The Foundation Practice Rating 2024

Year Three

Assessing diversity, accountability and transparency in grant-making foundations

Full report

Friends Provident Foundation
March 2024

Friends Provident Foundation

Foundation Practice Rating

Further information

This full report (and a summary version) can be downloaded free of charge from the Foundation Practice Rating website (http://www.foundationpracticerating.org.uk).

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About Friends Provident Foundation

Friends Provident Foundation is an independent charity that makes grants and uses its endowment towards a fair and sustainable economic system that serves people and planet. We connect, fund, support and invest in new thinking to shape a future economy that works for all. Since 2004, we've pioneered the creation of a fair economy for a better world. Already, we've helped improve access to financial services for people who were once excluded, and supported the development of resilient economic communities across the UK.

We're a catalyst for wider change, making an impact through continuous experimentation and shared learning. And we do all we can to embody the change we want to see. We invest in great social enterprises, and use our money in line with our values. Tomorrow, we'll continue to fund more new thinking, connect new ideas, invest our capital in line with our aims and values and create better systems so that in the future the economy will serve both people and planet.

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‘Power concedes nothing without a demand.
It never did and it never will.’

Frederick Douglass (American freed slave, turned orator, abolitionist and statesman)
‘West India Emancipation’ speech, 1857

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The Foundation Practice Rating requires considerable collaboration by many people and organisations. We would like to thank:

- the foundations whose financial support enables this work. This Funders Group now comprises 13 foundations, as listed in this report;
- various membership bodies which support the FPR in various ways. The Association of Charitable Foundations and UK Community Foundations are two of them;
- the researchers and statistician. They are in the UK, Uganda and Kenya, and all bring relevant expertise and diligence;
- the designer and editor who help to produce the report, data visualisations and explanatory graphics; and
- the press and journalists who help to bring the findings to a wider audience.

Foreword

Welcome to the third Foundation Practice Rating (FPR) report.

The focus of the imitative is to incentivise the engagement of trusts and foundations in improving charity effectiveness – starting with ourselves. The concept behind the FPR is the belief that UK trusts and foundations can make a valuable contribution in addressing the many challenges facing our society today. However, research on charitable foundations suggests that we are not adequately equipped to meet the challenges ourselves and, worse, by our actions hamper the many charities that depend on us for support. For example, if charity staff seeking funds or other support cannot find or must spend hours seeking information about what kind of organisations we are, who runs us, how decisions are made and how long they take, what we have learned about our work thus far and whether we are accountable to those we say we serve, this reduces their ability to make effective choices about their applications. It demonstrably wastes charity time and funds, as referenced in an unconnected report by Giving Evidence for Family Law Commission coordinated by Pro Bono Economics in 2022.[1]

At the heart of our relative slow consideration of these issues is our relative powerful position with regard to applicant organisations: foundations hold vast capital reserves and dispense over £60 billion to the voluntary sector, who depend on that income. Most of the funds held by trusts and foundations are private and subject to trustee discretion and decision. The voice and view of the applicant is all to often missing from this dynamic. The quotation about power from Fredrick Douglass in the front of this report raises a further challenge; the FPR's aim is to create the demand for change.

The research team at Giving Evidence and the funders of this imitative are delighted that the Foundation Practice Rating has reached its third year of assessing UK foundations. We join the range of organisations and initiatives that seek to encourage foundation staff and trustees to improve our practice and provide a better service to applicant charities. The FPR remains a unique intervention that seeks no permission to assess those included, although this year three foundations actively chose to be independently reviewed.

Overall, this year's results make encouraging reading – there have been statistically significant improvements in ratings in diversity, accountability and transparency across the cohort selected. An even higher number of foundations – of all shapes and sizes – have managed the top rating. We are particularly pleased with the first 'A' in diversity, which we hope will incentivise us all to improve further.

We hope you find this report interesting as it continues a story of change and dynamism in UK philanthropy. We cannot ascribe the changes to our intervention; however, we are cautiously pleased with the general direction of travel. Onward and upward – there is much work to do.

Danielle Walker Palmour
Friends Provident Foundation
March 2024

Executive summary

About the Foundation Practice Rating and this report

This is the third year of the **Foundation Practice Rating (FPR)**. It is an objective assessment of UK-based charitable grant-making foundations.* It looks at foundations' practices in three important and interlinked domains of practice: **diversity, accountability and transparency**. It runs and publishes annually, in order to incentivise foundations to improve their practices. The first set of results was published in March 2022, based on data gathered in autumn 2021 (September–December). The second was published in March 2023, based on data gathered in autumn 2022. This report covers the ratings from FPR's Year Three, and is based on data gathered in autumn 2023.

This report describes how the FPR works and why, the findings from Year Three and comparisons with Year One and Year Two.

The report is designed to be self-standing, so, as with the previous two reports, it explains for new readers the development of the rating and the principles by which it operates. In most respects, FPR operates in Year Three as it operated in Year One and Year Two. In a change from the previous years, the main body of this report comprises just the background to FPR, and the Year Three results and analysis: all details about the research method are in the appendix.

The Foundation Practice Rating is a groundbreaking initiative which assesses grant-making charitable foundations on their diversity, accountability and transparency. It is unlike anything else in the foundation sector in any country (as far as we are aware), in that foundations do not opt in and cannot opt out of the main cohort: it therefore gives a more representative view of the performance of the sector. It uses only publicly available information, and the included foundations have no influence over the findings.

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* In fact, one non-charitable grant-making foundation is included: the Joseph Rowntree Reform Trust. This is because it contributes funding to FPR, i.e. it is in the Funders Group. The research and analysis of JRRT is exactly the same as for the charitable foundations, including for its investment policy.

Each year, FPR assesses a cohort of 100 UK-based charitable grant-making foundations. This cohort comprises:

- the foundations funding this work (13 of them this year);*
- the five largest UK foundations by giving budget; and
- a random sample of community foundations and charitable foundations as listed in the ACF's most recent *Giving Trends* report (which this year was 2022[2]) and the UK Community Foundations network (UKCF†). The former covers the top 300 or so largest UK charitable grant-making foundations.

As it so happened by random selection, in Year Three no foundation based in Northern Ireland was assessed; there was one in Wales, but otherwise they were all based in England or Scotland. More about their location is on pages 10–11.‡

Each included foundation was assigned a rating (or grade) (of A, B, C or D: A is top) for each of the three 'domains' of diversity, accountability and transparency, and also given an overall rating.

This project was initiated by Friends Provident Foundation. The research and assessment are carried out each year by Giving Evidence, a consultancy specialised in the production and use of rigorous evidence in charitable giving.

The FPR's research involves answering 98 questions about each of those 100 foundations: 56 of those questions are criteria which contribute to the foundation's score and rating. In addition to the selected cohort, any foundation can 'opt in' to be assessed. They are researched in the same way as the 'main cohort' of 100 foundations, but reported separately. This year, three foundations opted in.

A fresh sample of foundations is drawn each year. In Year Three, 55 foundations were assessed for the first time; 28 had been assessed in one of the previous two years; and 17 had been assessed in all three years. The cohort therefore changes year-to-year.§

The FPR uses only publicly available information, because this is all that is visible to outsiders such as prospective applicants for grants or work: just as astronomers have to infer what is happening inside a distant star based only on the light that emanates from it, outsiders can only infer how a foundation works and what it values from publications that emerge from it. The criteria are determined as objectively as possible, drawing

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* Friends Provident Foundation; Barrow Cadbury Trust; The Blagrave Trust; Esmée Fairbairn Foundation; John Ellerman Foundation; Joseph Rowntree Reform Trust; Joseph Rowntree Charitable Trust; Lankelly Chase Foundation; Paul Hamlyn Foundation; Power to Change; Indigo Trust; City Bridge Foundation; and John Lyon's Charity.

† UKCF is a network of 47 community foundations across the UK: https://www.ukcommunityfoundations.org

‡ We may attempt to improve in future years the representation of the four nations of the UK.

