

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 foundation. 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, making sure those on lower incomes are not paying more.
- Address issues related to spending and borrowing, particularly where it becomes problematic.

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, becoming a key organisation working in the field.

Each year we intend to award over £2 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 Standard Life

Our funding comes from the unclaimed assets from Standard Life's demutualisation in 2006, which we received in 2017. The company has since merged to become Standard Life Aberdeen and also supports us through 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. Two of our ten trustees are appointed by, and are employees of, Standard Life Aberdeen. Whilst we are a subsidiary of the company, it respects our right to create our own strategy and to speak out about the social issues we are seeking to address.

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.

Society has seen a shift from state to individual responsibility when it comes to people's finances and social protection. Making financial decisions is often complex and confusing. Over the last decade 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.

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 looking at potential solutions. There is no silver bullet to improving financial well-being. A number of different approaches and activities are needed to achieve our mission and often action is needed over the long-term.

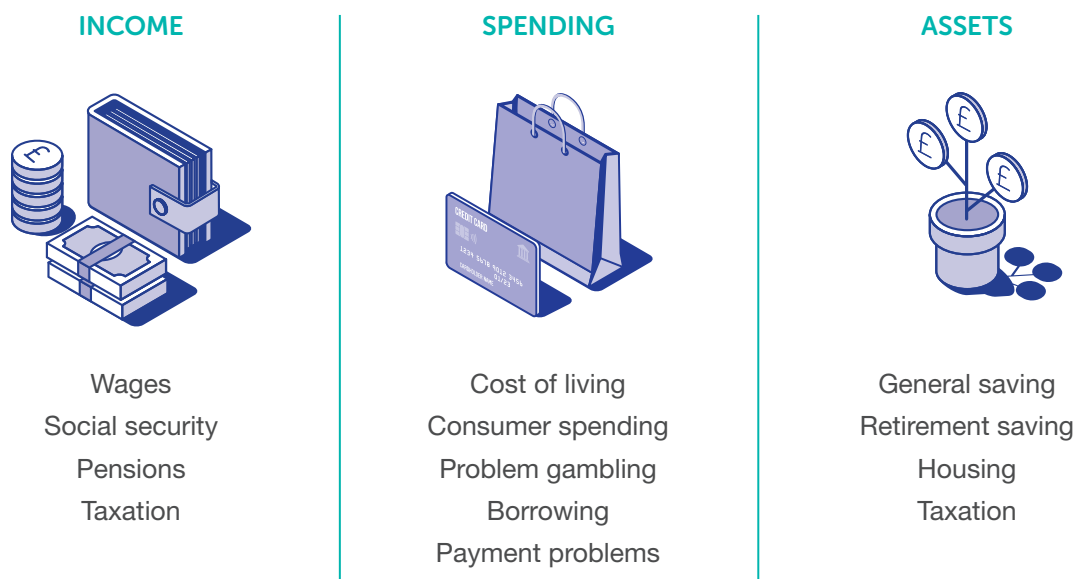
We all have a role to play if we are going to create a fairer society: government, regulators, employers, investors, civil society and citizens. We aim to foster partnerships, collaboration and trust, including amongst unusual allies, to push for change.

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, who are struggling to make ends meet, and 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. A priority for us is work focussed on younger generations.

Some groups are more affected than others. For example, disabled people, black and minority ethnic communities and single parents are more likely to have low incomes and have few assets compared to others. These problems can be even greater for those facing multiple disadvantage. There are also some people facing extreme hardship.

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 problematic situation 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, in the building where Standard Life first started. 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 Foundation. **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 be of benefit for 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. See our website for examples of projects we are funding, however please be aware that we are unlikely to fund a project which is very similar to something we are already funding.

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 range between £10,000 and £200,000, with most between £50,000 to £120,000 in total.

The amounts may be 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 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. Organisations already funded by the Foundation 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 13-15.

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. For the majority of working-age adults their wages are sufficient, but many also need their earnings supplemented by social security. The past decade has seen pay stagnate and welfare benefits decline 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) 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. This includes work on payment levels, assessment processes, eligibility criteria, conditionality and sanctions, as well as more radical rethinking of the benefits system. We are also interested in improving public attitudes in relation to social security.
- **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); 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. We are also interested in tackling loyalty penalties and poverty premiums.
- **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.
- **Problem gambling**
We want to address the issues caused by problem gambling and examine the role of government, the industry, regulators and the use of fintech. 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 credit.
- **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.



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. Four-in-ten have savings of less than £500 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

- **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. 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.
- **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 employee's retirement savings. We are keen to explore how pension schemes can better share investment risk via a more collective approach, such as collective defined benefit schemes.
- **Housing**
Examining and assessing the value of products and policies which increase home ownership for those on low-to-middle incomes.
- **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 housing and land). As part of this we are also interested in shifting public attitudes in relation to the taxation of assets.

We expect to receive many more proposals than we're able to fund. 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.

3) Delivery

The organisation applying has the skills, experience 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 beneficiaries 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. If you are not shortlisted you will need to wait at least 12 months before reapplying to us, even if this is for a different project.

We will not support applications:

- For the direct delivery of services, unless this is testing a new 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 who have been rejected by us in the last 12 months.

We may accept a further application within a 12-month period from universities if the application is from a different department and addresses different subject matter. Therefore, please ensure that your university grants office is aware of your application. You may contact us if you require further guidance on this issue.

- 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 also find on our website details of grants we have made, which may 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 an electronic template is also available to download from our website. This should be emailed to: applications@standardlifefoundation.org.uk

Closing dates

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

- **4th 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, the person leading the organisation and a relevant 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 your best application forward 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 gives you an opportunity to make further changes. We will ask for more information about your organisation and project for which you are seeking funding. Details of how to complete the full application will be sent to you and discussed at the visit.

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 the work and use evidence and insights to push for social change.

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 addresses a number 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

- Your application form **must not** exceed five A4 pages in total.
- It must be written in Arial, font size 12. Please do not use any other font or size.
- Do use white space, bullets and standard margins, as this makes it easier for us to read.
- Please write in clear English, avoiding jargon and technical language.
- Do not add in logos, cover pages, footnotes/endnotes, hyperlinks, bibliographies.
- Please email the completed application, in Microsoft Word format, to applications@standardlifefoundation.org.uk

Your outline application needs to provide all of the information below in one document, using the headings listed (text in italics is for guidance only and can be deleted):

- 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) 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.

7) Annual accounts

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

8) Funding programme

Please state the funding programme you are applying under: Income, Spending or Assets. Choose one main programme.

9) Project need

What is the issue you are seeking to address? Why is it important? Why is there a need to address this now? 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 and assume we have some understanding of the field in which you are operating. Maximum 300 words.

10) Project summary

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 about your approach? How does it involve and engage the intended beneficiaries? Why do you think your approach will work? Does your organisation have the skills, experience 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. Maximum 600 words.

11) 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.

12) Timescale

How long will the project take to complete?

13) 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.

14) 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.

Standard Life Foundation

We are an independent charitable foundation 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.

www.standardlifefoundation.org.uk

Telephone: 0207 618 1626

Email: enquiries@standardlifefoundation.org.uk

Edinburgh office

Level 5, 6 St Andrew Square
Edinburgh EH2 2AH

London office

Level 14, 30 St Mary Axe
London EC3A 8BF

