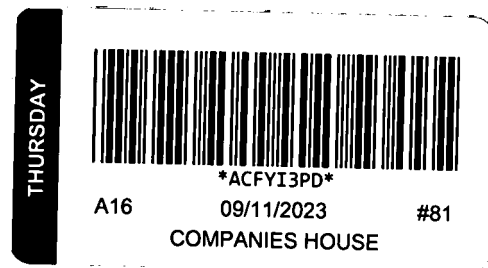


ROYAL MENCAP SOCIETY

ANNUAL REVIEW APRIL 2022 to MARCH 2023



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Foreword

Dame Carolyn Fairbairn DBE, chair

I am immensely proud to have been appointed chair of Royal Mencap Society and promise to use my time in office to make a real difference. I was drawn to Mencap by its vision of the UK being the best place for people with a learning disability to live happy and healthy lives, and by the freshness of its thinking.

Mencap is a fantastic organisation that brings with it the heritage of 75 years of advocating for people with a learning disability and continues to be driven by with as much passion as Judy Fryd and other parents had all those years ago.

Some of you may know that my sister Diana had a learning disability. She lived a joyful and happy life, latterly receiving wonderful care from Harpenden Mencap. I saw at first-hand what a difference the right support can make, and the importance of the relationships with her support team. Diana made a huge impact on everyone she met and brought joy to me and many others. Sadly, Diana's life was cut short to the utter sadness of our family, her friends, and carers, and I gained some insight into the experiences that some people with a learning disability have of healthcare. I want everyone with a learning disability to live a happy life like Diana did, but I do not want them to have the same treatment that she had at the end of her life. Mencap has a proud history of campaigning on health, and I will do all I can to support this. This will be a priority in 23/24 and we have already got off to a good start, by holding a summit on tackling health inequalities attended by senior health leaders including Amanda Pritchard, the Chief Executive of NHS England, and where we were joined by our royal patron, Her Royal Highness, the Duchess of Edinburgh.

I have been impressed by Mencap's determination to be led by people with a learning disability and see evidence of this in all its decision making. The Voices Council is formidable and goes from strength to strength, but I want to go further by increasing the number of trustees with a learning disability on our board. We recently won the Disability Board of the Year at an event recognising equity, diversity and inclusion within leadership and I hope that we can share our experiences and in some small way encourage others to be more inclusive.

As outlined in this report, Mencap also employs a growing number of colleagues with a learning disability and in increasingly senior leadership positions. Their contribution is immense, and they guide our organisation towards greater and greater inclusion. We want to go further and to encourage other employers to do the same. Our work research shows that most people with a learning disability want to work, but find the benefits system is a barrier. We also found that employers want to hire more people with a learning disability, but they aren't sure about the reasonable adjustments they will need to make. These are clear challenges that Mencap can address, and I am very much looking forward to seeing our work strategy turned into action.

There is so much more I could say – celebrating Mencap's many successes in the last year and looking forward to the year ahead. But I should also acknowledge the challenges of the past and the tough times we have in front of us. The cost-of-living crisis was upon us before we had recovered from Covid and the challenges of operating as a social care provider are well documented and very real. I want to pay tribute to all our employees for their hard work over the last few years – you are inspirations. I also want to acknowledge how tough things are for you right now, and to assure you we are doing all we can to prioritise pay. First, we need to build a healthy financial foundation which will be hard work, but we have a clear plan. The one thing I do know from this last year is that the Mencap spirit is indomitable and will find a way to realise its vision come what may.

Question and Answer with our Voices Council

“It's essential people with lived experience are at the centre of decision making.”

Harry Roche, Digital Accessibility Officer interviews Jack Welch from our Voices Council about how people with a learning disability are driving Mencap's work.

Harry Roche (HR): So why did you get involved in the Voices Council?

Jack Welch (JW): I feel it's essential that people with lived experience are at the centre of decision making. That's the main reason I joined. On a personal level I enjoy discussing matters around strategy, or Our Big Plan as we call it, organisational changes and influencing important decisions at board level.

HR: What makes the Voices Council so important to Mencap's work?

JW: I think we have a significant role to ensure that the choices and direction of the charity have people with a learning disabilities' direct input. We need people with lived experience who can use their own insights, and those of others in their local community, to do what's in the best interests of people with a learning disability.

HR: How does it make you feel to be involved?

JW: I very much enjoy and take a lot of pleasure in the work that I do. It always gives me a great deal of satisfaction to be part of the discussions with Voices Council members in the room – especially when we meet in person. It's always very productive during our meetings. People always have something to say. There's never a quiet person or someone reluctant when it comes to adding their views.

HR: What do you think is the biggest challenge facing people with a learning disability?

JW: From my perspective, healthcare continues to remain a major problem at the national level. So people with a learning disability are facing difficulties getting their prescriptions, for example. That's because there are sometimes shortages in pharmacies – and of course, pharmacies themselves are quite stretched nowadays. The whole system is stretched – you might end up going to the hospital if you can't get access to other services in your local community. We know that there's a low number of people registered to receive annual health checks. And I know Mencap is trying to put this right. But it remains quite a challenge.

HR: What's the biggest thing readers can do to support people with a learning disability?

JW: I think people need to generally educate themselves. I know that sounds quite blunt! People can find out what life is like for those who have a learning disability by following them on social media. Some of us are quite active [on social media] – including me. They can also sign our petitions that support causes like getting people released from long-stay hospitals and cared for in the community. They can volunteer with Mencap and get involved in buddy schemes.

HR: What are you most proud of this year?

JW: We opened up the Voices Council recruitment process and so we have some new members – which is very exciting. They will bring all of their insights and knowledge about what life is like for them to our group. But we've also been part of recruiting a new chair for Mencap. We were very much involved in that interviewing process and selecting our preferred chair. It was quite competitive!

HR: What most needs to change to make life better for people with a learning disability next year?

JW: That's quite a tough question! But I think what's most pressing is the number of people that need to be released from long-stay hospitals and reintegrated back into the community with the right package of support that's closer to home. I think that is certainly the most urgent problem because many people have been in some of these hospitals for decades in certain cases.

HR: What's your biggest hope for the year ahead?

JW: I certainly hope we can get a more diverse membership of the Voices Council to represent Mencap's priorities around equity, diversity and inclusion. In itself that can be quite difficult to achieve, but we have a plan to make it happen and also bring the life experience of those people to the group where we are currently underrepresented.

HR: Finally, do you have a message for everyone who works for Mencap?

JW: Everyone who works at Mencap is doing a very significant job in improving the lives of people with a learning disability whether they're offering frontline support or working in our back office. So the message is: thank you for what you do!

Question and Answer with Edel CEO

“We need to be led by people with a learning disability.”

Harry Roche, Digital Accessibility Officer, asks our CEO Edel Harris about Mencap’s work during a very challenging year.

Harry Roche (HR): **What are you most proud of Mencap achieving this year?**

Edel Harris (EH): Like a lot of charities, we’ve had another challenging year. But despite those challenges, we’ve held on to our vision: for the UK to be the best place in the world for people with a learning disability to live happy and healthy lives.

I’m very proud of our campaigning work this year and the work we’ve done to support people with a learning disability and their families through the cost-of-living crisis.

HR: **How is the cost-of-living crisis affecting people with a learning disability?**

EH: Everyone has been affected to some extent. But we know from our surveys and the calls to our helpline that people with a learning disability are impacted more severely. When you have a disability, there are often extra unavoidable costs. Benefits don’t always provide enough for someone to live on.

This year we’ve successfully campaigned for the minimum income guarantee to rise with inflation. This means many thousands of people with a learning disability who use social care services have more money to spend on essentials. And hopefully also money to spend on things that are important to them.

HR: **How are you supporting people through the cost-of-living crisis?**

We’re doing a lot in this area. This year we launched our Priced Out and Forgotten campaign which includes working with both Ofgem and energy providers.

To try and make energy more affordable for people on low incomes, we’ve been promoting the Priority Services Register. That’s a list of people who can get extra help with their electricity, gas and water bills. We’ve put a lot of focused and important accessible information on our website. For example, tips on how to save energy and keep warm.

Plus, our free learning disability helpline is always open for advice and support. Not just on the cost-of-living crisis, but on a whole range of issues people with a learning disability and their families and carers are concerned about.

HR: **What’s the most surprising and interesting thing someone with a learning disability has told you about their experience this year?**

EH: I love this question! I’ve met so many people with a learning disability, either people we support in England, Wales and Northern Ireland or colleagues like you, Harry. I spent time with our fabulous Treat Me Well campaigners and some of our Mythbusters. Everyone has such an interesting life story to share. Sometimes these stories are harrowing, like when I spoke to some of the families of people with learning disabilities whose sons and daughters are still locked away in institutions like Muckamore Abbey in Northern Ireland.

But more often they’re inspiring stories – like spending time with Aaron Plummer. He swam the last mile of my swim challenge with me and then went on and ran the London Marathon to raise money for Mencap. And you, Harry, sharing your experience of working with Inclusion International.

HR: How is Mencap doing at recruiting people with a learning disability?

EH: In the non-social care part of our charity, about 6% of our workforce are people with a learning disability. But we can and should do better. We've now got an Equity, Diversity and Inclusion strategy and an action plan with some really great ambitions and targets for employing more people with a learning disability. We've also strengthened the role of our Voices Council.

Plus, though they're not employed in the same way as staff, we want to have more people on our board with a learning disability. We need to be a charity genuinely led by people with a learning disability. That's why we have colleagues like you on our leadership team. We also employ part-time inclusion consultants. They're not included in the 6% figure because they are relief rather than contracted staff – but they do great work with us on recruitment, informing policy and helping out with campaigning and we pay them for the work they do for us.

We also commissioned people with a learning disability through a self-advocacy group called My Life My Choice to review how personalised we are in our work.

HR: What more needs to be done to give people with a learning disability the opportunity to have paid work?

Many people with a learning disability don't have the same opportunities as everyone else to go into paid work. And it's not just about getting a job. It's about having a career and opportunities to learn, develop and grow once you have that job.

So this year, Mencap commissioned a company called The National Development Team for Inclusion (NDTi) to find out the reasons why so few people with a learning disability are in paid work. We co-produced the research with people with a learning disability and paid some of them to carry it out so they were really involved in the project.

We found that 86% of the people with a learning disability who completed the survey didn't have a paid job and said they'd like one. So it's really important we change this – in our Big Plan, work is one of our priority themes. We're starting with a new strategy and action plan which we hope will help us target what we need to do to create positive change.

HR: What most needs to change to make lives better for people with a learning disability next year?

EH: There are lots of answers to that question, but I want to focus on social care. Not everybody who has a diagnosis of a learning disability gets social care, but most people do. Social care reform is one of the priorities in our Big Plan.

My biggest hope for this year is that we'll get the social care reform that's needed across England, Wales and Northern Ireland. Despite the good will towards social care workers during the pandemic, we haven't seen any real change. Politicians and senior decision-makers really need to invest in the wonderful work they do, starting by raising pay.

Social care should be valued as a profession. We also need to get on top of our recruitment and retention problems. Right now we have too many vacancies in Personal Support because the general public doesn't seem to see a job in social care as a great career.

HR: What are you most excited about for the year ahead?

EH: Delivering our Big Plan. It includes things like working more with others, particularly our network partners, to create change. It's about working in communities and with communities so they can decide what's important to them. It's about delivering My Fund again to give money directly to people with a learning disability to change lives in their communities. It's also about campaigning

on our priorities: health inequalities, Homes Not Hospitals and social care reform. I'm excited about all of that!

HR: What's your message for everyone at Mencap?

EH: It's been a bumpy year – but it's also been amazing. I often think about how hard all of our amazing colleagues and volunteers have worked and the incredible things we've done together to improve the lives of people with a learning disability and their families'.

Whatever your role, I want to offer a heartfelt thank you for all that you've done this year, despite the ups and downs. And I really look forward to working with you to achieve our vision for the UK to be the best place in the world to live a happy and healthy life if you have a learning disability.

This is Mencap

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 people with a learning disability to do what they want and what they know will make the biggest difference to their lives.

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 discriminated against and treated badly.

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.

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 also have mental health issues.

Listening and learning

This year, nearly 2,000 people with a learning disability got involved in our Big Learning Disability Survey. We're incredibly grateful for their time letting us know what matters most in their lives.

The survey covered everything from discrimination to work – and what makes people happiest.

We'll use the information to work with the governments and public bodies in all the three countries of the UK where we operate to make change and to guide our own work. That's because we're proud to be led by people with a learning disability. For more information, please see page 29-30

What the survey told us:

- a quarter of people were married or in a relationship.
- only 26.7% have a paid job.
- over 4 in 10 (40.7%) had not had an annual health check in the last year.
- 66.4% felt happy in the last week, 43.5% felt sad and 31.7% felt lonely.
- Over 40% said there were times they didn't go out in the past month because they were worried about something. The most common reason was "people calling me names or bullying me" (14.7%).
- Nearly a quarter (24.3%) said they do not have enough money.
- 22.4% said they do not have enough support.

We asked...what would make you happier?

"[Working] on the train. This is my dream job."
(Male, 18-24 years)

"A job. I lost mine after 20 years due to the Covid restrictions."
(Male, 45-54 years)

"More activities for people like me in my local area."
(Female, 25-34 years)

Trustees' strategic report - View from our trustees

After Covid-19 we had to take action. Action to support people with a learning disability who faced dramatic rises in fuel and food bills. And action for our colleagues – particularly those working in social care who were exhausted by their hard work during lockdown.

We came out of the pandemic eager to complete the next part of our Big Plan. But like many organisations, we were hit by economic challenges.

Social care is all about people – and people with learning disabilities rely on our brilliant, hard-working support colleagues. Unfortunately, like all social care providers we face huge challenges recruiting and retaining workers. Without enough good people, we cannot deliver the support those with learning disabilities deserve and during the year we had our first 'inadequate' rating from the Care Quality Commission since 2016. The rating has since improved to 'Good' on re-inspection, but it is a wake-up call, and we are grateful to the CQC for making it.

This is the toughest time in social care that we have ever experienced. The whole sector needs more investment. We are lucky enough to have strong connections to Government, opposition parties and opinion formers and are making representations for more money and reform, as well as working alongside the Government. We also took the difficult decision to stop piloting our new delivery model – designed to improve quality and raise support worker pay. Without enough people or funding, we couldn't run it safely.

This year we will concentrate on workforce, quality and finance

Nearly 4,000 people with a learning disability and their families rely on us for support. We cannot let them down. If we do not get paid enough to run our services, we cannot pay people what they deserve. And if we cannot employ enough good people, this will impact on the quality of the care we provide. This means we must concentrate on recruitment and the wellbeing of our colleagues, working hard to improve the quality of our services and negotiating uplifts for our contracts so that we are financially stable. These will be our priorities in the next year.

Despite this focus, we remain committed to our Big Plan and have made progress against our 'levers'. Our new Evaluation and Monitoring Framework helps highlight the results of our work. We're pleased to be able to share the impact our work has on individuals, communities and society.

We've also made good progress in other areas. Our leadership team has had intensive equity, diversity and inclusion training. This means that all leaders in the organisation have the knowledge and skills necessary to help make Mencap a truly fair and equitable organisation. We've also reviewed our governance (how we're run). You can read more about this on page 47-50. This means our Voices Council has greater power and will continue to be at the centre of decision making.

This is what we said we'd do this year:

LEVER 1: Providing Services

- Continue to support nearly 4,000 people with a learning disability **YES**
- Expand and evaluate our personal support local delivery pilots **NO**
- Implement the recommendations from our review of our services **GOOD PROGRESS**
- Develop a new business development strategy **NO**

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 **YES**
- Ensure that people with a learning disability are properly supported with mental health services and the UK Government's response to the cost-of-living crisis **SOME PROGRESS**
- 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. **SOME PROGRESS**

LEVER 3: Information and Advice

- Implement the recommendations that were identified in the Future, Activity and Delivery Review for the Advice and Helpline service in England and Northern Ireland **YES**
- Increase information and advice provision in Wales **NO** (but we continue to offer the same level of service as before)
- Review our Customer Relationship Management system and develop plans to improve our website **YES**

LEVER 4: Research and Evaluation

- Publish the findings from our national survey of people with a learning disability **YES**
- Publish our work research and develop an action plan based on recommendations **GOOD PROGRESS**
- Set up a new 'community of interest', made up of a diverse group of people outside our organisation, to share best practice and new research **YES**

LEVER 5: Working with communities

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

THRIVING ORGANISATION: Focus on key areas

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

This is what we aim to do next year as long as we have enough money:

LEVER 1: Providing Services

- Continue to support nearly 4,000 people with a learning disability
- Aim for all our Personal Support to be rated good or outstanding (or equivalent in Wales and NI)
- Finish implementing the recommendations that came from the review of our direct 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 Cost of Living
- Develop a new strategy for increasing the number of people with a learning disability in work
- Hold a summit on health inequalities for key leaders in the NHS
- Make sure that the experiences of people with a learning disability are heard by the Covid Inquiry. Although unfortunately, we will not be able to be Core Participants in this process
- Build on our activism work inviting more people to join the learning disability movement and empowering people to make change in their local area.

LEVER 3: Information and Advice

- Maintain support on the cost-of-living crisis
- Work towards the Advice Quality Standard
- Make our website more accessible so we can help more people with a learning disability and their families

LEVER 4: Research and Evaluation

- Seek funding to do some much-needed research into the experiences of Black, Asian and minority ethnic people with a learning disability
- Find out how young people with a learning disability use the internet and potentially experience online harm, and develop resources for staying safe online
- Deepen our relationship with one of the top academic journals on learning disability

LEVER 5: Working with communities

- Support more people to find solutions to make their communities more accessible
- Roll out our family-led support to more local authorities
- Embed our retail activities in communities
- Repeat our grant giving to individuals programme, MyFun:D

THRIVING ORGANISATION: Focus on key areas

- Deliver our financial plan
- Focus on our workforce
- Raise £12M so we can campaign and have wider impact for the 1.5m people with a learning disability in the UK

Lever 1 - Providing services that model our vision and ambitions

Nearly 4,000 people with a learning disability get support through our social care services.

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

	Good and outstanding (and equivalent) – 22/23
CQC	93.6%
Wales	2 good inspections with no improvement recommendations

Our colleagues have shown huge resilience this year.

Alongside the people they support, they're still coping with the effects of Covid-19.

Some places are still in lockdown. And right up until a few days before Christmas 2022 all our support worker colleagues had to work in face masks (except in Wales). Many clubs, centres and day services never returned after the pandemic.

Some colleagues left when they had to have compulsory vaccinations. Others left because they were exhausted. But most stayed – determined to give their best to the people they support. Their passion and commitment is awe-inspiring.

In our last annual report, we talked about our new model of social care and how we were planning to pilot this way of working to improve quality and personalisation and to improve support worker pay. Sadly, pressures on our colleagues and the recruitment challenges in the social care sector meant that we had to stop the pilots.

Creative ways to support people

Our colleagues showed incredible creativity during lockdown. That continued as they found alternative ways for people to be involved safely in their communities, and set up new routines and activities. They've been fierce advocates for people to get the medical support they deserve.

It was much easier to go into lockdown than it's been to come out. Especially when it can feel like the rest of the world has left some people behind. Our colleagues have worked hard to help people overcome anxiety about going back to public places. They've also helped people manage challenging behaviours which began as a result of being in lockdown.