§ In this respect, FPR's sampling is very similar to that used in political polling. This article explains why the method is robust despite the changing cohorts: C. Fiennes (2022) 'Our sampling method', Foundation Practice Rating, http://www.foundationpracticerating.org.uk/fpr-sampling

where possible on other rating systems (in the voluntary sector and also beyond), plus each year a public consultation is carried out to inform the criteria and process. That is described in detail in Appendix A. The method and criteria used in Year Three were deliberately very similar to those in the previous years. In a couple of areas the research team tightened up the approach (for instance, only data / reports published in the last three years were eligible), and they were clearer this year about what constituted analysis of the foundation's own effectiveness.*

The research team also gathered data – but did not score foundations – on a new dimension of whether the foundations publish information about the diversity of organisations that they support.

Headline findings

Every criterion was achieved by at least one foundation in the cohort, which demonstrates that **the FPR is not requiring anything impossible**. Appendix E lists each criterion and, for each, a foundation which achieves it. Foundations may be able to use that to see and emulate strong practice.

Note that more community foundations were assessed in Year Three than in previous years (due to deliberate randomness in the FPR process, explained later): they tend to out-perform the average so the research team examine whether changes across the whole cohort are due to this change.

Overall, **there is improvement in the ratings and practices of the cohorts over time**. Whereas in Year One only three foundations scored A overall, in Year Two seven foundations did, and in this Year Three that has grown to 11 foundations.

As with both previous years, **the foundations scoring A overall are diverse in size and structure**: they include community foundations, a huge foundation (Wellcome), and smaller / younger endowed foundations (e.g. Blagrave Trust, Indigo Trust). **For the first time, this year a corporate foundation also scored A overall** (Lloyds Bank Foundation for England and Wales).

In other words, the FPR is not a tacit measure of a foundation's size. Some small foundations score well, and some large ones score poorly: three of the largest foundations (by giving budget) scored C overall.

For the first time, this year one foundation scored A on all three domains. It is the Community Foundation serving Tyne & Wear and Northumberland. Kudos to them.

Conversely, **fewer foundations rated D in all three domains than in previous years**: of the 14 foundations rated D overall, nine scored D on all three domains. This

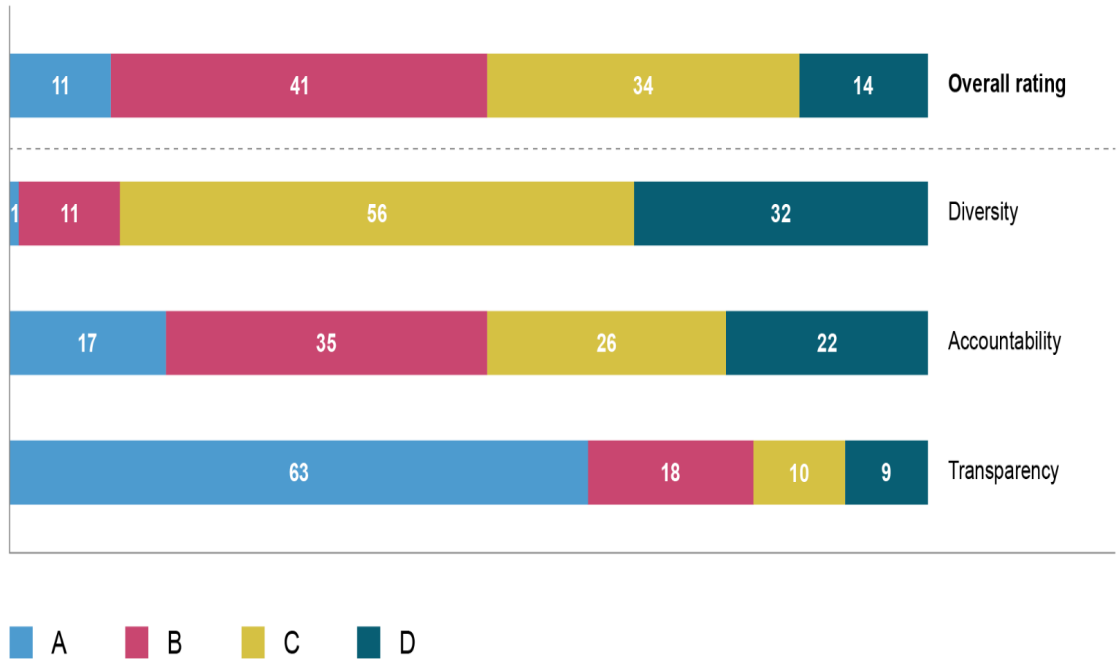
* Guidance is published here: C. Fiennes (2022) 'What FPR means by analysis of a foundation's effectiveness', Foundation Practice Rating, http://www.foundationpracticerating.org.uk/what-we-mean-by-effectiveness-research

compares to 23 foundations rated D overall in Year Two, of which 17 were rated D on all three domains.

There are improved scores in all three domains. In this cohort, the sample sizes can be fairly small, so one must be cautious about whether small changes really reveal material changes or are just statistically insignificant fluctuations. But even when looking only at randomly selected foundations, and accounting for the fact that the Year Three cohort has more community foundations (by random chance), the data show a statistically significant increase in transparency scores between Years One and Three, and in diversity scores from Year Two and Year Three.

The overall distribution of grades is shown in Figure 1.

Figure 1: *Summary of ratings in Year Three (2023/24)*



Other main findings:

- ***Diversity was the weakest domain***. This was also the case in Years One and Two. This year, for the first time, a foundation scored A on diversity, whereas in all three years many foundations have only achieved that on the two other domains. By comparison, over half achieved it on transparency. Nearly a third of the foundations scored D on diversity, and 11 foundations scored nothing on diversity. Though that is an improvement: in Year Two, 22 foundations scored nothing on diversity; in Year One, 16 foundations did so.
- ***A foundation can score quite differently on one domain from on the others.*** Some foundations get A on one domain but only C or D on another. This also happened in Years One and Two.

- ***Financial size was not an automatic indicator of a higher rating***. Some small foundations scored highly, whereas three of the UK's five largest foundations (by giving budget) scored only C overall, two of which fell a grade since last year.
- **Overall *performance does seem to correlate weakly with the number of trustees***. Scores of D overall are almost unique to foundations with 10 and fewer trustees; only one foundation with 10 or more trustees scored D overall.*
- ***Community foundations continue to outperform the broader sector***, and by an appreciable margin. There are enough data now to be confident that this is statistically robust.
- ***The paucity of foundations' websites*** was striking. Thirteen of the 100 included foundations had no website at all (vs 22 in Year Two), none of them community foundations. Other foundations have overly cluttered or limited websites that impede finding basic information. This matters because often the website is how potential applicants view a foundation, as well as how others see the sector.
- ***Few foundations publish quantitative analysis of their own effectiveness*** (as opposed to just where their grants go). Only 16 did so. They varied greatly in how much information they shared about their own effectiveness. There were some examples of great practice, and some foundations which appeared to have done such analysis but not published it. If a new funder were to read all the impact reports published by the cohort of 100 foundations, it is doubtful whether they would learn much which is backed by data about how to give well. So foundations could usefully endeavour more to investigate their own impact – as opposed to that of their grantees – and how to improve it.

Collectively, the criteria on which the 100 included foundations scored best were:

- whether the foundation gave any information on who or what it has funded (99% did so);
- whether the foundation had an investment policy (91% did; note that the regulator in England and Wales, the Charity Commission for England and Wales, 'expects all charities that invest to have a written [investment] policy'†);
- for approximately what percentage of the foundation's funding is information given on who makes the funding decisions (87%); and
- whether the foundation has a website (87%).

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* Thirty of the 100 foundations in the cohort have 10 or more trustees. So if D ratings were equally spread, three or four foundations with 10 or more trustees might score D. See also Appendix F for detail on correlations.

