

FUNDING GUIDELINES

Tackling financial problems,
improving living standards



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These funding guidelines are for those considering applying to us. They provide information about us, what we will fund and how you can make an application to us.

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We are an independent charitable trust. Our mission is to contribute towards strategic change which improves financial well-being in the UK. We want everyone to have a decent standard of living and feel in control of their finances, improving the lives of those on low-to-middle incomes.

More specifically, the work we support examines and promotes measures to:

- Increase incomes for those on low-to-middle incomes.
- Ensure people have an adequate safety net, building savings and assets.
- Reduce the cost of living and make sure those on lower incomes are not paying more.
- Address issues related to spending and borrowing, particularly where it becomes problematic.
- Ensure we have fair taxation.

Our key objectives are to:

- Fund strategic work, including policy work, campaigning and research, which has the potential to improve financial well-being at a national scale.
- Develop partnerships, encouraging collaborative working and a more joined-up approach, convening where we can add value.
- Share learning, knowledge and evidence widely.

Each year we intend to award around £3 million in funding. We aim to be an open and engaged funder that offers more than money, working closely and in partnership with those we fund.

Our connection to abrdn

We were established in 2009 and became Standard Life Foundation in 2017 upon receiving a substantial donation from the unclaimed assets following Standard Life's demutualisation.

Standard Life merged in 2017 to become Standard Life Aberdeen, and in 2021 became abrdn plc. We took this opportunity to choose a new, more descriptive, name. From December 2021 we became abrdn Financial Fairness Trust. Our new, mission-led name, also recognises the help and support provided by abrdn, from which we receive in-kind donations of office space and professional support.

Decisions about our strategy and what we fund are made by our independent board of trustees. One of our 12 trustees is appointed by, and is an employee of, abrdn. Whilst abrdn is our sole member, it respects our right to create our own strategy and to speak out about the social policy issues we are seeking to address.

Our aim is to tackle financial problems and improve living standards. Our focus is on personal and household finances. Our interest lies in the money that comes into the household (income) now and in the future, the money that goes out (spending) and the money that remains (assets).

We believe everyone should be able to meet current and future financial commitments and needs comfortably. In our society everyone should have enough income for more than life's essentials, be able to deal with financial shocks and not struggle to make ends meet. We want everyone to feel in control and confident about managing their finances. We believe these changes can help create a more financially fair society.

We have seen a shift from the state and employer to individual responsibility when it comes to people's finances and social protection. Making financial decisions is often complex and confusing. Since the great recession, living standards have been squeezed and public services have been cut. Many people on low-to-middle incomes face financial difficulties and struggle to cope, and this has been exacerbated by the Covid-19 pandemic and the recent cost of living crisis.

Individuals have a key role to play but they often need a helping hand, whether that's from family, friends, government, employers or civil society. Change is needed at a structural and an individual level, to help improve financial well-being.

We are particularly interested in work that looks at both structural and external factors as well as an individual's capabilities and how these different elements interact and can be addressed.

Much is known about the problems relating to financial well-being. We are interested in discovering where the gaps in knowledge are and taking forward potential solutions. There is no silver bullet to improving financial well-being. We are interested in discovering where the gaps in knowledge are, looking at and taking forward potential solutions.