Tackling the staffing crisis

Right now, attracting and keeping colleagues is the most difficult it's been in decades. This has put our hard-working managers under huge pressure – with them often having to rely on agency staff to fill rotas.

People with a learning disability thrive when they know their support team well and there's mutual understanding. We're working hard to minimise the impact of using agency staff on the quality of care we provide, but it's increasingly difficult. We cannot provide excellent care without enough support workers to deliver it.

We're responding by increasing pay and focusing on recruitment [for more see People section on p38]. Together with our partners we lobbied the Welsh Government for a Real Living Wage to be introduced for all Social Care Wales-registered staff in 2022/23. This has continued into 2023/34. We desperately need the same in England and Northern Ireland. In the last few months

we've started to see some promising improvements in recruitment but the situation is still concerning.

Working closely with local authorities and NHS Trusts

Everything we do is about valuing and supporting people with a learning disability, and their families and carers. We don't make a profit. However, like any business or charity delivering a service on behalf of the state we need to ensure we are compensated adequately for what we do in order to keep the organisation solvent and available for the future needs of our beneficiaries. Because we are spending more on agency staff this means more of our contracted work is operating at a deficit. We are now having to seriously consider handing back some contracts to the local authorities and NHS trusts that fund us. We will only do this as a last resort.

We're urgently talking with local authorities and other commissioners to make sure we can continue to provide good quality support for people with a learning disability.

We understand local authorities and trusts have very tight budgets and there is an increasing need to support even more people with more complex needs. We're committed to working in partnership with them to meet their aims but we need them to prioritise social care assessments and care packages for people with a learning disability.

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

We are continuing to develop the use of the Personal Outcome Scale to measure people's quality of life and help them identify areas they want to improve. This internationally recognised tool covers 8 different areas of people's lives and allows the person to make decisions themselves about how they want to live their life. This year 163 people we support have received a Personal Outcome Scale interview and as a result have a very personalised and measurable care and support plan.

Independence changes lives

Keith has a severe learning disability and used to struggle living in supported accommodation with other people. Now he's living life to the fullest in his own flat with 24-hour support.

Before his move Keith didn't want to shave or shower and kept on waking during the night. He also self-harmed: biting his arms and hands every day. When a flat came up, we arranged a meeting for Keith to discuss a move with people responsible for his care. After follow-up assessments and safety checks Keith moved in.

The new flat suits him much better. Keith's biting has stopped, he regularly washes and sleeps much better. We are currently supporting Keith to reduce his anxiety medication.

Bringing families together

People with a learning disability deserve the same opportunities as everyone else. And that includes spending time with the people they care about. For example, our team in Southfields hold weekly get-togethers where everyone is invited to come together and have fun. The people we support and their families love spending this quality time together. One Dad told us it was wonderful having dinner regularly with his son and seeing how he leads a fulfilled life.

Partying with Rosie

It's not every day you turn 70! Our team worked with Rosie to make her birthday as special as possible. She spent weeks planning a party with her support team – finding a DJ, the venue and choosing decorations. Rosie went out with her support team to buy supplies and send invitations.

Her birthday cake was a surprise. It was baked and decorated by her friend Caroline, who we also support. Rosie was over the moon when she saw it. On the big day she celebrated with friends in her local community and with family she hadn't seen for 20 years, who we helped her to find. She loved the party and wasted no time hitting the dancefloor.

Team spirit

In August, Essex had 63mm of rain in 3 hours which caused flooding. Unfortunately, one of our properties was flooded. Four people we support, including someone with mobility needs, lived in the property and the local team urgently had to find the people we support a new place to live. Through dedication, commitment and excellent teamwork they managed to do just that. 24 hours later the people we support were in a new house and happily doing a jigsaw together.

Artworks

Tracey loves arts and crafts and has been supported to go to an artwork group twice a week for a number of years, she does a variety of activities and projects there.

A lot of her work has been used in art displays. This year one of Tracey's pieces was noticed by a member of the public and this person wanted to buy it. When Tracey found out she was so happy. It is an incredible achievement for her.

Tracey's support team are all very proud of what she has achieved this past year. Tracey's confidence has really grown as she continues to express herself through her work.

Part of a community

Phil wants to live his life as independently as he can and part of that involves him volunteering at a museum, Tudor House.

He has been volunteering for over 3 years. He shows visitors around the house, tells them about the history, the importance of the objects in the house and local history about Southampton.

His favourite part of the role is meeting new people and feeling like he is doing his bit for the community. He receives a lot of compliments from the visitors. This year he got to show reporters around Tudor house and it was a personal highlight for him.

Green fingers

This year James has been keeping himself busy - becoming more independent, healthy and active, and learning new skills in gardening.

He attends a weekly gardening group where he has learnt how to handle a hedge cutter and other machinery safely, and all about health and safety in the workplace. He also has a greenhouse at home and this year has grown lots of vegetables (potatoes, onions, elephant garlic, tomatoes, cauliflowers). James enjoy being in the garden, chilling out and listening to the radio on his seated arbour.

James is a keen cook and very good too - he studied catering at college. He uses the food he grows to cook meals; from his tomatoes he has made lots of salads and a Bolognese sauce. Cooking is James' pride and joy and gives him something to focus on and he loves making meals for the people he lives with.

This year James has lost over 2 stone in weight. He has been following healthy recipes, going to the local gym and having lessons to learn how to swim.

Forest the Reds

Mathew is an avid football fan and regularly attends Nottingham Forest football matches.

In February Matthew was on the TV highlights programme when Nottingham Forest played against Brentford. After that he was recognised in the local chip shop that he calls at before the matches, was fist pumped from another fan at the ground and another fan bought him a hot chocolate at half time.

Mathew absolutely loves going to the football but becoming recognisable has brought a welcome bit of fame making it all even better.

Employment

Helping people into work

In England, we provide supported internships, study programmes and trainee schemes to help people with a learning disability into work. Living through the pandemic has had a lasting impact on our students. Many lost independence and skills and were anxious about leaving their homes and mixing with other people. As a result, their ambitions and aspirations have suffered.

In the 2022/23 academic year, we had 157 Supported Internships and 42 Study Programme Learners. We had also supported 63 Traineeship learners as of March 2023. In the last academic year, for learners on a Supported Internship, 39% of learners moved into paid work, higher than in previous years which is positive given the continuing impact of the pandemic. For trainees, 62% of learners moved into paid work, which was higher than expected, whilst a further 6% moved into further education.

We've responded to all the recommendations in our Ofsted report so we can improve our courses and showcase the quality of our programmes. Some of this is practical, other parts are about ensuring our governance mirrors that of a school or college.

Key actions are:

- Improve Governance arrangements
- Increase quality assurance activity to give greater assurance and reduce inconsistencies
- Improve our curriculum and delivery model so the same approach is taken everywhere
- Better use of data for reporting and scrutiny
- Improve % of job outcomes

We never refuse support to anyone with a learning disability. But because we're a charity, local authorities sometimes refer people with the most complex needs to us, rather than people who could benefit most from our programmes. This is a major challenge.

In response we've introduced more careful recruitment and selection to find the people who will benefit most. We're also working on ways to guide people who aren't right for our programmes to find more relevant and appropriate support.

Bradley

Bradley was part of our supported internships programme working at Travis Perkins, helping customers with finding items, and making sure things are priced and stored correctly.

Bradley worked so hard and did such a good job, that he and his manager won employee of the month. The team at Travis Perkins were really supportive and knew how much Bradley loves Harry

Potter, so to celebrate his amazing achievement they got him two tickets to the Warner Bros Harry Potter Tour.

Maddie

Maddie completed our supported internship programme in 2022 and is now excelling in her paid job with Greene King.

She recently received very positive feedback from a customer at the pub where she works:

"Even though the place is very busy, waiting times are minimum. Maddie took care of us today and we can't fault the service."

Maddie's manager was thrilled with this feedback and as a result, she received a badge for exceptional customer service.

Shannon

Shannon was recognised in March 2022 at the Northampton General Hospital NHS Trust's Excellence Awards.

As part of her supported internship, Shannon completed a placement at Kettering General Hospital through the NHS' Volunteer to Career scheme.

After being shortlisted from hundreds of nominations, Shannon won the Inspirational Volunteer of the Year Award which 'celebrates our volunteers who go the extra mile to support our patients, staff and visitors'.

Reflecting on the award, Shannon's parents said: "We can't thank Mencap enough for all the support they have given us and Shannon. It's absolutely amazing to see what a different young lady she's become in such a short period of time and we are so proud of her".

Tom

Sometimes our learners require employers to make certain adjustments to work placements to ensure their success.

This applied to Tom, who was part of our supported internships programme. Tom initially found his placement with Tesco quite challenging due to the size and busyness of the store he was placed in.

Mencap therefore arranged for Tom to move to a smaller store more local to him which he was already familiar with. Tom's confidence grew considerably, he was passionate about his placement and loved talking about it with his peers.

Tom's Mencap job coach reported on one shift where Tom helped 5 customers find items in the store and that his manager was very pleased with his work.

Lewis

Lewis was part of our supported internships programme and he had a work placement as a network engineer with Virgin Media.

Reflecting on the placement, Lewis said: "Everyone has been so welcoming at Virgin Media since I have started my work placement. I enjoy being out in the van and learning new things like scoping

which is when you check inside wires to see if they are dirty. If they are dirty, then I have to clean them out. Before my work placement I never wanted to do my driving lessons and now I do. I'd like to get an apprenticeship with Virgin Media and paid employment."

Niaz

Niaz was part of Employ Me programme and was successful in securing a full time paid job with delivery company, Ocado.

Niaz previously spent a lot of time in hospital prior to the COVID-19 lockdown which further effected his physical and mental health. Niaz had tried to undertake a supported internship during this time but had been unable to complete his placement due to his health.

Niaz's family reached out to Mencap for help. We supported him to apply for a freedom pass and PIP, as well as helping with his housing situation, so we could then start to effectively address his employment situation. We then provided support to develop Niaz's CV and to prepare him for interviews, attending 5 interviews with him, before he secured the job with Ocado.

John Lewis

Our traineeships team and learners have continued to deliver incredible outcomes this year. In November we had fantastic news that 5 of our 6 learners completing their 16-week placements at Clipper John Lewis in Northampton were offered paid jobs.

Renee, Jack, Josh, Charlie, Andrew and George all really enjoyed their placement and can't wait to continue developing their careers.

We are continuing to work with Clipper John Lewis.

Employment in Northern Ireland

Employability 3

This year in Northern Ireland we ran an employment project called Employability 3, which was funded by European Social Fund (ESF). The project aimed to support people with a learning disability to build their skills and confidence to progress towards and into employment. The project focused on matching interests and abilities to work placements. This year we supported:

- 275 people on our EmployAbility3 ESF service, most of whom were on work placement.
- 24 trainees have left to take up sustainable paid employment.
- A further 48 have gone on to Further Education or training.
-

This year we implemented following activities:

- Learning Disability Awareness Training provided to 27 Employers across Northern Ireland.
- Trainees' distance travelled/progression and future goals are monitored and reviewed via the 'My progress' document (completed every 12 weeks) and include a clear plan for future learning and progression.

"Without the help of Mencap, I do not know where I would be. My mum no longer worries about me at work, as she knows I have the support of my Employment Officer who is a call away when I need her. I would encourage anyone with a learning disability to contact Mencap, they have given me back my zing for life."

Workable Northern Ireland service

Workable Northern Ireland service offers a flexible range of long-term support to help disabled people who have barriers to employment to find and keep work. When someone with a disability has been offered paid employment of at least 10 hours per week, they can be supported on the 'Workable NI' programme, which is currently funded by the Department for Communities.

The Programme is delivered across Northern Ireland through the Supported Employment Solutions (SES) partnership, in which Mencap NI is one of the seven specialist partner organisations. Frontline staff are employed to work with clients on the programme to assist them to overcome barriers in the workplace and retain their paid employment. Staff also offer support, guidance and any required awareness training to employers.

This year we supported:

- 55 employees with a learning disability, through Workable NI, to retain paid work of at least 10 hours per week.
- 15 of these left this service during the year, of which 8 progressed to either another job or unsupported employment.

Derek's story

Derek secured his first paid job as a casual cleaner for the local council in 2019, and kept up his hours there after he secured his first permanent, part-time job for a housing association. Derek enjoyed his work so much that when a permanent vacancy came up for a cleaner in the council, he jumped at the chance to apply. Mencap NI supported Derek with lots of interview preparation, and due to his hard work and determination, he was successful on his second attempt. Derek is looking forward to a long career with ABC council, telling us, "When I got the letter to say I got the job I was really happy, I love my job and enjoy working for the council, I am meeting new people every day and I hope to get more hours in the future." Now that Derek is working 15 hours consistently, he is supported by Mencap on the 'Workable NI' programme, and we will provide him with further

Supporting young children and families in Northern Ireland

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 in partnership with the Belfast Health and Social Care Trust (BHSC) through our Royal Mencap Society Children's Centre.

We see children often before they're diagnosed with a learning disability 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.

We worked with 104 children - 52 children in the academic year 2021/2022 and 52 children in the academic year 2022/2023.

We offered care and learning through play and therapy opportunities to ensure the children can reach their potential outcomes. Our staff used a variety of strategies and evidence-based approaches including Attention Autism, Elkan, Tac Pac, PECs, Makaton, TEACCH that met children's individual learning needs.

A Quality of Care Inspection Report from January 2023 indicated that "the environment was observed to encourage positive behaviour, and promote children's social and emotional wellbeing", and "staff interactions with the children were observed as warm, encouraging, child centred, promoting the development of children's self-confidence, self-esteem, self-control, and tolerance."

The Mencap Children's Centre for the second year has received no recommendations for improvement, recognising the outstanding service that is provided.

Of 38 respondents to the Children Centre evaluation report of the academic year 2021/2022, 100% of families agreed/totally agreed with the following statements:

- "Overall, the Children's Centre has been beneficial in supporting my child's early learning and development."
- "I felt fully informed and could contribute to my child's learning goals."
- "My child has made positive progress at the Mencap Centre."
- "I felt all staff were fully qualified to meet the individual needs of my child."

Mencap summer scheme in Northern Ireland

In 2022 Mencap Summer Scheme offered children and young people in the Belfast Trust area an opportunity to enjoy leisure experiences with their peers. Mencap's scheme provided necessary respite for families during the summer period.

The scheme provided children with opportunities for socialising and learning, and this year applied flexibility to ensure that activities could be tailored to individual needs.

Parents/carers continued to report feeling confident about leaving their child with us and appreciated the programme and the benefits for their child. Of 27 respondents to our post-survey, 100% of parents/carers agreed that their child had a fun and stimulating experience while attending the activities.

"Ellis* loves this place better than anywhere, he is always eager to get in and enjoy the centre. The staff are brilliant with him and know exactly how to work with him and he loves them all. When I was told he had a place on the summer scheme, I was delighted and so grateful as I know how much this place helps him and I always see positive change in him after, thank you for everything."
(*not real name)

Early Intervention programme- Early Learners

The Early Learners activity programme offered was tailored to suit the high support needs of a specified group of children living within the Belfast and South Eastern Trust areas. All of the children attending were referred to the Children's Centre for a year placement, however due to the large number of referrals received some applications were placed on the children centres waiting list. We worked with 17 children and families.

"I think everything has been excellent. The range of activities and home resources given, and the structured set up has been so beneficial for my son and hopefully has prepared him for nursery."

Bright Start Holiday Scheme Events

This year was the first time we were able to offer an extended programme of delivery during term time holidays for young people aged 10-18, as well as to our younger age group.

We provided a safe inclusive space for children/young people to interact socially with others and meet new people. We were able to provide opportunities for the young people to engage in youth-based activities, for the first time, as an introduction to Mencap's youth provision as well as participating in activities during term holidays that have never been offered before. We supported 78 children/young people and we had a total of 140 attendances over the 3 holiday periods.

"I was really glad of the opportunity to go and do simple tasks such as food shopping and Christmas shopping whilst my child was attending the scheme."

Lever 2 - We campaign for change

We do everything we can to campaign alongside people with a learning disability for change. That includes talking to the three governments in the countries Mencap operates in, raising awareness everywhere – from TV to social media – and amplifying our supporters' voices to change the minds of people in power.

We start by understanding what people with a learning disability need to live better. We listen carefully to the people on our Voices' Council, communities we work with and those that ask for our help, to put their needs first. People with a learning disability lead our campaigning work.

We never give up – even when times are tough.

Fighting for homes not hospitals

Right now around 2,000 people with a learning disability and/or autistic people are locked up in inpatient mental health hospitals in England. This is a human rights scandal.

Some people with a learning disability are locked away for many years because there is a lack of housing and support in the community.

The UK Government set a target to reduce this number by half by March 2024. Based on the current rate of progress, a 50% reduction won't be achieved until **at least August 2028**.

This year we have:

- supported 13 new families and 21 existing families with loved ones in inpatient mental health hospitals or at risk of admission. We funded Access Social Care £177,000 to provide this legal support.

In addition we have:

- helped families tell their stories in the media. This included Alison Rogers whose son Adam who has a learning disability and autism, has spent half of his life locked away inside inpatient mental health hospitals for 'treatment'. Adam is currently detained at Rampton Hospital - a high-secure unit and psychiatric hospital.
- harnessed their stories to create hard-hitting media coverage, including exclusives on ITV national news, in the Daily Mail and on BBC Woman's Hour
- kept MPs focused on the problem in parliament and responded to the UK Government's Building the Right Support strategy
- broken down data to show how much still needs to be done a year before the deadline – and to highlight the interventions that are working.

Supporting everyone's health and wellbeing

People with a learning disability have a much lower life expectancy than everyone else. We campaign hard to ensure people with a learning disability have the same chance to live a longer and fuller life.

Getting more people on the Learning Disability Register in England helps improve health. In 2021/22, 338,195 people were on the register (latest figures available).

Life expectancy is improving, but not fast enough.

- On average, women with a learning disability die 26 years younger than women in the general population.
- On average, men with a learning disability die 22 years younger than men in the general population.
- 49% of people with a learning disability's deaths were avoidable, compared to 22% for everyone else.

Source: (LeDeR, 2021)

We supported Paula McGowan OBE to successfully campaign to introduce mandatory training on autism and learning disabilities for all health and care professionals in England. We worked with key politicians to get the Oliver McGowan Mandatory Training into the recent Health and Care Act.

We also got involved in testing the training. We wanted to prove that in order for the training to have the greatest impact it needs to be face-to-face and include a co-trainer with lived experience of a learning disability. We also worked with Health Education England to help experts train others so the training reaches more frontline staff in the most effective way.

This year we also:

- Reached more people with a learning disability and their families in Black and Asian communities. We worked with community groups and produced materials in languages other than English. We also promoted the register in pharmacies and targeted communications at staff working in GP surgeries to encourage them to promote it to patients. We need better data from the NHS so we can target our resources more accurately.
- Launched ListenToUs: our mental health campaign demanding that the mental health needs of people with a learning disability aren't forgotten after Covid-19. This included lobbying to open up day services so that people with a learning disability can reconnect with others in their communities.
- Set up a Learning Disability Policy Shapers Group to look at what more we can do to improve the health of people with a learning disability. Policy Shapers is made up of people with lived experience.

Fighting for social care in the cost-of-living crisis

People with a learning disability and their families have been hit hard by the cost-of-living crisis and cuts to social care.