† From UK Government guidance CC14: 'Investing charity money: A guide for trustees' (2023), https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14/charities-and-investment-matters-a-guide-for-trustees. The guidance from the Charity Commission for England and Wales changed during the research period. The research team used the previous guidance, because clearly foundations' investment policies cannot change instantaneously when the guidance changes.

They collectively scored worst on:

- having ways to contact the foundation for people who have disabilities (2% of points scored by non-exempt foundations);
- having a plan to improve the diversity of trustees or board members with numerical targets (3%);
- having a plan to improve the diversity of staff with numerical targets (4% of possible points scored); and
- having various ways of contacting the foundation concerning malpractice (5% of possible points scored).

1.Recap of the background to the FPR

Charitable grant-making foundations are highly unusual, in that most of them do not need to compete for their resources. They can and do fund a broad array of charitable work – some of which means funding UK registered charities, though not all (they may fund charities overseas and/or charitable work delivered by other types of organisation). Most foundations are at liberty to take a long-term view, respond to crises such as Covid-19 or the rising cost of living, by increasing their giving even when their income falls.

Trusts and foundations highly value their independence from government. Many do not need to raise funds, and so don't rely on any other entity for anything. This enables them to operate with little transparency about what they do and how they do it. This can be a strength – it allows them to fund important but possibly unpopular causes, and can unlock charitable funding from people who wish to give but are not comfortable with publicity. It also gives them the option to 'speak truth to power', regardless of fashions or political interests.

But the sector has clearly lacked diversity in the past. Research published in 2018 into trustees of foundations in England and Wales[3] found that:

- men outnumber women 2:1;
- 60% are over 65 years old;
- two-thirds are recruited informally; and
- 92% are white (against 87% nationally[4]).

A more recent study of the boards of the UK's largest 500 charities by income (so a wider group than just foundations) found some progress in board diversity since 2018, but still plenty of scope for improvement.[5] The study suggested that the number of white trustees (in this wider group) fell from 93% in 2018 to 84% in 2022, and that the proportion of all-white boards fell from 62% to 29% over the same period. But this compares to just 4% of all-white FTSE 100 boards.

Plenty of research shows that less diverse groups make less good decisions than more diverse groups.[6] Foundations often seek to support less advantaged people, yet homogeneity within foundation staff teams could prevent them from finding, recognising or funding the best work and organisations. Undiverse teams – of staff and/or trustees – may not fully understand the issues they seek to ameliorate. Equally, if foundations' materials and processes are not accessible to diverse groups, the foundation will be unlikely to reach these groups. This is why the FPR's diversity 'domain' includes foundations' accessibility.

We all have a stake in how well foundations perform because of their ability to do good, and also because they are in effect supported by the taxpayer. However, foundations

lack accountability to donors or the public, other than through charity law and their regulators.* Beside regulators, most foundations are accountable only to their boards, which do not always reflect the population as a whole or the communities they serve.[7]

Among other effects, this weak accountability reduces the potential for learning and improvement. Charities and nonprofits seeking or receiving funding are often unwilling to tell a foundation how they really feel about its practices, even if things have gone wrong, or if there are important lessons for a foundation. Non-profits can understandably worry that feedback could impair their relationship with a foundation, jeopardising future funding, and even, thereby, the viability of their organisation.

Lack of transparency about what foundations do can leave charities and individuals in the dark about how foundations work – meaning that dealing with foundations can be unnecessarily costly, which wastes scarce resources. Only 271 UK funders (including public sector funders) publish their grant data in an accessible format through 360Giving,[8] and there are no common standards for reporting on grants, investment holdings or other activities, other than the regulatory standards. This has been addressed at various times, most recently by the Association of Charitable Foundations (ACF) as part of its Stronger Foundations initiative.[9]

At the heart of these issues is power – independent funders tend to be powerful in the relationships in which they operate. Organisations seeking funds are rarely able to question the source of funds, or the legitimacy or practices of the funder. In 2020/21, the largest 300 UK trusts and foundations† had assets of £87.3 billion, used to support charities, social enterprises, people in need and good causes. They made grants (and sometimes other financial instruments) that amounted to £3.7 billion in 2020/21.[10]

However, in the era of big data and increasing democratisation of information (think how easy it is now to find customers' opinions of hotels or restaurants compared to 25 years ago), these traditional relationships are shifting. Foundations are beginning to recognise that their effectiveness and responsibility require diversity and inclusivity, demonstrating results, being accountable to the organisations that they seek to support and to society more widely, and increasing their transparency.

The genesis of this project

The Foundation Practice Rating was launched in mid 2021. Ten UK foundations recognised the importance of diversity, accountability and transparency for foundations, and wanted to support the trust and foundation sector to improve on them, encouraging and celebrating examples of good practice, and challenging current practices where

* The regulators are: the Charity Commission for England and Wales; the Charity Commission for Northern Ireland; and the Office of the Scottish Charity Regulator.
† This report uses the terms 'trust' and 'foundation' interchangeably.

necessary. They were the FPR's initial funders. Three other foundations have since joined.

These funders commissioned Giving Evidence to develop and implement a system for rating UK foundations on diversity, accountability and transparency. The result is the FPR's objective third-party assessment of foundations. The FPR uses a technique often used to increase accountability amongst corporates: a published rating, created using only publicly available information. It draws on other ratings and indices, such as the Social Mobility Employer Index.[11]

This report describes how the FPR was developed and implemented, its Year Three results, and some patterns of changes from previous years.

The foundations assessed in Year Three

The main cohort

The 100 foundations assessed in the Year Three main cohort collectively had:

- net assets of £61.6 billion, compared to £68.1 billion in Year Two;*
- annual giving of £2.0 billion, compared to £1.8 billion in Year Two; and
- an average pay-out rate (i.e. the amount given annually as a proportion of assets) of 3.2% – compared to 2.6% in Year Two.

Seventeen foundations were included in all three years: 10 from the Year One Funders Group; one which was selected randomly in Year One and joined the Funders Group in Year Two (Indigo Trust); three large foundations that were in the top five by giving budget in all three years; and three which were randomly selected for inclusion in all three years.

Twenty-eight foundations that were included by random selection in Year Three had been randomly included in one of the two previous years. The remaining 55 were included in Year Three for the first time.

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* Professor David Speigelhalter of Cambridge University teaches that we should always ask 'Is this a big number?' and find some comparators. The annual budget for NHS England is £192 billion. In 2020/21, the UK Government expenditure on roads was £12 billion. The budget for Hospice UK (the umbrella body) is £264 million. Investment income across the voluntary sector is £4.7 billion. (Sources: King's Fund (2022) 'Key facts and figures about the NHS', http://www.kingsfund.org.uk/audio-video/key-facts-figures-nhs; Statista (2022) 'Public sector expenditure on national and local roads in the United Kingdom from 2009/10 to 2021/22', http://www.statista.com/statistics/298667/united-kingdom-uk-public-sector-expenditure-national-roads/; Charity Commission for England and Wales (2022) 'Hospice UK', register-of-charities.charitycommission.gov.uk/charity-search/-/charity-details/1014851; NCVO (2021) 'Where do voluntary organisations get their money from?' https://www.ncvo.org.uk/news-and-insights/news-index/uk-civil-society-almanac-2021/financials/income-sources/)

In total over its three years, the FPR has assessed 227 foundations. Twenty-eight were repeated between Year One and Year Two, and 45 foundations assessed in Year Three had been assessed at least once in Year One and Year Two. This means that, by this point, **more than half of the eligible foundations** (those listed in ACF's Giving Trends report, which covers about the largest 300, plus community foundations, to give a total of 389 foundations in Year Three) **have been assessed at least once**.

Appendix G sets out the composition of the cohort each year, indicating which foundations were included in more than one year.

