

ANNUAL

REPORT

2022



world
habitat



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270,000

UNIQUE WEB VISITORS

DOUBLED SINCE 2020

919%

**INCREASE IN VIDEO
VIEWS ON OUR SOCIAL
MEDIA CHANNELS**

A RECORD 15,500 VIEWS

47%

**INCREASE IN SOCIAL
MEDIA FOLLOWERS**

88

**ORGANISATIONS FROM AROUND
THE WORLD ATTENDING WORLD
HABITAT AWARDS NETWORK EVENTS**

ONLINE AND IN PERSON

350+

**WORLD HABITAT AWARD
WINNERS AND FINALISTS**

SINCE 1986

OUR MISSION AND OBJECTIVES

We are determined to address and challenge the widespread, chronic injustice that one-in-seven people across the world live without a suitable home.

Our mission is to help those who are homeless; those who have lost their homes due to war and disasters; and those who simply cannot afford to live where they need to. All our work is focused on understanding what works and getting solutions to the people who need them most. This annual report and accounts details our progress over the last year towards achieving that mission.



Safe and secure housing is a fundamental human right; without it, people cannot fulfil their true life-potential. For too many of the world's population, poverty, conflict, natural and climate related disasters, deny people that fundamental right.

UN-Habitat estimates that around a billion people currently live in unsafe and unhealthy homes and millions more have no home at all. The invasion of Ukraine, and other conflicts around the world, and the increasing number of climate induced disasters have created more refugees and made more people homeless. Old political and economic certainties have retreated, weakening people's rights and increasing the risk of people being forcefully evicted from their home. A rising global population is straining the world's resources and the climate is becoming increasingly unstable and unpredictable. These tensions are felt first by the poorest people who are the least responsible for the climate emergency and can least afford to insulate themselves from its effects.

Despite these huge challenges there are reasons for optimism, over the last few decades, billions have been lifted out of poverty. Life expectancy has increased, and more people than ever have somewhere safe and secure to live. We believe that despite manifold challenges our mission is achievable.

The most marginalised communities are often the most resourceful, and most innovative. With the right financial and social backing, most communities possess the potential to improve their lives and develop and improve their own housing. In our experience, if those directly affected have a role in designing solutions, the outcomes are almost always far better.

The world is not short of answers. The solutions to most housing challenges already exist and are being improved and developed all the time. However, too many communities lack the access they need to implement and make the most of them. It is World Habitat's role as a catalyst to find the solutions, help them to develop and grow and then get them transferred to the places and communities who need them most.

In 2022 we aimed to have a greater positive impact than ever before. We sought to develop and adapt our approach to the changed housing needs. Our work – which this report details – continued to implement the strategy approved by our Trustees. The strategy sets our objectives to:

- Seek out and develop new and effective solutions to the world's greatest housing challenges
- Support emerging innovative ideas and projects to develop and grow, so they help more people
- Invest in housing projects to help them reach more people
- Promote proven housing solutions and help to transfer them to places where they are needed most
- Work around the world to develop what works and to discover new solutions to making housing safe and secure.

THE WORLD

HABITAT AWARDS

Seeking out and developing new and effective solutions to the world's greatest housing challenges.

The World Habitat Awards represent a unique window into the most inspirational and effective housing projects from around the world.

Run in partnership with UN-Habitat since 1985, our extensive global network and proven methodology finds remarkable communities who have solved sometimes, seemingly, impossible problems. We look for innovative projects that are sustainable and have the potential to have the greatest impact in addressing the most challenging global housing problems, through our exChange events and transfer work.

“Two years ago, HÀBITAT3 was on the verge of a change, perhaps without us being fully aware, the Gold World Habitat Award has been a catalyst for that transformation and helped us define the roadmap needed to address the opportunities and challenges that are presented to us.”

Natalia Martínez, from Fundació Habitat3, reflecting on the impact winning Gold in the 2019 World Habitat Awards has had on her organisation, through World Habitat exChange activity and other support



The two Gold Award winners – who were presented with their Awards in 2022 – were: Public Works Studio, Lebanon and Brussels Community Land Trust, Belgium.

Housing Monitor – Public Works Studio, Lebanon

Monitoring and Advocating the Right to Housing for Vulnerable Communities

Lebanese housing policy provides little protection to tenants, meaning more than half the population of Beirut lacks housing security. Lebanon’s economic collapse and the huge 2020 Beirut port explosion have exacerbated the housing crisis and left low-income renters vulnerable to poor living conditions, rent hikes and illegal evictions.

Housing Monitor is a housing rights project in Beirut run by Public Works Studio. It provides a safe and secure database for people to report housing violations and responds to individuals’ housing needs with access to legal and social services,



building awareness among vulnerable groups, particularly refugees and migrant domestic workers, who have limited legal representation and/or knowledge of their rights.

The project has received 603 reports of housing injustices, of which 472 cases were responded to with targeted interventions. So far, it has prevented the eviction of 92 households and negotiated better housing security for hundreds of people.