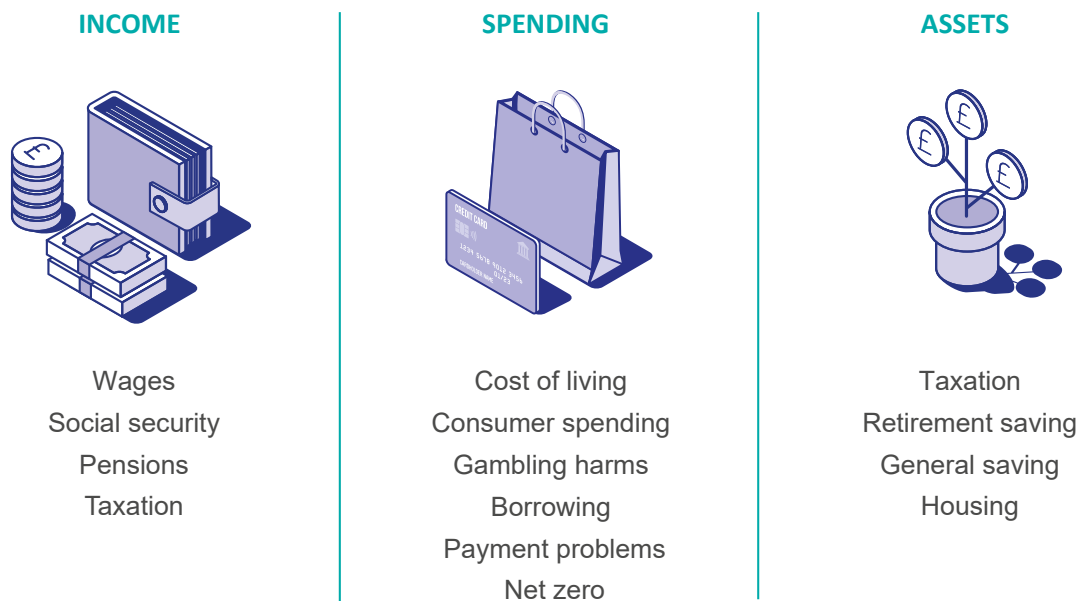
We all have a role to play if we are going to create a financially fairer society: government, regulators, employers, investors, civil society and citizens. We aim to foster partnerships, collaboration and trust, including amongst unusual allies, to push for change.

People on low-to-middle incomes are central to our work and it's vital their voices are heard, that they are engaged in the work, and active in helping us to develop solutions and secure change.

How we communicate is critical – facts and figures are rarely enough. We also need to understand better how to get the public to support the change that's required – ensuring we're targeting the right audiences, and communicating with them in the right way to get them engaged.

Our funding programmes

Our funding programmes are focussed on three significant areas that influence financial well-being:



These funding programmes, and the specific issues that we're looking to support, are described in more detail on pages 8-10.

Who we aim to benefit

We aim to address specific inequalities, differences and vulnerabilities through the work we fund.

We aim to improve the lives of those living on low-to-middle incomes in the UK, not just those in poverty but those across the bottom half of the income distribution who are cycling in and out of hardship. Whilst it's vital to ensure that those facing financial hardship are supported, we also believe it's important to prevent people falling into financial difficulties.

Some groups are more affected than others, and financial problems can be even greater for those facing multiple disadvantages. We are particularly interested in applications that address inequalities faced by younger people, black and minority ethnic people and disabled people.

Closely linked to this are people who are vulnerable financially. This is where people, due to their personal circumstances, are especially susceptible to financial detriment, particularly when a firm, government or other organisation is not acting with appropriate levels of care. This includes vulnerability as a result of health problems, disability, or due to a difficult life event such as redundancy, bereavement or divorce.

We believe that focusing on work that addresses the root causes, rather than supporting individual beneficiaries, is a more sustainable approach to improving financial well-being.

Where we will fund

Our registered office is in Edinburgh and we are also based in London. Whilst our remit is UK wide and the majority of our work will be of benefit to UK residents, we are keen to support work in Scotland, including UK-wide work which has a Scottish dimension to it. There are specific issues relating to geography, with some regions and areas of the UK faring better than others, which we aim to address through the work we fund. It is unlikely we will fund work which is solely focussed on areas smaller than a region, such as a neighbourhood, borough or town.

We are interested in learning lessons from other areas (from within and outside the UK) and how good ideas and practice can potentially be replicated in the UK, and lessons shared here. Our aim is not to transfer policies from one place or sector to another but to translate the learning in a way others can act upon in a way that is appropriate to the situation and circumstances in the UK. We're also interested in international comparisons and how the UK fares in relation to other countries.

Who we will fund

We fund organisations undertaking charitable activities. You don't need to be a registered charity. Organisations we fund must have a governing body with at least three non-executive directors/trustees (at least three who are not employees of the organisation or affiliated to it in any other way). We will fund a wide range of organisations, including: voluntary organisations; think tanks; campaigning groups; research bodies; and universities.

We are also able to partner with other funders, government, employers and regulators in jointly funding relevant work.

What work we will fund

We will fund a range of strategic work. This is work that benefits more than individuals and has the potential to benefit large numbers of people within the UK. This work must aim to create a step change in policy, practice, attitudes and/or behaviour. It includes policy work, campaigning, research, public attitudinal work, and improving practice and design.