Figure 2 shows the composition of the Year Three cohort. Figure 3 shows the location of the headquarters of the Year Three foundations. As in previous years, London was the most common location for foundations included (47). Nine had headquarters in Scotland, and one in Wales. There was no foundation included from Northern Ireland, by random chance.

Figure 2: *Composition of the Year Three cohort*

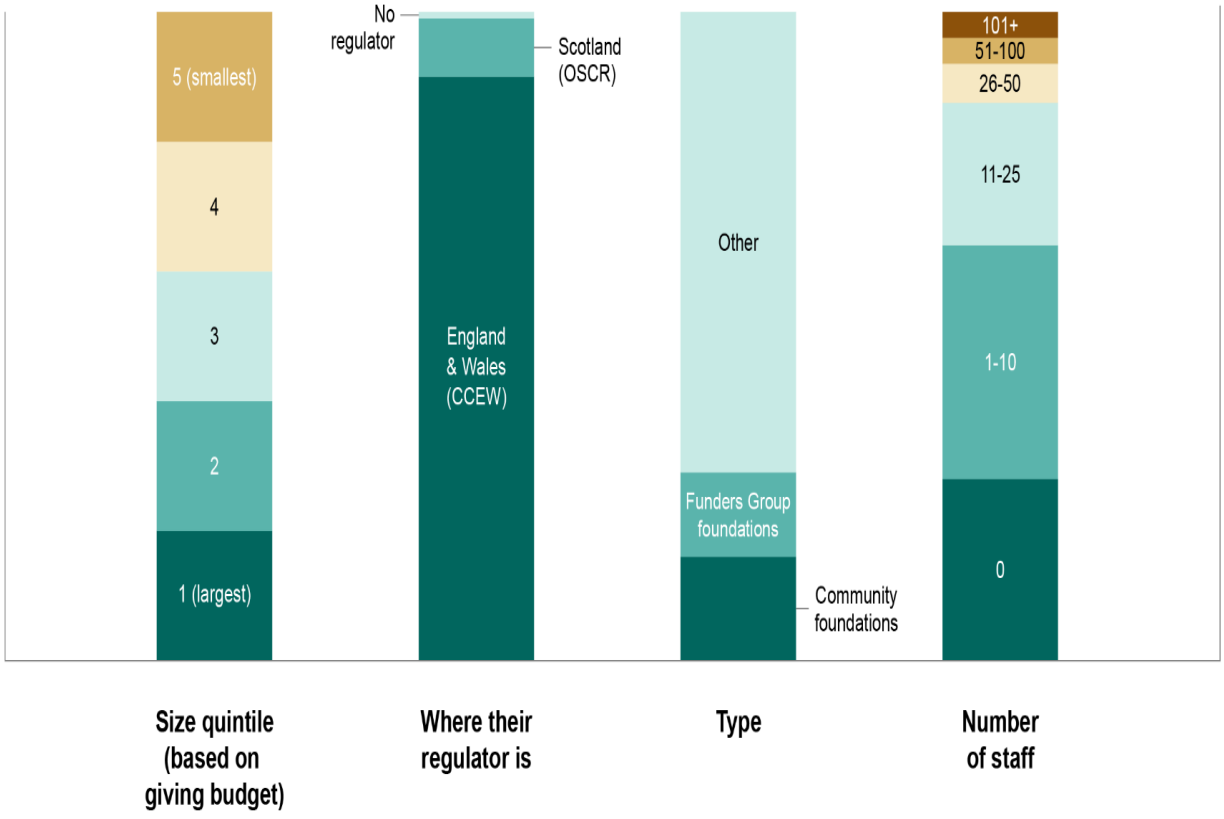
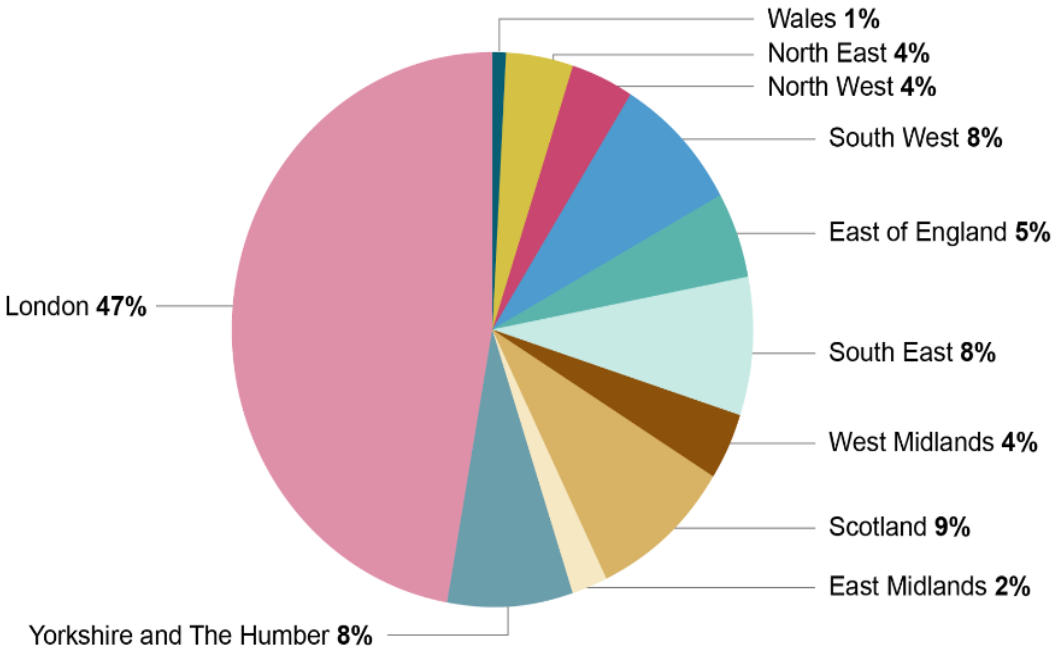


Figure 3: *Location of the foundations in the Year Three cohort*



Each year, the FPR renews its cohort. In other words, this is not a panel study which tracks a stable set of foundations year-on-year. This approach has pros and cons. On the one hand, a foundation which is randomly selected for assessment one year may not be included the following year, so may not get the continuity of repeated assessment. On the other hand, the results should provide a more faithful picture of the progress of the sector as a whole, rather than just the set of foundations previously included; and all UK foundations know that they *could* be rated, which provides an incentive to improve. That latter matters because the FPR is fundamentally about influencing behaviour, rather than simply documenting it.

The foundations which opted in

Some foundations requested to be assessed: normally in order to aid their understanding of where their practice could improve. In response to these requests, the FPR started in Year Two to allow any UK-based foundation to 'opt in': they pay a small fee to cover the research and analysis work, and are assessed in exactly the same way as the main cohort of 100 foundations.

Obviously, foundations which opt in are likely to be unusually motivated to have good practices. Therefore the results for 'opt-in foundations' are reported separately from the results of the main cohort in order to avoid biasing the data-set. If a foundation which wants to opt in happens to be selected through the random process for inclusion in the main cohort, then it stays in the main cohort (in order to preserve the randomness): in that case, it does not pay to be assessed, and its results are included in the main cohort.

This year, three foundations opted in: KPMG Foundation, Mercer Charitable Foundation and Masonic Charitable Foundation. Their results are reported in this document, but do not compare them or analyse them as a set because they are self-selecting.

All data in this report refer to the main cohort of 100 foundations (or subsets of it, such as the Funders Group or community foundations) unless otherwise stated.

Changes to the FPR method in Year Three

The FPR method is described in detail in Appendix A. The method has been deliberately kept stable from year to year, to enable year-on-year comparisons. However, there have been some changes in criteria that may affect scores, and which follow from the annual consultations.

As set out in the Year Two report, in that year the exemption threshold for questions about staff diversity plans was changed. In Year One, foundations with fewer than 10 staff were exempt from questions about staff diversity plans: in Year Two, that was changed to five or fewer staff. This had the effect of aligning it with the threshold for the equivalent questions for trustee diversity. That change resulted in four foundations being a grade lower on diversity than they would have scored using the Year One rules; and those four plus another one dropping a grade in their overall score.