The World Habitat Award trophy was presented to Public Works Studio at the World Urban Forum conference in Katowice in Poland in June 2022 by Robert Lewis-Lettington, Chief of Land, Housing and Shelter at UN Habitat.

World Habitat has supported Public Works Studio. At the end of the year we organised an exChange event in Istanbul, Turkey. The event brought together housing rights organisations from across the Middle East and North Africa Region with the purpose of creating a regional network of organisations with similar objectives around the region.



Community Land Trust Brussels (CLTB)

Introducing Community Land Trusts in Continental Europe

Community Land Trust Brussels was the first Community Land Trust in Europe. It was inspired by a previous World Habitat Awards; Champlain Housing Trust in Vermont, USA. The founders of CLTB visited Vermont in a visit organised by World Habitat and learned about the model and made the connections that enabled them to found CLTB.

A Community Land Trust is a not-for-profit organisation that owns and stewards land on behalf of the local community. Anyone who lives in the community can participate democratically in the organisation. It safeguards permanently affordable housing for the community.

CLTB has completed five housing projects, housing 450 people in 103 homes. Four more projects are in development. The organisation aims to provide housing for 1,000 people by 2030, ensuring a pipeline of truly affordable and inclusive homes for marginalised groups whose voices are rarely heard. CLTB

has influenced housing policy in the Brussels I Region, where the Housing Plan states that mainstream affordable housing providers should start to apply mechanisms to create permanent affordability inspired by the CLT model.

CLTB develops affordable housing on community-owned land. The homes are bought by people on low incomes, the vast majority of whom have a migrant background.

Residents play a central role in both the governance of the organisation and in the design and management of the housing projects. Homes are sold at 20-50% below market price with the cost of the home subsidised according to the household's ability to pay. Residents and non-residents have the opportunity to participate in a cohesive and caring community.

The World Habitat Award trophy was presented to CLTB at an event in Brussels organised to celebrate the 10th anniversary of the organisation's foundation.



Pakistan Chulahs

The smokeless stoves empowering women and changing lives

World Habitat continue to stay in touch and collaborate with World Habitat award winners, individually and through our World Habitat Winners Network. We are particularly interested in supporting opportunities that enable more communities to learn from amazing housing solutions and inspires others to adopt them where they are needed most.

In 2018, the Chulah project, ran by the Heritage Foundation Pakistan, won the World Habitat Award. The Chulah programme teaches marginalised women to build a hygienic, sustainable, smokeless earthen stove, which not only improves their health but also empowers them to earn a living by marketing and building stoves in other villages.

In May 2022, with World Habitat's contribution, the British Council, Heritage Foundation Pakistan and INTBAU brought together a group of female

students from Bangladesh, Pakistan, to the UK for an exciting project that highlighted the central role of women in the climate revolution. It was part of the British Council's global programme on Gender Ecologies, which focuses on exploring intersections of gender, climate, sustainability and heritage through community and built environments.

During one of the events, 'Cooking Things Up with Yasmeen Lari', World Habitat Project Manager Abigail Stoltzfus sat down with Yasmeen Lari to discuss the impact of the project. The discussion focused on incorporating a gender lens into the physical design of household items – such as the stoves – and also discussed how the business model was designed to empower and cultivate ownership among community members. The event promoted greater awareness of the transformational impact of the Chulah stoves, as well as their potential transferability to other communities, as a positive response to the climate emergency.

“ I wanted to thank you and all the team at World Habitat for organising yesterday’s event, which I found really fascinating and informative. I was able to ‘visit’, from my house in Stony Stratford 50 miles down the M1 from the WH office, Mexico, Indonesia, Lebanon, Bhutan, and Argentina! The whole event went very smoothly, and being able to switch seamlessly to and from the breakout rooms without any technical glitches was excellent.”

Thomas Garnier of Association la Voûte Nubienne (AVN) commenting on the World Habitat Award Network

Homelessness prevention in Newcastle upon Tyne, UK

Newcastle upon Tyne City Council received the World Habitat Gold award in 2020 on behalf of the work of partners in the city to prevent homelessness. More than 100 local organisations worked together to prevent homelessness and promote financial inclusion. This includes addressing issues that can contribute to homelessness, such as debt and access to welfare support – to increase residents’ income and reduce their expenditure where possible. Newcastle’s approach has prevented over 24,000 households from becoming homeless since 2014.

During 2022, World Habitat funded a knowledge exchange programme, to inspire other cities by sharing the core components of Newcastle’s Active Inclusion Newcastle partnership approach to homelessness prevention. The programme aimed to help other cities to think about how they prevent homelessness in the context of their own demand and supply challenges. Newcastle City Council have presented their approach at the **United Nations**, the Feantsa European Homelessness Conference and at several UK conferences as well as hosting visits.



THE WAR IN UKRAINE

War is one of the greatest threats to people achieving the right to housing. The Russian invasion of Ukraine in February 2022 led to the largest displacement of people in Europe since World War II.

Almost eight million people fled Ukraine, many being forcibly displaced, and some forced into homelessness and destitution. As always, the immediate and ongoing task of responding to this mass influx of people fell not only on international humanitarian agencies, but also frontline services and civil society groups.

