and food to toys and accessible play.

The Family Connectors have also worked with the local authority in Newham to share insight and expertise to shape the local offer; professionals and service providers reported valuing this insight and feedback about the challenges families are facing.

We want to continue to extend and embed this work; there is still more we need to do to overcome structural inequalities in Newham – including poverty, stigma and language barriers – to ensure all families can access the support they need. We know that the emotional and practical support is highly valued by the families we are engaging.

Feedback from family members:

"This is what I like about you guys, the parent experience, this is who parents prefer to talk to, especially face-to-face! It's so helpful hearing another person's story, it just really calms you."

"Thank you so much for your support, I am alone and don't know much around this area so it's so helpful you guys are there for us, any information you give us small or big really helps us."

"I look forward to this meeting, I count my days from Tuesday to next Tuesday and my husband keeps asking why am I so excited to attend this group, and I tell him you don't understand how this group is so good, you talk to people. My morning coffee was lovely chatting to this group."

"This is the place to come, only place I need, they are my family."

Our wider community projects and programmes

With the support of funding and other organisations and services, including our Royal Mencap Society groups, we develop and deliver projects and programmes to promote inclusion for people with a learning disability in their local communities.

These range from sport and physical activity projects, to attending gigs and volunteering to empowering people to 'get digital'. All our projects and programmes support people with a learning disability to build stronger friendships and relationships, and be better connected to their communities.

This year, we have:

1,295 people doing our Round the World Challenge (a fun physical activity challenge).

843 people taking part in All Move (physical activity for schools and youth groups).

659 people taking part in Gateway Award (helping people develop confidence and experience new things).

121 people taking part in Gig Buddies (supporting people to see live shows).

3,210 people getting access to digital equipment through 'Let's Get Digital'.

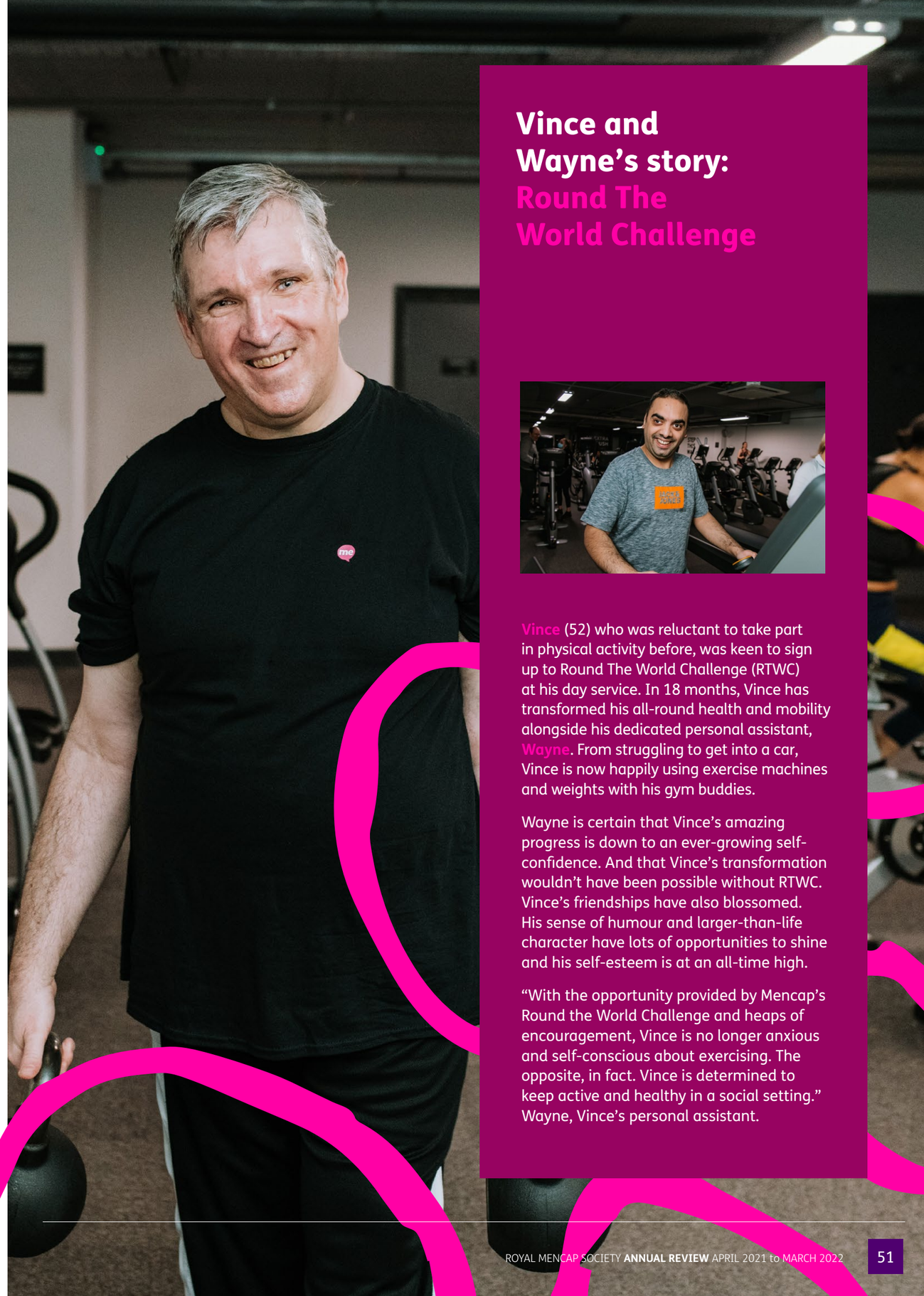
Polly's story: All Move

Polly is 13 and is in Year 8 at her school in Cornwall, which has a team specialising in autism and special needs. This is where Polly got involved in All Move.

Polly has enjoyed personal fitness, frisbee golf, athletics and boccia. Polly and her peers recently got to give paddle boarding and gorge walking a go. This was a reward for all their efforts and an adventure funded by All Move.

"I love All Move – it makes me really excited when I get to go,"
Polly.

"Since she's been involved in All Move, Polly's attitude towards sport has changed. She just keeps getting fitter and fitter. Polly loved the river, swimming and jumping off rocks. Clearly Polly had an absolute blast! She wore her medal all evening and had it by her bed at night."
Polly's mum.



Vince and Wayne's story: Round The World Challenge

Vince (52) who was reluctant to take part in physical activity before, was keen to sign up to Round The World Challenge (RTWC) at his day service. In 18 months, Vince has transformed his all-round health and mobility alongside his dedicated personal assistant, Wayne. From struggling to get into a car, Vince is now happily using exercise machines and weights with his gym buddies.

Wayne is certain that Vince's amazing progress is down to an ever-growing self-confidence. And that Vince's transformation wouldn't have been possible without RTWC. Vince's friendships have also blossomed. His sense of humour and larger-than-life character have lots of opportunities to shine and his self-esteem is at an all-time high.

"With the opportunity provided by Mencap's Round the World Challenge and heaps of encouragement, Vince is no longer anxious and self-conscious about exercising. The opposite, in fact. Vince is determined to keep active and healthy in a social setting."
Wayne, Vince's personal assistant.

Tommy & Martha's Story: Gig Buddies

Gig Buddies brings people with and without a learning disability together who share all types of interests, like Tommy and Martha.

It's a fantastic initiative that's helping to form lasting friendships, making sure that young people with a learning disability don't miss out on a social life.

Martha and Tommy were first matched in 2020 and, even during lockdown, kept in touch every other week by Zoom. This included online sing-alongs, given their love for live music and theatre. Since then they meet up for picnics, go on trips to see musicals and have done their first gig together – delivering some roof-raising covers, including Queen's 'Somebody to love'.

"I love Martha as a bestie. She is lovely, she is so much fun. Gig Buddies has given me more things to do. Martha has been fabulous."
Tommy.

"I never knew a lot about learning disability, but I knew I wanted to know more. Moving to Hull to start university, I was also keen to explore my new city. So when I came across Gig Buddies I knew I had found the perfect opportunity. Tommy has got so much passion and energy, he's also so kind. I don't think about learning disability when I'm with Tommy. It's just one part of him, like that I have brown hair. I think we will be friends for a very, very long time."
Martha.

Our shops

Income from our shops has risen a quarter since 2019 – and we know they've even more potential.

Our shops employ people with a learning disability and have an army of great volunteers who help out and gain useful employment training at the same time. They are also a great way to increase visibility of people with a learning disability in communities. We've been developing plans to turn them into community hubs (though it's early days) and are talking to people with a learning disability about what they want. Our shops could be real community assets for local people.

"Volunteering in Mencap has changed my life – when I joined, I was a totally different person, quiet, depressed and afraid to come into contact with other people, now I am the opposite."
Sharon, shop volunteer

"I really like working here it's fun and makes me very happy."
Mike, shop volunteer

"I just really love working at Mencap and sorting the stock."
Joanne, shop volunteer

"I have volunteered for Mencap for four years – I love it and enjoy processing the stock and finding out if we have made our targets. Damon is such a lovely manager and it feels like we are a big Mencap family."
Wendy, shop volunteer

OUR PEOPLE

We're committed to making Royal Mencap Society a fun, inspiring, rewarding and inclusive place to work

During the financial year, on average **8,009 people worked for Royal Mencap Society.**

As of March 2022, **6,097 worked as support workers.**

We employ **207 colleagues with a learning disability.**

10.5% of our workforce are from **Black, Asian or Minority Ethnic backgrounds.**

75.4% of our colleagues are women – including our CEO, Edel Harris.

Rewarding our people

Our pay and reward strategy has four core principles.

1. **Competitive pay to attract and keep great colleagues.**
2. **Being leaders in valuing social care work.**
3. **Attractive and flexible benefits for everyone.**
4. **Being honest and fair about pay and reward.**

We have invested significantly in pay, weighted heavily towards our support worker colleagues. We also enhanced wider benefits such as introducing paid dependents leave for everyone.

We have a three-year plan to create additional improvements for our colleagues. In 2022/23, we will simplify our sleep in pay and further enhance the support worker hourly rate.

Engaging our colleagues

We value listening and want people to feel supported and informed and know that we celebrate their success. Royal Mencap Society colleagues can connect through many communication channels, targeted to their roles and locations.

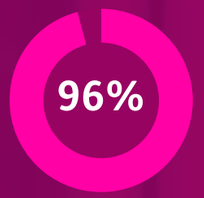
Our digital portal MyMencap provides access to information, systems and support. Meanwhile, Yammer, our internal social network, allows our people to share stories and get advice from peers.

Our online live events mean colleagues can speak directly to the executive team as well as professionals from other organisations. And listening exercises like our annual engagement survey, The Big Listen, enable colleagues to give us valuable feedback on their experience of work at Royal Mencap Society.

Our new leadership team

We have set up a bigger leadership team across the organisation to have greater diversity in decision making. This includes four colleagues with a learning disability and 8% are from Black, Asian or Minority Ethnic backgrounds.

Nearly nine out of ten (89%) colleagues have completed our anti-racism module and pledged to tackle racism in the workplace.



96% of colleagues have completed the Don't Walk By Training module and pledge to tackle bullying and harassment in the workplace.

96% of colleagues have completed our Sexual Harassment training module.

Our target will remain 100%!

Becoming an inclusive organisation

EDI stands for Equity, Diversity and Inclusion – and through our EDI work we're committed to ensuring fair treatment and opportunity for all and in becoming an anti-racist organisation. Our focus on EDI is already raising awareness and creating change. It is a start, but we know there's much more to do.

Colleagues are telling us about their experiences and asking us to act so that we can make Royal Mencap Society an even better place to work. Overall, we believe we've built a case for change, gathered data and put formal accountability in place. We know that making EDI an everyday part of Royal Mencap Society means working towards a sustained change in behaviours and attitudes.

We've launched a leadership EDI learning and development eight-month programme – mandatory for all members of our leadership team and trustees. We've also developed and launched mutual mentoring and leadership sponsorship programmes. These are focused on breaking down barriers and connecting voices from different backgrounds. We've also established a number of Colleague Network Groups, including a B.A.M.E. Network, a Disability Network, and a Women's Network. This is a good start, but there's a lot of hard work to do to make a real difference.

Thank you to all our incredible volunteers!

Our amazing volunteers support people with a learning disability to live healthy and happy lives. This year we were fortunate to benefit from the time, skills and experience of over 800 volunteers. This includes 508 supporting our retail stores and fundraising activities, and 247 providing direct support to people with a learning disability like sharing hobbies, community-based activities and supporting our lifestyles and work programmes. The percentage of volunteers with a learning disability has doubled to 16%.

Income generation and fundraising activities

Fundraising has continued to face many challenges in the past year as the impact from the pandemic continued to affect many traditional fundraising income streams.

Despite this, our gross voluntary income in 2021/22 was £13.96m. This is a reduction of 26% from 2020/21. The decrease was mainly due to us having benefited from extensive one-off emergency Covid–19 funding in 2020/21. Our income in 2021/22 was aligned to our plans and forecasts.

Our approach to fundraising includes:

- encouraging people to remember us in their will
- securing donations from corporate partners, philanthropists and charitable trusts
- direct marketing appeals, raffles and weekly lottery campaigns to people who have already showed an interest in supporting people with a learning disability through Royal Mencap Society
- encouraging people to take part in events to raise funds on our behalf
- community fundraising activities.

Supporting volunteers

Pears Foundation, in partnership with the Department for Digital, Culture, Media and Sport (DCMS), has generously supported a two-year programme in three places across England. Part of the Volunteering Futures Fund, the investment will enable people with a learning disability in Tameside, Nottingham and Islington to be connected to, and included in, the place they live through volunteering.

As a result, people with a learning disability will be able to spend more time in their communities with the support and connections they need to have fun and stay safe.

Let's Get Digital

Pears Foundation and DCMS also funded our 'Let's Get Digital' Programme. The project closed in March 2022 and over 16 months it worked with 103 community organisations, supporting them to build their digital capability and support more people with a learning disability to 'get digital' and make the most of being online. In addition, Pears Foundation has also been supporting our community led, asset and place-based approaches in three locations across England. Our community led programme in Newham has engaged with and developed a network of 900 families, and together are identifying solutions to the challenges they are facing.