In Year Three, the researchers have also only given credit for information published within the three years before the research period, which was autumn 2023. They also took a more robust approach to the evidence required to score points around how foundations assess their own effectiveness. This would have the effect of reducing accountability scores a little, other things being equal. More details are in the section ‘Evidence and analysis of foundations’ own effectiveness’ (page 56).

Lastly, the researchers changed how they assessed how many programmes were transparent about their eligibility criteria, decision-makers and time frames for with funding. This year they assessed the proportion of a foundation’s funding that have those, rather than the proportion of programmes that have them. This is to avoid a situation where a foundation would be marked down if it had (for example) one very large and transparently run programme and several less transparent but much smaller programmes. This change could either slightly increase or decrease scores.

2. Results (ratings) for individual foundations

Figure 4 sets out the ratings for each included foundation in Year Three, by domain and overall. It presents the Funders Group first, then the five largest foundations by giving budget, then the set of randomly selected foundations other than community foundations, and then the set of randomly selected community foundations. The foundation which scored A on all three domains – Community Foundation serving Tyne & Wear and Northumberland – is highlighted: this is the first time that any foundation has achieved this great result.

Figure 4: *Ratings of foundations assessed in Year Three in the main cohort*

	Diversity	**Accountability**	**Transparency**	**Overall rating**
Funders Group				
Barrow Cadbury Trust	C	B	A	B
Blagrave Trust	B	A	A	A
City Bridge Foundation	C	B	A	B
Esmée Fairbairn Foundation	B	A	A	A
Friends Provident Foundation	B	A	A	A
Indigo Trust	B	A	A	A
John Ellerman Foundation	B	A	A	A
John Lyon's Charity	C	B	A	B
Joseph Rowntree Charitable Trust	C	B	A	B
Joseph Rowntree Reform Trust	C	A	A	B
Lankelly Chase Foundation	C	B	A	B
Paul Hamlyn Foundation	B	A	A	A
Power to Change	C	B	A	B

	Diversity	Accountability	Transparency	Overall rating
Largest foundations by giving budget				
Children's Investment Fund Foundation	D	B	A	C
Garfield Weston Foundation	C	B	A	B
Leverhulme Trust	D	B	A	C
Reuben Foundation	C	C	A	C
Wellcome Trust	B	A	A	A
Randomly selected foundations (other than community foundations)				
29th May 1961 Charitable Trust	D	D	C	D
A B Charitable Trust	C	A	A	B
abrdn Financial Fairness Trust	C	B	A	B
Albert Hunt Trust	C	C	B	B
Apax Foundation	D	B	C	C
Aurora Trust (formerly Ashden Charitable Trust)	D	B	B	C
Baily Thomas Charitable Fund	C	C	A	B
Baring Foundation	C	B	A	B
Barnabas Fund	D	D	D	D
Bauer Radio's Cash for Kids Charities (Scotland)	C	D	B	C
Beatrice Laing Trust	C	C	A	B
Beaverbrooks Charitable Trust	D	D	D	D
Burdett Trust for Nursing	C	C	A	B
Catherine Cookson Charitable Trust	C	D	B	C
Cattanach	C	B	A	B
CHK Foundation	D	C	A	C
Co-operative Community Investment Foundation	C	A	B	B
DHL UK Foundation	D	C	B	C
Dunard Fund	D	D	C	D

	Diversity	Accountability	Transparency	Overall rating
FIA Foundation	D	C	A	C
Fidelity UK Foundation	D	D	A	C
Football Foundation	C	C	B	C
Franciscan Missionaries of the Divine Motherhood Charitable Trust	D	C	B	C
Gosling Foundation Ltd	D	C	B	C
Greggs Foundation	C	B	A	B
Headley Court Charity	D	D	D	D
Headley Trust	C	D	B	C
Hugh Fraser	C	C	B	C
Huo Family Foundation (UK) Ltd	C	C	A	B
Jerusalem Trust	D	D	B	C
John Armitage Charitable Trust	D	C	C	D
John Black Charitable Foundation	D	D	C	D
John Booth Charitable Foundation	D	D	D	D
John Laing Charitable Trust	D	C	A	C
Johnson & Johnson Foundation Scotland (formerly Johnson & Johnson Corporate Citizenship Trust)	C	C	C	C
Joseph Rowntree Foundation	C	B	A	B
The Leathersellers' Foundation	C	C	A	B
Legal Education Foundation	C	A	A	B
Leprosy Mission International	C	B	B	C
Lloyds Bank Foundation for England and Wales	B	A	A	A
Michael Uren Foundation	D	D	D	D
Nationwide Foundation	C	B	A	B

	Diversity	Accountability	Transparency	Overall rating
Oglesby Charitable Trust	C	B	A	B
Peacock Charitable Trust	D	D	D	D
Phillips Education Foundation Ltd	D	D	D	D
R&A Foundation	C	D	B	C
Richmond Parish Lands Charity	C	B	A	B
Said Foundation	D	B	A	C
Severn Trent Water Charitable Trust Fund	C	C	A	C
Society of the Holy Child Jesus CIO	D	D	B	C
Sports Aid Trust	C	C	A	B
Becht Foundation	C	B	C	C
The Berkeley Charitable Foundation	C	B	B	B
The Charles Wolfson Charitable Trust	D	D	D	D
The D'Oyly Carte Charitable Trust	C	C	A	B
The Goldman Sachs Charitable Gift Fund (UK)	D	D	D	D
The Hunter Foundation	C	C	C	C
The J Van Mars Foundation	D	D	C	D
The Jane Hodge Foundation	C	D	C	C
The Keith Howard Foundation	C	C	B	C
Tolkien Trust	D	C	A	C
Trusthouse Charitable Foundation	C	C	A	B
United Utilities Trust Fund	C	D	B	C
Volant Charitable Trust	C	C	A	C
Walcot Educational Foundation	B	A	A	A
Zurich Community Trust (UK)	D	B	A	C

	Diversity	Accountability	Transparency	Overall rating
Community foundations selected as part of the random set				
Bedfordshire and Luton Community Foundation	C	B	A	B
County Durham Community Foundation	C	A	A	B
Community Foundation serving Tyne & Wear and Northumberland	A	A	A	A
Community Foundations for Lancashire and Merseyside	C	B	A	B
Cornwall Community Foundation	D	B	A	C
Devon Community Foundation	C	B	A	B
Gloucestershire Community Foundation	B	A	A	A
Herefordshire Community Foundation	C	B	A	B
Hertfordshire Community Foundation	D	B	A	C
Kent Community Foundation	C	B	A	B
Leeds Community Foundation (includes Bradford)	C	B	A	B
Leicestershire and Rutland Community Foundation	C	B	A	B
Lincolnshire Community Foundation	C	B	A	B
London Community Foundation	B	A	A	B
One Community Foundation (The Community Foundation for the People of Kirklees)	C	C	A	B
South Yorkshire Community Foundation	C	B	A	B

Foundations which opted in

The results for the three foundations which opted in are shown in Figure 5. As mentioned, they are not compared to each other, nor to the set which opted in last year (which was just KPMG Foundation) because the set itself is small and self-selecting, which makes it hard to draw any meaningful conclusion about other foundations.

Figure 5: *Ratings of foundations which opted in to be assessed in Year Three*

	Diversity	Accountability	Transparency	Overall rating
KPMG Foundation	B	A	A	A
Masonic Charitable Foundation	C	A	A	B
The Mercers' Charitable Foundation	C	B	A	B
Average for foundations randomly selected in Year Three cohort	C	C	B	C

The final line in Figure 5 provides, for comparison, the average grade for the foundations randomly selected for the Year Three cohort. As can be seen, the foundations opting in were rated significantly higher on accountability and transparency, and in their overall rating, than the average foundation in the sample.