We do not work directly with organisations working in Ukraine, but our housing and homelessness partners in neighbouring countries of Romania, Slovakia and Hungary have been on the frontline responding to the crisis. There has been an inevitable increase in demand for their housing and social support from refugees. Much of their work in 2022 was focussed on receiving, supporting, and engaging with displaced people.

As the humanitarian crisis broke in early 2022, World Habitat swiftly provided emergency financial support to our partner organisations supporting the refugees fleeing into Eastern Europe. These unrestricted donations helped kickstart our partner's service provision and fundraising efforts.

Partners like From Streets to Homes in Hungary were able to provide accommodation and rent support for 104 Ukrainian families, including 200 adults and 142 children. In Slovakia, our support to Oz Stopa enabled the social work organisation to provide support to 395 adults including 113 mothers and 195 children. The high number of families arriving at the border led Oz Stopa to rapidly setting up a childcare service, as families with young children needed facilities while mothers sought work and accommodation. In Bucharest, our partners Carusel provided accommodation for 125 adults and 34 children following the immediate influx of refugees.

World Habitat's funding enabled our partners to respond quickly when the invasion began, meeting refugees at the borders, providing much needed humanitarian supplies and bringing them to rapidly set up temporary shelters, hotel accommodation and welcome centres. They set up innovative housing programmes within their communities, meaning that refugees were able to access safe and secure housing in host homes as quickly as possible, and provided emergency support to connect with relatives, access social services and psychological support.

Twelve months later, these same partners have now transitioned to providing longer-term integration support for refugees. This has developed into aiding reconnection with family abroad and filling gaps left by national governments supporting Ukrainian nationals who cannot return home to integrate and settle. In the face of the crisis, national government leadership and support has been weak, and guidance, funding, and resources reduces month by month. NGOs led the initial response to the crisis and will continue to do so in 2023 as the conflict shows no sign of ending. Some receive financial support from international aid organisations, but many have relied on public donations to fund their work.

As the war continued, we facilitated an online exChange session in June 2022, bringing together our Eastern European partners in solidarity, to share details of their responses, longer term plans, and funding arrangements and opportunities. Through our Innovation Fund, World Habitat provided additional funding to one of our partners to set up a mentoring programme for Roma refugees who fled Ukraine and who are settling in Hungary, aiding their integration into their host country.

PAKISTAN FLOODS



2022 was one of the hottest years on record with local climate records broken across the world.

Pakistan experienced one of the worst flooding events in its history. In July a third of the country was flooded. Over 1000 people were killed and millions made homeless. Scientists agree that the floods were exacerbated by the climate emergency.

The Heritage Foundation of Pakistan (our 2018 winner of the World Habitat Awards) provides development assistance to remote rural villages in Sindh province. We have assisted this activity by funding the construction of training centres in a number of the villages. These centres provided a space where

people could learn how to make improvements to their homes. The centre also provided a space where school lessons, and clinics could take place.

Sixteen centres had been built by mid 2022 with our funds. The area was however heavily affected by the destructive floods which hit Pakistan in July 2022 destroying many of the villages entirely. Our funds have been redirected towards the overall rescue work.

World Habitat continues to work with the Heritage Foundation of Pakistan assisting with the huge rescue effort they are undertaking to enable the residents to rebuild their villages.



INFORMAL SETTLEMENTS

UN Habitat estimate that over a billion people live in slums and informal settlements. They project that without action that number will grow to 3 billion by 2050.

Informal settlements are a response to the inadequate supply of affordable housing. People unable to afford to buy or rent housing at market prices do what is available to them; build and occupy housing that is outside the planned and formal housing market. Informal settlements are unregulated by governments meaning that they rarely enjoy the legal security afforded to formal housing. Occupants face the risks of being evicted often with little notice and all too often, forcibly. The quality of informal settlements varies enormously; largely dictated by the prosperity of the community. Much informal housing is insecure and leaves occupants vulnerable to disasters and often lacks adequate water and sanitation. The United Nation's Sustainable Development Goal 11 aims that "by 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums."

Some of the best known informal settlements are the favelas in Rio De Janeiro. They are home to almost a quarter of Rio's residents. They are unregulated by government and are largely self-managed by residents. They have invested money and time in their homes, their streets, and the many businesses and cultural activities which can make these neighbourhoods vibrant places to live. Despite this most residents are on low incomes and there are areas of extreme poverty. Although many of these neighbourhoods have existed for decades, favelas are constantly subject to increased threat and in some cases, residents have been attacked, and their properties vandalised to persuade them to move. In other areas, stable communities are being destroyed as residents are targeted by developers who aim to get hold of individual plots of land.

Since 2020 we have been working with and providing funding to our partners in Brazil – Catalytic Communities to introduce and adapt the Community Land Trust model to Brazil's favelas. In response, Catalytic Communities and the Rio de Janeiro CLT Working Group established the Favela Community Land Trust. This aims to apply the Community Land Trust model to a favela to regularise and formalise the ownership of the land into community ownership. The community was inspired by the work of World Habitat Award winner Cano Martin Pena from Puerto Rico. World Habitat facilitated and helped fund the exchange.