Going to great 'lengths'

In 2021, a group of fundraisers called the Mencap Marvels set off to swim the English Channel, a distance of 22 miles, and raise funds for Royal Mencap Society. They did just that, raising over £33,000 and making their way through the icy waters to Calais! Not content with their amazing total this year a new group led by Nikki Pope are taking on the challenge again. This year there will be the chance for others to join her swimming lengths in their local pool.

Building community partnerships

Our longstanding partner, Sport England, has continued to support our physical activity provision for people with a learning disability. Through the Tackling Inequalities Fund, they enabled us to work with Network Partners and local learning disability organisations across the country to adapt and strengthen their physical activity offer both during and as we came out of the pandemic, as well as build and grow community partnerships. Sport England has also funded the Round the World Challenge (RTWC), a fun, physical activity challenge. In the past year we have worked with 104 organisations who have supported over 1,000 people to lead a healthy and active lifestyle.

Impact of fundraised income

Fundraised Income
£13,960,000

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Total Expenditure
£11,905,000

£2,048,000	Campaigning for Change[1] IMPACT: SEE LEVER 2 PAGE 32
£641,000	Supporting people with information and advice[2] IMPACT: SEE LEVER 3 PAGE 40
£298,000	Researching & evaluating complex issues and opportunities IMPACT: SEE LEVER 4 PAGE 46
£4,589,000	Supporting people to build their own capabilities to find local solutions[3] IMPACT: SEE LEVER 5 PAGE 48
£273,000	Supporting our work in Wales
£341,000	Supporting our work in Northern Ireland IMPACT: SEE LEVER 1, LEVER 3 & LEVER 5
£334,000	Contribution to wider governance costs to keep our organisation safe
£3,381,000	Raising funds

=

Net Position for 2021/22
£2,055,000

\+

Add back*
£698,000

=

= Fundraising to invest in our strategy
£2,753,000

Royal Mencap Society has earmarked these funds to be spent on Levers 2 to Levers 5 of the strategy in future years.

NOTES:

1. The Campaigning for Change expenditure separately discloses our work in Wales and Northern Ireland.
2. This expenditure does not include Mencap Trust Company activity and programmes in Wales and Northern Ireland funded from other sources.
3. This includes our spend in Communities and Programmes and fundraised work in Inclusive Communities and Partnerships.

* Adjust for spend relating to restricted income received in previous financial years.

Hitting the ground running

In October 2021, when the physical race returned to London, the incredible Raj Singh (better known as the Skipping Sikh) completed the London marathon in aid of Royal Mencap Society, in the same month he turned 75.

Raj ran for Royal Mencap Society because he has met many people with a learning disability through his volunteering, and they've inspired him to support our work. Raj raised an incredible £5,090 to support people with a learning disability across the UK.

We would like to thank all our marathon runners who finally got to run the race raising an amazing £484,000 in 2021-22 on top of all the funds they had already raised in previous years.

Thank you so much!

We remain very grateful to all our extremely generous supporters. You enable us to continue to deliver our support at a time when demand for our help has been higher than ever before.

Fair fundraising

We comply with the latest fundraising guidelines from the Fundraising Regulator, Gambling Commission and Charity Commission. 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 times where people 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 among 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 we give regular feedback. We also have a supporter care team who can be contacted by telephone or e-mail about any problems around our fundraising.

Our events and community fundraising team provide people fundraising on our behalf with clear guidance about what we expect from them. They also maintain regular contact to provide them with support and to monitor their activities and progress.

In the year ending 31 March 2022, we received 22 complaints through our supporter care team and other channels related to fundraising activity. Of the 22 complaints, 11 related to direct mailings and 11 were related to stewardship activity. All complaints were recorded and addressed appropriately. To set this in context, we make well over 100,000 donor contacts every year.

To protect vulnerable people and other members of the public, Royal Mencap Society has a vulnerable customer policy in place, and a fundraising promise on our website. The fundraising team is required to complete enhanced General Data Protection Regulation training and all fundraising teams have policy and procedure handbooks which they are required to follow.

We are careful to protect the private data of our supporters, and give them clear choices 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. 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 Royal Mencap Society.

Improving diversity of our supporters, donors and online community

We're taking practical steps to boost diversity. These steps include:

- offering support to diverse communities with the application process for the London Marathon
- incorporating diversity and inclusion into all our corporate partnerships and creating best practice resources
- fully involving people with a learning disability in our recognition and stewardship programme
- testing our digital ads to ensure we have the right ask for the right audiences and that we are reaching a wider, more diverse range of people.

We would like to thank every one of our donors for helping us ensure that people with a learning disability can live happy and healthy lives.

Our environmental impact

As last year's annual report shows, our carbon emissions fell considerably due to the pandemic when we did less travelling and didn't need to heat our offices.

Our aim this year has been to use the possibilities offered by technology to maintain some of these environmental benefits.

Our business model of providing care in supported living settings does not lend itself to making easy gains in this area.

We provide support to people in their own homes and are less able to make those homes more energy efficient. Furthermore, with the ongoing requirements for everyone working in social care to wear full PPE, our levels of waste have increased significantly. However, we have been trying to do what we can and take our responsibility for the environment seriously. Our sustainability strategy was agreed in 2020 and we've been focusing on ways we can operate in a more environmentally sustainable way.

A colleague led Mencap Goes Green group continues to drive forward improvements in how we can be as sustainable and eco-friendly as we can. Small changes like removing bins in offices drives up recycling, and over 90% of our waste has been diverted from landfill through PHS, our clinical, hazardous and sanitary waste supplier. The Mencap Goes Green Group have also installed four electric car charging points and promoted our cycle to work scheme.

Our Children's Centre in Belfast successfully received funding from National Lottery Living Spaces, enabling us to make improvements to the building and its surrounding green spaces that have benefitted local wildlife.

Within our retail stores we recycle wherever possible, including damaged and unsold donations which would typically include textiles, shoes, and cardboard. Through the use of Rag Merchants, we saved 269 tonnes of waste from going to landfill, an increase in tonnage of 68% from 2020/21. As well as removing all customer plastic bags, we have removed all cellophane wrapping from our Everyday and Christmas Card ranges, moving to either no packaging for single cards or cardboard boxes for Christmas. We are currently working on reducing the plastic used in our stock movement processes.

Summary reporting

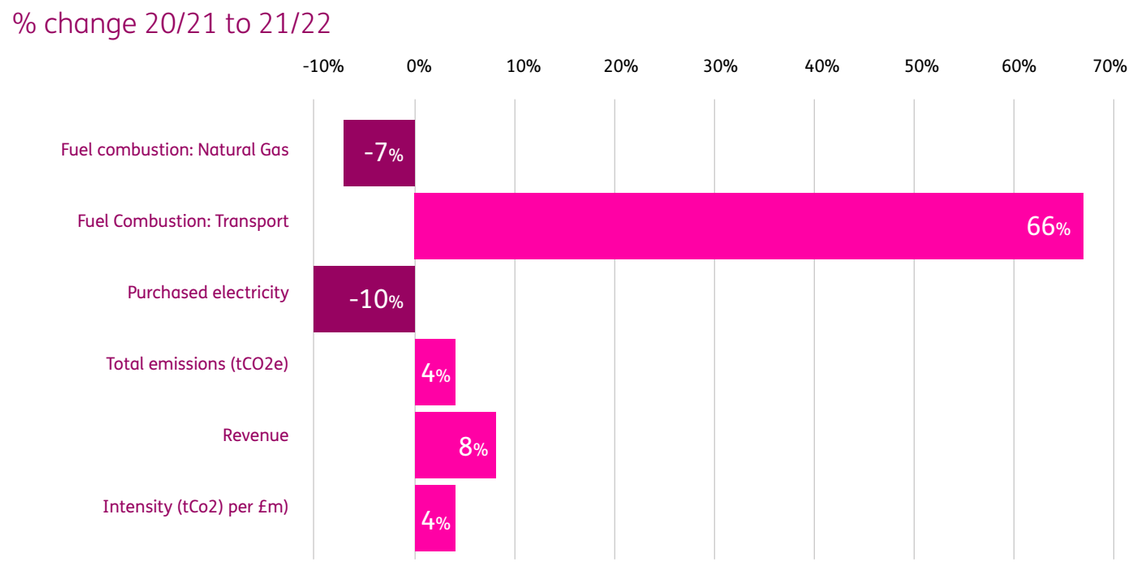
Below are our location-based total greenhouse gas emissions for the year ending March 2022. Total location-based emissions were 3,354 tonnes CO_2 equivalent (tCO_2e). This is an increase of 4% when compared to 2020/21 (3,236 tCO_2e). This increase was mainly driven by the 66% year-on-year increase in emissions from transport. This reflects the fact that transport increased as the country emerged out of Covid-19 lockdowns.

It is important to note that whilst there has been a small increase, our commitment to learning from what worked during the pandemic (for instance maintaining our hybrid approach to office based and home working) has meant that we remain significantly below our 2019/20 total emissions of 4,385 tCO_2e.

An emissions intensity ratio has been calculated, expressing annual emissions in relation to a quantifiable indicator of business activity. The location-based intensity ratio for 2021/22 is 14.03 tCO_2e per million pound of revenue (£m). This is an increase of 4% compared to 2020/21 (13.60 tCO_2e per £m).

Table 1 Location based greenhouse gas emissions by year (tonnes CO_2e)

	21/22	20/21	19/20	% share	% change 20/21 to 21/22
Fuel combustion: Natural Gas	1,580	1,703	1,747	**47%**	-7%
Fuel Combustion: Transport	864	521	1,356	**26%**	66%
Purchased electricity	909	1,012	1,282	**27%**	-10%
Total emissions (tCO2e)	3,354	3,236	4,385	**100%**	4%
Revenue	£239m	£238m	£220m		8%
Intensity (tCo2) per £m)	14.03	13.60	19.93		4%



The next table provides analysis of greenhouse gas emissions by scope. Scopes are defined as:

- Scope 1 Natural gas and company operated transport
- Scope 2 Electricity
- Scope 3 Losses from electricity distribution and transmission, private vehicles used for business travel

The gross greenhouse gas emissions figure includes all material scope 1, 2 and 3 emissions required to be disclosed by the SECR legislation; that is the emissions associated with the combustion of gas, the consumption of fuel for transport, and the import of electricity. Scope 3 emissions associated with the losses incurred by the transport and distribution of the imported electricity are also disclosed voluntarily.

Table 2 – Greenhouse gas emissions by scope (tonnes CO_2e)

	21/22	20/21	19/20	% share	% change 20/21 to 21/22
Scope 1	1,581	1,709	1,801	**53%**	-7%
Scope 2	0	932	1,181	**29%**	-100%
Scope 3	937	595	1,403	**18%**	57%
Total emissions (tCO_2e)	2,518	3,236	4,385	**100%**	-22%

% change 20/21 to 21/22

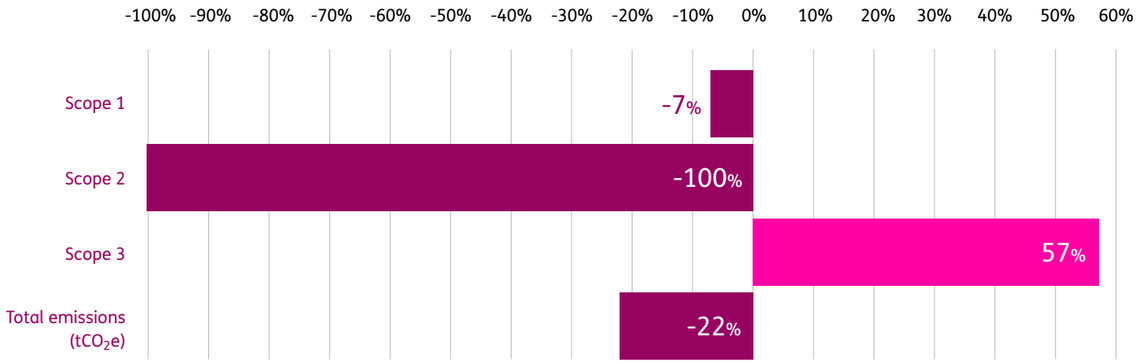
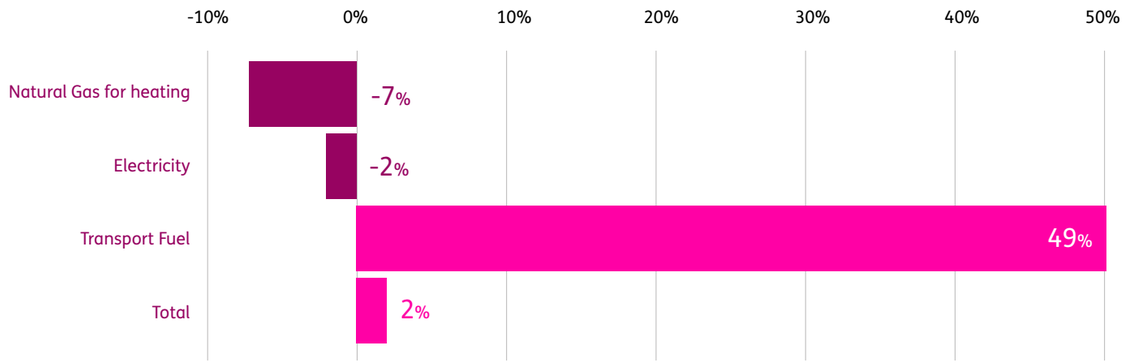


Table 3 – Energy consumption

	21/22 kWh	20/21 kWh	19/20 kWh	% share	% change 20/21 to 21/22
Natural Gas for heating	8,627,114	9,262,613	9,503,525	**55%**	-7%
Electricity	3,934,355	3,998,451	4,622,047	**25%**	-2%
Transport Fuel	3,133,156	2,099,395	5,293,791	**20%**	49%
Total	15,694,655	15,360,460	19,419,363	**100%**	2%

% change 20/21 to 21/22



The table above provides an analysis of energy consumption. It shows that total consumption has stayed relatively the same with the increase in transport fuel being mitigated in reductions for natural gas and electricity.

The reductions reflect the reduced use of our offices during 2021/22. The analysis also shows that we have maintained a significant reduction in greenhouse gas emission compared to the pre-pandemic 2019/20 figures.