We conducted a web-based survey around the impact of the cost of living and many said they had been worried about money recently, often going to great lengths to manage rising costs.

People with a learning disability:

- 35% reported that they had skipped meals to cut back on costs
- 38% said they hadn't put the heating on despite being cold
- 26% reported not switching the lights on to save money.

Parents and guardians of people with a learning disability:

- 52% reported not putting the heating on when cold
- 30% reported not switching the lights on to save money.

The number of adults with a learning disability in receipt of social care in England dropped by 2,865 between 2019/20 and 2021/22, from 155,400 to 152,535 people. Local authorities tell us that they don't have enough money for anything beyond essential services. We're concerned this will mean people with moderate needs get their care packages reduced, cutting the support they need to live independently and to manage through the cost-of-living crisis.

Planned changes to social care focus on older people's needs and do nothing for those with a learning disability. In fact, we fear that learning disability provision may be cut to fund changes for older people.

We campaigned alongside other disability charities and groups of disabled people to scrap care contributions from disabled adults. We didn't succeed but the campaigning sparked lots of debate in the House of Lords.

We successfully campaigned for the Minimum Income Guarantee (the minimum income people can live on) to rise with inflation. We also highlighted the problem of people with a learning disability who claim benefits having to contribute towards their care packages. For some people, this meant choosing between heating, eating and care.

People with a learning disability often use a lot of electricity and gas to meet their needs. We continue to call for a lower 'social tariff' (bill) for energy and to help more people to get access to the Priority Services Register. This is a free service that makes sure extra help is available to people in vulnerable situations.

Thames Water now use our Easy Read guide to help their customers to get on the register. We've also been working with people like Ofgem, British Gas and Octopus Energy to help them meet the needs of people with a learning disability, including providing easy-to-understand information.

Helping more people into work

Many people with a learning disability face huge barriers to finding work. We've been campaigning to help make it easier.

According to UK Government figures, only 4.8% of people with a learning disability have a paid job. Our Big Learning Disability survey results suggest that that figure is higher at 27%. Even at 27% it is way behind other disabled people (52.6%) and the rest of the country (82.5%).

We hope the Disability and Health White Paper will reassure people with a learning disability that their benefits won't be taken away if they do temporary or part-time work. We'll continue to work with the UK Government on this important legislation.

Through the Work and Pension Committee we recommended the government automatically gives people a copy of their Personal Independence Payments (PIP) and Work Capability Assessments (WCA) in a format they can easily understand. We also recommended claims are assessed by people with specialist knowledge of learning disabilities. Both recommendations are included in the White Paper.

We also got involved in research on disabled people's experience of hybrid working. We were successful in asking Government for increased funding for job coaches through Access to Work, and for simplified digital applications.

We campaigned for more funding for apprentices with a learning disability and more flexibility for people around English and Maths qualifications. We also tested out internships for people with a learning disability without an Education, Health and Care Plan.

We held workshops run together with a person with a learning disability, for JobCentre Plus work coaches.

Working together

We campaign with organisations including:

- Disability Benefits Consortium (co-chair)
- Disability Charities Consortium (members)

- Disability Poverty Alliance (supporters)
- VODG and the National Care Forum (members)
- Disabled Children's Partnership (host)
- Care and Support Alliance (co-chair)
- Care and Support Alliance policy and public affairs group (co-chair)

We are currently supporting the Care and Support Alliance with the development of policy objectives and an influencing strategy to bring the sector together ahead of the General Election.

This year the Disabled Children's Partnership has:

- Secured new £30million government funding for short breaks; the first new ring-fenced funding in this area for more than a decade
- Supported hundreds of parents and others to engage in the consultation on the SEND Green Paper and secured a Ministerial apology to parent carers and young people
- Secured a Law Commission review of the legal system for disabled children's social care.
- Maintained a high profile for the experiences of families with disabled children with 164 media pieces and more than 20 questions asked in Parliament

Campaigning in Northern Ireland

In March 2023 we led on a high profile campaign to raise our concerns about the ending of the European Social Fund. Our campaign was focused on highlighting the issue that the UK Government replacement fund (UKSPF) was not "like for like" funding and would not allow people farthest from the labour market with a disability to access employment support.

Our campaigning got us a special feature on Channel 4 News, BBC The View, ITV News. As well as many features in press including the Belfast Telegraph. We had meetings with Cross-Party Representatives on the issue as well.

Activism

Next year we will launch an activism strategy that will aim to build a learning disability movement and enable anyone to be an everyday activist.

We will do this by continuing to campaign at a society level to influence policy and we will enable communities to campaign for the change they want to see locally, building on our asset-based approach to community led development – we call this community activism.

Our local offer will include:

- accessible tools and resources
- coaching support from community activism coaches
- peer mentoring support to share experiences and knowledge between organisations and individuals
- community activism training

Catherine's campaigning

"My name is Catherine Horbury and I live in Wakefield in West Yorkshire.

Mencap has a campaign called Treat Me Well which is about people working for equal hospital care for people with a learning disability. I am chair of the local Treat Me Well group and we have been working with the local hospital to make sure people's voices are heard. As part of this we have helped to get more learning disability staff and have worked with other people on a red bag scheme. This is a bag that has essential items and information for people with a learning disability that they take to hospital when they go in. I have also been to parliament to talk to MPs about Treat Me Well in Wakefield.

I have also been working with the learning disability matron at the hospital to give training to staff who want to know more about learning disability. The people we trained then become known as

learning disability champions. This means they have more information about learning disability and can help people better.

I am really proud that we have worked with the surgical team in the hospital to create a pathway for people with a learning disability who are on the GP learning disability register. This means that they do not have to wait more than 8 weeks for surgery and it is the first NHS trust in the country to do this.

I also work as a peer support worker for people with a learning disability in a hospital. As part of my job I go onto the wards to meet people with a learning disability and help people to speak up and tell us what they need.”

Lever 3 - Supporting people with information and advice in England

Enquiries	Interactions	Online help
8619	57,063	406,731
Counted each time a person has a new enquiry.	Counted each time clients contact us, we contact them, or we take action on their behalf.	Counted as unique visitors to the information and advice pages on our website.

Helping Maya escape bad housing

Maya's* home life was causing her huge problems. When she rang our helpline, she was living in a massively overcrowded house with a parent and several siblings. This was badly affecting her mental health, on top of her learning disability.

On the call we discovered she'd already been to her local council. They'd given her forms, but not told her how to complete them. We realised she was technically homeless and that the council had a clear duty to help her. So, the adviser let her know who to contact, what they should do to help and how to support her claim.

A few days' later she let us know she'd successfully made an application to the council. This meant she'd got temporary accommodation until they could find a more suitable place for her to live.
(*Not real name)

We provide people with the information and advice they need for all areas of their lives.

This year we've worked hard to improve how we do this. That includes having more people on our helpline, putting more information online and finding better ways to take and track enquiries. For example, we can now offer calls in Gujarati and Urdu and have a new translation service to support more families whose first language isn't English.

People need more in-depth advice than ever before to help with complex situations. Helpline calls now last an average of seven to ten minutes, up from three to five minutes last year.

Helping people survive the cost-of-living crisis

Sadly, it's no surprise many people called about money and benefits. In response to the cost-of-living-crisis, and thanks to the British Gas Energy Trust, we have 2 new information and advice officers on our Helpline, including a dedicated digital hub. We can also give energy vouchers to people with a learning disability that qualify and help others get vital benefits.

Our advice has stopped at least one person with a learning disability being made homeless. We've also helped someone else escape a harmful living situation.

Since October 2022, when the helpline's money and energy offer went live – the team has helped with 329 enquiries from 327 individuals related to cost of living, 275 of these enquiries were of a complex nature. We issued 26 fuel vouchers to families in immediate fuel crisis.

Making our information accessible for everyone

Everyone should be able to get information online. So we're working hard to make our website fully accessible. This includes commissioning some new research to help us do this and sharing it with other organisations to help them do the same. We're talking to the UK Government about how best to do this.

We've worked with law firm Irwin Mitchell, to produce videos and accessible resources for our information and advice hub.

We sent out 530 Easy Read documents helping people receive accessible information.

What did people ask us?

Of those advised the top 10 main enquiry areas were:

Social Care	1276
General Disability	438
Money/Benefits	433
Diagnosis	323
Mental Capacity	304
Concern for Welfare	236
Housing	233
SEN	213
Employment	197
Health	159

We funded Access Social Care to take 86 cases involving people who were wrongly locked up in Assessment and Treatment Units. We referred 9 cases of avoidable deaths to Rachel's Voice.

The Wales Learning Disability Helpline

Our service in Wales is funded by the Welsh Government until March 2025. We co-produce our service with users – they're equal partners.

We won a tender to provide preventive support for people with a learning disability in Carmarthenshire. This new work includes providing information and advice. We're also looking at combining our information and advice offer with support for parents.

The Wales Learning Disability Helpline responded to 1019 enquiries, 33% of those enquiries were from parents and carers. 28% of enquiries were multi layered with added complexity requiring additional case work support.

The top 5 reasons why people contacted the Wales Learning Disability Helpline were:

1. emotional support
2. signposting
3. issues with Local Authority
4. health issues
5. money & finance

We are proud to provide a much-needed service and help people make informed decisions. This is a selection of comments made by some of the people we have been able to help and advise this year:

"Well we've done it - thanks to you. It was well worth pursuing what we knew was a wrong decision in the first place. It's pretty poor that you can't rely on the people who should know what they are doing to make the right decision. I am very grateful to you, Mencap and your advisors for making them aware of their own guidelines."

"You and me, we've been through this together, I've been able to share my problem with you and I'm so grateful. I feel like I'm nearly there now."

"Thank you so much for your prompt reply and guidance. I didn't know who to contact so this is really helpful. I really appreciate it"

"Thank you very much for such a comprehensive answer to my query and indeed for taking so much time on the phone with me yesterday. I have already started the UC application and no doubt the forms and process will be as tiresome as it was for PIP but it's a necessary evil I suppose and I'm perfectly well equipped to deal with them and whatever else they throw our way. Keep up the fight and many thanks again for taking the trouble to offer us a solution of which we were unaware."

"As you are aware Lewis* died in November 2022 and over the years Mencap have provided advice and support to us and Lewis. It initially started when he was at special school, then as part of his support. Latterly the support was to us when he had time in hospital. As we are nearly over clearing up his estate we would like to make a donation in memory of Lewis and to support the work of Mencap into the future" *Not real name.

Lever 4 – Researching and evaluating complex issues and opportunities

We specialise in making research accessible to people with a learning disability. We co-create our research projects with our Research Champions, use specialist accessible survey tools and open up research opportunities to tens of thousands of people with a learning disability across our network. This is a specialist activity – simply sending out an online survey does not work for our audience and as a result of organisations not using inclusive research methods, the voice of people with a learning disability is often excluded.

“I’d like to live in my own home, or maybe shared with people my own age, with the support I need.”

“Don’t wrap us up in cotton wool! Everyone should be given the opportunity and choice to achieve the things they want in life. Making assumptions must stop.”

“I hardly have any money to live on after my care top-up has gone out. I have to pay for activities for myself and two carers to keep me safe due to my high needs. Haircuts, toiletries, clothes, shoes and petrol for journeys to see my family every week all has to come out of the £25 I have left.”

“They made me wait [a long time] in the waiting room. This made me distressed – and I became agitated at my appointment.”

Mencap’s Big Learning Disability Survey

We want a world where people with a learning disability are valued, listened to and included. That’s why we launched Mencap’s Big Learning Disability Survey. Through the survey, people with a learning disability shared their experiences of everyday life and let us know what mattered most to them.

We’ll use what they say to help guide our campaigns, services and direction. This way we can make decisions based on the evidence: what people with a learning disability think is most important.

We co-produced the survey with people with a learning disability. This meant they had a big say in how it was designed and run.

1972 people got involved in our survey, 347 more than the last one we did in 2019.

“I am proud to have contributed to this report because it will be used by Mencap and other organisations to improve the lives of people with a learning disability across the UK.”

Dan Newton – Research & Impact Assistant at Mencap.

What we found:

- 1) Over 40% of people had not had an annual health check in the last year.
- 2) Over 40% said there were times they didn’t go out in the last month because they were worried about something. The most common reason was “people calling me names or bullying me”.
- 3) The most popular things people said would make their lives better were: getting a paid job, more personal support, having friends and socialising, tackling discrimination, sorting out the cost-of-living crisis and having greater independence.

Beating barriers to work

The National Development Team for Inclusion (NDTI) promote inclusion and equality for people who might be excluded from everyday life. We've asked them to find out what stops people with a learning disability trying to get a job, training, volunteering or taking part in meaningful activities. They'll also find out what support employers need to employ more people with a learning disability.

We'll share the results with the three governments of the countries Mencap operates in, employment and training providers and organisations, employers and employer bodies. The findings will also shape our own work.

Inspiring communities

During the year we set up a Learning Disability Community of Interest for academics, experts, lawyers, care providers and others to come together and talk about what interests them. We run the group, but they decide the subjects and speakers. Sessions have covered everything from parents with a learning disability, to co-production and supporting young adults with profound and multiple learning disabilities.

Dan Newton – Research & Impact Assistant at Mencap.

"My job is to support with research projects, data analysis and writing up findings in an accessible way. I helped to co-produce Mencap's Big Learning Disability Survey in 2022 and worked on some of the analysis.

I am a big fan of data, and I really enjoy looking at the data, seeing what it means and what impact it is having. The team are very supportive and the work that we do is important to Mencap and making sure we are working towards Our Big Plan.

It makes a difference having people with a learning disability in Mencap's Research and Impact team because we can help to make sure things are accessible and inclusive.

My proudest achievement was applying for my first full time job role and being successful. I am proud to work for Mencap because I respect their values and believe we are making a difference to people with a learning disability.

Research is important because it helps us understand what people with a learning disability think. This helps Mencap to support people and make more of a difference."

Lever 5 - Supporting people to build their own capabilities to find local solutions

Every community has its own unique strengths. Our community work is about identifying and building on these strengths and supporting people to make communities accessible for everyone. It's exciting, challenging and takes time. But the result is lasting positive change for people with a learning disability.

In our first year we focused on finding communities and working with local people to discover their strengths. This year has been about relationships: bringing people together, making connections and building trust.

We've worked hard to make sure everyone involved feels equal. People with a learning disability aren't 'grateful beneficiaries' or patronized. Instead, they ask for what they need and get the respect they deserve.

Our work is growing – 20 people with a learning disability and 7 family members are now employed. For more information about how we work go to www.mencap.org.uk/communitypower

Right now we're shaping our work in response to the cost-of-living crisis. This means empowering communities to support each other through difficult times and public service cuts.

Many of our My Community sites are now looking at how to come together to support each other through challenging times. Forward-thinking funders like Sport England are keen for us to invest in and support communities without denying the reality of cuts.

Sadly, many people are still affected by Covid-19. They're anxious about returning to community activities and some have longer-term mental health problems caused by the pandemic.

My community - Communities for everyone

We're grateful to the Associated British Insurers and a legacy donation for generously supporting this work. They've helped us give 'seed funding' to our community groups to get projects started.

Map: map of all the My Community locations:

1. Carrickfergus, NI
2. Penrith
3. Hull
4. Leeds
5. Lowestoft
6. Croydon
7. Harrow
8. Bristol
9. Tenby and Saundersfoot, Wales
10. Bude

"Our biggest achievement has been to galvanise the community and partners to come together, to work together to achieve our vision of making Croydon the best place to live if you have a learning disability and or autism. We have set up the Learning Disability Alliance and we are getting their voices heard in shaping the future of Croydon." – Stella Osan, Community Partner in Croydon.

"Seeing people enjoy free swimming sessions at the local pool once again, after changes to the way day services are accessed meant many people could no longer access it. We were able to get these sessions funded by local group, Exercise Buddies, by sharing engagement data highlighting that many local people with learning disabilities really missed using the pool" - Joey Ayris, Community Partner in Tenby and Saundersfoot.

"The highlight from my area is being asked to produce, send and compile responses of a survey, by the Community Network Panel, to ask local residents what health care they would like to see in the area (along with other questions) I had 935 responses, including ideas for those with learning disabilities. This will be presented to the local NHS trust and worked on by us." – Lorraine Corrigan Turner, Community Partner in Bude.

"My highlight from this past year has been creating a volunteering opportunity for people with a learning disability in Leeds called Positive Changes. The group recently invested seed funding to enable a community member with profound and multiple learning disabilities to run a music group for others with disabilities." – Matt Bellbrough, Community Partner in Leeds.

"We are pleased that over the last 12 months we have been able to invest just under £19,000 in 8 great ideas from the community to help make Carrickfergus and even better place to live in. What's also exciting is that some of the more recent ideas are great examples of collaborative working and ongoing community-led development". – Lynn McKenzie, Community Partner in Carrickfergus, NI

"We are working closely with our Network Partner, 4Eden, who are taking the lead on My Community in Penrith. This signifies a new way of working with our Network Partners to help us achieve our aspirations in Lever 5 of Our Big Plan. It's a really exciting opportunity to see what impact we can have together." – Eve Castelow, Community Development Lead.

"It's such a positive initiative with the opportunity to really change the town for the better and make it more inclusive, safe and welcoming for those in the community with a learning disability. I'm excited to see what can be achieved." – Carrickfergus community member.

"I now consider Liam a friend – we see each other outside of work. In many ways Liam has mentored me. I think I have a better understanding of the obstacles facing disabled people. Liam will bring a lot to the parliament and it will be richer and more effective from hearing from disabled people." – Jack, a member of the youth parliament in Harrow.

"For the first time in my life I feel like I have a paid job like people my age. I finally feel like I've found a place in my life where I can be grown up and just be like everyone else my age that I know." – Community Connector in Bristol

Supporting families

Peer support is when people use their own experiences to help each other. We're working with communities to start peer support networks that will last for decades.

We've grown our support in Ynys Mon for younger families thanks to CWVYS-Summer of Fun, National Lottery's Awards for All, North Wales Transformation Fund and Ynys Mon Local Authority. We've supported 12 families through EPats and an additional 43 families have engaged in the project. These families have been supported to co-produce activities that meet their needs, including

- 6 parent info sessions.
- 21 courses including E-PATs, Sleep and Emotional Regulation
- 12 family activity sessions with professional and peer support
- 9 Toy Library Sessions
- 4 Sensory Play sessions

"I have really enjoyed attending the group sessions, meeting other mums who have similar experiences. It has been really helpful for me as a mum to swap stories, problems or advice"

We also worked with Cardiff & Vale University Health Board and Aneurin Bevan University Health Board to help them shape their early years support. We're currently exploring the potential for a joint bid for early years support.

We were successful in winning £330,000 for a new co-produced preventative service in Carmarthenshire.

Our growth in services in Ceredigion and Carmarthenshire shows the impact of our community benefit and influencing work. We have been able to shape a new way of supporting people based upon a co-produced model and we will test this support model in Carmarthenshire over the next six years.

Our work with families in Newham is now well established and has been extended thanks to the generous support of the Pears Foundation and the London Borough of Newham. We now have seven family connectors and are working with 974 families.