“From the first stage of the project World Habitat has been with us. They got us going with the project, so they have been with us in the first, second and third phases, providing funds that are really helpful. World Habitat has been trying to bring our projects into the international platform, publicising them on the website and blogs.”

Community Partner, Global South

In 2022 World Habitat funded Catalytic Communities to build the legal entity which will be responsible for holding the land title and managing it in the name of residents, a necessary step in order to implement a Community Land Trust. It has been a deeply participatory process with dozens of residents engaged in determining the entity's characteristics. Several community meetings and workshops have been held to prepare and finalise the text for the bylaws of the organisation. The final draft of the document was signed by the vast majority of residents, the bylaws are currently being registered at a notary to officially come into existence. There's a collective feeling among Esperança's residents that things are moving forward, and the community is finally addressing its need for regularisation of land tenure in a way that will ensure their permanence and promote community development.

In 2022 we funded the establishment of the Catalytic Communities Legislative Working Group to draft legislative proposals in order to introduce and regulate the Community Land Trust model in Brazil and facilitate its adoption nationally. Their work has led to the first Brazilian law that acknowledges the Community Land Trust model: São João de Meriti's Master Plan. This plan is already influencing other cities across Brazil; the revision of Rio de Janeiro's 10-Year Master Plan is likely to include a Community Land Trust provision.



PROMOTING HOUSING COOPERATIVES IN CENTRAL AND SOUTH EASTERN EUROPE

Countries in Central and Southeastern Europe share many housing challenges. Following the fall of communist regimes in the late 1980s and early 1990s, the region experienced a significant shift from widespread state provision of housing to mass privatisation. Today, social housing represents only a fraction of the overall housing market, and most is on the private market. Unfortunately, the housing on offer does not provide adequate affordable housing for a large majority of the population.

In response, a group of pioneering housing initiatives from Croatia, Czechia, Hungary, Serbia, and Slovenia joined together to form MOBA Housing SCE to develop and boost the formation of housing co-operatives across the region to increase the availability of affordable and anti-speculative housing. World Habitat provided start up funding to assist the group's formation and is one of MOBA's associate members.

In 2022 MOBA's Slovenian member, Zadrugator campaigned for increasing Housing Cooperatives in the parliamentary elections. They drafted a law which defined the rights and obligations of Housing Cooperatives.

HELPING FORMER REFUGEES IN BANGLADESH

The Bihari community in Bangladesh is an ethnic minority of non-Bengali Muslims who originate from India's eastern state of Bihar. They have long faced discrimination and statelessness.

When India was divided and Pakistan was created in 1947, violent clashes led to many Biharis leaving for East Pakistan. When East Pakistan became Bangladesh in 1971, after an independence war, many Urdu-speaking Biharis were perceived to be in alliance with Pakistan. With repatriation halted in 1974, neither Pakistan nor Bangladesh granted citizenship to the Biharis and as a result, thousands lived in refugee camps for decades.

In 2008, a Supreme Court ruling finally recognised their right to Bangladeshi nationality and they are, formally, no longer refugees. However, their living conditions have not improved. With ownership of the camps uncertain and land prices rising, this project aims to secure the future of the Bihari community through mobilising residents to develop a community-led organisation. One proposal that will be explored is the creation of a Community Land Trust, which would hold land titles in perpetuity and allow for the development of infrastructure and housing.

Since 2019 World Habitat has worked with the Council for Minorities a Bangladeshi NGO which represents the Bihari community to help develop the

community-led housing proposals. An important step is to better understand the community and the housing that already exists in the camps.

In 2022 World Habitat assisted The Council of Minorities with a comprehensive household survey in both Adamji and Geneva camps. The survey which achieved a 99% response rate provides vital evidence of the integration of both communities into the local economy as well as the value that they have brought in building and renovating their own homes.

Evaluating our Community-Led Housing Programme

Following on from our evaluation of the Community-Led Housing programme at the end of 2021, we published two briefing papers in 2022 highlighting key learning from the programme. In our briefing on Knowledge and Transnational Collaborations the diversity of the World Habitat partnerships were seen as a key strength and resource for creating change at the national and local level. The opportunity to be part of transnational knowledge sharing held real value. One stakeholder in the Global North commented that, "it sparks critical thinking about how you might apply what you're hearing about in other contexts to your own," while a partner in the Global South explained that, "Poverty can be spelt differently but it means the same thing. The challenges of housing are the same, the challenges of finance and evictions are the same, they face the same bulldozers we face. People are angered by the same issues."

ENDING STREET HOMELESSNESS IN EUROPE



724

Ukrainian adults given accommodation and rent support

11

city campaigns

188

people attending Homelessness exChange events in 2022 (in person and online)

7

innovation grants

618

people placed into long-term accommodation

Street homelessness is the most extreme manifestation of people being denied the right to housing. FEANSTA (the European Federation of National Organisations Working with the Homeless) estimate that there could be as many as 700,000 homeless people on any given night in Europe.