Boundary, methodology and exclusions

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary. This approach captures emissions associated with the operation of all buildings.

This information was collected and reported in line with the methodology set out in the UK government's Environmental Reporting Guidelines, 2019. Emissions have been calculated using the latest conversion factors provided by the UK government. There are no material omissions from the mandatory reporting scope. The figures in the tables above have been provided by our energy supplier Inenco.

Structure, Governance and Management

Our main governing document is our Articles of Association which was last amended on 16 May 2019.

Our structure

Royal Mencap Society's board of trustees, who are also its directors under company law, has overall responsibility for the charity. The board of trustees ensure Royal Mencap Society achieve its charitable objects. These are to advance the health, education and the wellbeing of people with a learning disability and their families and carers. Royal Mencap Society's board does this by setting the strategic direction of the charity and delegating operational decision-making to Royal Mencap Society's chief executive and executive team.

How we are run

Royal Mencap Society is a company limited by guarantee (registration number 550457) and a registered charity regulated by the Charity Commission for England and Wales (registered number 222377) and with the Office of the Scottish Charity Regulator (registered number SC041079).

The approach to recruiting and appointing new members of the Royal Mencap Society board of trustees, including adherence to all constitutional provisions for selection and appointment, are overseen by the Royal Mencap Society Nominations Committee, which includes a majority of independent, co-opted members who are not trustees of the Royal Mencap Society board.

This year, Royal Mencap Society has appointed four new trustees. They have been selected and appointed in accordance with the regulations laid down by Royal Mencap Society's Articles of Association. Central to those requirements is ensuring there is an open and transparent process, which is driven by both the twin requirements to attain the necessary skills required for the board to carry out its legal and regulatory obligations and ensure there is a diverse, broad range of viewpoints and backgrounds represented on the Royal Mencap Society board. In the appointments of Kathryn Rees, Catherine McDermott, Sohail Qadri and Phil Hughes we have secured a vast amount of professional and personal lived experience necessary for Royal Mencap Society to fulfil its responsibilities.

Most critically, new and existing trustees are expected to embody the charity's values and have the utmost integrity, recognising their responsibility to uphold the trust put in Royal Mencap Society.

Our trustees are appointed for up to two terms of four years and do not receive any remuneration or financial benefit for acting as trustees of Royal Mencap Society. Details of trustee expenses are disclosed in note 9 to the financial statements. Our Royal Mencap Society trustees meet the HMRC fit and proper persons test and declare all relevant interests.

Prior to appointment, trustees are also required to complete a Trustee Automatic Disqualification Declaration. This form is used by Royal Mencap Society to ensure that individuals who hold, or who are applying for, a trustee position are not disqualified from holding that position.

Our trustees are:

Derek Lewis – chair
Elaine Hindal
Stephen Jack OBE
Andrew Wilson
David Wolverson
Yogi Amin
Lucy Edge
Jackie Pollock
Kathryn Cearns
Phil Hughes
Catherine McDermott
Sohail Qadri
Kathryn Rees

Visit here for more information about each of our trustees.

How we make decisions

Our Royal Mencap Society board seeks to make decisions that are evidence based and informed by its legal responsibility to act with reasonable skill and care. Specific responsibilities fall to four board Committees, whose membership is approved by the board and, in the case of the Nominations Committee, includes co-opted members who are not trustees but provide important specialist and external perspectives. The Chair of each Committee reports to the board at quarterly meetings and minutes of committee meetings are available to all trustees.

Voices Council (VC): The Voices Council is a critical element of Royal Mencap Society's decision making. The Voices Council, which is mandated by our Articles of Association, is a group of individuals with a learning disability who work with the trustees and executive leadership team to provide input, support and advise on matters relating to learning disability and the priorities and activities of Royal Mencap Society. The Voices Council reports to the board on a quarterly basis but routinely ensures the decisions of Royal Mencap Society reflect the perspective and impact of people with a learning disability. The Chair and Vice-chair of the Voices Council attend all Royal Mencap Society board of trustee's meetings.

Other groups informing our decisions are the Include Me group, Inclusion Consultants and the Treat Me Well Steering Group.

The Royal Mencap Society's board committees are:

Audit and Risk Committee (ARC): The ARC takes responsibility on behalf of the board to oversee Royal Mencap Society's risk management processes and systems within its 'three-lines of defence' model. It monitors and reviews the effectiveness of the internal and external audit functions of Royal Mencap Society. The ARC approves the plan for the charity's internal audit work. This provides independent assurance that the risk management, governance and internal control processes are operating effectively.

Finance, Planning and Remuneration Committee (FPRC): The FPRC ensures Royal Mencap Society maintains an effective financial management and reporting structure across the charity both in the short, medium and long term. They also review executive remuneration and make recommendations to Royal Mencap Society's board of trustees. The FPRC ensures the board receives appropriate and accurate financial information in order to fulfil its fundamental responsibility of managing the charity's resources responsibly.

Nominations Committee (NC): The NC ensures Royal Mencap Society takes a rigorous, open and transparent approach to trustee recruitment and appointment. The NC includes non-trustee and co-opted members. It and has responsibility to ensure the appropriate balance of skills, experience, backgrounds and knowledge is reflected in the composition of the Royal Mencap Society board.

Quality and Compliance Committee (QCC): The QCC monitors the quality of the organisation's personal support services. A key part of this is compliance with all statutory and regulatory requirements. Over and above that, the QCC oversees Royal Mencap Society's commitment to delivering high quality, client-led and innovative services. In line with Royal Mencap Society's commitment to, and prioritisation of, the wellbeing and safety of its clients, Brendan Clifford, the independent chair for RMS's safeguarding panel, attends all QCC meetings.

In addition, the Wales and Northern Ireland Advisory Panels, which are made up of individuals with relevant local expertise and lived experience of learning disability, provide invaluable expert advice to Royal Mencap Society's country directors in a voluntary, advisory capacity.

Other groups informing our decisions are the Include Me group, Inclusion Consultants and the Treat Me Well Steering Group.

The policies and procedures for the induction and training of trustees

There is an extensive induction programme for all new trustees. This covers all aspects of Royal Mencap Society's activities, its strategy and its values. Trustees also receive information and guidance on their legal and regulatory obligations as trustees. The induction and training is overseen by Royal Mencap Society's executive director of governance.

Royal Mencap Society Governance Review 2021/22

As mandated by Royal Mencap Society's Articles of Association, the board of trustees initiated its three-yearly governance review in August 2021. The objectives for the governance review agreed by the board of trustees were to ensure the board of trustees of Royal Mencap Society are:

1. meeting the legal obligations of trustees and complying with regulatory requirements;
2. supporting the charity's objects and enabling Royal Mencap Society to have the maximum impact in supporting people with a learning disability to live the lives they choose;
3. conforming with accepted standards of good practice; and
4. complementing the chosen management philosophy, culture and risk appetite in order to maximise impact for people with a learning disability.

The Royal Mencap Society board of trustees instructed the executive director of governance, supported by a sub-group of the trustees comprising the chair, vice-chair of the board, and chairs of the QCC and ARC, to undertake the governance review.

The methodology for the governance review adopted the use of the Charity Governance Code diagnostic tool for large charities; qualitative interviews of key stakeholders (internal and external and surveys of colleague, volunteers, clients and stakeholders.

Recommendations

The Royal Mencap Society 2021/22 governance review has recommended a number of important changes to the governance of Royal Mencap Society which are being taken forward.

1. The Voices Council
Royal Mencap Society's vision is to be led by people with a learning disability. The lived experience and voice of people with a learning disability has to inform how the charity fulfils its charitable objects. The governance review confirmed that Royal Mencap Society's governance must embody this vision.
The role of Royal Mencap Society's Voices Council is integral to this. Over the course of its evolution from the Learning Disability Panel to the Voices Council in 2019, its members are playing a vital part in shaping Royal Mencap Society's work, decisions and priorities. The role played by the Voices Council in shaping the charity's work during course of the Covid-19 pandemic has been pivotal.

The 2021/22 governance review, however, recommended that the Voices Council's role could be enhanced by increasing its size and breadth to include greater diversity of learning disability experience including those with profound and multiple learning disabilities; providing more administrative and logistical support; and consideration of its position within the governance structure of Royal Mencap Society to reflect its importance and critical role in overseeing the work of the charity. This is being determined collectively by the board and Voices Council.

2. The board sub-committees
A second key recommendation of the 2021/22 governance review was the need to review the existing arrangement of Royal Mencap Society board sub-committees. This is necessary to meet the ambitious new strategy that was developed by Royal Mencap Society in 2021. To ensure the board sub-committees align to Royal Mencap Society's Big Plan and also adapt to a changing operational environment a proposal is being considered by the board of trustees to reform the committee structure. Important features of which will be a dedicated people committee separated out from the existing finance committee and a dedicated impact and strategic delivery committee considering the delivery of the charity's services and the impact of its work.

3. Continue to strive for greater diversity of experience and background
The 2021/22 governance review confirmed the importance for the charity to re-double its efforts to be more representative of society in all aspects of our work and governance. Royal Mencap Society's Equity, Diversity and Inclusion strategy is clear in its ambition and expectations, which includes governance. The trustees and executive team of Royal Mencap Society are committed to delivering on our strategy and becoming a more representative, inclusive and diverse organisation.

It is also important to note that the governance review demonstrated the workings of the Royal Mencap Society's board scored strongly against the Charity Governance Code and the diagnostic tool associated with it.

Executive pay

Trustees are responsible for overseeing the pay of the executive team.

As a charity, we believe it is important to be transparent about the pay levels of senior colleagues and how this is set.

Our senior reward approach includes two main factors:

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

We generally use the market median in the charity sector as a guide 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 our strategy and any personal development areas. they may have.

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

Role	Salary to 31 March 22 (£)	ER Pension to 31 March 22 (£)	ER Nics to 31 March 22 (£)	Remuneration to 31 March 22 (£)	Remuneration to 31st March 21 (£)
Chief executive	175,000	8,750	21,722	**205,472**	199,575
Chief operating officer	157,618	7,375	19,375	**184,368**	176,210
Chief financial officer (*)	156,417	2,167	19,746	**178,962**	163,798
Executive director of communications, advocacy and activism	116,444	5,822	13,549	**135,814**	134,567
Executive director for people (**)	66,085	3,471	7,929	**77,485**	133,570
Executive director for transformation (***)	97,739	4,944	11,585	**114,268**	95,957
Executive director for governance (****)	82,309	3,610	9,742	**95,661**	0

* A new chief financial officer joined on 29 September with the former chief financial officer leaving on 31 October 2021. This explains the increase in remuneration between 2021/22 and the previous year.

** The executive director of people left in November 2021 and a new one did not start until April 2022.

*** Executive director for transformation joined in June 2020 which is why her remuneration is much lower in the year ending March 21.

**** This was a new role created in June 2022.

Our network partners

We work with over 300 independent network partners across the UK and they are very important to our work. We are united by a common vision to improve the lives of people with a learning disability. They work in their communities to share best practice, champion change and deliver high quality services and support for people with a learning disability. We fund a network office to provide support to these groups and coordinate work on common issues. Trustees visit and talk to these partners regularly.

Mencap Trust Company Limited (MTC)

Mencap Trust Company was established in 1976 to reduce the worry parents have for a vulnerable family member by helping them make arrangements to provide for a 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 on trustee appointments and the work of MTC please go to: www.mencaptrust.org.uk

Mencap Limited

Mencap Limited is a trading subsidiary whose primary purpose is profit making external Disclosure and Barring Service checking activity. There is also activity in relation to Royal Mencap Society bought in goods to be sold online and in Royal Mencap Society retail stores, promotional events and revenue generating (for Royal Mencap Society) 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.

Golden Lane Housing Ltd (GLH)

Golden Lane Housing (GLH) is an independently registered charity (Registered Charity Number: 1071097) with an independent board of trustees, and a registered social landlord provider regulated by the Homes and Communities Agency. It specialises in finding suitable homes for people with a learning disability.

GLH was set up by Royal Mencap Society in 1998 to help people with a learning disability in England and Wales find, choose and rent their own homes. It also gives information, advice and guidance to hundreds of families every year on matters relating to housing.

Following the decision by the Golden Lane Housing board of trustees, supported by Royal Mencap Society, to become a Community Benefit Society, registered with the Financial Conduct Authority in the year 2021-22, with rules based on the National Housing Federation Model Rules 2015, GLH and Royal Mencap Society have now separated and GLH as of 1 April 2022 ceased its membership of the Royal Mencap Society group.

GLH will remain a vital partner for Royal Mencap Society and we are encouraged by its plans for growth and development as an independent Community Benefit Society. We will continue to work closely together to make the UK the best place for people with a learning disability to live happy and healthy lives.

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

Section 172(1) Statement

In accordance with s172 of the UK Companies Act 2006, the directors of Royal Mencap Society Ltd (referred to here as 'trustees') must act in the way that they consider, in good faith, would be most likely to promote the success of the charity in achieving its charitable purpose, defined as improving the lives of people with a learning disability and their families. In this context, the board of trustees are responsible for deciding what activities the charity will undertake, what resources it will need, how it will obtain those resources and use them.

In doing so, the trustees must have regard to factors (a) to (f) which are listed below.

a. The likely consequences of any decision in the long term
Key decisions, which are proposed and performed by the executive, are taken by the board collectively and informed by more detailed scrutiny and analysis from board sub-committees and ad-hoc 'task and finish' groups of trustees as described elsewhere in this report.

The board of trustees have responsibility for Royal Mencap Society's strategy and overall direction. The new Big Plan (in place from March 2021 and due to run through to 2026) is now being implemented and trustees are overseeing its delivery and performance through key performance indicators. Monitoring is focused on outcomes and impact year on year and also longer-term trends. The strategy remains agile and capable of change and movement as the data and trends demand. The time horizon of the strategy provides the long-term strategic plan for Royal Mencap Society required under s172(1).