We are interested in funding issues where we can add value: in particular, where there is limited funding available and there is a clear niche for the Trust.

We do not fund direct delivery of services for individual beneficiaries, unless this is testing and evaluating a new approach which has significant potential to lead to wider change and could be of benefit to many people. We will also fund evaluations of existing initiatives that have not been evaluated.

Funding will usually be for a specific project and sometimes for on-going costs. This includes staff salaries and overheads. We encourage organisations to include a reasonable amount of core costs to cover their overheads when they apply for funding, though universities should see our guidance on budget costs, available on our website. Our website also includes details of all of the projects we are funding. Please be aware that we are unlikely to fund a project which is very similar to something we are already supporting.

How much you can apply for

There is no minimum or maximum size of grant and the amount you request should be the amount you need. Our grants usually range between £10,000 and £200,000, with most between £50,000 to £120,000 in total. We sometimes make larger grants but these are rare. Our largest grant to date has been £720,000.

The amounts are usually spread over one, two or three years, and sometimes for shorter periods, for example six months. For example, if you are awarded a grant of £60,000, this could be £20,000 each year over three years, or £40,000 in the first year and £20,000 in the second. We occasionally make grants for longer periods.

We sometimes cannot fund the full cost of a project and you may need to raise funds from other sources, especially if you are seeking a grant which is above the average amount we award.

We do not consider more than one outline application from any single organisation at a time, including universities. Organisations already funded by the Trust can make further grant applications to us.

How to apply

Please read these funding guidelines in full. Details of how you can apply are listed on pages 13-16.

When to apply

It takes around four to five months from the application deadline to a decision from our trustees. You will find out if you are shortlisted within two months of the closing date. Deadlines are listed on page 13. We have a long-term approach to improving financial well-being. Therefore, organisations that have received funding may return for support for work which is particularly effective and continues to meet our criteria. However, you should not assume we will award further funding and should also raise funds from other sources.

If you wish to apply again for the same or different work, you should contact us at least six months before your current funding expires.

Within each of our programmes, there are specific areas that we aim to address – and your application should help to support at least one of these.



Income

Having an adequate income is a key factor to improving financial well-being and creating financial fairness. For the majority of working-age adults their wages are sufficient, but many also need their earnings supplemented by social security. For over a decade, pay has stagnated and social security has declined in real terms. Whilst there has been progress on minimum wages, once stuck in low pay, it is difficult to escape and progress. Overall, pensioner income has improved, but not for all, and it's likely that for future generations it will be insufficient, given the decline in defined benefit (final salary/career average) schemes. Poverty remains high and progress has stalled.

What this programme covers

- **Wages**

In particular we are interested in pay and conditions including for young adults and those in insecure work, such as the self-employed, including those working in the gig economy. We also want to explore how changes to shareholder dividends and wage distribution (including greater transparency and greater worker engagement) could increase pay for those on lower incomes.

- **Social security**

Supporting improvements to the social security system, ensuring it provides an adequate safety net for people when they need it and when they face financial shocks. We want the process to deal with people with dignity and respect. We are interested in work that addresses issues such as benefits adequacy, assessment processes, repayment, benefit take-up, conditionality and sanctions, as well as more radical rethinking of the benefits system. Our focus includes those excluded from support: for example, those with no recourse to public funds. We are also interested in improving public attitudes in relation to social security. We have already funded many projects addressing social security and are unlikely to fund further work that covers similar ground to prior grants. Please look at our website for information about grants made to date.

- **Pensions**

Our focus here is on pension income rather than pension savings (the latter is addressed under our Assets programme). We are interested in people's experience of navigating the complexities related to pension freedoms and ways to improve this. We will also look at how to better support those still facing hardship in retirement.

- **Taxation**

Supporting improvements to the taxation system, ensuring it is fair to those on low-to-middle incomes and adequately funds the public services we need. This includes work in relation to closing tax gaps and loopholes (for example, between employees, the self-employed and company owner-managers); reviewing tax reliefs; and expanding the remit of taxes (for example, reviewing the scope of National Insurance contributions and pensioners).



Spending

The other side of the coin to what money people have coming in, is what money they have going out. Trying to increase income and decrease the cost of living are both necessary to improve financial well-being. Spending is an intrinsic part of our daily lives and having control of it is a key part of managing money. For some there is a tendency to spend impulsively and for a small minority compulsively, including gambling. Linked to spending is the need to access credit and difficulties that arise when there are problems keeping up with payments.