The number of people experiencing homelessness has increased in most countries in Europe in recent years. Whilst there were many remarkable programmes to keep people safe during the Covid pandemic, most measures to house people experiencing homelessness and moratoriums on evictions have been withdrawn. The cost of living crisis has driven many more people into homelessness.

World Habitat established the European End Street Homelessness Campaign in 2015. It was inspired by the work of World Habitat Award winners in Finland and the United States that had made significant progress towards ending homelessness. The campaign transfers best practice from these projects to a group of cities in Europe who signed up to a set of principles of ending street homelessness. Over the seven years of the campaign the membership has grown and evolved.



“Being part of the European End Street Homelessness Campaign has allowed me to connect with insightful people and amazing European projects, share common difficulties, and think about innovative ways to overcome them.”

Cristiana Merendeiro Project Manager, CRESCER, Lisbon

2022 saw an important development in the campaign, the city of Bucharest joined the campaign during the year, creating a cohort of cities from central and Eastern Europe which already included Zagreb, Bratislava, and Budapest.

The scale of the homelessness problem in these cities is much greater than cities in the campaign in Western Europe. These cities are also at an earlier point in their journey towards delivering housing-led approaches and ending street homelessness.

Solutions in this region therefore differ from cities in the rest of the campaign. In response to this we launched a targeted cohort within the campaign called the Central and Eastern European (CEE) Homelessness exChange programme. The group shares knowledge about ending homelessness specific to their region. The group met in November in Budapest for its first symposium.

“It is important for us to be part of a European network of organisations sharing the same dream – a world where everyone has a place to live, where, no matter who you are, human rights are respected and where every single person is treated with respect and dignity. A world where solidarity truly is a core value and where no one is left behind.”

Marian Ursan, Director of Carusel, Bucharest

“I was living with my family in an informal settlement in the forest, with no heating, running water or mains electricity. We were very overcrowded, three generations living in a very small space, family relations had broken down. Our housing conditions and relationships were so bad, that my grandchildren, who lived with us, were at risk of being taken away by social services.

“I was referred to Streets to Homes, and they helped my family move into a new home – a flat owned by the municipality which had been derelict, but which was refurbished by my husband and son, along with Streets to Homes and a team of volunteers.

“Over time our family relationships improved, there is now enough room for everyone, and we have a safe and secure home which is ours for as long as we want it. I love being with my family, but I’ve also found new friends and networks through Streets to Homes. I am part of the women’s group and love coming together in solidarity with other women with similar experiences to mine!”

Anna, resident of From Streets to Homes, Budapest

COHABITAT NETWORK

CoHabitat Network

The CoHabitat network is an international network that supports the global growth of community led housing.

The network runs international meetings and regional hubs around community-led housing. It produces resources and events such as workshops, publications and webinars on themes relevant to the community-led housing sector as well as campaigning in support of community led housing movements. World Habitat helped fund the establishment of the CoHabitat network and has continued to support it through a three-year grant agreement and in kind support and assistance.



LEEDS COMMUNITY HOMES

Leeds Community Homes is an umbrella Community Land Trust.

It was set up by two of our World Habitat Awards finalists - Canopy and Lilac (alongside five other Leeds-based community organisations) to help communities across Leeds to create new community-led homes either by building new homes or bringing empty homes back into use. In 2015 World Habitat provided the initial start-up funding, to help establish Leeds Community Homes - a Community Land Trust that was Leeds Community Homes.

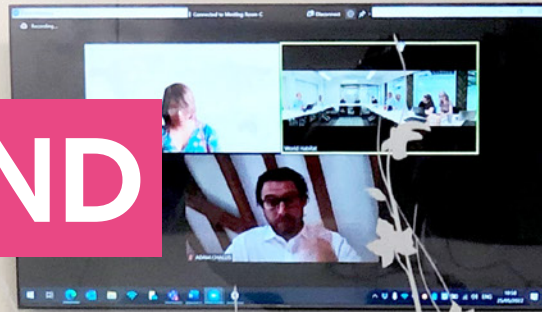
We subsequently made a £25,000 social investment in Leeds Community Homes through a community shares issue. Leeds Community Homes set a goal to raise £360,000, and successfully achieved it. This investment enabled the purchase of 16 permanently affordable flats on an eco-development in Leeds's Climate Innovation District. The funds also enabled the development of proposals for

future projects to build more affordable homes. Nine of the homes have been made available for discounted rent, while seven will be sold at 60 per cent of market prices, a figure agreed by members to be genuinely affordable.

The new homes were originally planned to be of wood construction, but the Hackett Report that made recommendations for fire safety following the Grenfell Tower fire disaster effectively made it impossible to build high rise wooden residential structures in the UK. The scheme had to be redesigned creating a delay. However, the first homes are due to be let in March 2023.

Leeds Community Homes has already begun work on its next development and is in the process of registering as a registered provider with the Regulator of Social Housing, which will enable them to support and finance more affordable and Community led homes. During 2022 the fund generated a two per cent return on the value of the investment.

OUR OFFICE AND OUR LAND



In 2022 we opened a new head office in Leicester.