In addition, the primary purpose of the charity's reserves policy and targets is to ensure long-term financial sustainability, and decisions involving financial spend are assessed for their impact on reserves, not just in the current year but also through a three – five year forecast.

b. The interests of the Charity's employees
The Finance, Planning and Remuneration Committee which comprises five trustees convened five times as a committee in 2021/22 and has devoted a significant proportion of its agenda to Royal Mencap Society's people and their wellbeing. Matters the Committee have considered for recommendation to the board of trustees relate to remuneration of our staff in recognition of an extremely difficult economic and employment environment as we emerged from lockdowns; the mental health and wellbeing of our staff operating in a continuing Covid-19 landscape; and ensuring we provide a working environment that is focused on our values and desire to be a more equitable, fair and anti-racist organisation for all current and future staff.

During the financial year ending 2022, the Royal Mencap Society board has worked assiduously to achieve an improved package of remuneration for our support workers and has recognised the considerable toll of Covid-19 and the economic downturn on our employees.

Our ambitions to reward staff fairly and facilitate devolved decision-making continue to be a strong focus for trustees. We recognise the positive changes over this last year but understand Royal Mencap Society needs to continue to resolve structural challenges across the care sector which prevent our support worker colleagues being rewarded fairly.

c. The need to foster the Charity's business relationships with suppliers, customers and others
In terms of customer business relationships, our aim is to build and maintain strong relationships with local authorities and NHS Trusts through direct service provision and collaborative work, and the board review performance with respect to public contracts as a standing agenda item.

The board of Royal Mencap Society has focused on working together with local authorities and other commissioning bodies to access innovation funds in recognition of the work the charity is doing in terms of localised, person-centred delivery of support for people with a learning disability.

Our work with government bodies enables us to champion best practice in areas such as social care and healthcare, as well as challenge inaction that could disadvantage people with a learning disability. Multiple examples of this during the Covid-19 months have been highlighted in the earlier sections of this report, for example around the worrying trend of the decline in mental health of many people with a learning disability because of the restrictions and concerns related to Covid-19 and returning to life after the pandemic.

We continue to work with regulators to improve our services and thereby provide the best possible outcomes for the people we support. The board has clear oversight of, and directly engage with, our services. Through Royal Mencap Society's Independent Safeguarding Chair, the board receives advice and recommendations on ensuring we achieve the safest and most responsible environment for the people we support.

d. the impact of the Charity's operations on the community and the environment

We work with over 300 independent network partners across the country. These independent groups are united by a common vision to improve the lives of people with a learning disability, and work in their communities to share best practice, champion change and deliver high quality service provision and support for people with a learning disability. Royal Mencap Society trustees continue to engage and establish synergies with community groups both in and outside our network.

Trustees oversaw the launch of 14 community pilots to test our new approach to working with communities around the UK. Although early in the process, we are encouraged by the value we are seeing in the localised delivery of innovative services. Similarly, our retail shops are benefitting from a new strategy to evolve into community hubs offering sales and links to wider community activity.

e. the desirability of the Charity maintaining a reputation for high standards of business conduct

At the very essence of the Royal Mencap Society's remit is embodying our values and ethos, to be brave, inclusive, kind, passionate and positive. Each of these values encapsulates broad principles of how trustees oversee their responsibility to fulfil the charity's purpose. To deliver its vision, it is vital for the Royal Mencap Society that we inspire the trust of all our stakeholders by holding ourselves to the highest standards of conduct in all we do, as our reputation and culture is crucial to our ability to succeed now and in the future.

Trustees ensure a robust, transparent and protected system for reporting concerns and feedback. A focus is on creating an environment encouraging openness and responsiveness. In achieving this, trustees are informed by independent, external audits and reviews. The Quality and Compliance Committee, which comprises five trustees, also receives reports from the Independent Safeguarding Lead on his independent assessment of how the charity is safeguarding its people.

f. The need to act fairly as between members of the Charity.

(In this context we interpret 'members' to be our various stakeholders)

Royal Mencap Society engages with each of our key stakeholder groups in a proactive, equal and engaged manner. This extends to the recipients of our services but also to their families, our donors, staff, volunteers, partners, and the wider learning disability community of 1.5 million people in the UK. We ensure that any decisions we make as a board are informed by the potential impacts on all the groups Royal Mencap Society interacts with and is funded to represent.

Responding to the UK government's advice and policies on mandating vaccines was an important example of this over the course of last year. Royal Mencap Society trustees endorsed an approach which met legal responsibilities and beyond that also balanced the safety and wishes of the people we support against the individual choices being made by colleagues as to their willingness to be vaccinated. While encouraging the take-up of the Covid-19 vaccines and operating as a pro-vaccine organisation, the trustees did not mandate it beyond the specific legal requirement required.

Therefore, the trustees believe they have taken into account each of the relevant factors and/or stakeholders when making decisions, taking care to balance competing interests for the overall good of the Charity. We achieve this in both the short and long term by ensuring people with a learning disability, their family members and carers are at the heart of our decision making and strategy.

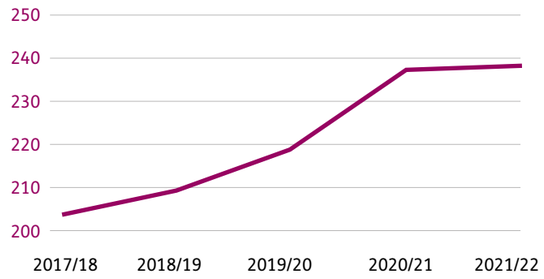
Financial review

The table below provides a five-year summary financial position and shows that we have delivered a continually robust financial position while facing a difficult operating environment.

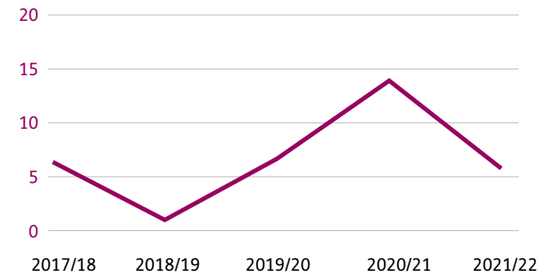
	2017/18	2018/19	2019/20	2020/21	2021/22
	£m	£m	£m	£m	£m
Total Income	203.7	209.3	220.2	238.2	239.0
Total net income (*)	6.4	0.7	6.8	14.6	5.9
Net movement in funds	14.8	(0.8)	14.4	11.2	4.5

(*) total net income defined as income after expenditure and the net gains on investments

Total income 2017-2022 (£m)



Total net income (*) 2017-2022 (£m)



Significant changes in net movement in funds largely reflect material gains or losses from actuarial valuation on the defined benefit pension scheme.

Total income is likely to fall in 2022/23 as a result of the subsidiary, Golden Lane Housing, demerging from the group on the 1 April 2022. For 2021/22, Golden Lane Housing equated to £27.1 million of the total income figure and £3.1 million of the net income figure.

What made up our income in 2021/22?

Our total income for 2021/22 stayed relatively stable from the previous year at £239 million. The table below summarises this income and changes from the previous financial year.

	2021/22 (£m)	2020/21 (£m)	change from 2020/21
Charitable activities	193.1	191.7	+0.8%
Donations & Legacies	14.0	18.8	-25.6%
Other trading activities	4.0	1.7	+129.4%
Investments	0.2	0.2	+10.8%
Rental Income	27.4	24.9	+9.7%
Gains on disposals of fixed assets	0.3	0.9	-60.1%
Total Income	**239.0**	**238.2**	**+0.3%**

Total Income

Charitable Activities

Eighty-one per cent of our total income comes from charitable activities. This relates to receipts for the provision of direct service delivery and includes income from central and local government contracts. Although income grew due to uplifts, the difficult operating environment has resulted in income staying relatively fixed from 2021. Post-Covid-19 recovery and squeezed public finances has resulted in backlogs of people waiting for social care assessments, some unviable contracts which we have had to hand back and an increase in house mate vacancies.

Our focus continues to be delivering personalised support to the highest quality standard, using the resources available as efficiently as possible, as well as campaigning to tackle the inequalities faced by the wider 1.5 million people with a learning disability in the UK.

Donations and legacies

Donations and legacies fell to £14 million from the high of £18.8 million in 2020/21. Much of the reduction reflects the Gifts in Kind provided in 2020/21 for PPE donations. Organisations raising funds fell back down to historic levels as the 2021/21 figure included a one off £2.6 million donation from the Association of British Insurers and £0.4 million from Advent International.

Legacies continue to be a major source of funding that has continued to increase over the last four financial years. We remain very grateful that people continue to remember us in their wills.

	2017/18	2018/19	2019/20	2020/21	2021/22
	£m	£m	£m	£m	£m
Donations	3.4	3.2	3.5	2.8	3.1
Legacies	8.0	6.2	6.8	7.9	8.3
Trust funds	0.9	0.6	0.8	1.2	1.1
Community	0.3	0.2	0.2	1.3	1.1
Organisations raising funds	0.4	0.3	0.3	3.6	0.2
Gifts in kind	0.1	0.4	1.3	2.0	0.2
Total	**13.1**	**10.9**	**12.9**	**18.9**	**14.0**

Other trading activities

Other trading activities relates to the income generated from Royal Mencap Society's retail stores as well as undertaking DBS checks for external organisations.

	2017/18	2018/19	2019/20	2020/21	2021/22
	£m	£m	£m	£m	£m
Other trading income	2.1	2.9	3.3	**1.7**	4.0

Income from trading activities has increased over time, even excluding the performance in 2020/21 which fell as a result of our stores being closed for the majority of the financial year. We have continued to see improvements in trading income over the past five years. Our stores have continued to improve the income position (£3.0m in 21/22 compared to £0.9m on 2020/21) whilst income from DBS checks has also recovered (£0.4m in 21/22 compared to £0.3m in 2020/21).

Rental income

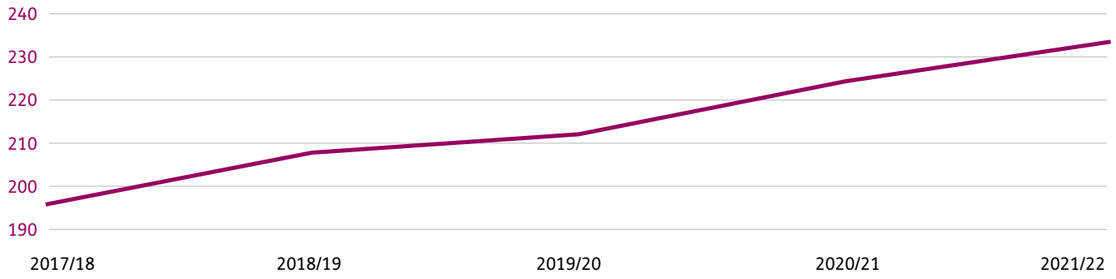
Rental Income relates to the rental of properties owned by Golden Lane Housing (GLH). As previously mentioned, GLH demerged from Royal Mencap Society on the 1 April 2022. Further information relating to GLH can be found in its own financial statements.

Total expenditure

Total expenditure in 2021/22 increased 3.8% from the previous year to £233.9 million. The split of expenditure is summarised in the table below.

Areas of expenditure	2017/18	2018/19	2019/20	2020/21	2021/22
	£m	£m	£m	£m	£m
Raising funds / Trading costs of subsidiaries	7.0	6.7	6.7	6.8	7.0
Charitable activities	190.2	202.1	206.1	218.5	227.0
Total	**197.2**	**208.8**	**212.8**	**225.3**	**234.0**

Total expenditure (£m)



Our spend on charitable activities increased from £218.5 million to £227.0 million. The increase was principally due to increased payroll costs.

Expenditure on raising funds increased from £3.2 million in 2020/21 to £3.5 million in 2021/22. This was due to the cost of fundraising being artificially low in 2020/21 as we held vacancies due to the uncertainties around Covid-19 and there was much reduced spend on fundraising events.

Gains on investments of £0.9 million saw a net income position of £5.9 million achieved. Seventy-three per cent of this total net income was unrestricted income. This reflects our intention to maximise unrestricted sources of income to support the strategic objectives of the charity as widely as possible.

Net movement in funds

Adjustments to the defined benefit pension scheme of £1.4 million were made following revisions to actuarial valuations. This meant that the Group operating surplus was £4.5 million, of which £1.6 million is restricted.

The group had £21.9 million in cash at 31 March 2022, of which £12.9 million belonged to the Charity and the remaining £9.0 million is retained by subsidiaries (including GLH). Our cash position remains strong enough to allow us to operate effectively and contributes towards ensuring we meet our reserves policy requirements.

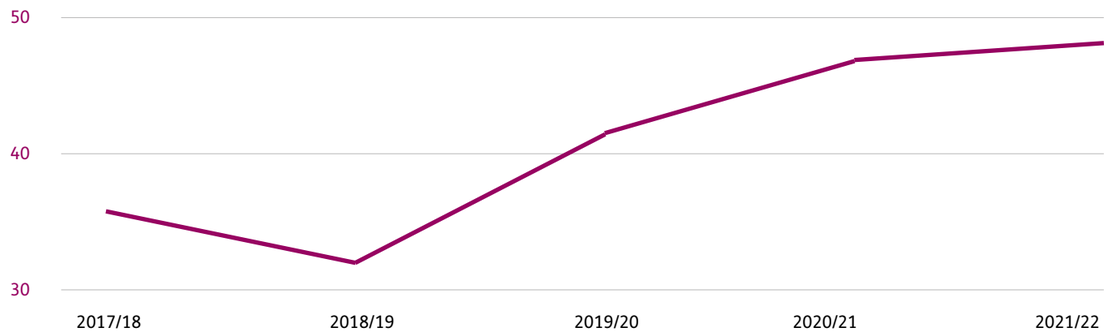
Additionally, £8.6 million of investments are held in a portfolio with high liquidity. Together with an arranged, unused overdraft of £5 million, this ensures Royal Mencap Society has adequate liquidity levels.

Charity Reserves (excluding Golden Lane Housing)

The table below provides a five-year summary of the reserves position. This relates to the Royal Mencap Society charity only and excludes the balances of Golden Lane Housing and other subsidiaries. Over the last five years, total funds have continued to increase with a focus of improving the ratio of unrestricted/restricted funds and taking proactive steps to improve the pension fund deficit.