- 380 families have been supported by a Mencap Family Connector
- 263 families have been supported through Mencap's online and face to face Peer Support Group
- 196 parent caregivers have been a part of the Facebook Group 'Supporting Each Other - Newham'
- 352 parents have participated in a WhatsApp peer support group
- 47 parent caregivers have accessed DLA Awareness Workshops
- 73 Parent workshops have taken place & 353 parent caregivers have accessed them
- 461 parent caregivers have accessed E-PaTS Groups in the borough

We're now working in Tameside and Rochdale using a family-led approach – 150 community stakeholders are involved in developing the work, and we have engaged 238 families so far.

"This session is so enlightening and uplifting, I had to rush back so I could join, it's nice to hear your advice and what you have gone through."

"I feel I am not alone – people understand my pain, I can learn from them."

"Thank you for helping me realise my son has signs of special needs and I can get help for him. You have opened our eyes. We really appreciate your hard work."

"Thank you to the two Mencap team members at SEND Great Day to Play event. You both gave useful advice/information. My son really enjoyed the day!"

Empowering young people

The journey from child to adult can be hard for young people with a learning disability. On the way many support services disappear while young adults often want to explore their local communities, start friendships and make their mark on the world. We used our community approach to transform Me Time, a programme that helped 211 young adults with a learning disability get involved in their communities last year.

We're working to engage volunteers so we can extend these services to reach even more people next year. Thanks to funding from the Department for Culture, Media and Sport and Pears Foundation we have worked with Volunteering Future Funded Connection Agents and been able to recruit over 400 volunteers. The volunteers have co created lots of opportunities for people to do activities together in the community.

People with a learning disability accessing Me Time services feel happier and more connected to their community. Our survey showed that people with a learning disability reported improvements in the following areas of their lives:

- 86% health and wellbeing
- 90% friendships, communication and community
- 55% independence
- 31% working and learning

Nottingham Me Time

In August 2022 we needed to find a new venue for Me Time in Nottingham. We are very active in the community and we were approached by Notts County Foundation. They had a real passion to work with Mencap and had a great venue in a community leisure centre in the heart of the city.

We worked hard to co-produce the service and secure a variety of new sporting activities for the people that access Me Time. Our programme is exciting, active, and ever changing. We designed the hub and the people we support had an active part. We sourced a local graffiti artist and worked with him to make it our own and describe Me Time in Art form.

Our partnership goes from strength to strength and recently we have co-produced a sponsored walk with 3 other charities raising £5,000.

This is a great move for Me Time and allows us to be part of our community.

Islington Me Time

Last summer Me Time in Islington was approached by Ambitious About Autism who were looking for a group(s) of people with a learning disability and/or autism to help shape the way the Whittington Hospital communicates and works with their patients. Over the course of 8, monthly meetings, our group of consultants (simultaneously with groups from Elfrida & Centre 404) offered their user experience and made recommendations to develop new accessible information.

All the new resources are ready for Whittington Health to publish subject to approval by professionals and patients at the Learning Disability Steering Group.

For Learning Disability Week 2022, Me Time attended along with Ambitious about Autism, Elfrida, Islington Learning Disability Partnership (ILDP) and Haringey Learning Disability Partnership, a celebration event at Whittington Hospital. Here we met staff and patients in the Hospital to discuss and highlight the work of the Burdett Accessible Information Project.

Our networks

Our network partners are an important part of Mencap. They cover England, Wales and Northern Ireland and are very active in their local communities. This is what they achieved last year:

- 78 got involved in meetings and Learn & Share sessions. They shaped our work around everything from social care, community solutions and how best to run our charity.
- 25 supported campaigns including making sure the government provides enough money for people to live on.
- 30 took part in joint projects (including Let's Get Digital, My Community, Healthier Me and Beacon)
- 71 applied for funding through bodies like the Tackling Inequalities Fund and Wolfson Foundation.

Beacons project

This project set out to engage 2 Network Partners and invest in their development as community led organisations. Through this project, we have adopted a community led development approach with the aim of supporting people with a learning disability to articulate aspirations and a vision for how their community can be the best place for them to live. We also aim to support communities to realise assets and develop local solutions delivered and owned by local people.

- 39 members of staff/volunteers/trustees and 106 people with a learning disability have been involved in learning more about community led development.
- they have participated in 7 coaching/capacity building sessions, a further 7 are planned.

- collectively, the Beacons have engaged in conversations with 87 community members to shape local vision
- we have seen an increase in community-based activities, using local spaces to host activities for all members, as well as increased collaboration and co-production of activities and services.
- both groups have seen their networks grow; they are engaging with more people in local the community on projects that benefit everyone involved,

My Fun:D

My Fun:D is designed by people with a learning disability for people with a learning disability. Launched in 2022, it gives funding direct to people to help make their lives happier and healthier.

During the first two weeks it was open we had **602** applications from across the UK. Most applications came from people with a learning disability (**278**) followed by parents (**200**).

A panel of people with a learning disability looked at all the applications and approved **252** for funding:

- Holidays (24 applications)
- Aids and equipment (68 applications)
- Technology (65 applications)
- Community engagement (19 applications)
- Experiences (62 applications)
- Learning (16 applications)

We were also able to signpost another 38 people who didn't meet the My Fun:D criteria to others who could help.

We made a due diligence call with each successful applicant before confirming funding and transferring money. We then held regular check-in conversations over the next six months to track their journey and capture the impact of My Fun:D on their lives.

Lilly-Mae and her family were able to use the money to go on a caravan holiday. They wanted the chance to relax for some respite and the chance to have fun as a family.

"The holiday was brilliant, it meant the world to us. We have had a hard time recently with the cost of living going up, and health problems. Lilly Mae loved it and the staff at the holiday site treated her like a princess. The holiday gave us some quality family time together doing things we love. We couldn't have done this or had the special time together without the help of My Fun:D. It gave us something we really needed to get us all back on track." **Lisa, Lilly-Mae's mother.**

Jamie wanted to go and see Manchester United F.C with his friends. He has supported them for over 35 years, since he was 6 years old and had never been to see them.

"Jamie, Jason, and Mike went on the trip to see Manchester United F.C V Bournemouth. Manchester United F.C won 3-0, and the lads were over the moon. The match was brilliant and the atmosphere was amazing. The lads play for Bournemouth AFC disability football team and all of the coaches they work with were in the away area, and we were in the Sir Alex Ferguson stand. They enjoyed the journey up in the minibus as much as they enjoyed the match. The trip made them very happy. When we got back Manchester United F.C sent them a free box of merchandise. I took it to them when they were at a training session, and they opened it there and they loved it. Getting the money from My Fun:D was better than winning the lottery – it made the lads dreams come true." **Tracy, Jamie's mother.**

Eiman wanted to buy a laptop for his son. His son Ishaaq, 4, has a learning disability and autism.

"I would like to thank Mencap for the My Fund:D money, and the amazing support our family has received. It has been a blessing to our family. The funding has been very helpful to our family and my son. It has helped us to cope with his daily routine and behavioral challenges, and Ishaaq's behavior is now under control as a result of this laptop. Ishaaq is learning to count and sing his favourite rhymes from the programmes he is watching and it is working perfectly for the family.

I have been in contact with Mencap for over 3 years and have been getting support by attending autism awareness courses, CAF meetings to help with a special school placement, writing reports for EHCP, and attending sports groups in holidays. We are also getting support to find a support worker who would help us in getting respite.

As a struggling family, we would never have been able to afford this laptop for Ishaaq and to enjoy the peace that we now have"

Our community retail hubs

The high street is changing and so are we. We're transforming our shops into community hubs. They still sell things, but are now so much more than a charity shop – offering spaces, meeting places, and employment opportunities for people with a learning disability. 5 of our 26 stores are now community retail hubs.

We have 189 volunteers with a learning disability across our stores and five paid employees with a learning disability. Our colleagues with a learning disability tell us that they feel there is a 'store family' and that they have a greater sense of belonging in the local community.

"For some people coming to the store is the only time they get to meet anyone outside of their home. It has a positive impact on the whole community's mental health and wellbeing, it really means so much"

Family support in Northern Ireland

This year our Early Positive Approaches to Support (E-PATs) programme was financed by 2 external funders, LFT Charitable Trust and The Department of Health Carers Fund.

We delivered an 8-week E-PATs course in Derry/Londonderry and 2 E-PATs courses in Greater Belfast. The outcomes we saw were:

- 85.71% knew what to do to support their child's development (e.g., sleep, communication, life skills).
- 71.43% were able to support their children's development.
- 57.14% stated positive change in their child's development.
- 71.43% knew what to do to support challenging behaviour that their child may display.
- 100% of parents/carers experienced personal benefits from attending the E-PATs programme.
- 100% of parents/carers would recommend E-PATs to a caregiver
- By the end of the programme 100% of parents/carers said they 'agreed' or 'agreed strongly' that knew what to do to support their own wellbeing.
- By the end of the programme 85.71% of parents/carers said they knew what support was available to them and their child, and how to access it.

"I never opened up to anyone before about how life with autism is like, but this group has made me feel so comfortable and understood. When someone understands and supports you, it makes everything feel easier and better."

"I have learned a lot and I have been able to put what I have learned into practice as a parent to my son. And I do see small positive improvement and changes and that to me, means it's working."

"I feel my knowledge on behaviours and other patterns has increased thanks to this programme and also the other mums. They helped me with everything that was on my mind, I was able to contact Lisa when I was stuck, and she helped so much."

Parent and Toddler programme

This year we had a programme for parents/carers of children aged 0 to 24 months old with a learning disability or developmental delay. The programme aims to provide a safe, secure environment for parents or carers to come together and meet other families on a similar journey, while giving their children the opportunity to explore and learn through a range of activities and play. We delivered 8 sessions for a total of 32 parents/carers and 17 toddlers.

"It was daunting coming out to Mencap for the first time, but as I got to know what the session was about I had become very relaxed and have enjoyed my time here."

"Staff are so friendly and great with the adults and children."

Our people

Our colleagues and volunteers are amazing. Despite many challenges they are highly committed and work hard to support people with a learning disability to lead fulfilled lives.

Today social care is facing a people crisis – with many providers struggling to hire and keep great staff. We have the same pressures, but are seeing some small progress in terms of recruitment. However, there's even more we need to do to make Mencap a better place to work.

Fewer colleagues chose to leave Mencap last year – down from 26.9% in May 2022 to 21.8% now. Having consistency in our workforce means more stability for the people we support and shows our colleagues feel satisfied in their work. Sickness absence dropped from an annual average of 11.5 days per person in April 2022 to 9.1 days in March 2023 – even while Covid-19 was still raging. This signals improved wellbeing, which helps keep talented colleagues working with us.

We ended the year with 363 more support workers than at the start of the year. This means we're attracting lots of new colleagues and shows we're an attractive employer and that we are providing a good place to work.

Doubling volunteers

We've more than doubled our volunteer numbers to 1,600. Our fantastic volunteers provide incredible support to many areas of our work, especially our shops and the Mencap Visiting Service. We couldn't do what we do without them!

Training more colleagues

We met our target of 95% of our colleagues completing our mandatory training courses. Our aim is to exceed this in future years.

Income generation and fundraising activities

Raising money to improve lives

Thank you to everyone who raised money for Mencap this year. We're incredibly grateful for your vital fundraising, which helps us support more people with learning disabilities and their families to lead better lives.

It's been a challenging year for fundraising. The cost-of-living crisis means people have less money and we received fewer legacies than usual.

Our gross voluntary income in 2022/23 was £10,223,000. This is a drop of 27% from the year before – below what we thought we'd get.

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 for people who want to support us
- encouraging people to get involved in fundraising events and activities

Water challenge!

Marathon runner and Mencap ambassador Aaron Plummer (22) gave our CEO Edel Harris a serious challenge last year: swimming 26.2 miles in October as part of our Superhero Challenge. She accepted and raised over £6,000.

Aaron, who lives with a learning disability and cerebral palsy, has completed the London Marathon an incredible three times for Mencap. He joined Edel for her final mile at London's Crouch End Lido.

"I'm so happy that Edel took on this challenge and I've really enjoyed joining her. It was great to swim the final mile with her and raise money for Mencap, a charity which has supported me and helped me so much over the years." – Aaron Plummer, marathon runner and Mencap ambassador.

Running for Mencap

Serena Kemp's amazing son Ritchie 'rocks an extra chromosome' and lives with a learning disability. Ritchie goes to East Kent Mencap three days a week and particularly enjoys woodwork and upcycling.

Serena says that running the London Marathon for Mencap in 2021 was one of the best days of her life. So much so she wanted to run again in 2022. Since 2020 Serena has raised an incredible £3,546 for Mencap.

"Ritchie has had many serious illnesses in his life, but he is the most caring, kind and lovable person. The support from Team Mencap was fabulous [like] the telephone calls, handwritten cards from Lorraine in the Events team and support in the Facebook Group. The support was truly second to none and I wouldn't run for anyone else!" – Serena Kemp.

Getting communities moving with Sport England

This year we were very proud to be a Sport England System Partner. Through this exciting partnership we'll be working with 10 communities, supporting them and inspiring all residents to get active over the next four years.

People with a learning disability will tell us what they want to see and lead the change. So no one will be left behind and no one's needs will be missed. We'll focus on building relationships and

harnessing the skills, connections and experiences of local people and communities. We'll drive creativity, innovation and self-sustaining models of support based on mutual interest.

Thanks to Pears Foundation

Pears Foundation, with the Department for Digital, Culture, Media and Sport (DCMS) through the Volunteering Futures Fund, generously supported our two-year Volunteering and Me Time programme. The programme is now in its final year. Through it we've signed up 392 volunteers across Nottingham, Tameside and Islington. Volunteers with and without a learning disability get involved in activities like designing and creating a sensory community garden, planting trees and making soup. This helps people feel a fun connection to local communities.

Pears Foundation has also helped support our network partners make the best happen with and for the local community. Our two Beacon Partners, Heart of England Mencap and Sheffield Mencap, have connected with 94 community members to explore opportunities and shape local vision. These projects ensure people feel more involved, and do the things they love, in their local community.

The Foundation is also funding our family-led early years programme in Newham to provide local parent carers with joined-up support and better access to local services.

Thanks to Advent International

Advent International has been our valued corporate partners since June 2020. Advent's last donation in March 2022 was match-funded by Waltham Forest Council. This enabled us to support 21 learners at Whitefield School and 28 at Hornbeam Academy during 2022/23 – helping pupils on their journey to employment.

Thanks to The Berkley Group

The Berkeley Group, through the Berkeley Foundation, has been a corporate partner of Mencap since October 2021. They have been busy raising funds to support people with a learning disability through dedicated programmes in Ealing, Oxford, and the Midlands. In the last year, they've raised over £38,000 through fundraising events, which included employees taking part in the Ealing Half Marathon, and a five-a-side football tournament for suppliers.

Thanks to Google/YouTube

"We would like to thank Google/YouTube for their incredibly generous grant of £500,000 through Google.org which is enabling us to develop and deliver a digital citizenship programme. Our program will support young people with a learning disability to be safe online and will empower their support networks to help them."

Thank you – you're all amazing!

We're extremely grateful for the kindness and loyalty of our many supporters. You provide the essential funding we need to ensure we can help achieve our vision which is for the UK to be the best place for people with a learning disability to live happy and healthy lives.

How we work

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're not aware of any instances where those acting on our behalf have failed to comply.

We occasionally use professional fundraisers as part of direct appeals, but not for unsolicited approaches or 'cold calling'. Other commercial participators are only involved as partner organisations fundraising from 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 regular feedback is provided. We also have a supporter care team which can be contacted by telephone or e-mail with any problems around our fundraising activities.

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 2023, we had 26 complaints through our supporter care team and other channels related to fundraising activity. Of the 26 complaints, 19 related to direct marketing activity and 7 were related to stewardship activity. All complaints were recorded and addressed appropriately.

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

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

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 stores

Our 26 stores raised £3.9m this year an increase of 22% from last year.

Our ambition for our Mencap stores is far greater than simply income generation. We see them as community assets – for more information, please see page 35.

Where our Fundraised income is spent 2022/23

22-23	Descriptor
£10,223,000	Fundraising income
£3,515,000	Raising funds
£3,133,000	Supporting people to build their own capabilities to find local solutions
£2,925,000	Campaigning for change
£567,000	Supporting people with information and advice
£431,000	Supporting our work in Northern Ireland
£335,000	Researching & evaluation complex issues and opportunities
£277,000	Supporting our work in Wales
=	
-£960,000	Net position for 2022/23
+	
£410,000	Add back amount funds raised in previous years and spent this year
-£550,000	Amount of last years £2.75m fundraising surplus spent in year.

Our environmental impact

We have a track record of improving sustainability. In the last year we reduced our CO₂ emissions by almost 10%.

Our vision is for the UK to be the best place in the world for people with a learning disability to live happy and healthy lives. This means protecting the planet where we all live.

We need to face our environmental challenges and respond by working with people and organisations at individual, community and society level.

More flexible working has reduced energy costs in our offices, plus our Mencap Goes Green group has achieved small but vital improvements. We are also planning to move our main HR system to the cloud. It will be hosted by the supplier, reducing our carbon footprint.

There's always more we can do. Through our Colleague Forum we're asking our colleagues for ideas, so we can build a better future for everyone. And we encourage the people we support to be more environmentally friendly in their lives too.

Growing green

When Janice* wanted to start growing her own vegetables we helped make it happen. She was very successful – and soon she had more vegetables than she could eat. She really enjoyed growing and got a real sense of achievement.

The place she lives has a reuse scheme where people can share items they don't want or need any more for others to take for free. So Janice shared her vegetables. She also decided to donate some to local homeless people.

*not her real name.

Cleaning the coast

In Penzance, a group of people with learning disabilities volunteered to join their local conservation group's annual beach clean.

Together with support workers, and other members of the local community, they collected several bags of litter to clean the beach ready for tourist season. They found plastic bottles, takeaway containers, fish netting and even the odd shoe!

Story 3

Pears foundation, tree planting – TBC.

Our environmental sustainability plan

During the financial year, our trustees approved Mencap's environmental sustainability plan. Our priority areas are:

1. Playing our role in decarbonising the economy through sustainable interventions in our activities.
2. Supporting people with a learning disability who face fuel poverty.
3. Supporting people with their energy bills.
4. Attracting and retaining talent through sustainability

Decarbonising the economy

Our overall carbon emissions fell by 9.9% last year. This was driven by the move to hybrid working and using technology to reduce office work and travel to meetings.