The office is well located in the city centre with good transport links and modern facilities. Like many other organisations we have moved to a hybrid working model with staff working part of the time in the office but with flexibility to work at home. We learned much about remote working from the period when we were required to work at home during the Covid Pandemic and have kept the best of it to provide more family friendly working arrangements for staff. Our previous office in Coalville has been let to a local social enterprise.

World Habitat owns a small portfolio of land local to our office in Leicestershire in the UK. The land was bequeathed to the organisation

when it was established. It is largely rented to local farmers and used for agricultural purposes. In the past some land has been sold and the proceeds invested to provide income for the charity.

During 2022 we carried out maintenance work at the Peter Elderfield Wood. A 27-Acre area of woodland planted in memory of our founder. This continues the improvements detailed in our 10-year management plan and included mowing the rides, thinning of the trees, and rebuilding and repairing the traditional dry stone walls that surround part of the wood.

CLIMATE ACTION AT WORLD HABITAT

In 2021 World Habitat set the goal of becoming a net-zero organisation as soon as possible and certainly no later than 2030.

Based on our 2016 carbon emissions baseline, we have already reduced our total annual carbon emissions by 70% CO2e per year. In 2016 our total carbon emissions were 121 tonnes, in 2022 this was reduced to 34 tonnes.

To help achieve our commitment, we have taken the following actions:

- We have updated our organisational values to specifically state our commitment to achieving net zero
- We have set a carbon budget for each team and require staff to record the carbon impact of all their work activities
- We have a quarterly carbon target which reports the organisations carbon emissions to our board as a KPI
- We have implemented a sustainable business travel policy that prioritises lower carbon modes of transport
- We have set up a 'cycle to work' scheme. We offer a scheme to allow staff to buy an electric car to reduce their commuting emissions.
- We have aligned our investments with our organisational values to ensure that our investments are free from arms sales to military regimes, unethical lending practices, human rights violations, environmental degradation and activities – such as fossil fuel extraction – that are incompatible with the 2015 Paris Agreement to limit the increase in global average temperature to 2°C and pursue efforts to limit the increase to 1.5°C
- Our staff members have undertaken Carbon Literacy Training and received their Carbon Literacy certification
- We have signed up to the UN Race to Zero Campaign, the world's largest coalition of organisations committed to reducing their carbon emissions in line with the Paris Climate Agreement.

We will be transparent and accountable to others on our commitment and journey towards net-zero. We believe it is important to share our learning and work with others to have a positive impact on the climate crisis. We are a signatory to the ACF Funder Commitment on Climate Change, which consists of six commitments or goals that World Habitat and other signatories pledge to work towards to play our part in tackling the causes and impacts of the climate emergency. We have also achieved PlanetMark certification which recognises our commitment to reduce our carbon footprint by at least five per cent per year.

We are committed to continue to learn, innovate, and find ways of achieving the impact we need to have as an organisation, without contributing any unnecessary greenhouse gas emissions. We will also be engaging with our external partners and hope they will join us on this journey towards net-zero.

CHARITY

GOVERNANCE CODE

In 2018 World Habitat signed up to the Charity Governance Code.

This code is a practical tool to help charities and their trustees develop high standards of governance. The principles are based on, but go beyond, legal requirements. The code says that it is deliberately aspirational. It is produced by a large group of charities including NCVO and ACEVO. The Charity Commission has observer status.

There are two versions of this code. World Habitat has adopted the version for larger charities.

We review all our governance policies and activities annually and measure them against the code. We made a number of improvements to our systems and governance as a result of recommendations from the code. During 2019 we reviewed all our activities to ensure they continue to meet the code's recommendations. Trustees agreed that any areas where we do not meet the standard we will publish in the annual report.

Trustees agreed that in 2022 the charity is fully compliant with the Charity Governance Code. The trustees and Senior Management Team will review this on an ongoing basis.

In 2022 World Habitat signed up to Stronger Foundations, a self-assessment tool that was developed by the Association of Charitable Foundations which World Habitat is a member. The tool draws on best practice for charitable foundations. As with the Charity Governance Code, we reviewed the organisations activities against the tool which provided a number of improvements particularly around transparency and grant making. We have adopted these recommendations and will review the organisation using the tool annually to ensure that we continue to learn from best practice within the sector.

FUTURE PLANS



2023 is a significant year for World Habitat. This year we will begin work on an ambitious new strategy that will guide our work for the next decade.

In a rapidly changing world it may seem difficult to plan so far ahead, but we aim to set broad principles that will apply the charities objectives into the 2030s. We will revisit the strategy regularly to plan how the strategy will be applied in practice.

This strategy will build on our previous successes and seek to find ways of identifying more housing solutions and helping them have more impact for more people in housing need.

A key part of our next strategy is an acknowledgement that the world is in a climate emergency. The impacts will have a profound affect on housing and the way people live. New thinking and solutions will be necessary to protect people from the risks and to accelerate the road towards net zero so the worst effects can be averted.

During the year we look forward to working with our new gold World Habitat award winners. Homes for Good from Scotland and UrbaSen from Senegal. Both projects provide inspirational models for improving the right to housing for people on low incomes and have great potential to be scaled up and transferred so they can help more people in need.