	2017/18	2018/19	2019/20	2020/21	2021/22
	£m	£m	£m	£m	£m
Restricted Income Funds	8.8	7.7	10.0	14.1	14.0
Unrestricted Funds	37.8	34.8	33.2	27.1	30.8
Designated Funds	-	-	-	9.0	6.4
Pension Fund	(10.8)	(10.7)	(1.3)	(2.6)	(2.3)
Total Charity Funds	**35.8**	**31.8**	**41.9**	**47.6**	**48.9**

Charity reserves, excluding Golden Lane Housing (£m)



Royal Mencap Society's Free Reserves

From 1 April 2021, the Royal Mencap Society trustees agreed to move to a new reserves policy based on liquidity, with free reserves now defined as the total of unrestricted cash plus unrestricted marketable investments.

This change was made to align reserves management more closely with the operation and to improve transparency, making it easier for all stakeholders to understand how the reserves figure is reached, and how it is used to support financial sustainability across the life of Royal Mencap Society's three-year financial plan.

Our target range for free reserves under the new definition has been set at £8 million to £13 million. This was arrived at using scenario planning, incorporating key financial risks in the areas of Personal Support, Fundraising and Retail. The range is regularly reviewed and the next formal review is scheduled to be presented to Royal Mencap Society's Finance, Planning and Remuneration Committee in August 2022.

Unrestricted cash as at 31 March 2022 was £4.8 million (2021: £0.3 million) which together with unrestricted marketable investments of £19.9 million, (2021: £19.4 million) gives a total of £24.7 million of free reserves.

This figure is above our free reserves range. During 2021/22, the board of trustees agreed to invest £9 million of free reserves to support the delivery of the new strategy.

The free reserves position is regularly monitored and reported to trustees as part of the quarterly reforecasting cycle. Ensuring that the minimum free reserves figure is not breached is a fundamental part of our regular stress testing of the resilience of Royal Mencap Society's three-year financial plan.

Following the results of the triennial valuation of the Royal Mencap Society Pension Plan (as of 31 March 2020), a schedule of contributions was agreed between the Charity and the pension trustee. Annual contributions of £1.8 million pa are made and this has helped the reduction of the technical pension deficit. It is important to note that these annual contributions are budgeted in full and therefore taken account of as we manage our actual liquidity against the reserves target range. The next actuarial valuation is scheduled to be at 31 March 2023.

Golden Lane Housing has designated certain unrestricted funds for specific purposes and details of Golden Lane Housing's reserves policy can be found within its accounts.

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 portfolio relates to the Mencap Visiting Service (MVS) 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 independent MVS 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 funds and back the free reserves. One is invested for the long term and its objective is to provide a return in excess of inflation, as measured by CPI. A second is invested in liquid funds, retaining access to the funds at short notice should they be required. We encourage our investment managers to hold investments in funds which have a positive benefit for society, including companies which take a positive approach to disability.

The investment positions as at 31 March 2022 are summarised in the table below.

During the year, Schroder and Co Ltd, trading as Cazenove Capital Management, continued to be engaged to manage the Royal Mencap Society and Mencap Visiting Service portfolios. The funds were fully invested throughout the year. The returns over the year to 31 March 2022 were positive as global markets continued to recover from their March 2020 lows, fuelled by the vaccine roll-out and improving economic growth across the world.

The long-term funds returned 6.9% over the year and the return for the MVS portfolio was also positive at 9%. Liquid funds are held so that we can react quickly to changes in the operating environment and have been historically held at a comparably high level were held throughout the year so that we could respond quickly to challenges such as the sleep-in judgement and the pandemic. A review of the operating environment during 2021/22 meant that we reduced our holding of liquid funds by £5 million to £8.6 million.

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

Fund	Value as at 31/3/22
	£m
Mencap Visiting Service	6.4
Long Term Funds	11.3
Liquid funds	8.6

Risk management and internal control for the charity

Risk management is embedded across Royal Mencap Society. The board of trustees is supported by the audit and risk, finance, planning and remuneration and the quality and compliance committees. Independent assurance of the robustness of the control environment 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.

Risks will be logged on the assurance framework in the following circumstances:

- a single operational risk may move to the strategic framework if the impact would result in the delivery of a strategic objective going off course
- a series of connected operational risks may, together, form a strategic level risk due to their combined effect on the delivery of a strategic objective.

As at 31 March 2022, the key risks on Royal Mencap Society's strategic risk register, together with the principal controls and main sources of assurances we have in place to mitigate these risks, are shown in the table below.

No.	Risk Theme	Key Controls
1	Maintaining quality standards	We foster a culture which promotes individualisation and a focus on quality of care. This is allied with quality frameworks, data, incident trend analysis and training and support for managers and regular peer review.
2	Maintaining financial sustainability	We stress test our financial planning every six months and monitor our performance against key financial trigger points. The whole executive team and trustees receive monthly financial reports.
3	Recruiting and retaining a skilled colleague base.	We have an ambitious strategy to increase pay and reward, but recognise that culture and wellbeing is just as important. Development programmes are in place for all our managers and the induction process sets out our values and expectations of new colleagues.
4	Cyber and information security risks	The board reviews our risk of cyber security every year. Our information security environment meets external ISO27001 accreditation and annual GDPR training is mandatory for all colleagues. We have strengthened our cyber security arrangements including the implementation of multi-factor authentication on all devices.
5	We fail to deliver our strategic goals	We have Key Performance Indicators in place which are regularly reviewed. There are clear handover responsibilities and accountabilities between colleagues on completion of delivery. Governance controls are in place.
6	External influence and perception	We have a communications strategy which places people with a learning disability at the heart of what we do. We regularly scan the horizon for potential issues and monitor mainstream and social media.
7	Governance arrangements around subsidiaries fail to adequately protect Royal Mencap Society and beneficiaries	We have strong governance arrangements in place around subsidiaries which are overseen by the executive director of governance.
8	Covid-19 continues to impact on the lives of people we support and our colleagues, disrupting business continuity	We monitor Covid-19 outbreak data to understand impact and take swift action. We maintain availability of PPE for colleagues providing services.

The key strategic risks faced by Golden Lane Housing before and after mitigation at year-end are:

Key strategic risks before mitigation	Key strategic risks after mitigation
IT Infrastructure Voids Business Growth Building Safety Government Policy and legislation, Asset Management. Tenant Satisfaction and Rent Compliance	Government Policy on supported housing Business Growth Rent Compliance IT Infrastructure Tenant Satisfaction

Further details on Golden Lane Housing's approach to risk can be found within its accounts.

Going Concern

Within this report, we have highlighted Royal Mencap Society's continually strong financial performance, the level of reserves held and the principal risks and uncertainties that we face. From a financial perspective, Royal Mencap Society is well placed to manage these risks. This assertion is supported by:

- a three-year medium term financial plan that is reforecast on a quarterly basis
- an embedded stress testing of the financial plan which includes trigger points that will enable early mitigation action to take place should a trigger point be breached
- a level of liquid reserves that doesn't fall below the minimum reserves figure as agreed by trustees
- a positive relationship with our key funders and a proven ability to retain and secure services.

The annual budget is approved by the board of trustees on an annual basis and performance against budget is reviewed and reforecast on a quarterly basis. A planned deficit is forecast for the next few years to enable us to invest in our new strategy. Over time, we expect these investments to improve margins and we forecast a return to small surpluses in future years.

We are able to do this because our level of reserves exceeds the minimum level set by our trustees within the Reserves Policy. Over the next three years to 2024/25, we are forecasting to remain above this minimum figure. 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.

As at 31 March 2022, Royal Mencap Society was holding marketable investments of £26.3 million, in addition to £12.9 million of operational cash (excluding GLH). We acknowledge our pension fund obligations and have a clear strategy to manage the deficit. This 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. 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.

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 standard 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 19th July 2022, including approving in their capacity as company directors the strategic report contained therein, and is signed as authorised on its behalf.

Derek Lewis: Chair

Kathryn Cearns: Trustee

Independent Auditor's Report

Opinion

We have audited the financial statements of the Royal Mencap Society ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2022 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 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 2022 and of the group's 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 and 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 charitable company and 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters 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 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 requires 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 set out on page 80, 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were CQC regulations for service providers and managers, General Data Protection Regulation (GDPR), Health and Safety legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of contract, grant and legacy income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 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 and 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.

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP
Statutory Auditor, London
7th September 2022

Financial statements

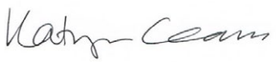
Consolidated statement of Financial Activities for the year ended 31 March 2022 (incorporating the income and expenditure account)

	Notes	Unrestricted funds	Restricted funds	Total 2022 Funds	Unrestricted funds	Restricted funds	Total 2021 Funds
Income from:		£'000	£'000	£'000	£'000	£'000	£'000
Donations and Legacies	2,29	10,986	2,974	**13,960**	11,006	7,767	18,773
Charitable activities	3,29	185,244	7,891	**193,135**	185,748	5,929	191,677
Other trading activities	4	3,951	-	**3,951**	1,722	-	1,722
Investments	5	122	93	**215**	103	91	194
Property income	6	25,560	1,827	**27,387**	22,802	2,164	24,966
Gain on disposal of fixed assets		366	-	**366**	917	-	917
Total		**226,229**	**12,785**	**239,014**	**222,298**	**15,951**	**238,249**
Expenditure on:							
Raising funds	7	3,370	86	3,456	3,011	146	3,157
Trading Costs of Subsidiaries	7	3,499	7	3,506	3,687	-	3,687
Charitable activities	7	215,397	11,590	226,987	208,901	9,562	218,463
Total		**222,266**	**11,683**	**233,949**	**215,599**	**9,708**	**225,307**
Net gains on investments	14	383	469	852	665	958	1,623
Net income		**4,346**	**1,571**	**5,917**	**7,364**	**7,201**	**14,565**
Transfers between funds	23	(38)	38	-	1,091	(1,091)	-
Other recognised losses							
Actuarial losses on defined benefit pension schemes	24	(1,436)	-	(1,436)	(3,368)	-	(3,368)
Net movement in funds		**2,872**	**1,609**	**4,481**	**5,087**	**6,110**	**11,197**
Reconciliation of Funds							
Total funds brought forward		69,078	38,938	108,016	63,991	32,828	96,819
Total funds carried forward		**71,950**	**40,547**	**112,497**	**69,078**	**38,938**	**108,016**

Consolidated balance sheet as at 31 March 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	12	**365**	184
Tangible assets	13	**129,893**	124,994
Investments	14	**26,310**	25,322
Total fixed assets		**156,568**	150,500
Current assets			
Debtors	17	**27,235**	29,046
Stock		**38**	49
Cash at bank and in hand		**21,879**	21,250
Total current assets		**49,152**	50,345
Liabilities			
Creditors: Amounts falling within one year	18	**(31,543)**	(42,183)
Net current assets or liabilities		**17,609**	8,162
Total assets less current liabilities		**174,177**	158,662
Creditors: Amounts falling due after more than one year	19	**(54,287)**	(42,815)
Provisions for liabilities	21	**(5,101)**	(5,259)
Net assets or liabilities excluding pension asset or liability		**114,789**	110,588
Defined benefit pension scheme liability	24	**(2,292)**	(2,572)
Total net assets or liabilities		**112,497**	108,016
The funds of the group:			
Restricted income funds	23	**40,547**	38,938
Unrestricted funds		**61,247**	56,079
Designated funds		**12,995**	15,571
Pension reserve		**(2,292)**	(2,572)
Total unrestricted funds	23	**71,950**	69,078
Total group funds		**112,497**	108,016

These financial statements were approved and authorised for issue by the trustees on 19th July 2022 and signed on their behalf by:

Derek Lewis: Chair Kathryn Cearns: Trustee 

The notes from page 92 to the end of this document form part of these financial statements.

Charity balance sheet as at 31 March 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	12	**70**	184
Tangible assets	13	**16,755**	17,398
Investments	14	**26,310**	25,322
Total fixed assets		**43,135**	42,904
Current assets			
Debtors	17	**26,697**	30,400
Cash at bank and in hand		**12,875**	8,289
Total current assets		**39,572**	38,689
Liabilities			
Creditors: Amounts falling within one year	18	**(26,086)**	(25,852)
Net current assets or liabilities		**13,486**	12,837
Total assets less current liabilities		**56,621**	55,741
Creditors: Amounts falling due after more than one year	19	**(608)**	(674)
Provisions for liabilities	21	**(4,759)**	(4,847)
Net assets or liabilities excluding pension asset or liability		**51,254**	50,220
Defined benefit pension scheme liability	24	**(2,292)**	(2,572)
Total net assets or liabilities		**48,962**	47,648
The funds of the group:			
Restricted income funds		**14,025**	14,137
Unrestricted funds		**30,812**	27,083
Designated funds		**6,417**	9,000
Pension reserve		**(2,292)**	(2,572)
Total unrestricted funds		**34,937**	33,511
Total group funds		**48,962**	47,648

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 2022 was £2.8m (2021: Net income £9.1m).

These financial statements were approved and authorised for issue by the trustees on 19th July 2022 and signed on their behalf by:

Derek Lewis: Chair Kathryn Cearns: Trustee

The notes from page 92 to the end of this document form part of these financial statements.

Consolidated statement of cash flows for the year ended 31 March 2022

	2022 £'000	2021 £'000
Cash flows from operating activities		
Net cash provided by operating activities (see below)	**7,331**	17,493
Cash flows from investing activities		
Dividends, interest and rents from investments	**215**	194
Proceeds from the sale of property, plant and equipment	**1,838**	2,175
Purchase of property, plant and equipment	**(8,947)**	(7,678)
Proceeds from the sale of investments	**24,821**	12,879
Purchase of investments	**(24,958)**	(22,613)
Shared investment contribution	**(94)**	124
Net cash used in investment activities	**(7,125)**	(14,919)
Cash flows from financing activities		
Repayments of borrowing	**(12,577)**	(1,174)
Cash inflows from new borrowing	**13,000**	4,000
Net cash provided by financing activities	**423**	2,826
Change in cash and cash equivalents in the reporting period	**629**	5,400
Cash and cash equivalents at the beginning of the reporting period	**21,250**	15,850
Cash and cash equivalents at the end of the reporting period	**21,879**	21,250

Reconciliation of net income to net cash flow from operating activities

	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)	**5,917**	14,565
Adjustments for:		
Depreciation and amortisation charges	**2,489**	2,363
Gains on investments	**(852)**	(1,623)
Dividends, interest and rents from investments	**(215)**	(194)
Defined benefit pension expense	**157**	10
Profit on the sale of fixed assets	**(366)**	(917)
Decrease / (Increase) in stocks	**11**	(2)
Decease /(Increase) in debtors	**1,811**	(2,304)
Increase in creditors (excluding loans)	**410**	7,682
(Decrease)/Increase in provisions	**(158)**	60
Defined benefit pension deficit reduction	**(1,873)**	(2,147)
Net cash provided by operating activities	**7,331**	17,493

Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	**18,858**	12,233
Notice deposits (less than 3 months)	**3,021**	9,017
Total cash and cash equivalents	**21,879**	21,250

1. Accounting policies

(a) Company information

Royal Mencap Society is a public benefit entity registered as a 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.