KPMG Foundation was included in the random sample in the first year of the FPR, and then opted in for Year Two and Year Three. Each year it has increased its rating: in Year Three, it increased its diversity and accountability ratings by one grade, and its overall rating also by one grade. KPMG Foundation's overall score in Year Three would now put it in the top 5% of the representative random sample.

Masonic Charitable Foundation was assessed for the first time this year.

Mercer's Charitable Foundation has been assessed in each of the FPR's three years (in Years One and Two by random inclusion). Its numerical scores have increased a little each time, though within the FPR's grade boundaries.

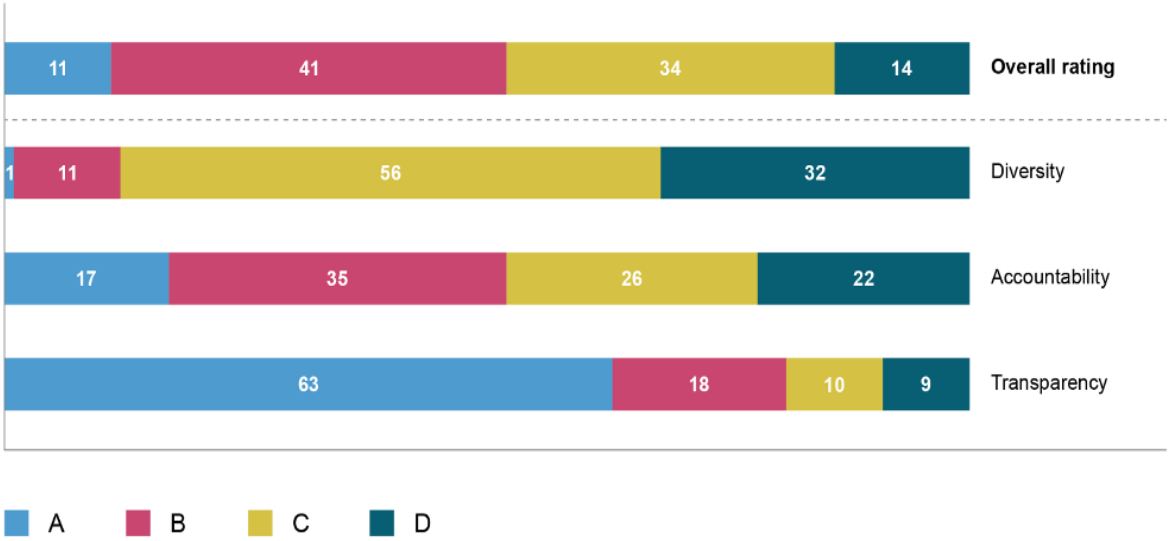
To reiterate for avoidance of ambiguity, unless otherwise stated, all data in this report refer to the main cohort of 100 foundations (or subsets of it, such as the Funders Group or community foundations) – i.e. they exclude the opt-in foundations.

3. Analysis of ratings results

Year Three: Distribution of overall ratings, and domain ratings

Figure 6 shows a breakdown of the ratings for the Year Three cohort, with the distribution of As to Ds in both the overall ratings and in each domain.

Figure 6: *Number of foundations achieving each rating in Year Three*



The major headlines are:

- each year, **more foundations have achieved A overall**. In Year One, three foundations did; in Year Two, it was seven; and in Year Three, it was 11;
- **one foundation achieved A in diversity**. That is a first. This was the Community Foundation serving Tyne & Wear and Northumberland. This shows that strong practices on diversity and accessibility are possible;
- the Community Foundation serving Tyne & Wear and Northumberland in fact **achieved As in all three domains**: giving it a score of A (AAA). This also shows that high performance across the board does not rely on having huge resources;

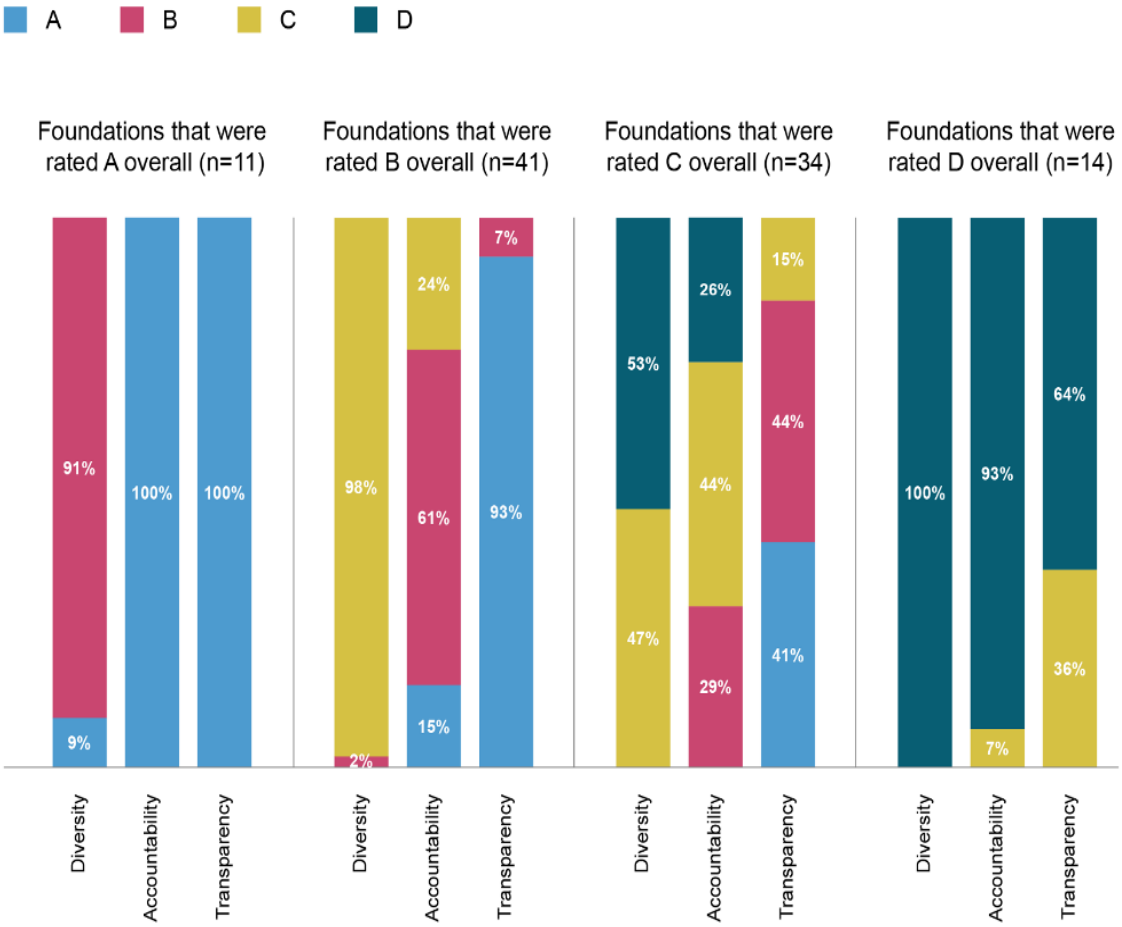
- as in both previous years, **the foundations rated A overall in Year Three are very diverse**. They include: eight endowed foundations – some large, some much smaller; some long-established, some with living settlors; a corporate foundation (the Lloyds Bank Foundation for England and Wales); and two community foundations (Gloucestershire Community Foundation and the Community Foundation serving Tyne & Wear and Northumberland). Again, they include some foundations which raise their funds (community foundations) and others which do not;
- as in Year Two, the strongest domain was transparency; and
- as in previous years, **the weakest domain by far was diversity** (which includes accessibility). However, **practices on diversity seem to be improving**. Though one foundation achieved A on diversity, 32% of foundations were rated D on it, but happily that is down from almost half (48%) in Year Two.