How our activities deliver public benefit

When planning activities for the year World Habitat's trustees had due regard to guidance on public benefit produced by the Charity Commission. Our charitable activities focus on the prevention or relief of poverty, and the advancement of education for the public benefit.

In particular our programmes aim to increase the provision of adequate housing for people with few housing choices. Our work in operating and promoting the World Habitat Awards aims to fuel innovation and inspires others to adopt and adapt the best housing practice. The Awards also enable the best housing projects to scale up, expand and be replicated where they are needed most. This, we believe, will enable more people in housing-need to live in safe and secure housing.



Our Global Community-Led Housing programme aims to create the conditions in which community led-housing can be implemented in new areas, scale-up and expand. This will provide greater provision and greater choice of low-cost housing benefiting people on low incomes.

Our European End Street Homelessness campaign aims to first reduce and then end street homelessness in participating cities in Europe. Street homelessness is the most extreme form of social exclusion. People living on the streets have dramatically worse health, lower life expectancy and poorer life chances than others in society. This campaign aims to create the conditions in which people living on the streets are quickly and permanently housed.

Trustees believe undertaking our main activities described above fully meets the requirements of section 17 of The Charities Act 2011 to deliver public benefit.

FINANCIAL REVIEW



Overview of the year

In 2021, the trustees carried out a detailed review of the charity's activities and produced a strategic plan for the direction and activity of the charity for the following two years (until December 2023). The implementation of the plan started during 2022.

The total income for the year was **£1,144,525**. This represents a 6.4 per cent increase on the income in 2021 of **£1,074,735**. The increase is primarily due to missing the quarter 4 dividend from Charifund in 2021 after moving the investment funds to new ethical funds. The principal funding source is income received from financial investments (**£1,113,908** i.e. 97.3 per cent), with the remaining 2.7 per cent secured from grants, rental income and interest. Expenditure in the year was **£1,145,507**. This was higher than income by £982. This included costs for renting the office at Gresham Works. Some events were held in person so we saw an increase to our travel costs.

Funds have been applied in respect of research costs and in the governance and administration of the organisation, with 92 per cent of funds expended relating to research and 8 per cent to governance and administration.

Investment powers, policy and performance

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the trustees see fit. Investments are held to provide an income to further the objectives of the Foundation, both now and in the future. The investment policy has been amended to reflect the slight shift in emphasis towards income, rather than capital growth.

Capital appreciation of the investments continues to ensure that the value of the original gift is maintained in real terms, in the longer term, recognising that there will be short-term fluctuations due to changes in stock market values. World Habitat seeks to ensure that a sufficient income stream is generated to cover its current activities without incurring undue financial risk for the charity.

The income from the charity's investments increased by 6.52 per cent from **£1,073,267** in 2021 to **£1,143,187** in 2022. There was a reduction of **£2,075,404** in the valuation of the World Habitat total investment portfolio at the year end from **£35,215,800** in 2021 to **£33,140,396** in 2022. This reduction was mainly due to the uncertainty in the markets due to the ongoing conflict between Russia and the Ukraine.

Key management personnel remuneration

Key management personnel are defined in the Charity SORP as 'those persons having authority and responsibility for planning, directing and controlling the activities of the charity, directly or indirectly, including any Directors of the charity'. World Habitat trustees consider that key management personnel of the charity are: the trustees, the Chief Executive and all other members of the senior management team.

All trustees give up their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 8 to the accounts. One employee received remuneration above £60,000.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the charity's policy, withdraw from decisions where a conflict of interest arises. The pay of the senior management personnel is reviewed annually and normally increased in accordance with average earnings and set at market rates. The remuneration is also benchmarked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Reserves policy

World Habitat operates within a comparatively low-risk funding environment, as it does not rely on any external financial support in delivering its charitable objectives. We fund virtually all of our activities from the revenue generated from the financial investments, land and property that we received as a gift in 1976. As at 31st December 2022 the World Habitat investment portfolio is currently managed by two investment managers, Sarasin (41.5 per cent) and Schroders (58.5 per cent).

World Habitat is committed to maintaining the value of the original gift in real terms.

This reserves policy has been developed as part of an ongoing integrated financial governance process which includes development of a strategic plan, a risk management policy and an investment policy.

In 2021, the trustees carried out a detailed review of the charity's activities and produced a strategic plan for the direction and activity of the charity for the following two years (until December 2023). Implementation of the plan started during 2022. As a result of this review, business plans are developed which identify specific levels of anticipated income and expenditure in each year, together with details of the expected outputs and outcomes of the activities.

In the event of a collapse of the international financial markets, the organisation retains sufficient resources in readily accessible funds to meet its current operating obligations.

The value of reserves held by World Habitat as of 31 December 2022 was £33,709,059. This consisted of the following:

- Designated funds **£32,302,598**
- Revaluation reserve **£0**
- General unrestricted funds **£1,406,461**
- Restricted funds **£0**

Designated funds

Designated funds are made up of the income maintenance fund and gift maintenance. An income maintenance fund has been created to provide the charity with a portfolio of investment assets that will be managed to provide a sufficient level of income to finance the expenditure of the organisation in carrying out its objectives. Transfers are made to this reserve of surpluses, generated from activities after providing for a level of unrestricted reserves reflecting six-months

planned activity. The gift maintenance fund has been created to maintain the original gift from East Midlands Housing Association in real terms value.