In June 2022 the registered office of Royal Mencap Society was changed to 6 Cyrus Way, Hampton, Peterborough, PE7 8HP.

(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 a sufficient level of liquid reserves to cover business continuity and development plans, a good relationship with our key funders and proven ability to retain and secure new services.

The Budget for financial year 2022/23 was approved by the RMS Board in March 2022.

The 2022/23 Budget anticipates an operating deficit of £4.8 million and this is driven mainly through strategic investment spend supporting our new strategy. RMS has designated reserves of £9 million to invest behind the Big Plan. We hold free reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities whilst we adjust our cost base as required. The 2023 / 2024 position from the three-year plan continues to show sufficient free reserves. We will continue to monitor the situation and manage our finances accordingly.

At the year-end RMS was holding marketable investments of £26.3m, in addition to £12.9m of operational cash.

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. 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, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period(s) affected by the revision.

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 principal accounting policies adopted, 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 (see note 3)
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.

Donations and legacies (see note 2)
Donations and legacies are accounted for when entitlement can be established, it is probable that the benefit will flow to Mencap and the amount can be reliably measured. For donations this is usually upon receipt of the donation. For legacies, this is usually at the point of probate.

Legacies, which include a life interest held by another party, are recognised on notification of the death of the party benefiting from the life interest.

Gifts in kind (see note 2)
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 (see note 6)
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 (see note 14)
Listed investments are stated at market value at the balance sheet date. Dividend income is recognised on receipt. The Statement of Financial Activities includes dividend income and the net gains and losses arising on revaluations and disposals throughout the year.

Grants (see note 3 and 6)
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 (see note 7)
The charity's cost of operating includes staff costs, rent and other related costs. Costs are allocated between raising funds and charitable activities. Raising funds includes costs of raising funds, investment management costs and the trading costs of subsidiaries. Charitable activities include strategic lever costs of providing services; campaigning for change; support with advice; researching & evaluating; building people's own capabilities; providing housing and support & governance costs. All costs are accounted for on an accruals basis.

(ii) Basis of allocation of support costs (see note 7)
Support costs include management, finance, information technology and human resources. They are apportioned across the charity based on use.

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 (see note 24)
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 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 2022. 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 (see note 13)
Tangible fixed assets costing more than £2,000 are capitalised; all tangible assets costing less than this amount are expensed immediately.

Depreciation is provided so as to write off the cost of the assets (net of any shared investment contributions where applicable) in equal instalments over the estimated useful lives of the assets.

The depreciation rates used to achieve this 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

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.

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 in this way where individuals or families have a right to an equity share of the property on disposal, including any resulting profit or loss.

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 (see note 12)
Intangible fixed assets costing more than £2,000 are capitalised; all intangible assets costing less than this amount are expensed immediately.

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 to achieve this 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
- Roofs: 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.

1. Accounting policies continued

Operating leases (see note 11)
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 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 (see note 21)
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. Amounts provided for, other than for Mencap Visiting Service and leasehold property dilapidations, are expected to be settled within 12 months and are therefore recognised at the estimated settlement amount.

Provisions – Mencap Visiting Service
Provision is made to cover the estimated all future costs of providing the Mencap Visiting Service over its remaining life. 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. 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 (see note 20)

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 (see note 23)

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 are 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 2022	Total 2021
	£'000	£'000	£'000	£'000
Donations	2,769	303	**3,072**	2,772
Legacies	7,560	696	**8,256**	7,927
Trust Fund	128	975	**1,103**	1,266
Community	424	700	**1,124**	1,282
Organisations raising funds	87	88	**175**	3,573
Gifts in Kind	18	212	**230**	1,953
Total donations and legacies	**10,986**	**2,974**	**13,960**	**18,773**

3. Income from charitable activities

	Group 2022	Group 2021
	£'000	£'000
Personal support	**186,064**	182,723
Other	**7,071**	8,954
Total income from charitable activities	**193,135**	191,677

Other income from charitable activities primarily consists of receipts for a range of services: the provision of support, employment and youth services. Some of these are separately named in note 29(e). Included in income from charitable activities is £0.29 million received from the Coronavirus Job Retention Scheme during the year (2021: £4.4 million).

4. Income from trading activities

	Group 2022	Group 2021
	£'000	£'000
DBS checks	**384**	267
Retail trading element	**2,969**	912
Trust management services	**598**	543
Total income from trading activities	**3,951**	1,722

5. Investment income

	Group 2022	Group 2021
	£'000	£'000
Income from investments	**212**	184
Bank interest	**3**	10
Total investment income	**215**	194

6. Property income

	Group 2022	Group 2021
	£'000	£'000
Rental income	**25,665**	22,809
Government grant income	**1,722**	2,157
Total property income	**27,387**	24,966

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 2022. All grants are repayable if Golden Lane Housing ceases business activity or the related scheme comes to an end.

7a. Total expenditure

	Staff costs	Depreciation	Other direct costs	Reallocated support costs	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds	1,972	-	1,123	286	**3,381**	3,078
Investment management costs	-	-	75	-	**75**	63
Trading costs of subsidiaries	1,574	262	1,373	297	**3,506**	3,668
	3,546	**262**	**2,571**	**583**	**6,962**	**6,809**
Charitable activities:						
Providing Services	162,016	164	14,655	16,365	**193,200**	190,173
Campaigning For Change	1,761	-	676	226	**2,663**	2,132
Support With Advice	848	-	379	114	**1,341**	1,400
Researching & Evaluating	282	-	(9)	25	**298**	339
Building People's Own Capabilities	1,718	-	1,568	304	**3,590**	2,885
Providing Housing	4,533	1,252	17,870	2,189	**25,844**	21,539
Defined benefit pension scheme finance costs	-	-	51	-	**51**	30
	171,158	**1,416**	**35,190**	**19,223**	**226,987**	**218,498**
Support & Governance Costs	10,848	811	8,147	(19,806)	**-**	-
Total Expenditure	**185,552**	**2,489**	**45,908**	**-**	**233,949**	**225,307**

7b. Support costs allocated

	Management	Finance and IT	HR	Other	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Providing Services	2,225	10,282	3,696	162	**16,365**	16,009
Campaigning For Change	31	142	51	2	**226**	83
Support With Advice	15	71	26	1	**113**	111
Researching & Evaluating	3	16	6	-	**25**	29
Building People's Own Capabilities	41	191	69	3	**304**	624
Raising Funds	39	180	65	3	**287**	264
Providing Housing	298	1,375	494	22	**2,189**	1,855
Trading Costs Of Subsidiaries	40	187	67	3	**297**	316
Total	**2,692**	**12,444**	**4,474**	**196**	**19,806**	**19,291**

8. Information regarding employees

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

	2022	2021
	Employees (FTE)	Employees (FTE)
Providing Services	**4,878**	5,019
Campaigning For Change	**20**	16
Support With Advice	**18**	18
Researching & Evaluating	**6**	8
Building People's Own Capabilities	**182**	153
Raising Funds	**39**	40
Support & Governance Costs	**263**	252
Providing Housing	**98**	90
Trading Costs Of Subsidiaries	**60**	63
Total	**5,564**	5,659

The estimated average number of employees by function was:

	2022	2021
	Employees	Employees
Providing Services	**7,323**	7,768
Campaigning For Change	**20**	16
Support With Advice	**18**	18
Researching & Evaluating	**6**	8
Building People's Own Capabilities	**182**	153
Raising Funds	**39**	40
Support & Governance Costs	**263**	252
Providing Housing	**98**	90
Trading Costs Of Subsidiaries	**60**	63
Total	**8,009**	8,408

Employee costs in the year:

	2022	2021
	£'000	**£'000**
Wages and salaries	**168,529**	163,159
Social security costs	**13,138**	12,873
Pension costs	**3,885**	3,586
Total staff costs as per note 7a	**185,552**	179,618
Benefits in kind	**42**	120
Total employee costs	**185,594**	179,738

Included in the above are amounts paid to temporary staff during the year totalling £8.5 million (2021: £4.9 million).

Redundancy and termination payments:
Expenditure totalling £163,831 (2021: £248,988) was recognised in the year in respect of redundancy and termination payments for employees.

Number of employees with salaries over £60,000

	Total 2022	Total 2021
£60,000 - £69,999	**31**	25
£70,000 - £79,999	**6**	7
£80,000 - £89,999	**9**	7
£90,000 - £99,999	**3**	3
£100,000 - £109,999	**4**	3
£110,000 - £119,999	**1**	2
£120,000 - £129,999	**-**	-
£130,000 - £139,999	**-**	-
£140,000 - £149,999	**-**	1
£150,000 - £159,999	**1**	1
£160,000 - £169,999	**-**	-
£170,000 - £179,999	**1**	1

Of the 56 employees above, 50 are members of the defined contribution pension scheme. Payments made to the defined contribution pension scheme on behalf of these individuals amounted to £191,622 (2021: £165,323) 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 £992,031 (2021: £903,677). More details of executive remuneration can be found in the Trustees' report. Members of the board of trustees are not remunerated.

9. Expenses of the trustees

During the year, five trustees (2021: 1) were reimbursed for out of pocket expenses in relation to accommodation, travel and subsistence, or such expenses were paid on their behalf. The total amount of these expenses amounted to £7,154 (2021: £274). Members of the board of trustees are not remunerated.

10. Net income/(expenditure)

	Group 2022	Group 2021
	£'000	£'000
Net incoming/(outgoing) resources for the year are stated after charging:		
Depreciation and amortisation		
Own assets	**2,472**	2,321
Leased assets	**17**	42
Rentals under operating leases		
Land and buildings	**7,816**	7,751
Interest payable		
Interest element of finance leases	**1**	3
Bank interest	**2,168**	2,180
Defined benefit pension expenditure movement for the year	**51**	10
Auditors' remuneration		
Audit of the group	**79**	76
Other non-audit work:		
- Tax	**23**	21

Included in the audit fee charged for the group was £66k (2021: £63k) for the audit of the parent charity.

11. Operating lease commitments

At 31 March 2022 the group has the following annual commitments under non-cancellable operating leases:

	Land and Buildings 2022	Land and Buildings 2021
	£'000	£'000
Within one year	**8,930**	7,816
Within two to five years	**19,292**	12,202
After five years	**12,586**	15,793
Total	**40,808**	35,811

12. Intangible fixed assets

(a) Group

	Software	Total
	£'000	£'000
Cost or valuation		
Balance at 1 April 2021	2,985	**2,985**
Additions	316	**316**
Transfers between classes	-	**-**
Balance at 31 March 2022	**3,301**	**3,301**
Accumulated depreciation		
Balance at 1 April 2021	2,801	**2,801**
Charge for the year	135	**135**
Balance at 31 March 2022	**2,936**	**2,936**
Net book value at 31 March 2022	365	**365**
Net book value at 31 March 2021	**184**	**184**

(b) Charity

	Software	Total
	£'000	£'000
Cost or valuation		
Balance at 1 April 2021	2,732	**2,732**
Additions	-	**-**
Transfers between classes	-	**-**
Balance at 31 March 2022	**2,732**	**2,732**
Accumulated depreciation		
Balance at 1 April 2021	2,548	**2,548**
Charge for the year	114	**114**
Balance at 31 March 2022	**2,662**	**2,662**
Net book value at 31 March 2022	70	**70**
Net book value at 31 March 2021	**184**	**184**

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 2021	126,259	3,459	9,476	6,987	1,469	**147,650**
Additions	421	7,315	3	892	-	**8,631**
Disposals	(1,615)	-	-	(22)	(67)	**(1,704)**
Transfers between classes	6,142	(6,264)	(72)	194	-	**-**
Balance at 31 March 2022	**131,207**	**4,510**	**9,407**	**8,051**	**1,402**	**154,577**
Accumulated depreciation						
Balance at 1 April 2021	11,880	-	1,495	4,683	1,442	**19,500**
Charge for the year	1,299	-	133	905	17	**2,354**
Disposals	(156)	-	-	(11)	(65)	**(232)**
Transfers between classes	185	-	(185)	-	-	**-**
Balance at 31 March 2022	**13,208**	**-**	**1,443**	**5,577**	**1,394**	**21,622**
Net book value at 31 March 2022	117,999	4,510	7,964	2,474	8	**132,955**
Less shared investment contribution	(1,906)	-	(1,156)	-	-	**(3,062)**
	116,093	**4,510**	**6,808**	**2,474**	**8**	**129,893**
Net book value at 31 March 2021	114,379	3,459	7,981	2,304	27	**128,150**
Less shared investment contribution	(2,006)	-	(1,150)	-	-	**(3,156)**
	112,373	**3,459**	**6,831**	**2,304**	**27**	**124,994**

(b) Charity

	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 2021	16,862	194	24	6,758	1,469	**25,307**
Additions	-	-	-	728	-	**728**
Disposals	(250)	-	-	(17)	(67)	**(334)**
Transfers between classes	-	(194)	-	194	-	**-**
Balance at 31 March 2022	**16,612**	**-**	**24**	**7,663**	**1,402**	**25,701**
Accumulated depreciation						
Balance at 1 April 2021	1,844	-	24	4,599	1,442	**7,909**
Charge for the year	256	-	-	850	17	**1,123**
Disposals	(10)	-	-	(11)	(65)	**(86)**
Balance at 31 March 2022	**2,090**	**-**	**24**	**5,438**	**1,394**	**8,946**
Net book value at 31 March 2022	**14,522**	**-**	**-**	**2,225**	**8**	**16,755**
Net book value at 31 March 2021	**15,018**	**194**	**-**	**2,159**	**27**	**17,398**