What this programme covers

- **Cost of living**
Reducing the cost of living including housing, utilities, childcare and transport, including through low cost but high quality provision and subsidies. We are particularly interested in tackling loyalty penalties, poverty premiums, and increasing the availability of social tariffs.
- **Consumer spending**
Supporting work which addresses the negative effects of spending and consumerism, in particular impulsive and compulsive spending. As part of this we are also interested in shifting public attitudes in relation to spending.
- **Gambling harms**
We want to address the harms caused by gambling and examine the role of government, the industry, regulators and the use of technology. We are also interested in identifying gaps in provision for those needing help and support, and how this can be funded.
- **Borrowing**
Tackling problematic lending and borrowing including high-cost, short-term credit and other forms of lending such as credit cards. This includes increasing knowledge, developing solutions, improving good practice amongst firms, and effective regulation, including exploring a universal cap on consumer credit. We are particularly interested in the role of government and employers in providing free and low-cost credit, encouraging banks to explore social lending, and improvements to Government loan/grant schemes.
- **Payment problems**
Our focus here is in relation to understanding and improving practice when people get into difficulties repaying debt. This includes examining the role of government, creditors, regulators, debt advice providers and employers.
- **Net zero**
The climate crisis presents a huge risk to living standards. We welcome applications that work to ensure the transition to net zero enhances and protects the living standards of those on low-to-middle incomes. For example, home insulation can reduce fuel energy costs in addition to helping towards meeting our climate change targets.



Assets

Having assets such as savings helps us feel secure. However, many have nothing to fall back on and are unable to deal with economic shocks. One-in-four have no savings and the majority of people do not save regularly. The move from defined benefit (final salary/career average) pension schemes has greatly reduced the sums being saved, but the introduction of auto-enrolment has reversed the decline in the proportion of employees saving. Wealth has hugely grown: however, it is unevenly distributed. Taxation of assets has not kept pace with this growth and contributes only a small amount to government revenues.

What this programme covers

- **Taxation**

Supporting improvements to the taxation system, ensuring it is fair to those on low-to-middle incomes and adequately funds the public services we need. This includes work in relation to closing tax gaps and loopholes (for example in relation to inheritance tax); and making taxes fairer (for example in relation to different assets and income streams). As part of this we are also interested in shifting public attitudes in relation to the taxation of assets.

- **Retirement saving**

Our focus is on increasing the amounts people save for their retirement, including enhancing auto-enrolment and extending it to groups not currently covered by it. We are also interested in how employers can be encouraged to contribute beyond the minimum to employees' retirement savings, for example through the promotion of a living pension. We are keen to explore how pension schemes can better share investment risk via a more collective approach, such as collective defined benefit schemes. We are already funding substantial work in this area to date, so please consult our website to see where we have invested. We also advise you to speak to our grants team before applying for work around retirement saving.

- **General saving**

Our focus is on increasing saving. This includes improved understanding of savings, including whether schemes designed to turn non-savers into savers and current savers into more frequent savers are successful, and examining what incentives work and how access to such incentives can be made more accessible. We are keen to ensure that tax reliefs and other forms of support are geared towards those on lower incomes. We are also interested in how the importance of saving is communicated to those on low-to-middle incomes and how this could be improved and lead to changes in behaviour.

- **Housing**

Examining and assessing the value of products and policies which increase home ownership for those on low-to-middle incomes. This is not a priority area for the Trust, though we will consider applications here.

We expect to receive many more proposals than we're able to fund. At present around one-in-seven applications are successful. We will assess applications against the following criteria:

1) Programme

The proposed work has a good fit with our funding programmes and the organisation applying has a good in-depth understanding of the issue including knowledge of others working in the field. We will assess what we and others are already funding in this area. We will give additional weight to proposals addressing an issue or niche area where there has been limited work to date, and would benefit from additional activity.

2) Strategic

The proposed work has the potential to create a step change in policy, practice, attitudes and/or behaviour. The application addresses both key opportunities and strategic relationships which will contribute to the impact of the work at national or UK level.

3) Delivery

The organisation applying has the skills, experience, relationships and capacity to undertake the proposed work. The proposed work is of a high quality and the activities/methods outlined are suitable with clear plans for dissemination, influencing and evaluation.