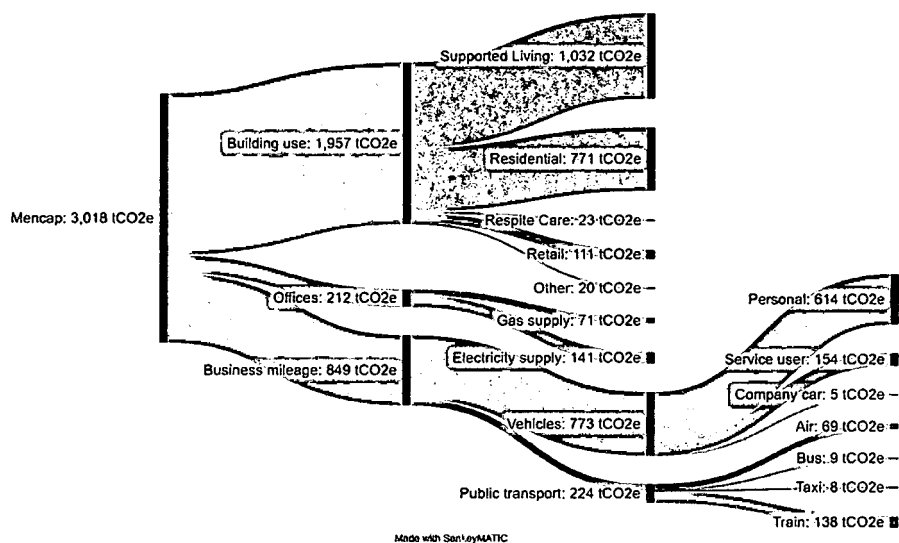
Total Emissions from Scope 1, 2 and 3

Global GHG emissions and energy use data	1st April 2022 – 31st March 2023	1st April 2021 – 31st March 2022	% difference
Scope 1 (direct emissions from machinery, facilities and vehicles we own).	1,496.33 tonnes CO ₂ e	1,581 tonnes CO ₂ e	-5.36
Scope 2 (indirect emissions associated with generating electricity, heat, steam and/or cooling).	761.04 tonnes CO ₂ e	835 tonnes CO ₂ e	-8.86
Scope 3 (Indirect emissions resulting from all other activities and sources not covered in Scope 2 – includes business travel, commuting, waste and third-party deliveries.)	760.76 tonnes CO ₂ e	937 tonnes CO ₂ e	-18.81
Total	3,018.13 tonnes CO₂e	3,353 tonnes CO₂e	-9.99

Breakdown of Scope 1, 2 and 3 Emissions:

Global GHG emissions and energy use data 1st April 2022 – 31st March 2023		
Scope 1	Emissions from combustion of gas used at offices	70.97 tonnes CO₂e
	Emissions from combustion of gas at residential and care activity buildings	1,266.14 tonnes CO₂e
	Emissions from combustion of fuel for transport purposes	159.22 tonnes CO₂e
Scope 2	Emissions from purchased electricity at offices (location-based)	128.77 tonnes CO₂e
	Emissions from purchased electricity at residential and care activity buildings (location-based)	632.27 tonnes CO₂e
Scope 3	Emissions from generation of electricity that is consumed in a transmission and distribution system which we don't own or control	69.62 tonnes CO₂e
	Emissions from employee business travel which we don't own or control	691.14 tonnes CO₂e

This diagram shows our energy consumption. We can use it to identify areas where we need to prioritise reducing carbon.



Sixty-one per cent of our emissions are from residential facilities (Supported Living, Residential and Respice care). We will work with our housing provider partners to find out how they plan to improve the energy efficiency of the homes we lease.

Personal vehicles contribute to 72% of business mileage emissions. Though our work means we will always need to use personal vehicles, we'll consider ways we could reduce travel.

Energy bills

We buy energy for our offices, retail stores and for the communal areas of the buildings where we provide services for people with a learning disability. In buildings used for Personal Support, we reclaim the cost of energy through housing benefit. The people we support pay their share of heating costs in supported living services.

We currently get our energy from Opus and Total with support through Inenco, the energy broker. Our current contract runs until September 2024 and our current pricing contract ends in September 2023.

This current contract has protected people that we support from high energy bills. However, the new contract will mean higher bills.

In response, we will work with those affected to ensure they know about energy bill increases in advance and help them respond to these financial challenges.

Talent through sustainability

Studies show people increasingly want to work for organisations that share their values, including on sustainability. To attract talented people we need to be transparent about our sustainability credentials during recruitment, starting with the job advertisement.

Our People Strategy has identified several priorities for the year ahead, including improved recruitment and retention. This gives us the opportunity to demonstrate and reinforce our achievements and commitment to sustainability.

We try to be paper-free where we can. This includes our recruitment process, which include digital contracts.

Supporting people with their bills

Fuel poverty statistics for England released in April 2020 highlighted 3.2 million households in fuel poverty. Meanwhile, 7 million households across the UK are facing fuel poverty as a result of significant increases in energy prices in 2022.

People with a learning disability are at greater risk because of:

- limited income and higher outgoings linked to their disability
- reduced potential for increasing income as few are in full-time employment and opportunities for promotion or overtime are limited
- a complex energy market and inaccessible billing and information from energy companies
- the Minimum Income Guarantee (MIG)

Our response includes:

- An information and advice hub on our website <https://www.mencap.org.uk/help-with-food-energy-and-money>
- Launching our campaign 'Priced out and Forgotten' and successfully negotiating with Government to ensure that cost-of-living payments are applied to legacy benefits (the Covid payments were not) and are not included as part of Minimum Income Guarantee (MIG) calculations. We are launching a campaign to have MIG raised in line with inflation (due to launch 1 February 23)
- Successfully securing £200K from the British Gas Energy Trust to increase specialist support in our information and advice service. We are licenced to give away three £49 meter vouchers to the families of people with a learning disability.
- Working with energy providers – for example we have worked with Octopus Energy on some easy read material.
- Ensuring we support those people we support in Integrated Care Partnerships with their energy bills
- Ensuring that our sustainability credentials act as an attractor for existing and future colleagues, as well as recognising the cost-of-living challenge to colleagues in our pay and reward strategy.

We are also founding supporters of the Disability Poverty Campaign Group. The group is responsible for much of the media coverage of disabled people in fuel poverty and has written an open letter to the Government calling for a social tariff (a reduced tariff).

Our structure, governance and management

We are 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 the Office of the Scottish Charity Regulator (registered number SC041079). Our main governing document is our Articles of Association, last amended on 16 May 2019. Our charitable objects are to advance the health, education and wellbeing of people with a learning disability and their families and carers.

In 2022/2023, Royal Mencap Society has continued to carry out the recommendations of the 2021 Governance Review by reconstituting the sub-committees of the board and enhancing the role of our Voices Council. This has resulted in three new sub-committees of the Royal Mencap Society board, including a new dedicated People and Culture Committee.

Our structure

1. Nominations Committee (unchanged) <ol style="list-style-type: none"> Carolyn Fairbairn (Chair) Elaine Hindal David Wolverson Aisha Hazel-Edwards Barbara Louise Norris. 		
2. Audit, Finance and Risk Committee	3. Delivery and Strategic Impact Committee	4. People and Culture Committee
Phil Hughes (Co-chair) Kathryn Cearnis (Co-chair) Yogi Amin Catherine McDermott	David Wolverson (Chair) Kathryn Rees Lucy Edge Sohail Qadri	Jackie Pollock (Chair) Andrew Wilson Elaine Hindal David Wolverson
Voices Council <ol style="list-style-type: none"> Jack Welch - Chair Sam Jefferies - Vice chair Aisha Hazel-Edwards Karen Gray Barbara Louise Norris John Phillips Paul Savage Taylor Phillips Bryony Moss 		
Trustees <ol style="list-style-type: none"> Carolyn Fairbairn (Chair) Lucy Edge (vice-chair and SIT) David Wolverson (Safeguarding lead) Catherine McDermott Phil Hughes Sohail Qadri Kathryn Rees Kathryn Cearnis Yogi Amin Jackie Pollock Elaine Hindal Andrew Wilson Find out more about our trustees		

Our trustees (also our directors under company law) have overall responsibility for our charity. The trustees ensure we achieve our charitable objects. In doing so they receive vitally important input and advice from our Voices Council – an independent group of ‘experts by experience’.

Our trustees normally meet 5 times a year. This includes an annual strategy day which helps trustees and our executive team focus on our long-term strategic direction. After the end of the pandemic, trustee meetings returned to being in person in 2022. We have a framework of delegation to set out matters delegated to committees of the board, the executive or other staff. This is regularly reviewed and updated as necessary. Conflicts of interest are considered at each meeting and the Company Secretary maintains a register of them.

Our trustees have all been appointed through a public and open recruitment process. In each case a skills assessment has driven recruitment together with a concerted effort to ensure we are drawing from all sections of society and securing intersectional diversity in line with our Equality, Diversity and Inclusion strategy. Recommendations are overseen by the Royal Mencap Society nominations committee. This includes a majority of independent, co-opted members who are not trustees of our board.

This year, we will add 2 trustees to our board who are ‘experts by experience’. They are people with a learning disability who can inform our decisions from their lived experience.

Our trustees are appointed for up to 2 terms of 4 years. They don’t receive any remuneration [payment] or financial benefit for this. Details of trustee expenses are provided in note [x] to the financial statements. Our trustees meet HM Revenue & Customs’s ‘fit and proper persons test’ and declare all relevant interests.

Before appointment, trustees are also required to complete a Trustee Automatic Disqualification Declaration. We use this to ensure people who hold, or who are applying for, a trustee position are not disqualified.

How we make decisions

Our trustees are ultimately responsible for the overall control and strategic direction of our charity and protecting our assets. The board’s decisions are informed by our Voices Council. The Voices Council and other groups ensure we deliver our commitment to put people with a learning disability at the core of everything we do.

Day-to-day responsibility for running the charity is delegated to the chief executive, Edel Harris, and the executive directors who make up our executive team.

Delegated 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 outside perspectives. The board has delegated specific responsibilities to its committees, each of which has detailed terms of reference and reports to the board. The remit of the committees is reviewed regularly to ensure they continue to work well. The chair of each committee reports to the board at quarterly meetings. Minutes of committee meetings are available to all trustees.

Our Voices Council

Our vision is to be led by people with a learning disability. The lived experience and voice of people with a learning disability informs how we fulfil our charitable objects. Our 2021 Governance Review recommended that our governance must embody this vision – our Voices Council is central to this. Over its journey from the Learning Disability Panel to the Voices Council in 2019, members are playing a vital part in shaping our work, decisions and priorities. The Voices Council’s role in shaping our work during Covid-19 has been pivotal.

The Voices Council now have extra resources and authority. Voices Council meetings include representation from the Royal Mencap Society board and our executive team. The Voices Council alone set their agenda and priorities. This led to increasing membership of the Voices Council in 2023.

The Royal Mencap Society's board committees are:

Audit, Finance and Risk Committee (AFRC): In 2022, we merged our audit and risk committee and parts of our finance, planning and remuneration committee. The newly created AFRC's delegated responsibilities relate to Royal Mencap Society's financial and risk management processes. The AFRC, co-chaired by Kathryn Cearns and Phil Hughes, monitor and review the effectiveness of our internal and external audit functions. The AFRC approves the plan for our internal audit work. This provides independent assurance that risk management, governance and internal control processes are operating effectively. The AFRC also ensures we maintain an effective financial management and reporting structure across our charity in the short, medium and long term. They review executive remuneration [payment] and make recommendations to our trustees. The AFRC provide assurance to our board on accuracy of the financial information it receives to fulfil its fundamental responsibility of managing our charity's resources responsibly.

Nominations Committee (NC): The NC ensures we take a rigorous, open and transparent approach to trustee recruitment and appointment. The NC includes non-trustees and co-opted members. It is responsible for ensuring the appropriate balance of skills, experience, backgrounds and knowledge is reflected in the make-up of our board.

Delivery and Strategic Impact Committee (DSIC): The DSIC built on the foundations of its forerunner: the quality and compliance committee. However, DSIC's remit is much bigger. A key aspect of Royal Mencap Society's Big Plan is to impact the individual, community and society. The role of DSIC is to consider our impact, quality and responsibility across all of our services. This broader remit includes our personal support delivery and our specialist post-16 institution. In doing so, our commitment to delivering high quality, client-led and innovative services are the overarching requirements. In line with our commitment to, and prioritisation of, wellbeing and safety of the people we support, the DSIC oversaw transition from an independent chair for safeguarding to a Safeguarding Scrutineer. Frances Millar was recruited in April 2023 and attends all DSIC meetings.

People and Culture Committee (PCC)

Our new People and Culture Committee (PCC) was created after the recent Governance Review and was formerly constituted in 2022. The Board of Trustees recognised that a dedicated Board sub-committee was needed to ensure Mencap has an inclusive, open and encouraging culture across its workforce of almost 8,000 employees. Policies, procedures, initiatives around our people, and feedback surveys are brought to the PCC. This committee also hears directly from colleagues in closed sessions between trustees and groups of colleagues from across Mencap. Creating the PCC is a reflection of the importance of our people in the Big Plan.

The Wales and Northern Ireland Advisory Panels, made up of people with relevant local expertise and lived experience of learning disability, provide invaluable expert advice to our 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.

Policies and procedures for inducting and training trustees

We have an extensive induction programme for all new trustees. This covers all aspects of our activities, strategy and values. Trustees also receive information and guidance on their legal and

regulatory obligations as trustees. Induction and training is overseen by Royal Mencap Society's executive director of governance.

Executive pay

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

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

Our senior reward approach involves two main factors:

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

We generally use the charity sector market median as a guide for setting salaries. Some flexibility is applied to take into consideration 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 achieving our strategy and any personal development areas.

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

Role	Salary to 31 March 23 (£)	ER Pension to 31 March 23 (£)	ER NICS to 31 March 23 (£)	Remuneration to 31 March 23 (£)	Remuneration to 31 March 22 (£)
Chief executive	181,800	9,090	23,763	214,653	205,472
Chief financial officer ¹	131,028	6,565	16,795	154,388	178,962
Chief operating officer ²	98,079	2,770	9,258	110,107	184,368
Interim director PS England ³	48,265	2,101	5,848	56,214	0
Executive director of communications, advocacy and activism (responsible for Fundraising)	121,200	6,060	14,878	142,138	135,814
Executive director of governance ⁴	97,869	4,893	12,182	114,944	95,661
Executive director of ICP (Communities) ⁵	29,250	1,463	3,521	34,234	0
Executive director of people ⁶	112,470	5,421	12,712	130,603	77,485
Executive director of transformation	104,306	5,132	13,023	122,461	114,268

¹ The chief financial officer joined on 29 September with the former chief financial officer leaving on 31 October 2021.

² The chief operating officer left in August 2022 and has not been replaced.

³ The interim director of PS England was a new role created in October 2022.

⁴ The executive director for governance was a new role created in June 2021.

⁵ The executive director of ICP (Communities) was a new role created in January 2023.

⁶ The previous executive director of people left in November 2021 and the new one did not start until April 2022.

Our network partners

We work with over 300 independent network partners across the UK. 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 with partners regularly.

Mencap Trust Company Limited (MTC)

Mencap Trust Company was set up in 1976 to reduce parents' worries about vulnerable family members by helping make arrangements to provide for them 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 MTC's work see <https://www.mencaptrust.org.uk/>

Mencap Limited

Mencap Limited is a trading subsidiary of Royal Mencap Society. In 2022 our board authorised the use of Mencap Limited as a vehicle for recovering VAT to which Royal Mencap Society is entitled. The directors of Mencap Limited were changed to include the co-chairs of the AFRC (Kathryn Cearn and Phil Hughes) as well as Royal Mencap Society's CFO and director of governance. Profit-making external Disclosure and Barring Service checking activity will also continue within Mencap Limited. 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) and 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.

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that, in doing so, the directors should have regard, among other matters, to factors (a) to (f), listed below.

a. The likely consequences of any decision in the long term

The trustees are responsible for Mencap's strategy and overall direction. Our new Big Plan (in place from March 2021 and running through to 2026) established an approach which continuously and constantly puts people with a learning disability at the centre of our vision. That vision is for the UK to be the best place in the world for people with a learning disability to lead a happy and healthy life. The cost-of-living crisis in the UK and global events have required us to review the priorities and focus of our work in our Big Plan. This review and reassessment has balanced long-term planning with the need to respond immediately. The strategy remains agile and capable of change and movement as data and trends demand. The timeline of the strategy provides the long-term strategic plan for Royal Mencap Society required under s172(1).

The main purpose of our reserves policy and targets is to ensure long-term financial sustainability. Decisions involving financial spend are assessed for their impact on reserves, not just in the current year but also through a three-to-five-year forecast.

b. The interests of the charity's employees

Creating our People and Culture Committee (PCC) reflects the value and importance paid to our 8,000 employees. The majority are colleagues supporting people with a learning disability to live happy and healthy lives. The complexity of the care sector means our value proposition to staff is centred on the impact they create, our culture and their experience of working for us. Together with Royal Mencap Society's AFRC, the PCC has considered for recommendation to the trustees:

- remuneration of our staff in recognition of an extremely difficult economic and employment environment as they navigate the cost-of-living crisis
- their mental health and wellbeing as they come to terms with the impact of a post-Covid-19 landscape
- ensuring we provide a working environment focused on our values and our desire to be a more equitable, fair and anti-racist organisation for all current and future staff.

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 we also understand we need 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

Our relationships with partners and suppliers are key to our effectiveness. We are clear about our role as co-producing and delivering support, services and change. Our relationships with local authorities and NHS Trusts through direct services and collaborative work are constructive and interdependent. We have worked closely with commissioners to agree a fair value for delivering our services. This includes co-opting commissioners of personal support services to take part in HMRC-approved VAT recovery arrangements.

In general, we continue to work with local authorities and other commissioning bodies to deliver localised, person-centred 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. We've highlighted health inequality campaigns and awareness earlier in the report. For example, the shocking disparity in life expectancy of people with a learning disability.

We continue to work with regulators to improve our services and so provide the best possible outcomes for the people we support. Our board has clear oversight of, and directly engages with, our services. Through Royal Mencap Society's Independent Safeguarding Scrutineer, 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. They work in their communities to share best practice, champion change and deliver high-quality services and support for people with a learning disability. Our trustees continue to engage and make connections with community groups both in and outside our network.

Mencap's community work is about identifying and building on existing strengths and supporting people to make communities accessible for everyone. In our first year we focused on finding communities and working with local people to discover their strengths. This year has been about relationships: bringing people together, making connections and building trust. Our work is growing – 20 people with a learning disability and 7 family members are now employed. People with a learning disability aren't 'grateful beneficiaries' or patronized. Instead, they ask for what they need and get the respect they deserve. Right now, we're shaping our work in response to the cost-of-living crisis. This means empowering communities to support each other through difficult times and public service cuts.

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

At the heart of our remit is living our values and ethos: being brave, inclusive, kind, passionate and positive. Each value represents how trustees oversee their responsibility to fulfil the charity's purpose. To deliver our vision, it's vital we inspire the trust of all our stakeholders by holding ourselves to the highest standards of conduct in all we do. 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. One focus is on creating an environment encouraging openness and responsiveness. To achieve this, trustees are informed by independent, external audits and reviews. The Delivery and Strategic Impact Committee (made up of four trustees) also receives reports from Mencap's Independent Safeguarding Scrutineer, Frances Millar, on their independent assessment of how we are safeguarding our people.

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

('Members' means our various stakeholders).

We engage with each of our key stakeholder groups in a proactive, equal and engaged way. This extends to the people who use our services and their families, donors, staff, volunteers, partners and the wider learning disability community of 1.5m 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.

Our trustees believe they have considered each of the relevant factors and/or stakeholders when making decisions, taking care to balance competing interests for the overall good of our 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 summary financial position and shows that Mencap has historically been able to deliver a robust financial position. 2022/23, however, has been an exceptionally challenging operating environment with the care sector facing unparalleled recruitment and retention challenges and the cost-of-living crisis affecting our cost base but also our fundraising targets.

As a financially prudent organisation, we have had difficult decisions to be made to respond to these challenges. We consider it an investment to use our reserves to fund pay for our hugely valuable workforce and to support the continuation of our advocacy and activism work despite the financial headwinds. At the same time, we know that these challenges are unlikely to dissipate quickly and therefore during 2022/23 we have commenced a financial recovery plan that will see Mencap reach a break-even position in 2023/24 and return to making target level returns by 2024/25.