14. Fixed asset investments

	Group and Charity 2022	Group and Charity 2021
	£'000	£'000
Equities and multi-asset funds		
Market value at 1 April 2021	**6,541**	5,653
Acquisitions	**6,930**	2,930
Disposals	**(2,839)**	(3,585)
Net investment (losses)/gains	**360**	1,544
Market value at 31 March 2022	**10,992**	6,542
Bonds, cash and alternatives		
Market value at 1 April 2021	**18,780**	8,312
Acquisitions	**18,028**	19,683
Disposals	**(21,982)**	(9,294)
Net investment (losses)/gains	**492**	79
Market value at 31 March 2022	**15,318**	18,780
Total value at 31 March 2022	**26,310**	25,322
Cost at 31 March 2022	**24,875**	24,501

Included in market value of investments is an amount for the Mencap Visitors Scheme of £6.4 million (2021: £5.9 million). 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 2022	Bonds, cash and alternatives 2022	Total 2022
	£'000	£'000	£'000
Group and Charity:			
Equities	9,796	-	**9,796**
Multi-asset funds	1,196	-	**1,196**
Bonds	-	2,493	**2,493**
Alternatives	-	3,332	**3,332**
Cash	**-**	9,493	**9,493**
Market value at 31 March 2022	**10,992**	**15,318**	**26,310**
Market value at 31 March 2021	**6,542**	**18,780**	**25,322**

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
				£'000
Blue Sky Housing Limited	4412276	-	Property development	-
Golden Lane Housing Limited	3597323	1071097	Property management and development	63,924
Mencap Limited	889191	-	Trading activities	-
Mencap Promotions Limited	1016345	-	Promotional and other special events	-
Mencap Trust Company Limited	1233201	-	Discretionary trust management	149

All the above are registered in England and Wales. The governance of Golden Lane Housing, of which Royal Mencap Society is the sole member, is maintained by its board of trustees, who act to deliver the objectives of the 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 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries						
Turnover	-	598	457	-	**1,055**	842
Cost of sales	-	-	(170)	-	**(170)**	(212)
Gross profit/(loss)	-	**598**	**287**	-	**885**	630
Administration costs	-	(545)	(40)	-	**(585)**	(565)
Net profit/(loss)	-	**53**	**247**	-	**300**	65
Paid to Royal Mencap Society under Gift Aid	-	-	**(247)**	-	**(247)**	(26)
Provision for tax	-	(18)	-	-	**(18)**	-
Retained in subsidiaries	-	**35**	-	-	**35**	39

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.

Note 16 continues on the following page.

16. Net income of group companies including consolidation entries (Continued)

	Royal Mencap Society	Golden Lane Housing	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Charitable companies:				
Incoming resources	210,835	27,124	**237,959**	**237,783**
Resources expended	(195,435)	(18,273)	**(213,708)**	**(205,038)**
Income before administration costs	**15,400**	**8,851**	**24,251**	**32,745**
Administration costs	(13,488)	(5,733)	**(19,221)**	**(19,846)**
	1,912	3,118	**5,030**	12,899
Change to Net gains on investmen	**852**	**–**	**852**	**1,623**
Net income	**2,764**	**3,118**	**5,882**	**14,522**

17. Debtors

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£'000	£'000	£'000	£'000
Trade debtors	**13,215**	13,729	**11,839**	12,843
Amount due from group undertakings	**-**	-	**2,028**	3,472
Other debtors	**245**	792	**170**	752
Prepayments	**2,017**	1,672	**1,251**	1,041
Accrued income	**11,758**	12,853	**11,409**	12,292
Total debtors	**27,235**	29,046	**26,697**	30,400

Included in amounts due from group undertakings is a loan from the charity to Golden Lane Housing Limited for £1.17 million (2021: £2.42 million) which was fully paid in April 2022 following the demerger of Golden Lane Housing Ltd from the Mencap group.

18. Creditors: amounts falling due within one year

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£'000	£'000	£'000	£'000
Obligations under finance leases	**6**	26	**6**	26
Trade creditors	**3,527**	5,190	**3,314**	4,725
Taxation and social security costs	**3,231**	2,915	**3,231**	2,915
Other creditors	**7,050**	3,439	**7,049**	3,436
Accruals	**7,459**	9,418	**5,266**	7,619
Deferred income	**9,107**	8,977	**7,160**	7,071
Current portion of long term loans	**1,163**	12,218	**60**	60
Total amounts falling due within one year	**31,543**	42,183	**26,086**	25,852

Deferred income movement

	Group 2022	Charity 2022
	£'000	£'000
Balance at 1 April 2021	**8,977**	**7,071**
Amount released in the year	**(8,977)**	**(7,071)**
Amount deferred in the year	**9,107**	**7,160**
Balance at 31 March 2022	**9,107**	**7,160**

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 2022, the charity holds £5,264,777 (2021: £4,234,845) 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 2022	Group 2021	Charity 2022	Charity 2021
	£'000	£'000	£'000	£'000
Obligations under finance leases, two to five years	**8**	14	**8**	14
Debenture loan	**29,000**	23,000	**-**	-
Bank loan	**25,279**	19,801	**600**	660
Total	**54,287**	42,815	**608**	674

Mencap
In 2007, Mencap obtained a loan for £1.5 million, repayable in equal instalments over 25 years, at an interest rate of LIBOR plus 0.95%. As at 31 March 2022, the value of the loan stood at £0.66 million. 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 £11 million 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. This was refinanced in 2021.

In the year ended 31 March 2018, the company signed an £18 million Bond facility with RCB (paying a yield of 3.9% for 10 years) of which £10 million were issued to refinance the £10 million 2013 Bond and £8 million were retained bonds. In 2019 £4 million from the 2017 retained bonds were issued and the final £4 million were issued in January 2021.

A first drawdown of the RBS facility was taken in 2018/19 for £5 million, this was increased by £2 million to £7 million in March 2022. The capital amount will be repayable at maturity.

Loans
In August 2014 two loans held with Nationwide were refinanced, leaving Golden Lane Housing with a fixed term loan of £357,000 secured on freehold land and buildings. The balance was repaid in January 2022.

The remaining loans are provided by Triodos and are secured on freehold land and buildings. £17.68 million of the total is subject to fixed interest rates at 31 March 2022 with the remaining balance subject to variable interest rates.

Loan	End Date	Balance (£m)	Interest Rate (%)	Fixed / Variable
Triodos LOAN	4 Oct 2031	0.4	1.5%	Variable
Triodos LOAN	26 July 2032	0.2	1.5%	Variable
Triodos LOAN	17 May 2037	2.2	3.5%	Variable
Triodos LOAN	30 June 2036	5.4	3.5%	Variable
Triodos LOAN	4 Oct 2031	2.4	3.34%	Fixed
Triodos LOAN	26 July 2032	1.5	3.34%	Fixed
Triodos LOAN	17 May 2037	1.2	5.24%	Fixed
Triodos LOAN	17 May 2037	5.5	5.41%	Fixed

The group loans are repayable as follows:

	2022	2021
	£'000	£'000
Under 1 year	**1,163**	12,218
Between 1-2 years	**1,205**	1,266
Between 2-5 years	**3,895**	4,010
Over 5 years	**49,179**	37,525
Total	**55,442**	55,019

20. Financial Instruments

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost (a)	**47,096**	48,624	**38,321**	37,648
Financial assets measured at fair value (b)	**26,310**	25,322	**26,310**	25,322
Financial liabilities measured at amortised cost (c)	**(73,494)**	(73,106)	**(16,303)**	(16,540)

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

(b) 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.

(c) 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 2022	Expense 2022	Gains 2022	Income 2021	Expense 2021	Gains 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost	**4**	**-**	**-**	10	-	-
Financial assets measured at fair value	**212**	**-**	**852**	184	-	1,623
Financial liabilities measured at amortised cost	**-**	**(2,169)**	**-**	-	(2,183)	-

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 2021	2,134	1,554	1,403	168	**5,259**
Amount utilised in the year	(306)	-	(1,403)	-	**(1,709)**
Amount released in the year	-	(259)	-	(131)	**(390)**
Amount provided in the year	338	105	1,329	169	**1,941**
Balance at 31 March 2022	**2,166**	**1,400**	**1,329**	**206**	**5,101**

(b) Charity

	Mencap Visiting Service	Dilapidations	Employee benefits	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2021	2,134	1,192	1,403	118	**4,847**
Amount utilised in the year	(306)	-	(1,403)	-	**(1,709)**
Amount released in the year	-	(120)	-	(123)	**(243)**
Amount provided in the year	338	47	1,329	150	**1,864**
Balance at 31 March 2022	**2,166**	**1,119**	**1,329**	**145**	**4,759**

The provision for the Mencap Visiting Service is the accumulated costs of providing the visiting service for all of its beneficiaries for the remaining expected need of the service. The costs charged against this provision represent the annual costs of running the service which will run for the length of the life of the beneficiaries. This scheme is closed to new members.

22. Analysis of assets and liabilities between funds

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
Group	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	**120,421**	**36,147**	**156,568**	116,495	34,005	150,500
Current assets	**39,575**	**9,577**	**49,152**	42,189	8,156	50,345
Liabilities	**(88,048)**	**(5,175)**	**(93,223)**	(89,606)	(3,223)	(92,829)
Total	**71,948**	**40,549**	**112,497**	69,078	38,938	108,016

23. Group funds

	Balance 1 April 2020	Incoming resources	Outgoing resources	Transfers	Gains and losses	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted						
Homes	331	14	(15)	33	-	**363**
Mencap Visiting Service	2,181	119	181	-	958	**3,439**
NewBe project	3,433	-	(81)	(5)	-	**3,347**
Northern Ireland Housing Executive - Supporting People	28	663	(671)	19	-	**39**
Rothenberg Fellowship	41	-	-	(8)	-	**33**
Service provision - Communities & Programmes	824	3,116	(814)	29	-	**3,155**
Service provision - Lifestyles & Work	1,112	3,092	(2,211)	(628)	-	**1,365**
Service provision - Personal Support	198	3,803	(3,868)	41	-	**174**
Service provision - Strategy & Influence	369	716	(773)	36	-	**348**
Service provision - other	1,473	2,363	(1,456)	(506)	-	**1,874**
Service provision - Golden Lane Housing	22,811	2,065	-	(75)	-	**24,801**
Young Ambassadors	27	-	-	(27)	-	**-**
	32,828	**15,951**	**(9,708)**	**(1,091)**	**958**	**38,938**
Unrestricted						
General	58,800	222,206	(215,589)	(10,003)	665	**56,079**
Designated reserves:						
- Strategic Investment				9,000		**9,000**
- Seed capital	75	-	-	-	-	**75**
- Non repayable grants	5,261	74	-	(53)	-	**5,282**
- Tenants support fund	880	-	-	-	-	**880**
- House to Home funds	316	18	-	-	-	**334**
Pension deficit	(1,341)	-	(10)	2,147	(3,368)	**(2,572)**
	63,991	**222,298**	**(215,599)**	**1,091**	**(2,703)**	**69,078**
Total	**96,819**	**238,249**	**(225,307)**	**-**	**(1,745)**	**108,016**

Note 23 continues on the following page.

23. Group funds continued

	Balance 1 April 2021	Incoming resources	Outgoing resources	Transfers	Gains and losses	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted						
Homes	363	7	(16)	(1)	-	**353**
Mencap Visiting Service	3,439	147	(365)	-	469	**3,690**
NewBe project	3,347	-	(149)	-	-	**3,198**
Northern Ireland Housing Executive - Supporting People	39	670	(735)	19	-	**(7)**
Rothenberg Fellowship	33	-	-	-	-	**33**
Service provision - Communities & Programmes	3,155	976	(1,412)	766	-	**3,485**
Service provision - Lifestyles & Work	1,365	2,292	(2,336)	(393)	-	**928**
Service provision - Personal Support	174	4,809	(4,806)	237	-	**414**
Service provision - Strategy & Influence	348	671	(621)	85	-	**483**
Service provision - other	1,874	1,492	(1,243)	(676)	-	**1,447**
Service provision - Golden Lane Housing	24,801	1,721	-	-	-	**26,522**
Young Ambassadors	-	-	-	1	-	**1**
	38,938	**12,785**	**(11,683)**	**38**	**469**	**40,547**
Unrestricted						
General	56,079	226,228	(219,526)	(1,917)	383	**61,247**
Designated reserves:						
- Strategic Investment	9,000	-	(2,583)	-	-	**6,417**
- Seed capital	75	-	-	-	-	**75**
- Non repayable grants	5,282	1	-	(53)	-	**5,230**
- Tenants support fund	880	-	-	59	-	**939**
- House to Home funds	334	-	-	-	-	**334**
Pension deficit	(2,572)	-	(157)	1,873	(1,436)	**(2,292)**
	69,078	**226,229**	**(222,266)**	**(38)**	**(1,053)**	**71,950**
Total	**108,016**	**239,014**	**(233,949)**	**-**	**(584)**	**112,497**

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.
- **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 a learning disability and their families, and a new headquarters for Mencap in Northern Ireland.
- **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 six-month programme, to support the work Mencap does, and to develop their employability skills.

Designated funds
£9 million unrestricted funds have been specifically designated by Mencap for strategic investment, with £2.6 million spent in the year. The remaining £6.4 million is to be spent over the next four years.

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

- **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.
- **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, £1.8 million 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 there are 18 active members, 15 of which are current active Mencap 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 2020 and Mencap agreed to continue with a schedule of contributions to settle the pension deficit over a period of 14 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:	£4 million
For the periods 1 April 2016 to 31 March 2028	£2.1m per annum

In 2021 the following amendment was made:

For the periods 1 April 2021 to 31 March 2028 £1.8m per annum

At the end of March 2022 the total scheme liabilities were valued at £143.5 million and the assets at £144.5 million. The net surplus is therefore £1 million. However, the triennial valuation still shows a sizeable deficit. The annual accounts will typically show a stronger position than the triennial valuation. This is because the accounting standards require a fair view of the position (broadly, neither overstating, nor understating the funding level). Triennial valuations, which are used to determine contributions to the Plan, are overseen by the Pensions Regulator which requires a prudent view of the position (i.e. understating the funding level) to ensure schemes are not underfunded.