4) Financial

The financial costs are appropriate and the work is good value in relation to the proposed outputs and outcomes.

5) Beneficiary engagement

Proactive engagement and involvement of people who will benefit in the organisation and its work, including in developing solutions and securing change. For example, if the work is aiming to benefit young adults on low-to-middle incomes, that young adults are engaged and involved in the work.

Applications for work where we have already provided significant funds will be a lower priority. We are also mindful of the work of other funders and will give a lower priority to areas where there is already substantial funding in comparison to other issues.

We receive a large number of applications. Many organisations meet our priorities and we are not able to fund all of them. Unfortunately, we have to make difficult choices and therefore have to reject a number of good applications. Just because you're not shortlisted does not necessarily mean that we do not think you are doing good and valuable work.

We will not support applications:

- For the direct delivery of services, unless this is testing and/or evaluating a new or existing approach which has good potential to lead to wider change and be of significant benefit.
- For work that does not address those on low-to-middle incomes living in the UK.
- For work that is not charitable.
- From individuals.
- For work that is primarily the responsibility of statutory authorities.
- From organisations which have fewer than three non-executive people on their governing body (trustees/directors). You must have at least three who are not employees of the organisation or affiliated to it in any other way.
- For work that has already taken place.
- For general appeals.
- From organisations seeking to distribute grants on our behalf.
- For the promotion of religion.
- From organisations whose accounts are in serious financial deficit.
- Where organisations have significant unrestricted reserves (including those that are designated). Generally up to nine months' expenditure is normally acceptable. We will make exceptions for some institutions which need to hold larger reserves such as universities and housing associations.

Funding guidelines

Please read these funding guidelines carefully to check whether your proposed work fits our funding programmes and shortlisting priorities. Please check our website to make sure you are reading the latest version of these guidelines as we update them regularly.

We're a small team, but do have some capacity for handling enquiries. Before you contact us, please make sure you've read these funding guidelines as they provide a good outline of what we will and will not fund. You can find details of grants we have made [on our website](#), which will help you gain a fuller picture of the work we support.

Outline application

To apply you need to submit an outline application. Details of this are on pages 15-16 and the electronic template to be used is available to download from our website. This should be emailed to: applications@financialfairness.org.uk

Closing dates

We have two closing dates for outline applications. They are:

- **5th February**
- **3rd June**

Applications must be received by **1pm** on the closing date.

You may submit your application at an earlier date, but it will not be considered until the next closing date. Please check our website in case there have been any alterations to the closing dates.

Shortlisting

Once a closing date has passed we will read and consider all the applications we have received. On some occasions we may contact you for further clarification regarding your proposed work. We will contact you within two months of the relevant closing date to let you know whether you have been shortlisted. Please avoid contacting us during this period to find out about your application as this takes up our time and resources. We aim to provide feedback if your application is unsuccessful.

Visit

If you are shortlisted you will be contacted by us to discuss your application in more detail. We will aim to meet you in person but this will not always be possible and on occasion this will be via telephone or video conference. If we visit, an additional member of staff or one of our trustees may also attend. The visit will normally be at the place where you deliver your activities, but we may ask you to come to our offices in Edinburgh or London. We normally ask to meet with the main person who will be involved in the proposed work, as well as the person leading the organisation, and you may wish to invite another relevant member of your staff or a trustee.

The discussion will explore your application in more detail, focussing on the work of your organisation and the project you are seeking funding for. We aim to offer constructive advice and support to help you put forward your best application and address any key issues. It's important to remember that not all organisations that we visit will receive funding.

Full application

If we agree to take forward your proposal, we will ask you to complete a full application. This will be based on your original submission but allow you more space to explain your planned work. We will ask for more information about your organisation and project for which you are seeking funding. We also ask for additional documents. For example, if you are applying for research, we ask you to submit a more detailed research methodology. Details of how to complete the full application will be sent to you, and discussed at the visit.

Once we have reviewed your full proposal, we'll work closely with you and give you feedback on the application. In practice, this means many proposals go through a couple of drafts in the eight to twelve weeks after your first full application comes to us, leading up to the final decision by the Trust's Board. We recommend applicants set aside some time to respond to feedback and questions during this stage, and to amend your proposal.