A major event during the year was the demerger of Golden Lane Housing from the Group as at the 1 April. Where this event is a primary reason for movement in numbers between 2021/22 and 2022/23, it has been reflected in the detailed analysis.

	2018/19	2019/20	2020/21	2021/22	2021/22 Excl GLH ¹	2022/23
	£m	£m	£m	£m	£m	£m
Total Income	209.3	220.2	238.2	239.0	211.9	216.1
Total net income ²	0.7	6.8	14.6	5.9	2.8	(6.4)
Net movement in funds excluding transfers to Golden Lane Housing	(0.8)	14.4	11.2	4.5	1.4	³ (8.1)

¹ This shows 2021/22 results with Golden Lane Housing excluded.

² Total net income defined as income after expenditure and the net gains on investments

³ The transfer to Golden Lane Housing of (£63.9m) was part of the demerger on 1 April 2022. Other significant changes in net movement in funds largely reflect material gains or losses from actuarial valuation on the defined pension benefit scheme.

Income

Total income in 2022/23 has fallen primarily as a result of our subsidiary, Golden Lane Housing, demerging from the group on 1 April 2022. For 2021/22, Golden Lane Housing equated to £27.1m of the total income figure.

The table shows the 2021/22 results adjusting out GLH for future comparison. Excluding GLH, total net income has fallen from £2.8m in 2021/22 to a deficit movement of (£6.4m). The main reasons for this have been

- A conscious decision to invest in pay. There has been a recruitment crisis in social care, and we made a decision during the year to increase our Mencap minimum hourly rate for a support worker to £10.33. This represented an investment of £1.8m that was not covered by contractual uplifts.
- Despite the investment in pay, agency costs grew in 2022/23 so that we were able to maintain a good quality of service provision. Cost of agency grew from £8.0m in 2021/22 to £17.2m in 2022/23. Whilst the increase in support worker pay has improved recruitment rates, agency spend remained high throughout the year. We hope to see the cost of agency reduce in 2023/24.
- Legacy income from fundraising fell from a high legacy year of £8.3m in 2021/22 to £5.5m. This has been driven by lower notifications of legacies during the year which could be linked to delays in the Probate service that we hope to return to budgeted levels in 2023/24.
- Despite this, we are operating within our free reserves policy as highlighted on page 59 below. However, we recognise that the social care operating environment remains challenging with risks

around local authority resources, and recruitment and retention challenges, unlikely to disappear overnight. Therefore, in order to ensure that we return to making our target operating and net margins, we have implemented a Financial Recovery Plan. The plan is made up of a focus on increasing income across our current and new streams of activity as well as a focus on cost control.

What made up our income in 2022/23?

The table below demonstrates that income from our core commercial activity of providing personal support grew during the year. This was largely driven by contractual uplifts on existing contracts. Other trading activities grew, notably through the ongoing success of our retail operations.

As stated previously, we experienced a reduction in donation in legacies of £3.7m from the previous year

Areas of Income	2021/22	2022/23	change from 2021/22
	£m	£m	£m
Charitable activities	193.1	200.4	7.3
Donations & Legacies	14.0	10.2	(3.8)
Other trading activities	4.0	4.6	0.6
Investments	0.2	0.5	0.3
Rental Income	0.5	0.4	(0.1)
Rental Income (discontinued) ¹	26.9	-	(26.9)
Gains on disposals of fixed assets	0.4	0.0	(0.4)
Total Income	239.1	216.1	(23.0)

¹ This rental income (discontinued) relates to Golden Lane Housing who demerged from the group on 1 April 2022.

Charitable Activities

93% 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. The increase of £7.3m is driven primarily by price uplifts of £10.8m, offset by the loss of services through re-tendering (located in Hampshire and Stockport) totalling £5.5m.

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

	2018/19	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m	£m
Donations	3.2	3.4	2.8	3.1	2.8
Legacies	6.2	6.8	7.9	8.3	5.5
Trust funds	0.6	0.8	1.8	1.1	0.6
Community	0.2	0.2	0.4	1.1	0.4
Organisations raising funds	0.3	0.3	3.6	0.2	0.9
Gifts in kind	0.3	1.3	2.0	0.2	0.1
Total	10.8	12.8	18.5	14.0	10.3

Donations and legacies fell to £10.2m from £14.0m in 2021/22. Much of the reduction relates to a substantive decrease in legacy income, a reduction in trust funds which had increased over the pandemic and cost of living pressures on donations.

2022/23 was our lowest legacy income year going back at least 10 years which is due to a drop in notifications exacerbated by probate delays. Whilst legacy income has fallen in 2022/23, we expect that this will return to 2021/22 levels in 2023/24. It remains a major source of funding and we remain very grateful that people continue to remember us in their wills.

Other Trading activities

Other trading activities relates to the income generated from Mencap's retail stores as well as undertaking DBS checks for external organisations and our trust management services.

	2018/19	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m	£m
Other trading income	3.0	3.3	1.7	4.0	4.6

Retail has seen strong growth in store performance and therefore trading income. This has been driven by improved quality and volume of stock donations post-covid, and more people shopping in charity stores due to the cost-of-living crisis. It is expected that this trend will continue into 2023/24.

Total expenditure

Total expenditure in 2022/23 increased by 5.5% from the previous year to £221.7m², after adjusting for Golden Lane Housing. The split of expenditure is summarised in the table below.

Areas of expenditure	2018/19	2019/20	2020/21	2021/22	2021/22 Excl GLH ¹	2022/23
	£m	£m	£m	£m	£m	£m
Raising funds	6.7	6.7	3.2	3.5	3.5	3.6
Trading Costs of Subsidiaries	0	0	3.7	3.5	3.5	3.8
Charitable activities	202.1	206.1	218.4	227.0	203.0	214.3
Total	208.8	212.8	225.3	234.0	210.0	221.7

¹ This shows 2021/22 excluding Golden Lane Housing who demerged from the group on 1 April 2022.

Our spend on charitable activities increased from £203.0m to £214.3m. This was due to increased payroll costs of £10.2m and £1.0m on other direct and allocated costs. The increased payroll costs were due to a commitment during the year to increase the minimum hourly rate for a support worker to £10.33 and also the increased agency costs incurred in 2022/23.

Expenditure on raising funds increased from £3.5m in 2021/22 to £3.6m in 2022/23. This was due to the cost of fundraising being unusually low in 2020/21 due to the uncertainties around covid and reduced spend on fundraising events.

Added to these costs, losses on investments of (£0.8m) saw a total net expenditure position of (£6.4m). 78% of this total net expenditure was unrestricted.

Net movement in funds

Net negative adjustments to the defined benefit pension schemes of (£1.7m) were made following revisions to actuarial valuations. This meant that the Group deficit was (£8.1m). The split between restricted and unrestricted is shown in the table below

Total restricted (deficit)	Total unrestricted (deficit)
(£1.4m)	(£6.7m) ¹

¹ This includes defined benefit pension losses totalling £1.7m

The group had £3.4m in cash at 31 March 2023, of which £3.0m belonged to the Charity and the remaining £0.4m is retained by subsidiaries. Our cash position remains strong enough to allow us to operate effectively and contributes towards ensuring we meet our reserves policy requirements.

Additionally, around £12.2m of investments are held in a portfolio with high liquidity. Together with an arranged, unused overdraft, this ensures Mencap has adequate liquidity levels.

Charity Reserves

The table below provides a five-year summary of the reserves position. Each year in the table relates to the Mencap charity only and excludes subsidiaries.

	2018/19	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m	£m
Restricted Funds	7.7	10.0	14.1	14.0	12.6
Unrestricted Funds	34.8	33.2	27.1	30.8	25.1
Designated Funds	-	-	9.0	6.4	5.1
Pension Fund	(10.7)	(1.3)	(2.6)	(2.3)	(2.4)
Total Charity Funds	31.8	41.9	47.6	48.9	40.4

Restricted Funds in 2022/23 saw income of £7.4m, a spend of (£8.4m) and losses of (£0.3m), giving a total movement of (£1.4m). Unrestricted Funds have seen a decrease of (£6.7m) due to the fall in our net income as detailed above.

The designated funds are the funds set aside for strategic investment in the Big Plan. £9.0m was set aside in 2020/21 and there was (£1.3m) of spend in 2022/23. The Pension fund movements represent the pension deficit payment of (£1.8m) in 2022/23 as well as the actuarial losses recorded on the defined benefit pension schemes of (£1.7m).

Mencap's Free Reserves

From 1st April 2021, Mencap moved to a 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 Mencap's three-year financial plan.

Our target range for free reserves is reviewed annually and is currently set at between £10m to £15m. This was arrived at using scenario planning, incorporating key financial risks in the areas of Personal Support, Fundraising and Retail. The range has increased from the previously agreed position of £8m to £13m, reflecting the increased risks within the care sector that Mencap faces. The next formal review is scheduled to be presented to Mencap's Audit, Finance and Risk Committee in October 2023.

Unrestricted cash as at 31 March 2023 was (£3.0m) (2022: £4.8m) which together with unrestricted marketable investments of £16.1m, (2021: £19.9m) gives a total of £13.2m of free reserves. For operational cash management, the cash at bank balance is pooled between unrestricted and restricted balances on the basis that there are sufficient unrestricted liquid investments of £10.9m to drawdown into cash as required.

This figure is within the free reserves range. 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 Mencap's three-year financial plan.

Following the results of the triennial valuation of the Mencap Pension Plan (as of 31 March 2020), a schedule of contributions was agreed between the Charity and the pension trustee. Annual contributions of £1.8m 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 currently being undertaken with the valuation based on the position as at 31 March 2023.

Investment policy and performance for the charity

The investment policy is designed to support the reserves policy. Mencap 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 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 form part of 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 31st March 2023 are summarised in the table below

Fund	Value as at 31/3/23
Mencap Visiting Service	£5.9m
Long Term Funds	£10.9m
Liquid funds	£5.2m

During the year, Schroder and Co Ltd, trading as Cazenove Capital Management, continued to be engaged to manage the Mencap and Mencap Visiting Service portfolios. The funds were fully invested throughout the year. The returns over the year to 31 March 2023 were net negative 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 (3.5%) over the year and the return for the MVS portfolio was also negative at (3.4%). The liquid funds generated a positive return of 2%.

Risk management and internal control for the charity

Risk management is embedded across Mencap. The board of trustees is supported by the audit and risk 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 the time of writing, the key risks on Mencap'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 service quality standards	<ul style="list-style-type: none"> • Manager's assurance tool • Policies & procedures • Regulatory inspection and peer review programme • Regulatory training/support for managers • Incident trend analysis • Whistleblowing policy & procedures • Incident reporting
2	Maintaining financial sustainability	<ul style="list-style-type: none"> • Quarterly stress testing of the medium-term financial plan • Monitoring of performance against key financial trigger points • Monthly financial reporting to executive team and trustees • Financial recovery plan is in place with regular Exec review of its delivery.
3	Recruiting and retaining a skilled colleague base.	<ul style="list-style-type: none"> • Pay & Reward Strategy • Manager development programmes are in place • Inclusive & equitable recruitment processes

		<ul style="list-style-type: none"> • Induction process sets out our values and expectations of new colleagues • Workforce group to focus on this area. • Monitoring of exit interviews data to track culture
4	Cyber and information security risks	<ul style="list-style-type: none"> • Information security environment meets external ISO27001 accreditation • 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	External influence and perception	<ul style="list-style-type: none"> • Communications strategy. • Horizon scanning • Regular media monitoring
7	Reduction in Fundraising income	<ul style="list-style-type: none"> • Fundraising strategy in place • Accountability process overseeing fundraising performance in place with regular monitoring of performance.
8	Shortfall in Local Authority Funding	<ul style="list-style-type: none"> • Deficit services monitored regularly with actions taken to mitigate the loss. • Annual price uplift monitoring • Action plan in place to reduce the level of agency spend.
9	Property Health & Safety Compliance	<ul style="list-style-type: none"> • Manager Assurance tool ensures health & safety checks have been completed • Annual property maintenance annual plans • Ongoing review of where property responsibilities data
10	Progress against Ofsted recommendations	<ul style="list-style-type: none"> • Ofsted improvement action plan in place • Clear KPI's set for the delivery team • Data dashboards & trackers to monitor progress

Going Concern

Within this report, we have highlighted Mencap's strong financial performance over the last 5 years, the level of reserves held and the principal risks and uncertainties that we face. From a financial perspective, Mencap 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 financial recovery plan approved by the Board of Trustees which forecasts Mencap to be meeting target net margins by the 2024/25 financial year
- a level of liquid reserves that doesn't fall below the minimum reserves figure as agreed by trustees
- a positive relationship with our key funder 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. The 2023/24 budget assumes a break-even position as the outcomes from the financial recovery plan are delivered throughout the 2023/24 and 2024/25 financial years.

Our medium-term financial plan to 2025/26 forecasts that we will remain above our minimum free reserves 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 2023, Mencap was holding marketable investments of £22.0m, in addition to £3.4m of operational cash. 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 standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Insofar as each of the trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees' report, under the Charities Act 2011 and the Companies Act 2006, was approved by the trustees on 24th July 2023, including approving in their capacity as company directors the strategic report contained therein, and is signed as authorised on its behalf.



Dame Carolyn Fairbairn: Chair



Kathryn Cearn: 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 2023 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 2023 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 63, 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.

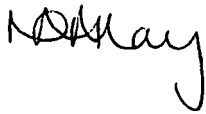
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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.

**Nicola May**

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 7th September 2023

Financial statements

Consolidated statement of Financial Activities for the year ended 31 March 2023 (incorporating the income and expenditure account)

	Notes	Unrestricted funds	Restricted funds	Discontinued Operations	Total 2023 Funds	Unrestricted funds	Restricted funds	Discontinued Operations	Total 2022 Funds
Income from:		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Donations and Legacies	2,29	8,661	1,562	-	10,223	10,987	2,974	(1)	13,960
Charitable activities	3,29	194,709	5,700	-	200,409	185,190	7,891	54	193,135
Other trading activities	4	4,583	-	-	4,583	3,951	-	-	3,951
Investments	5	337	104	-	441	119	93	3	215
Property income	6	422	-	-	422	404	106	26,877	27,387
Gain on disposal of fixed assets		34	-	-	34	175	-	191	366
Total		208,746	7,366	-	216,112	200,826	11,064	27,124	239,014
Expenditure on:									
Raising funds	7	3,497	105	-	3,602	3,370	86	-	3,456
Trading Costs of Subsidiaries	7	3,760	10	-	3,770	3,499	7	-	3,506
Charitable activities	7	206,001	8,334	-	214,335	191,391	11,590	24,006	226,987
Total		213,258	8,449	-	221,707	198,260	11,683	24,006	233,949
Net losses on investments	14	(523)	(299)	-	(822)	383	469	-	852
Net income/(expenditure)		(5,035)	(1,382)	-	(6,417)	2,949	(150)	3,118	5,917

Consolidated statement of Financial Activities for the year ended 31 March 2023 (incorporating the income and expenditure account) continued

	Notes	Unrestricted funds	Restricted funds	Discontinued Operations	Total 2023 Funds	Unrestricted funds	Restricted funds	Discontinued Operations	Total 2022 Funds
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Transfers between funds	23	16	(16)	-	-	(38)	38	-	-
Transfer of unrestricted discontinued operations to Golden Lane Housing (Charity Registration Number 1071097)	30	-	-	(37,402)	(37,402)	-	-	-	-
Transfer of restricted discontinued operations to Golden Lane Housing (Charity Registration Number 1071097)	30	-	-	(26,522)	(26,522)	-	-	-	-
Other recognised gains/(losses)									
Actuarial losses on defined benefit pension schemes	24	(1,719)	-		(1,719)	(1,436)	-	-	(1,436)
Net movement in funds		(6,738)	(1,398)	(63,924)	(72,060)	1,475	(112)	3,118	4,481
Reconciliation of funds									
Total funds brought forward		34,548	14,025	63,924	112,497	33,073	14,137	60,806	108,016
Total funds carried forward		27,810	12,627	-	40,437	34,548	14,025	63,924	112,497

With effect from 1 April 2022 Golden Lane Housing ceased to be part of the group. With effect from this date certain activities, transactions, assets and liabilities of the charity were transferred as a going concern to Golden Lane Housing Limited (Charity Registration Number 1071097). See note 30

Consolidated balance sheet as at 31 March 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Intangible assets	12	19	365
Tangible assets	13	16,345	129,893
Investments	14	22,003	26,310
Total fixed assets		38,367	156,568
Current assets			
Debtors	17	30,416	27,235
Stock		19	38
Cash at bank and in hand		3,377	21,879
Total current assets		33,812	49,152
Liabilities			
Creditors: Amounts falling within one year	18	(23,147)	(31,543)
Net current assets or liabilities		10,665	17,609
Total assets less current liabilities		49,032	174,177
Creditors: Amounts falling due after more than one year	19	(540)	(54,287)
Provisions for liabilities	21	(5,681)	(5,101)
Net assets or liabilities excluding pension asset or liability		42,811	114,789
Defined benefit pension scheme liability	24	(2,374)	(2,292)
Total net assets or liabilities		40,437	112,497
The funds of the group:			
Restricted income funds	23	12,627	40,547
Unrestricted funds		25,072	61,247
Designated funds		5,112	12,995
Pension reserve		(2,374)	(2,292)
Total unrestricted funds	23	27,810	71,950
Total group funds		40,437	112,497

With effect from 1 April 2022 Golden Lane Housing ceased to be part of the Mencap group. With effect from this date, fixed assets, debtors, cash at bank and in hand and creditors of the charity were transferred as a going concern to Golden Lane Housing Limited (Charity Registration Number 1071097). For more details on this, see note 30.

These financial statements were approved and authorised for issue by the trustees on 17 July 2023 and signed on their behalf by:



Dame Carolyn Fairbairn: Chair



Kathryn Cearn: Trustee

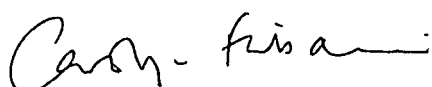
The notes on pages 74 to 106 form part of these financial statements.

Charity balance sheet as at 31 March 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Intangible assets	12	19	70
Tangible assets	13	16,345	16,755
Investments	14	22,003	26,310
Total fixed assets		38,367	43,135
Current assets			
Debtors	17	30,482	26,697
Cash at bank and in hand		2,971	12,875
Total current assets		33,453	39,572
Liabilities			
Creditors: Amounts falling within one year	18	(23,070)	(26,086)
Net current assets or liabilities		10,383	13,486
Total assets less current liabilities		48,750	56,621
Creditors: Amounts falling due after more than one year	19	(540)	(608)
Provisions for liabilities	21	(5,656)	(4,759)
Net assets or liabilities excluding pension asset or liability		42,554	51,254
Defined benefit pension scheme liability	24	(2,374)	(2,292)
Total net assets or liabilities		40,180	48,962
The funds of the charity:			
Restricted income funds		12,627	14,025
Unrestricted funds		24,815	30,812
Designated funds		5,112	6,417
Pension reserve		(2,374)	(2,292)
Total unrestricted funds		27,553	34,937
Total charity funds		40,180	48,962

The charity has taken exemption from presenting its unconsolidated profit and loss account under section 408 of the Companies Act 2006. The net expenditure of the charity in 2023 was £(6.5m) (2022: Net income £2.8m).