Care is needed in interpreting whether the year-on-year results indicate a change in practice across the sector, because some change would be expected as a result of random variation every time a new cohort is picked. This is examined in more detail in the section 'What does this mean about changes in foundation practice?' (page 36), but overall:

- looking at the foundations included in all three years and not by random selection (i.e. some of the five largest foundations by giving budget, plus some of the Funders Group), **there are improvements on all three domains**, and **diversity shows the greatest improvements**. This group is the same foundations over time, so randomness should not be a factor, although one might also expect the Funders Group to show particular commitment to these issues;
- the randomly selected foundations this year also show large improvements in all three domains compared to the randomly selected foundations last year. This year, by random chance, the cohort had more community foundations than in previous years, and community foundations generally outperform the sector averages by a large margin. But, interestingly, even **the scores of randomly selected foundations that aren't community foundations show improvement between Year Two and Year Three**. Because the sample size is relatively small, quite large changes are needed to meet a test of statistical significance. At this stage, **there is accumulating evidence of an improvement in practice across the sector, and statistically significant evidence of improvement on transparency (between Year One and Year Three) and on diversity (between Year Two and Year Three)**; and
- there is very little difference between the performance of randomly selected foundations that were assessed for the first time this year and those that were included for the second (or third) time this year. Again, the sample numbers here are relatively small, but this might suggest that if there is a sector-wide change it is more likely to result from sector-wide effects (which could be linked to the FPR and/or other initiatives or influences) than from foundations changing practice after the experience of being assessed by the FPR.

Figure 7 shows the breakdown of domain ratings for foundations achieving each overall rating. Notice that all the foundations which scored A overall scored A on transparency and accountability, and that all bar one of them scored B on diversity.

Figure 7: *Breakdown of domain scores of foundations with each overall rating in Year Three*



Are the criteria reasonable?

Every item that the criteria sought (e.g. a diversity plan with numerical targets, a complaints policy, an analysis of its own performance) was found in at least one foundation in Year Three. This shows that they are all attainable.

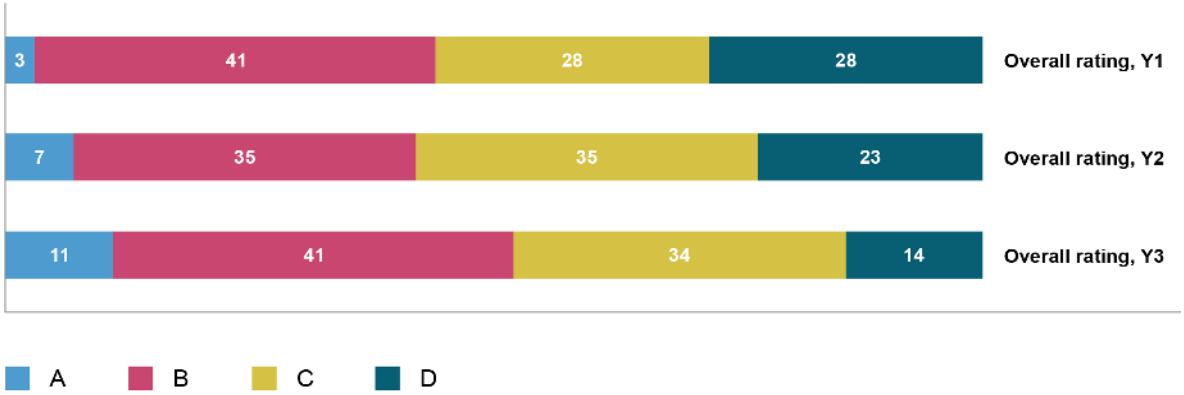
Appendix E lists the criteria, and for each criterion cites a foundation which met it. Readers looking for examples or guidance on meeting the criteria can refer to that list.

Observations from overall ratings and domain ratings

Overall ratings and relationship with domain ratings

Figure 8 compares the overall ratings in Years One, Two and Three. Note that this covers the main cohort each year: some foundations have been assessed more than once, and others only once. Later in this section, there is a discussion of the effect of the fact that the cohort changes year-on-year, and the changes in performance which are evident despite that.

Figure 8: *Comparison of overall ratings in Years One, Two and Three*

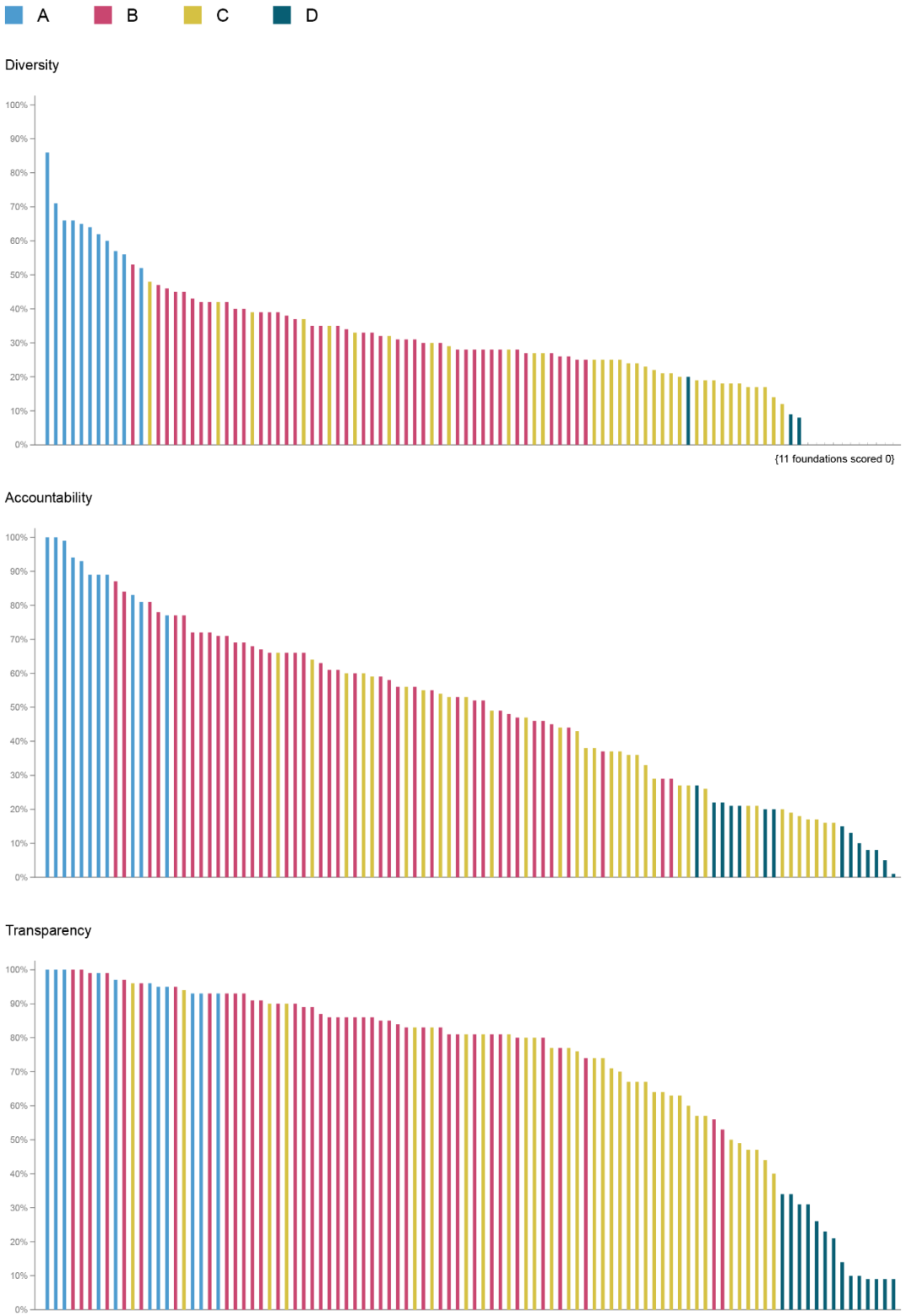


At face value, this suggests progressive improvement. In Year Three, fewer foundations were rated D or C. The cohort includes some foundations that have been assessed in more than one year, and some have assessed only once, so care is needed to interpret this. The section 'What does this mean about changes in foundation practice?' (page 36) sets out a more detailed analysis, but **the overall headline is that, even after stripping out the effect of including more community foundations this year, the overall scores provide accumulating evidence of an improvement in overall practice, including statistically significant evidence of improvement on transparency (between Year One and Year Three) and on diversity (between Year Two and Year Three).**

The graphs in Figure 9 show the *numerical scores* in each domain for each included foundation. The bars are coloured according to the foundation's *overall* rating (i.e. not its rating on that domain). The graphs all have the same y axis scale: notice how the scores on diversity are lower than those on the other domains.