This surplus in the annual valuation 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 March 2022, recorded as a no surplus no deficit position, was a net surplus of £1 million.

The main reasons for the change are as follows:

- A higher inflation assumption. (2022 RPI:3.7%, 2021:3.3%) Many benefits in the Plan are guaranteed to increase in line with inflation, so a higher inflation means more funds will be needed for future benefit.
- Mencap contributed £1.8 million 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 2022	31 March 2021
	% per annum	% per annum
Retail price inflation (% p.a.)	3.70%	3.30%
Consumer price inflation (% p.a.)	2.95%	2.55%
Discount rate	2.70%	2.00%

The Demographic assumptions used are:

Longevity assumptions as at 31 March 2022

	Male and Female
Base table	2019 VITA tables
Future improvements	CMI 2021 core model with a long term rate of improvement of 1.5%, A parameter of 0.25% and a smoothing parameter of S_K =7.0

Life expectancies as at:

	31 March 2022		31 March 2021	
Males (M) or Females (F)	M	F	M	F
Average future life expectancy (in years) for a pensioner aged 65 at 31 March 2022	21.8	24.4	21.8	24.4
Average future life expectancy (in years) at age 65 for a non-pensioner aged 45 at 31 March 2022	22.9	25.7	23.0	25.7

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

Assets

	Fund value 31 March 2022	Fund value 31 March 2021
Liability driven investment	**25,473**	39,259
Investment grade credit (corporate bonds)	**38,705**	83,692
Infrastructure	**13,329**	13,676
Property	**9,951**	9,665
Insurance contracts	**53,991**	2,836
Cash and cash equivalents	**3,032**	2,980
Total value of assets	**144,481**	152,108
Actuarial (value) of liabilities	**(143,479)**	(149,690)
Surplus/(deficit) of funded Plan liabilities	**1,002**	2,418
Irrecoverable (surplus)	**(1,002)**	(2,418)
Surplus/(deficit) recognised in balance sheet	**-**	-
Net pension asset/(liability)	**-**	-

Reconciliation of Plan benefit obligation

	31 March 2022	31 March 2021
Opening defined benefit obligation	**149,690**	136,493
Interest cost	**2,947**	3,088
Actuarial (gains)/losses	**(3,968)**	14,386
Past service cost	**-**	11
Benefits paid	**(5,191)**	(4,288)
Closing defined benefit obligation	**143,479**	149,690

Reconciliation of fair value of Plan assets

	31 March 2022	31 March 2021
Opening fair value of Plan assets	**152,108**	141,541
Interest income	**3,022**	3,228
Contributions by Royal Mencap Society	**1,825**	2,100
Actual return on assets excluding amounts included in net interest	**(7,283)**	9,527
Benefits paid	**(5,191)**	(4,288)
Closing fair value of Plan assets	**144,481**	152,108

Analysis of amount charged to operating profit

	31 March 2022	31 March 2021
	£'000	£'000
Past service cost	**-**	(11)
Total operating charge	**-**	(11)

Analysis of amount credited to other finance income

	31 March 2022	31 March 2021
	£'000	£'000
Interest income on Plan assets	**3,022**	3,228
Interest on Plan liabilities	**(2,947)**	(3,088)
Net interest on defined benefit liability	**75**	140
Total amount charged to profit & loss (total operating charge less net interest)	**75**	129

Analysis of amount recognised in Other Comprehensive Income (OCI)

	31 March 2022	31 March 2021
	£'000	£'000
Actual return on assets excluding amounts included in net interest	**(7,283)**	9,527
Actuarial gains/(losses) on Plan obligations	**3,968**	(14,386)
Remeasurement loss in Plan	**(3,315)**	(4,859)
Decrease in irrecoverable surplus from membership fall and other factors	**1,415**	2,630
Remeasurement loss recognised in OCI	**(1,900)**	(2,229)

Sensitivity analysis

Change in assumptions compared with 31 March 2022 actuarial assumptions:

	Actuarial value of liabilities on 31 March 2022
	£'000
Base case	143,479
-0.5% decrease in discount rate	155,942
1-year increase in member life expectation	149,217
+0.5% change in inflation	150,850

Local authority pension schemes

Nottinghamshire County Council Pension Scheme
The Nottinghamshire County Council Pension Fund is a defined benefit scheme with 18 members at 31 March 2022. 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 2022 was 14.4% and this was expensed during the year. Contributions have been set at 14.4% for 2022/23.

The estimated asset allocation at 31 March 2022 revealed that Mencap's share of liabilities of the scheme exceeded the value of Mencap's share of the scheme's assets by £2.24m (2021: £2.52 million). This change in deficit has been treated as an expense during the year and the deficit 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 2022.

Mencap had no active members in the pension scheme in the year to 31 March 2022 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

An actuarial valuation was obtained for the Nottinghamshire County Council Pension Scheme, the following assumptions have been used in its valuation:

Financial Assumptions

	31 March 2022	31 March 2021
	% p.a.	% p.a.
CPI increases	**3.20%**	2.85%
Salary increases	**4.20%**	3.85%
Pension increases	**3.20%**	2.85%
Discount rate	**2.60%**	2.05%

The demographic assumptions used are:

Life expectancy from age 65

	31 March 2022	31 March 2021
Retiring today:		
Males	**21.6**	21.6
Females	**24.3**	24.3
Retiring in 20 years:		
Males	**23.0**	22.9
Females	**25.8**	25.7

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

	31 March 2022	31 March 2021
	£'000	£'000
Present value of the defined benefit obligation	**(5,434)**	(5,497)
Fair value of Fund assets (bid value)	**3,190**	2,973
Deficit	**(2,244)**	(2,524)

Reconciliation of present value of the defined benefit obligation

	31 March 2022	31 March 2021
	£'000	£'000
Opening defined benefit obligation	**5,497**	3,700
Current service cost	**180**	108
Interest cost	**112**	87
Change in financial assumptions	**(305)**	1,654
Change in demographic assumptions	**-**	(39)
Estimated benefits paid net of transfers in	**(71)**	(33)
Contributions by Scheme participants	**21**	20
Closing defined benefit obligation	**5,434**	5,497

Reconciliation of the fair value of Fund assets

	31 March 2022	31 March 2021
	£'000	£'000
Opening fair value of Fund assets	**2,973**	2,407
Interest on assets	**61**	57
Return on assets less interest	**159**	476
Administration expenses	**(1)**	(1)
Contributions by employer including unfunded	**48**	47
Contributions by Fund participants	**21**	20
Estimated benefits paid plus unfunded net of transfers in	**(71)**	(33)
Closing fair value of Fund assets	**3,190**	2,973

Analysis of amount charged to operating profit

	31 March 2022	31 March 2021
	£'000	£'000
Current service cost	**(180)**	(108)
Administration costs	**(1)**	(1)
Total operating charge	**(181)**	(109)

Analysis of amount credited to other finance income

	31 March 2022	31 March 2021
	£'000	£'000
Interest on Plan liabilities	**(51)**	(30)
Net interest on net defined benefit liability	**(51)**	(30)
Total amount charged to profit & loss (total operating charge less net interest)	**(232)**	(139)

Analysis of amount recognised in Other Comprehensive Income (OCI)

	31 March 2022	31 March 2021
	£'000	£'000
Return on Plan assets in excess of interest	**159**	476
Change in financial assumptions	**305**	(1,654)
Change in demographic assumptions	**-**	39
Remeasurement of the net assets/ (defined liability)	**464**	(1,139)

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

	2022	2021
	£'000	£'000
Mencap pension scheme	**-**	(11)
Nottinghamshire County Council Pension Fund	**(181)**	(109)
Total	**(181)**	(120)

Amount recognised in finance income

	2022	2021
	£'000	£'000
Mencap pension scheme	**75**	140
Nottinghamshire County Council Pension Fund	**(51)**	(30)
Total	**24**	110

Amount recognised in other recognised gains/(losses)

	2022	2021
	£'000	£'000
Mencap pension scheme	**(1,900)**	(2,229)
Nottinghamshire County Council Pension Fund	**464**	(1,139)
Total	**(1,436)**	(3,368)

Defined benefit pension liability

	2022	2021
	£'000	£'000
Mencap pension scheme	**-**	-
Nottinghamshire County Council Pension Fund	**(2,244)**	(2,524)
Staffordshire County Pension Fund	**(48)**	(48)
	(2,292)	(2,572)

25. Related Parties

Donations totalling £600 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: £716,784
- Mencap Limited paid annual earnings of £246,554 to the charity by way of Gift Aid
- A total of £257,109 of other expenses incurred within the group were reallocated between the charity and its subsidiaries

At 31 March 2022, the following intercompany balances were outstanding between the charity and its subsidiaries:

	2022	2021
	£'000	£'000
Golden Lane Housing Limited - loan	**1,170**	2,416
Golden Lane Housing Limited - other	**548**	593
Mencap Limited	**72**	20
Mencap Promotions Limited	**-**	-
Mencap Trust Company	**237**	443
Total	**2,027**	3,472

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:

	31 March 2022
	Number of volunteers
Raising funds:	
Raising funds	107
Trading	401
Total raising funds	**508**
Charitable activities:	
Providing services	247
Campaigning for change	2
Support with advice	1
Research & Evaluation	3
Building people's own capabilities	32
Providing Housing	-
Support & Governance	15
Total charitable activities	**300**
Total	**808**

27. Capital commitments

At 31 March 2022, the group has the following capital commitments. All are commitments of Golden Lane Housing Ltd:

	2022	2021
	£'000	£'000
Capital expenditure contracted but not provided for in the financial statements	**800**	197
Capital expenditure authorised by the board but not contracted for	**12,000**	10,000
Total	**12,800**	10,197

These commitments are expected to be financed with:

	2022	2021
	£'000	£'000
Cash reserves	**800**	197
Proceeds from the sale of properties	**8,000**	-
Committed loan facilities	**4,000**	10,000
Total	**12,800**	10,197

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

28. Contingent liabilities

At 31 March 2022 there were no contingent liabilities.

29. Income

(a) Included in Trust income is income from:

	Total 2022
	£'000
The Chandler Trust	15
The City Bridge Trust	70
Cloudesley	10
The Harpur Trust	10
The Health Foundation	24
The Kusuma Trust	10
Pears Foundation	50
Pears DCMS Community Match Challenge	552
Sylvia Waddilove Foundation	25
The Zochonis Charitable Trust	50
Youth Futures Foundation	226

(b) Included in Community is income from:

	Total 2022
	£'000
Department of Culture, Media and Sport	194
City of Bradford MDC	32
Good Things Foundation	34
Health Education England	348
Heritage Lottery Fund	16
Sport England	500

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

	Total 2022
	£'000
Advent International	76
GWR Group plc	8
Magnify Distribution Ltd	11
Microsoft	17
Pour Moi	13
Sweet Causes Ltd	9

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

	Group 2022
	£'000
CBRE	18
Pricecheck	20
Vodafone	120
Withers LLP	72

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

	Group 2022
	£'000
Infection Control Grants	3,533
Belfast Health and Social Care Trusts for children and adult services in NIRE	267
Community Foundation Northern Ireland - Department of Health Mental Health Fund	34
Community Foundation Northern Ireland - RTE Toy Show	40
Department of Health (Northern Ireland)	103
Disability Action for Employment Support in Northern Ireland	6
Early Years for Children's Services in Northern Ireland	43
Education Authority for Youth Services in Northern Ireland	49
Northern Health and Social Care Trusts for advocacy, children, adults' services in Northern Ireland	83
Special EU Programmes Body	297
The National Lottery Community Fund	9
Ulster University	15

30. Events after the end of the reporting period

In order to enable and realise the overall strategy of the Golden Lane Housing Ltd (GLH) board, the GLH board took the decision, jointly with the board of Royal Mencap Society, for GLH to become a Community Benefit Society, registered with the Financial Conduct Authority with rules based on the National Housing Federation Model Rules 2015. The GLH board has received consent from the Charity Commission and its lenders to undertake this restructure which took effect 1 April 2022. The financial impact on the group is set out in the Statement of Discontinued Operations shown below:

Statement of Discontinued Operations

	Continued Operations			Discontinued Operations			Total		
	Group excluding GLH 2022			GLH 2022			Total 2022		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds	UnrestrictedFunds	Restricted Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income from:									
Donations and legacies	10,987	2,974	13,961	(1)	-	(1)	10,986	2,974	13,960
Charitable activities	185,190	7,891	193,081	54	-	54	185,244	7,891	193,135
Other trading activities	3,951	-	3,951	-	-	-	3,951	-	3,951
Investments	119	93	212	3	-	3	122	93	215
Rental income	404	106	510	25,156	1,721	26,877	25,560	1,827	27,387
Gain on disposal of fixed assets	175	-	175	191	-	191	366	-	366
Total	**200,826**	**11,064**	**211,890**	**25,403**	**1,721**	**27,124**	**226,229**	**12,785**	**239,014**
Expenditure on:									
Raising funds	3,370	86	3,456	-	-	-	3,370	86	3,456
Trading Costs Of Subsidiaries	3,499	7	3,506	-	-	-	3,499	7	3,506
Charitable activities	191,391	11,590	202,981	24,006	-	24,006	215,397	11,590	226,987
Total	**198,260**	**11,683**	**209,943**	**24,006**	**-**	**24,006**	**222,266**	**11,683**	**233,949**
Net gains/(losses) on investments	383	469	852	-	-	-	383	469	852
Net income / (expenditure)	**2,949**	**(150)**	**2,799**	**1,397**	**1,721**	**3,118**	**4,346**	**1,571**	**5,917**
Transfers between funds	(38)	38	-	-	-	-	(38)	38	-
Other recognised gains/(losses):									
Actuarial gains/(losses) on defined benefit pension schemes	(1,436)	-	(1,436)	-	-	-	(1,436)	-	(1,436)
Net movement in funds	**1,475**	**(112)**	**1,363**	**1,397**	**1,721**	**3,118**	**2,872**	**1,609**	**4,481**
Reconciliation of funds:									
Total funds brought forward	33,073	14,137	47,210	36,005	24,801	60,806	69,078	38,938	108,016
Total funds carried forward	**34,548**	**14,025**	**48,573**	**37,402**	**26,522**	**63,924**	**71,950**	**40,547**	**112,497**

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