Funding decision

Your application will be presented to our trustees who will then make the final decision about your request. We will contact you with the outcome and relevant feedback soon after they meet. This will be confirmed in writing, including (if you are successful) details of how to claim your grant, our conditions of funding and reporting requirements. We will generally have an engaged, partnership approach with organisations we fund, as we are keen to learn from and contribute to the work. Grant payments are made in instalments. The first payment is made when all the required paperwork is completed and returned, the project is ready to commence and all grant conditions are met. We aim to make the first payment on the agreed timetable in your final funding proposal.

Your outline application needs to provide a clear, concise and compelling proposal, outlining details of your organisation and its achievements, why the work is needed and what it is expected to achieve. Your outline must demonstrate that the proposed work meets all of the shortlisting criteria listed on page 11. We will use this to assess your application.

Your outline application must stand alone to make your case, without any need for us to undertake further research or to follow up references in order to judge your application. Occasionally we may contact you for further clarification regarding your proposed work.

How to structure your application

- Please use the [template available](#) on our website and do not edit the formatting.
- Your application form **must not** exceed five A4 pages in total.
- The guidance notes in italics should be deleted from the final form.
- It must be written in Arial, font size 11. Please do not use any other font or size. Please do not edit the formatting on the outline proposal template.
- Use white space, single spacing, bullets and standard margins (2.54cm), and do not justify the text, as this makes it easier for us to read.
- Please write in clear English, avoiding jargon and technical language. If you need to use any uncommon technical terms, please define these briefly.
- Do not add in logos, cover pages, footnotes/endnotes, hyperlinks, bibliographies or excel tables.

Please email the completed outline application, in Microsoft Word format (please do not send as a PDF), to applications@financialfairness.org.uk.

1) Organisation name, address and website

2) Lead applicant's name, job title, email address and telephone number

This is the name of the person leading this application.

3) Year organisation established

4) Organisation's legal status

For example, are you a registered charity company limited by guarantee?

5) Number of trustees/directors on governing board

Please state the total number and how many are non-executive.

6) Project summary

In no more than 40 words summarise the project for which you are applying.

7) Organisation summary

This is an outline of your work including your aims, main activities, track record and recent achievements, including the difference your work has made. Maximum 400 words.

8) Annual accounts

Please provide an electronic link to your latest annual accounts. If this is not possible, please attach your latest accounts when submitting your outline application.

9) Funding programme

Please state the funding programme you are applying under: Income, Spending or Assets. Choose one main programme, even if your project spans more than one of our programmes.

10) Project need

What is the issue you are seeking to address? Why is it important? What have been the barriers to change here, and what are the current opportunities for change? Who else is working on this issue and how are you working with them? Don't take up space explaining the general issues you are addressing: you can assume we have some understanding of the field in which you are operating. Maximum 300 words.

11) Project overview

This is an outline of the work you are seeking funding for. It should be clear what the aims and objectives of the work are and what you intend to do, including the main activities and outputs. You should be clear how the work is strategic. What is different or effective about your approach? How does it involve and engage the people it will benefit? Why do you think your approach will work? Does your organisation have the skills, experience, relationships and capacity to undertake this work? If you are applying for research, please outline your methodology. If this is a partnership application, outline who your partners are and what they will do. Please read our funding guidelines in advance to ensure your proposal meets our criteria. Maximum 600 words.

12) Project outcomes

Outline no more than three key outcomes (the difference you hope to make) by which your work will be measured – please make sure these are outcomes you can realistically measure. Outline your dissemination and influencing strategy, including who your key audiences are. Maximum 200 words.

13) Timescale

How long do you expect the work to take? When would be your planned start and end dates?

14) Budget

You should set out in table form the funds you are requesting, with a breakdown by year, itemising individual salary costs (please specify the posts for which you are seeking funding/part funding and give the breakdown for employer's National Insurance contributions and pension), project costs and any other related costs. Please do not give day rates, unless this is for short-term consultants. If the funding is for existing staff, please give their job title and the name of the person in the post. Please look at our [Budget Guidelines](#) for more information.

15) Amount requested

How much are you seeking from us for each year of the project? If you are applying to others, state who they are and how much is being sought.

abr dn Financial Fairness Trust

We are an independent charitable Trust supporting strategic work which tackles financial problems and improves living standards. Our focus is on improving the lives of people on low-to-middle incomes in the UK.

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