These financial statements were approved and authorised for issue by the trustees on 17 July 2023 and signed on their behalf by:



Dame Carolyn Fairbairn: Chair



Kathryn Cearns: Trustee

The notes on pages 74 to 106 form part of these financial statements.

Consolidated statement of cash flows for the year ended 31 March 2023

	2023 £'000	2022 £'000
Cash flows from operating activities		
Net cash provided by operating activities (see below)	(12,680)	7,331
Cash flows from investing activities		
Dividends, interest and rents from investments	441	215
Proceeds from the sale of property, plant and equipment	34	1,838
Purchase of property, plant and equipment	(527)	(8,947)
Proceeds from the sale of investments	18,520	24,821
Purchase of investments	(15,035)	(24,958)
Shared investment contribution	(538)	(94)
Cash and cash equivalents transferred to Golden Lane Housing Limited (Charity Registration Number 1071097)	(8,657)	-
Net cash used in investment activities	(5,762)	(7,125)
Cash flows from financing activities		
Repayments of borrowing	(60)	(12,577)
Cash inflows from new borrowing	-	13,000
Net cash used in financing activities	(60)	423
Change in cash and cash equivalents in the reporting period	(18,502)	629
Cash and cash equivalents at the beginning of the reporting period	21,879	21,250
Cash and cash equivalents at the end of the reporting period	3,377	21,879

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

	2023 £'000	2022 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(6,417)	5,917
Adjustments for:		
Depreciation and amortisation charges	988	2,489
(Gain)/Loss on investments	822	(852)
Dividends, interest and rents from investments	(441)	(215)
Defined benefit pension expense	211	157
Profit on the sale of fixed assets	(34)	(366)
Decrease / (Increase) in stocks	19	11
Decrease /(Increase) in debtors	(5,590)	1,811
(Decrease)/Increase in creditors (excluding loans)	(970)	410
(Decrease)/Increase in provisions	580	(158)
Defined benefit pension deficit reduction	(1,848)	(1,873)
Net cash provided by operating activities	(12,680)	7,331

Analysis of cash and cash equivalents

	2023	2022
	£'000	£'000
Cash at bank and in hand	3,377	18,858
Notice deposits (less than 3 months)	-	3,021
Total cash and cash equivalents	3,377	21,879

With effect from 1 April 2022 Golden Lane Housing ceased to be part of the Mencap group. With effect from this date, cash at bank and in hand and net assets of the charity were transferred as a going concern to Golden Lane Housing Limited (Charity Registration Number 1071097). For more details on this see note 30.

1. Accounting policies

(a) Company information

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

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

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

The registered office of Royal Mencap Society is 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.

On 1 April 2022 the charity's former subsidiary Golden Lane Housing Limited ceased to be part of the group. The financial results of Golden Lane Housing Limited for the year ending 31 March 2022 are included in the comparative figures in these financial statements.

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 2023/24 was approved by the RMS Board in March 2024.

The 2023/24 Budget anticipates an operating deficit of £(0.4m), comprising a net surplus of £1.1m and £(1.5)m of investment spend supporting our new strategy. RMS has designated reserves of £9m 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. We will continue to monitor the situation and manage our finances accordingly.

At the year-end RMS was holding marketable investments of £22m, in addition to £3m 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, which are described in this note, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

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

(d) Income

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

Charitable activities (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.

Legacies (see note 2)

Legacies are accounted for when notified, providing the amount can be reliably measured and that ultimate receipt is probable. 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.

Donations (see note 2)

Income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable, and the amount can be measured reliably. This is usually upon receipt of the donation.

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 value to the charity, where Mencap is entitled to the donation, it is probable that it will be received, and the fair value can be measured reliably.

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. As included in the comparative figures for the year ending 31 March 2022, 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. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Interest income receivable or payable is credited or charged to the income and expenditure account in the financial year to which it relates.

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 includes strategic level costs of providing services; campaigning for change; support with advice; researching & evaluating; building peoples own capabilities; providing housing and governance & support 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.

The value of the insurance asset is equivalent to the liabilities it insures.

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 2023. 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

Results for Golden Lane Housing Limited are included in the comparative figures for the year ending 31 March 2022. 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 (facias, soffits): 3.33% per annum
- Doors: 3.33% per annum
- Windows: 3.33% per annum
- Electrics (rewire): 3.33% per annum
- Capitalised data system software: 20% per annum
- Capitalised fixtures and fittings: 10% per annum

Finance leases

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

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

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

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

Operating leases (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 2023	Continued Operations	Discontinued Operations	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	2,707	106	2,813	3,073	(1)	3,072
Legacies	5,379	121	5,500	8,256	-	8,256
Trust Fund	155	443	598	1,103	-	1,103
Community / Big Lottery Fund	242	145	387	1,124	-	1,124
Organisations raising funds	164	700	864	175	-	175
Gifts in Kind	14	47	61	230	-	230
Total donations and legacies	8,661	1,562	10,223	13,961	(1)	13,960

3. Income from charitable activities

	Group 2023	Continued Operations	Discontinued Operations	Group 2022
	£'000	£'000	£'000	£'000
Personal support	191,403	186,064	-	186,064
Other	9,006	7,017	54	7,071
Total income from charitable activities	200,409	193,081	54	193,135

Other income from charitable activities primarily consists of receipts for a range services: the provision of support, employment, youth services. Some of these are separately named in note 29(e). Included in income from charitable activities for 2022 was £0.29m received from the Coronavirus Job Retention Scheme.

4. Income from trading activities

	Group 2023	Group 2022
	£'000	£'000
DBS checks	333	384
Retail trading element	3,500	2,969
Trust management services	750	598
Total	4,583	3,951

5. Investment income

	Group 2023	Continued Operations	Discontinued Operations	Group 2022
	£'000	£'000	£'000	£'000
Income from listed investments	440	212	-	212
Bank interest	1	-	3	3
Total	441	212	3	215

6. Property Income

	Group 2023	Continued Operations	Discontinued Operations	Group 2022
	£'000	£'000	£'000	£'000
Rental income	422	510	25,155	25,665
Government grant income	-	-	1,722	1,722
Total	422	510	26,877	27,387

Figures for financial year 2022 included rental income relating to Golden Lane Housing, which with effect from 1 April 2022 ceased to be part of the group.

7a. Total expenditure

	Staff costs	Depreciation	Other direct costs	Reallocated support costs	Total 2023	Continued Operations	Discontinued Operations	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Costs of raising funds	2,097	-	1,094	323	3,514	3,381	-	3,381
Investment management costs	-	-	88	-	88	75	-	75
Trading costs of subsidiaries	1,889	123	1,411	347	3,770	3,506	-	3,506
	3,986	123	2,593	670	7,372	6,962	-	6,962
Charitable activities:								
Providing Services	171,355	232	15,684	18,986	206,257	193,200	-	193,200
Campaigning For Change	2,003	-	653	269	2,925	2,663	-	2,663
Support With Advice	932	-	451	140	1,523	1,341	-	1,341
Researching & Evaluating	300	-	4	31	335	298	-	298
Building People's Own Capabilities	1,973	-	881	289	3,143	3,590	-	3,590
Providing Housing	80	-	7	9	96	1,838	24,006	25,844
Defined Benefit Pension Scheme								
Finance costs	-	-	56	-	56	51	-	51
	176,643	232	17,736	19,724	214,335	202,981	24,006	226,987
Governance & Support Costs	11,653	633	8,108	(20,394)	-	-	-	-
Total Expenditure	192,282	988	28,437	-	221,707	209,943	24,006	233,949

7b. Support costs allocated

	Management	Finance and IT	HR	Other	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Raising Funds	47	205	71	1	324	287
Trading Costs of Subsidiaries	51	219	76	1	347	297
Providing Services	2,770	12,008	4,146	61	18,985	16,365
Campaigning For Change	39	170	59	1	269	226
Support With Advice	20	89	31	-	140	113
Researching & Evaluating	4	20	7	-	31	25
Building People's Own Capabilities	42	183	63	1	289	304
Providing Housing	1	6	2	-	9	2,189
Total	2,974	12,900	4,455	65	20,394	19,806

8. Information regarding employees

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

	2023	2022
	Employees (FTE)	Employees (FTE)
Providing Services	4,700	4,878
Campaigning For Change	42	20
Support With Advice	25	18
Researching & Evaluating	8	6
Building People's Own Capabilities	49	182
Raising Funds	44	39
Governance & Support Costs	258	263
Providing Housing	4	98
Trading Costs of Subsidiaries	63	60
Total	5,193	5,564

The estimated average number of employees by function was:

	2023	2022
	Employees	Employees
Providing Services	7,041	7,323
Campaigning For Change	42	20
Support With Advice	25	18
Researching & Evaluating	8	6
Building People's Own Capabilities	49	182
Raising Funds	44	39
Governance & Support Costs	258	263
Providing Housing	4	98
Trading Costs of Subsidiaries	63	60
Total	7,534	8,009

Employee costs in the year:

	2023	2022
	£'000	£'000
Wages and salaries	174,570	168,529
Social security costs	13,673	13,138
Pension costs	4,039	3,885
Total staff costs as per note 7a	192,282	185,552
Benefits in kind	26	42
Total employee costs	192,308	185,594

Included in the above are amounts paid to temporary staff during the year totalling £17.4m (2022: £8.5m).

Redundancy and termination payments:

Expenditure totalling £512,834 (2022: £163,831) was recognised in the year in respect of redundancy and termination payments for employees.

Number of employees with salaries over £60,000

	Total 2023	Total 2022
£60,000 - £69,999	27	31
£70,000 - £79,999	11	6
£80,000 - £89,999	7	9
£90,000 - £99,999	5	3
£100,000 - £109,999	6	4
£110,000 - £119,999	1	1
£130,000 - £139,999	1	-
£150,000 - £159,999	-	1
£170,000 - £179,999	-	1
£180,000 - £189,999	1	-

Of the 59 employees above, 54 are members of the defined contribution scheme. Payments made to the defined contribution scheme on behalf of these individuals amounted to £210,979 (2022: £191,622) for the year.

Trustees and senior management

The senior management of Mencap consists of the executive team and are considered to be key management personnel. The total compensation received by members of the executive team during the year amounted to £1,079,742 (2022: £992,031). 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, 10 trustees (2022: 5) 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 £7,397 (2022: £7,154). Members of the board of trustees are not remunerated.

10. Net income/(expenditure)

	Group 2023	Group 2022
	£'000	£'000
Net incoming/(outgoing) resources for the year are stated after charging:		
Depreciation and amortisation		
Own assets	986	2,472
Leased assets	2	17
Rentals under operating leases		
Land and buildings and vehicles	2,056	7,816
Interest payable		
Interest element of finance leases	-	1
Bank interest	21	2,168
Defined benefit pension expenditure movement for the year	56	51
Auditor's remuneration		
Audit of the group	92	79
Other non-audit work:		
- Tax	166	23

Included in the audit fee charged for the group was £77k (2022: £66k) for the audit of the parent charity.

11. Operating lease commitments

At 31 March 2023 the group has the following annual commitments under non-cancellable operating leases:

	Land and Buildings 2023	Land and Buildings 2022
	£'000	£'000
Within one year	2,148	8,930
Within two to five years	6,624	19,292
After five years	8,992	12,586
Total	17,764	40,808

Figures for financial year 2022 include balances owed by Golden Lane Housing which on 1 April 2022 ceased to be part of the group. See Note 30.

12. Intangible fixed assets

(a) Group

	Software	Assets under development	Total
	£'000	£'000	£'000
Cost or valuation			
Balance at 1 April 2022	3,301	-	3,301
Additions	-	19	19
Disposals	-	-	-
	3,301	19	3,320
Transfer to Golden Lane Housing	(548)	-	(548)
Balance at 31 March 2023	2,753	19	2,772
Accumulated depreciation			
Balance at 1 April 2022	2,936	-	2,936
Charge for the year	70	-	70
Disposals	-	-	-
	3,006	-	3,006
Transfer to Golden Lane Housing	(253)	-	(253)
Balance at 31 March 2023	2,753	-	2,753
Net book value at 31 March 2023	-	19	19
Net book value at 31 March 2022	365	-	365

(b) Charity

	Software	Assets under development	Total
	£'000	£'000	£'000
Cost or valuation			
Balance at 1 April 2022	2,732	-	2,732
Additions	-	19	19
Disposals	-	-	-
Balance at 31 March 2023	2,732	19	2,751
Accumulated depreciation			
Balance at 1 April 2022	2,662	-	2,662
Charge for the year	70	-	70
Disposals	-	-	-
Balance at 31 March 2023	2,732	-	2,732
Net book value at 31 March 2023	-	19	19
Net book value at 31 March 2022	70	-	70

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 2022	131,207	4,510	9,407	8,051	1,402	154,577
Additions	-	-	-	508	-	508
Disposals	-	-	-	-	(25)	(25)
Add back shared ownership, eliminated on consolidation	744	-	-	-	-	744
	131,951	4,510	9,407	8,559	1,377	155,804
Transfer to Golden Lane Housing	(115,339)	(4,510)	(9,383)	(388)	-	(129,620)
Balance at 31 March 2023	16,612	-	24	8,171	1,377	26,184
Accumulated depreciation						
Balance at 1 April 2022	13,208	-	1,443	5,577	1,394	21,622
Charge for the year	256	-	-	654	8	918
Disposals	-	-	-	-	(25)	(25)
Add back shared ownership, eliminated on consolidation	206	-	-	-	-	206
	13,670	-	1,443	6,231	1,377	22,721
Transfer to Golden Lane Housing	(11,324)	-	(1,419)	(139)	-	(12,882)
Balance at 31 March 2023	2,346	-	24	6,092	1,377	9,839
Net book value at 31 March 2023	14,266	-	-	2,079	-	16,345
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)
Balance at 31 March 2022	116,093	4,510	6,808	2,474	8	129,893

(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 2022	16,612	-	24	7,663	1,402	25,701
Additions	-	-	-	508	-	508
Disposals	-	-	-	-	(25)	(25)
Balance at 31 March 2023	16,612	-	24	8,171	1,377	26,184
Accumulated depreciation						
Balance at 1 April 2022	2,090	-	24	5,438	1,394	8,946
Charge for the year	256	-	-	654	8	918
Disposals	-	-	-	-	(25)	(25)
Balance at 31 March 2023	2,346	-	24	6,092	1,377	9,839
Net book value at 31 March 2023	14,266	-	-	2,079	-	16,345
Net book value at 31 March 2022	14,522	-	-	2,225	8	16,755

14. Fixed asset investments

	Group and Charity	Group and Charity
	2023	2022
	£'000	£'000
Equities and multi-asset funds		
Market value at 1 April 2022	10,992	6,541
Acquisitions	1,369	6,930
Disposals	(2,171)	(2,839)
Net investment (losses)/gains	(344)	360
Market value at 31 March 2023	9,846	10,992
Bonds, cash and alternatives		
Market value at 1 April 2022	15,318	18,780
Acquisitions	13,666	18,028
Disposals	(16,349)	(21,982)
Net investment (losses)/gains	(478)	492
Market value at 31 March 2023	12,157	15,318
Total value at 31 March 2023	22,003	26,310
Cost at 31 March 2023	21,628	24,875

Included in market value of investments is an amount for the Mencap Visitors Scheme of £5.9m (2022: £6.4m). This amount is held in a separate investment fund for the purpose of funding the scheme in future years. The liability of the scheme is shown in note 21.

	Equities and multi-asset funds	Bonds, cash and alternatives	Total
	2023	2023	2023
	£'000	£'000	£'000
Group and Charity:			
Equities	9,119	-	9,119
Multi-asset funds	727	-	727
Bonds	-	3,628	3,628
Alternatives	-	2,761	2,761
Cash	-	5,768	5,768
Market value at 31 March 2023	9,846	12,157	22,003
Market value at 31 March 2022	10,992	15,318	26,310

15. Subsidiaries

The charity owns 100% of the issued capital of the following companies.

Subsidiary undertaking	Company registration number	Principal activity	Net assets/ (liabilities)
			£'000
Blue Sky Housing Limited	4412276	Property development	-
Mencap Limited	889191	Trading activities	-
Mencap Promotions Limited	1016345	Promotional and other special events	-
Mencap Trust Company Limited	1233201	Discretionary trust management	257

All the above are registered in England and Wales.

The above undertakings form part of the group consolidation.

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

With effect from 1 April 2022 Golden Lane Housing ceased to be part of the group (see Note 30).

16. Net income of group companies including consolidation entries

	Blue Sky Housing Limited	Mencap Trust Company Limited	Mencap Limited	Mencap Promotions	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Trading subsidiaries						
Turnover	-	750	431	-	1,181	1,055
Cost of sales	-	-	(342)	-	(342)	(170)
Gross profit/(loss)	-	750	89	-	839	885
Administration costs	-	(617)	(15)	-	(632)	(585)
Net profit/(loss)	-	133	74	-	207	300
Paid to Royal Mencap Society under gift aid	-	-	(74)	-	(74)	(247)
Provision for tax	-	(25)	-	-	(25)	(18)
Retained in subsidiaries	-	108	-	-	108	35

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

	Royal Mencap Society	Total 2023	Continued Operations	Discontinued Operations	Total 2022
	£'000	£'000	£000	£000	£'000
Charitable companies:					
Incoming resources	214,931	214,931	210,835	27,124	237,959
Resources expended	(200,872)	(200,872)	(195,435)	(18,273)	(213,708)
Income/(expenditure) before administration costs	14,059	14,059	15,400	8,851	24,251
Administration costs	(19,762)	(19,762)	(13,488)	(5,733)	(19,221)
	(5,703)	(5,703)	1,912	3,118	5,030
Net gains/(losses) on investments	(822)	(822)	852	-	852
Net income/(expenditure)	(6,525)	(6,525)	2,764	3,118	5,882

With effect from 1 April 2022 Golden Lane Housing ceased to be part of the group (see Note 30).

17. Debtors

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors	16,134	13,215	16,074	11,839
Amount due from group undertakings	-	-	257	2,028
Other debtors	253	245	253	170
Prepayments	1,298	2,017	1,295	1,251
Accrued income	12,731	11,758	12,603	11,409
Total	30,416	27,235	30,482	26,697

Included in the 2022 figures net amounts due from group undertakings is a loan from the charity to Golden Lane Housing Limited for £1.17m which was fully paid in April 2022 following the demerger of Golden Lane Housing Ltd from the Mencap group.

Figures for financial year 2022 include balances owed to Golden Lane Housing which on 1 April 2022 ceased to be part of the group. See Note 30.

18. Creditors: amounts falling due within one year

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Obligations under finance leases	-	6	-	6
Trade creditors	3,812	3,527	3,782	3,314
Taxation and social security costs	3,119	3,231	3,119	3,231
Other creditors	3,422	7,050	3,422	7,049
Accruals	5,482	7,459	5,435	5,266
Deferred income	7,252	9,107	7,252	7,160
Current portion of long-term loans	60	1,163	60	60
Total	23,147	31,543	23,070	26,086

Deferred income movement

	Group	Charity
	2023	2023
	£'000	£'000
Balance at 1 April 2022	9,107	7,160
Amount released in the year	(9,107)	(7,160)
Amount deferred in the year	7,252	7,252
Balance at 31 March 2023	7,252	7,252

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).