Revaluation reserve

A revaluation reserve is maintained in respect of those amounts by which investments and other assets exceed their historical cost.

General unrestricted funds

General unrestricted funds should represent approximately six-months planned activity. The balance of the funds as of 31 December 2022 is **£1,406,461**. This currently represents just over twelve months planned activity. This is acceptable in the current time due to the uncertainty around the impact on our investments from the war in Ukraine.

The reserves of World Habitat are held as a form of endowment in order to generate income for the organisation. The income provided should be sufficient to cover the charitable activities of the organisation so the capital is not diminished. World Habitat requires a minimum level of reserves of £25m to allow the charity to fund its core activities, any additional income generated above the required level will increase the money spent on the charitable aims of the organisation.

If the reserves of the organisation go below £25m then we would need to adjust our spending. If this was a short-term dip, then we would review the dividends we receive, if the dip was long-term, we would look to review our future budget and strategy.

The Business Plan is reviewed on an annual basis, with both income and expenditure projected forward on an on-going basis. This reserves policy is also subject to review on an annual basis and the World Habitat trustees will carry out this review after giving due consideration to its planned programme of activity and the advice of its financial advisers as to likely income levels, any associated risks and the broader investment climate.

DIVERSITY, EQUALITY AND INCLUSION

We are passionate about challenging the chronic injustice of the one in seven people across the world who live without a proper home.

Our mission is to help those who live on the streets; those who have lost their homes due to war and disasters; and those who simply cannot afford to live where they need to. Everything we do is focused on understanding what works and getting solutions to the people who need them most.

As just one organisation operating across the entire planet, we know our staff and board of trustees can never be as diverse as the multiplicity of people we serve, but we are on a journey that aims to bring us closer. We are building an organisation and a work culture where difference is valued; where the views and insights of the growing network of people around the world we work with, enhance and enrich what we do, and ultimately make us more successful at achieving our mission.

What we are doing about it

Commitment to improvement

Under our current strategy we are committed to improving diversity on the board, and introduced a ratchet so that diversity will not decrease again in the future. All staff and trustees have received diversity training. Our commitment to increasing our diversity will continue to be published on our website and reflected in our delivery plans with a set of clear actionable steps. We will ensure that our website and social media reflect this commitment. We will continue this commitment in our strategy from 2023 onwards.

A good employer

We will update and commit to annual diversity monitoring. We will strengthen our recruitment process in line with good practice. We will commit to regular diversity training for all staff (at least once a year). We will investigate a range of diversity accreditation schemes and consider how they could help us continue to strengthen our work.

Improving how we work with others

As a global charity we will take a range of actions to more effectively develop our approach to diversity and inclusion through our partnerships and the work we deliver. We will take active steps to improve our diversity and improve the impact of our programme delivery. We will increase our accountability and our understanding by building on the diverse nature of our networks to improve our work by actively involving them in shaping our work and actively seeking feedback.

In 2022 we carried out our diversity monitoring for staff and trustees, made further improvements to our recruitment processes to appeal to areas where we are underrepresented.

We implemented an action plan based on the information gathered from the National Centre for Diversity and Stronger Foundations, this has been shared with staff and is currently being completed. Staff and trustees are scheduled to carry out further training on diversity in 2023.



Our vision is a world where everyone has a safe and secure home in a successful community

An agent for change

- We seek to be a catalyst to bring about positive change
- We work to influence policy and practice that leads to beneficial social change
- We provide opportunities for creative thinking and action.

Globally minded

- We build understanding of connections between people, their homes and the planet
- We promote the adaptation and transfer of solutions across contexts and borders
- We connect people and ideas to foster collaboration and the free sharing of knowledge.

Climate focussed

- We are informed by science that our world is in a Climate Emergency caused by human activity. We believe that the climate emergency is the greatest threat to World Habitat's vision
- We understand that the climate emergency disproportionately affects those least responsible for it
- We will work urgently towards a rapid and sustainable decarbonisation in all our work and the wider housing sector.

Independent

- We are impartial, professional, open and act with integrity
- We maintain our freedom to focus on issues that are relevant and important
- We nurture community resilience and self-reliance.

Innovative

- We encourage fresh thinking and practical and scalable solutions to housing policy and practice
- We tackle difficult, sometimes unfashionable issues, because they matter
- We won't be afraid to fail, and we will learn from our mistakes.

Caring

- We are committed to social justice and equality of opportunity
- We are focussed on sustainable outcomes for people, both now and for future generations
- We value diversity and strive to achieve equality and inclusion, challenging discrimination and proactively targeting help to those in greatest need.

Well connected

- We value being connected to people who have direct experience of the issues we care about
- We work in partnership with others so that together we can have more influence
- We work together with others best placed to deliver real change.

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