Figures for financial year 2022 include balances owed by Golden Lane Housing which on 1 April 2022 ceased to be part of the group. See Note 30.

At 31 March 2023, the charity holds £8,378,142 (2022: £5,264,777) 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	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Obligations under finance leases, two to five years	-	8	-	8
Debenture loan	-	29,000	-	-
Bank loan	540	25,279	540	600
Total	540	54,287	540	608

In 2007, Mencap obtained a loan for £1.5m, repayable in equal instalments over 25 years, at an interest rate of LIBOR plus 0.95%. As at 31st March 2023, the value of the loan stood at £0.60m. 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.

The group loans are repayable as follows:

	2023	2022
	£'000	£'000
Under 1 year	60	1,163
Between 1-2 years	60	1,205
Between 2-5 years	180	3,895
Over 5 years	300	49,179
Total	600	55,442

Figures for financial year 2022 include balances owed by Golden Lane Housing which on 1 April 2022 ceased to be part of the group. See Note 30.

20. Financial Instruments

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost (a)	29,118	47,096	29,187	38,321
Financial assets measured at fair value (b)	22,003	26,310	22,003	26,310
Financial liabilities measured at amortised cost (c)	(13,316)	(73,494)	(13,239)	(16,303)

- (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	Expense	Gains/ (losses)	Income	Expense	Gains/ (losses)
	2023	2023	2023	2022	2022	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost	1	-	-	4	-	-
Financial assets measured at fair value	440	-	(822)	212	-	852
Financial liabilities measured at amortised cost	-	(77)	-	-	(2,169)	-

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 2022	2,166	1,400	1,329	206	5,101
Amount utilised in the year	(447)	-	(1,329)	-	(1,776)
Amount released in the year	-	(11)	-	(162)	(173)
Amount provided in the year	530	10	1,265	1,056	2,861
Amount transferred to GLH	-	-	-	(332)	(332)
Balance at 31 March 2023	2,249	1,399	1,265	768	5,681

(b) Charity

	Mencap Visiting Service	Dilapidations	Employee benefits	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2022	2,166	1,119	1,329	145	4,759
Amount utilised in the year	(447)	-	(1,329)	-	(1,776)
Amount released in the year	-	(11)	-	(143)	(154)
Amount provided in the year	530	10	1,265	1,022	2,827
Balance at 31 March 2023	2,249	1,118	1,265	1,024	5,656

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 2023	Unrestricted funds	Restricted funds	Total 2022
Group	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	29,369	8,998	38,367	120,421	36,147	156,568
Current assets	26,701	7,111	33,812	39,575	9,577	49,152
Liabilities	(28,260)	(3,482)	(31,742)	(88,048)	(5,175)	(93,223)
Total	27,810	12,627	40,437	71,948	40,549	112,497

23. Group funds

	Balance 1 April 2021	Incoming resources	Outgoing resources	Transfers	Gains and losses	Balance at 31 March 2022
	£'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
Golden Lane Housing (Charity Registration Number 1071097)	24,801	1,721	-	-	-	26,522
Young Ambassadors	-	-	-	1	-	1
	38,938	12,785	(11,683)	38	469	40,547
Unrestricted						
General	26,645	200,826	(195,520)	(1,911)	383	30,423
Golden Lane Housing (Charity Registration Number 1071097)	29,434	25,402	(24,006)	(6)	-	30,824
Designated reserves:						
- Strategic Investment	9,000	-	(2,583)	-	-	6,417
Golden Lane Housing (Charity Registration Number 1071097)	6,571	1	-	6	-	6,578
Pension deficit	(2,572)	-	(157)	1,873	(1,436)	(2,292)
	69,078	226,229	(222,266)	(38)	(1,053)	71,950
Total funds	108,016	239,014	(233,949)	-	(584)	112,497

23. Group funds continued

	Balance 1 April 2022	Incoming resources	Outgoing resources	Transfers	Gains and losses	Balance at 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted						
Homes	353	6	-	27	-	386
Mencap Visiting Service	3,690	147	(560)	(26)	(299)	2,952
NewBe project	3,198	8	(69)	2	-	3,139
Northern Ireland Housing Executive - Supporting People	(7)	653	(643)	-	-	3
Rothenberg Fellowship	33	-	-	(15)	-	18
Service provision - Communities & Programmes	3,485	1,490	(1,780)	275	-	3,470
Service provision - Lifestyles & Work	928	1,758	(2,133)	40	-	593
Service provision - Personal Support	414	2,090	(2,100)	10	-	414
Service provision - Strategy & Influence	483	587	(653)	14	-	431
Service provision - other	1,447	627	(511)	(342)	-	1,221
Transfer to Golden Lane Housing (Charity Registration Number 1071097)	26,522	-	-	(26,522)	-	-
Young Ambassadors	1	-	-	(1)	-	-
	40,547	7,366	(8,449)	(26,538)	(299)	12,627
Unrestricted						
General	30,423	208,746	(211,742)	(1,832)	(523)	25,072
Transfer to Golden Lane Housing (Charity Registration Number 1071097)	30,824	-	-	(30,824)	-	-
Designated reserves:						
- Strategic Investment	6,417	-	(1,305)	-	-	5,112
Transfer to Golden Lane Housing (Charity Registration Number 1071097)	6,578	-	-	(6,578)	-	-
Pension deficit	(2,292)	-	(211)	1,848	(1,719)	(2,374)
	71,950	208,746	(213,258)	(37,386)	(2,242)	27,810
Total funds	112,497	216,112	(221,707)	(63,924)	(2,541)	40,437

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's core services. In each of the areas listed, restricted funds are utilised for the purposes specified in their restriction to further Mencap's activities. More information about Mencap's work in these areas, funded by a combination of restricted and unrestricted funds, can be found in the Trustee's report.
- Young Ambassadors - supports young people aged 16 to 25 with a learning disability who volunteer with Mencap as part of a 6-month programme, to support the work Mencap does, and to develop their employability skills.

Designated funds

£9m unrestricted funds have been specifically designated as a strategic investment fund by Mencap, with £1.3m spent in the year (2022: £2.6m). The remaining £5.1m to be spent over the next 3 years. The fund has been designated to deliver a range of projects which progress the delivery of Mencap's Big Plan.

Transfers

In addition to the transfers related to restricted and designated funds detailed above, £1.8m 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.

With effect from 1 April 2022 Golden Lane Housing ceased to be part of the group. With effect from this date certain activities, transactions, assets and liabilities of the charity were transferred as a going concern to Golden Lane Housing Limited (Charity Registration Number 1071097). See note 30.

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 2022 the following amendment was made:	
For the periods 1 April 2022 to 31 March 2028	£1.8m per annum

At the end of March 2023 the total scheme liabilities were valued at £97.3 million and the assets at £95.0 million. The net deficit is therefore £2.3 million. This is a change of £3.3m from the net surplus of £1m reported last year. 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. The next triennial valuation will take place in 2023.

The main reasons for the change to a net deficit position of £2.3 million are as follows:

- A significant rise in actual inflation over the past year than expected when setting assumptions. In 2022 we assumed a future rate of inflation of RPI 3.7% however the actual inflation rate in 2023 was much higher than this. A higher inflation rate means more funds will be needed for future benefit.
- The "gilt crisis" in September 2022 resulted in a significant decrease in the valuation of the plan's assets (2022: £144.5 million, 2023: £95.0 million). This was not offset to the same extent by the decrease in the plan liabilities, resulting in a net deficit.
- Mencap contributed £1.8 million per year into the scheme which has reduced the deficit.

There has been a partial buy-in to an insurance policy, the value of which is detailed in the Assets table in the note below.

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

Financial Assumptions

	31 March 2023	31 March 2022
	% per annum	% per annum
Retail price inflation (% p.a.)	3.20%	3.70%
Consumer price inflation (% p.a.)	2.55%	2.95%
Discount rate	4.90%	2.70%

The Demographic assumptions used are:

Longevity assumptions as at 31 March 2023

	Male and Female
--	------------------------

Base table	115%/110% S3PA for males/females
Future improvements	CMI 2021 core model with an initial addition of 0.1%, 10% 2020 and 2021 weightings, and 1.6%/1.2% long-term improvement rates for males/females

Life expectancies as at:

	31 March 2023		31 March 2022	
Males (M) or Females (F)	M	F	M	F
Average future life expectancy (in years) for a pensioner aged 65 at 31 March 2023	20.8	23.4	21.8	24.4
Average future life expectancy (in years) at age 65 for a non-pensioner aged 45 at 31 March 2023	22.6	24.8	22.9	25.7

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

Assets

	Fund value 31 March 2023	Fund value 31 March 2022
	£'000	£'000
Liability driven investment	21,841	25,473
Investment grade credit (corporate bonds)	8,014	38,705
Infrastructure	11,892	13,329
Property	7,071	9,951
Insurance contracts	39,193	53,991
Cash and cash equivalents	7,009	3,032
Total value of assets	95,020	144,481
Actuarial (value) of liabilities	(97,346)	(143,479)
Surplus/(deficit) of funded Plan liabilities	(2,326)	1,002
Irrecoverable (surplus)	-	(1,002)
Surplus/(deficit) recognised in balance sheet	(2,326)	-
Net pension asset/(liability)	(2,326)	-

Reconciliation of Plan benefit obligation

	31 March 2023	31 March 2022
	£'000	£'000
Opening defined benefit obligation	143,479	149,690
Interest cost	3,809	2,947
Actuarial (gains)/losses	(45,070)	(3,968)
Benefits paid	(4,872)	(5,191)
Closing defined benefit obligation	97,346	143,479

Reconciliation of fair value of Plan assets

	31 March 2023	31 March 2022
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	£'000	£'000
Opening fair value of Plan assets	144,481	152,108
Interest income	3,860	3,022
Contributions by Royal Mencap Society	1,800	1,825
Actual return on assets excluding amounts included in net interest	(50,249)	(7,283)
Benefits paid	(4,872)	(5,191)
Closing fair value of Plan assets	95,020	144,481

Analysis of amount charged to operating profit

	31 March 2023	31 March 2022
	£'000	£'000
Past service cost	-	-
Total operating charge	-	-

Analysis of amount credited to other finance income

	31 March 2023	31 March 2022
	£'000	£'000
Interest income on Plan assets	3,860	3,022
Interest on Plan liabilities	(3,809)	(2,947)
Net interest on defined benefit liability	51	75
Total amount charged to profit & loss (total operating charge less net interest)	51	75

Analysis of amount recognised in Other Comprehensive Income (OCI)

	31 March 2023	31 March 2022
	£'000	£'000
Actual return on assets excluding amounts included in net interest	(50,249)	(7,283)
Actuarial gains/(losses) on Plan obligations	45,070	3,968
Remeasurement loss in Plan	(5,179)	(3,315)
Decrease/(increase) in irrecoverable surplus from membership fall and other factors	1,053	1,415
Remeasurement loss recognised in OCI	(4,126)	(1,900)

Sensitivity analysis

Change in assumptions compared with 31 March 2023 actuarial assumptions:

	Actuarial value of liabilities on 31 March 2023
	£'000
Base case	97,346
-0.1% per annum decrease in discount rate	98,802
1 year increase in member life expectation	99,983
+0.1% change in inflation	98,509

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 2023. 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 2023 was 14.4% and this was expensed during the year. Contributions have been set at 14.4% for 2023/24.

The estimated asset allocation at 31 March 2023 revealed that Mencap's share of assets of the scheme exceeded the value of Mencap's share of the scheme's liabilities by £0.15m (2022: Mencap's share of scheme liabilities exceed the value of Mencap's share of scheme assets by £2.24 million). The 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.

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 2023.

Mencap had no active members in the pension scheme in the year to 31 March 2023 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 2023	31 March 2022
	% p.a.	% p.a.
CPI increases	2.90%	3.20%
Salary increases	3.90%	4.20%
Discount rate	4.80%	2.60%

The demographic assumptions used are:

Life expectancy from age 65

	31 March 2023	31 March 2022
<i>Retiring today:</i>		
Males	20.7	21.6
Females	23.5	24.3
<i>Retiring in 20 years:</i>		
Males	22.0	23.0

Females	25.0	25.8
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Based on these assumptions, the balance sheet position is as follows:

	31 March 2023	31 March 2022
	£'000	£'000
Present value of the defined benefit obligation	(3,044)	(5,434)
Fair value of Fund assets (bid value)	3,197	3,190
Surplus / (deficit)	153	(2,244)

Reconciliation of present value of the defined benefit obligation

	31 March 2023	31 March 2022
	£'000	£'000
Opening defined benefit obligation	5,434	5,497
Current service cost	154	180
Interest cost	141	112
Change in financial assumptions	(2,363)	(305)
Change in demographic assumptions	(226)	-
Experience loss/(gain) on defined benefit obligation	(71)	-
Estimated benefits paid net of transfers in	(45)	(71)
Contributions by Scheme participants	20	21
Closing defined benefit obligation	3,044	5,434

Reconciliation of the fair value of Fund assets

	31 March 2023	31 March 2022
	£'000	£'000
Opening fair value of Fund assets	3,190	2,973
Interest on assets	85	61
Return on assets less interest	(146)	159
Other actuarial gains/(losses)	(5)	-
Administration expenses	(2)	(1)
Contributions by employer including unfunded	48	48
Contributions by Fund participants	20	21
Estimated benefits paid plus unfunded net of transfers in	(45)	(71)
Closing fair value of Fund assets	3,145	3,190

Analysis of amount charged to operating profit

	31 March 2023	31 March 2022
	£'000	£'000
Current service cost	(154)	(180)
Administration costs	(2)	(1)
Total operating charge	(156)	(181)

Analysis of amount credited to other finance income

	31 March 2023	31 March 2022
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	£'000	£'000
Interest on Plan liabilities	(56)	(51)
Net interest on net defined benefit liability	(56)	(51)
Total amount charged to profit & loss (total operating charge less net interest)	(212)	(232)

Analysis of amount recognised in Other Comprehensive Income (OCI)

	31 March 2023	31 March 2022
	£'000	£'000
Return on Plan assets in excess of interest	(146)	159
Other actuarial gains/(losses) on assets	(5)	-
Change in financial assumptions	2,262	305
Change in demographic assumptions	226	-
Experience gain/(loss) on defined benefit obligation	71	-
Remeasurement of the net assets/ (defined liability)	2,408	464

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

	2023	2022
	£'000	£'000
Mencap pension scheme	-	-
Nottinghamshire County Council Pension Fund	(156)	(181)
Total	(156)	(181)

Amount recognised in finance income

	2023	2022
	£'000	£'000
Mencap pension scheme	51	75
Nottinghamshire County Council Pension Fund	(56)	(51)
Total	(5)	24

Amount recognised in other recognised gains/(losses)

	2023	2022
	£'000	£'000
Mencap pension scheme	(4,127)	(1,900)
Nottinghamshire County Council Pension Fund	2,408	464
Total	(1,719)	(1,436)

Defined benefit pension liability

	2023	2022
	£'000	£'000
Mencap pension scheme	(2,326)	-
Nottinghamshire County Council Pension Fund	-	(2,244)
Staffordshire County Pension Fund	(48)	(48)
Total	(2,374)	(2,292)

25. Related Parties

Donations totalling £0 were received from related parties during the year without conditions. During the year we have received pro bono legal services from Irwin Mitchell Solicitors to the value of £19,000. They have provided these services at no cost to Mencap. Yogi Amin, a Mencap trustee, is a Partner of Irwin Mitchell; he, nor Irwin Mitchell, have received any benefit for these services.

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 £316,995
- Mencap Limited paid annual earnings of £106,273 to the charity by way of gift aid

At 31 March 2023, the following intercompany balances were outstanding between the charity and its subsidiaries:

	2023	2022
	£'000	£'000
Golden Lane Housing Limited - loan	-	1,170
Golden Lane Housing Limited - other	-	548
Mencap Limited	44	72
Mencap Promotions Limited	-	-
Mencap Trust Company	244	237
Total	288	2,027

With effect from 1 April 2022 Golden Lane Housing ceased to be part of the group (see Note 30).

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:

	2023
	Number of volunteers
Raising funds:	
Raising funds	284
Trading	703
Total raising funds	987
Charitable activities:	
Providing services	397
Campaigning for change	4
Support with advice	-
Research & Evaluation	4
Building people's own capabilities	255
Providing Housing	-
Governance & Support	37
Total charitable activities	697
Total	1,684

27. Capital commitments

Figures for financial year 2022 entirely related to commitments of Golden Lane Housing which on 1 April 2022 ceased to be part of the group. See Note 30.

	2023	2022
	£'000	£'000
Capital expenditure contracted but not provided for in the financial statements	-	800
Capital expenditure authorised by the board but not contracted for	-	12,000
Total	-	12,800

These commitments are expected to be financed with:

	2023	2022
	£'000	£'000
Cash reserves	-	800
Proceeds from the sale of properties	-	8,000
Committed loan facilities	-	4,000
Total	-	12,800

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

28. Contingent liabilities

At 31 March 2023 there were no contingent liabilities.

29. Income

(a) Included in Trust income is income from:

	Total 2023
	£'000
Baily Thomas Charitable Fund	5
British Gas Energy Trust	67
Cecil Pilkington Charitable Trust	6
City Bridge Trust	18
Kathleen Laurence Trust	30
Marlene Gabriel Charitable Trust	10
Pears Foundation	313
The Harpur Trust	7
The Health Foundation	12
The Paddison Trust	15
Thirlestane Charitable Trust	6
Youth Futures Foundation	20

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

	Total 2023
	£'000
City of Bradford MDC	36
Compass CIC	48
Health Education England	201

Heritage Lottery Fund - Wales	50
Ofcom	21
Co-op Foundation/Big Lottery Fund #iwill fund Grant	40

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

	Total 2023
	£'000
Charity Sweets	23
Ecclesiastical	30
Google UK Ltd	500
St George	21
Stanhope Foundation	25
The Berkeley Foundation	18

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

	Group
	2023
	£'000
First Direct	8
Irwin Mitchell LLP	19
Microsoft	22

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

	Group
	2023
	£'000
Belfast Health and Social Care Trusts	18
CFNI - RTE Toy Show	69
Department for the Communities	262
European Social Fund	712
North West Regional College	29
Northern Health and Social Care Trusts	43
Sothern Health and Social Care Trusts	498
South Eastern Health and Social Care Trusts	1,180
South Eastern Regional College	28
Sport England	612
Western Health and Social Care Trusts	3,267

30. Transfer to Golden Lane Housing (Charity Number 1071097)

In order to enable and realise the overall strategy of the Golden Lane Housing Board, the GLH Board took the decision, jointly with the Board of the RMS, 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 net assets at that date comprised:

	Note	2022
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		£'000
Fixed Assets		
Cost	12, 13	130,168
Depreciation	12, 13	(13,135)
Less: Shared investment contributions		(3,062)
Total fixed assets		113,971
Current assets		
Debtors	17	2,409
Cash at bank and in hand		8,657
Total current assets		11,066
Less: Creditors	18, 19	(61,113)
Total net assets		63,924

The assets and liabilities were represented by the following funds:

	Note	2022
		£'000
The funds of GLH		
Restricted funds	23	26,522
Designated funds	23	6,578
Unrestricted funds	23	30,824
Total funds		63,924