The graphs show that performance is not consistent between foundations. On all three domains, some foundations which score B overall are out-performed on that domain by foundations which score a C overall. And on both accountability and diversity, some foundations which score a C overall are out-performed on that domain by at least one foundation which scores D overall.

Figure 9: *Scores in each domain in Year Three, with overall score indicated by colour*



The graphs also show that there are not big gaps in the scores: it is not the case that there are, say, foundations which score 50–60% and then none scoring 60–68% before scores resume at 68–85%. There is one foundation whose score on diversity is substantially higher than the second-highest-scoring foundation: this is the Community Foundation serving Tyne & Wear and Northumberland, which alone was rated A on diversity.

Of the 14 foundations rated D overall, 12 had no staff. Nine of those rated D overall were rated D on all three domains. In Year Two, 23 foundations rated D overall, with 17 of those rated D on all three domains. Foundations rated D overall spanned the size range (in giving budget), with some in each quintile.* This also happened in both Year One and Year Two.

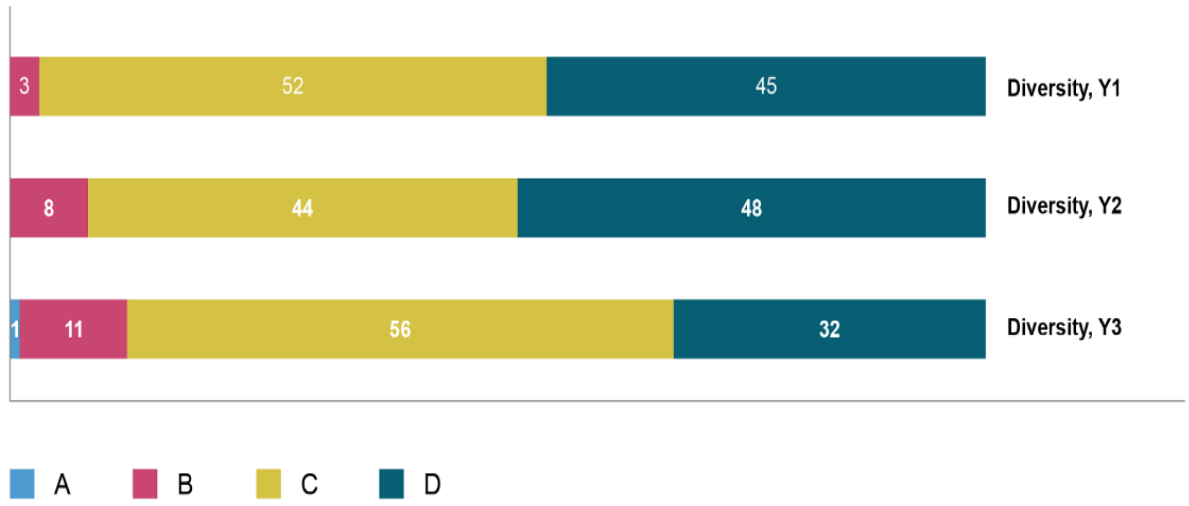
Eight of the nine foundations rated D on all three domains did not have a website, and two of those (22%) did not provide an email address – so the data about them had to be sent to them by post. (These include a foundation attached to Goldman Sachs, a bank.) That compared to six out of 17 (35%) that rated all Ds in Year Two that did not provide an email address. Five out of 14 foundations rated D overall (36%) did not provide an email address, against seven out of 23 (30%) in Year Two.

* Example foundations rated D overall in each quintile:
Quintile 1 (largest): Headley Court Charity
Quintile 2: The Goldman Sachs Charitable Gift Fund (UK)
Quintile 3: John Armitage Charitable Trust
Quintile 4: The J Van Mars Foundation
Quintile 5 (smallest): Peacock Charitable Trust

Diversity

Figure 10 shows the ratings achieved in diversity each year.*

Figure 10: *Diversity ratings in Years One, Two and Three*



This domain also shows improvement. For the first time, a foundation achieved A for diversity. There are, again, more Bs, and fewer Ds.

Diversity is another area where there is evidence that randomly selected foundations other than community foundations appear to have improved their practices. The change between Year Two and Year Three was sufficiently large to be statistically significant (although all changes in scores are from a low base).

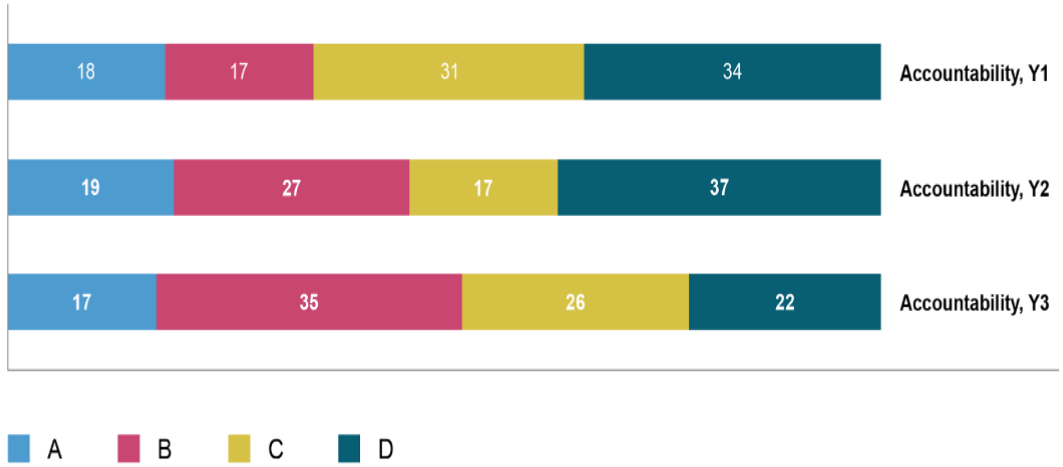
Because poor performance on diversity has been a theme in previous years, there is a more detailed commentary in the section ‘Poor performance on diversity’ (page 48).

* As mentioned in last year’s report, one criterion in diversity was changed in Year Two: the exemption for reporting staff diversity breakdowns was reduced from 10 or fewer staff in Year One, to five or fewer staff in Year Two. That change affected some foundations’ scores: it caused four foundations to drop by one grade in their diversity score; and five foundations to drop by one grade in their overall assessment (those four, plus one other whose numerical average score fell because of that change, but this foundation still received the same grade as in Year One). Figure 10 should therefore be read with this in mind.

Accountability

Figure 11 shows the ratings achieved in accountability in the two years.

Figure 11: *Accountability ratings in Years One, Two and Three*



Although the number of foundations rated A on accountability is pretty stable, encouragingly the number rated B has continued to increase.

It is important to appreciate that some accountability criteria were applied more strictly this year than in previous years. For example, the research team were stricter this year than in previous years about what counts as evidence of consulting with communities, and what counts as foundations' analysis of their own performance. This change may have affected scores in accountability. Aside from the new three-year rule,* the criteria affected were all in the accountability domain: there were no equivalent changes in the other two domains.

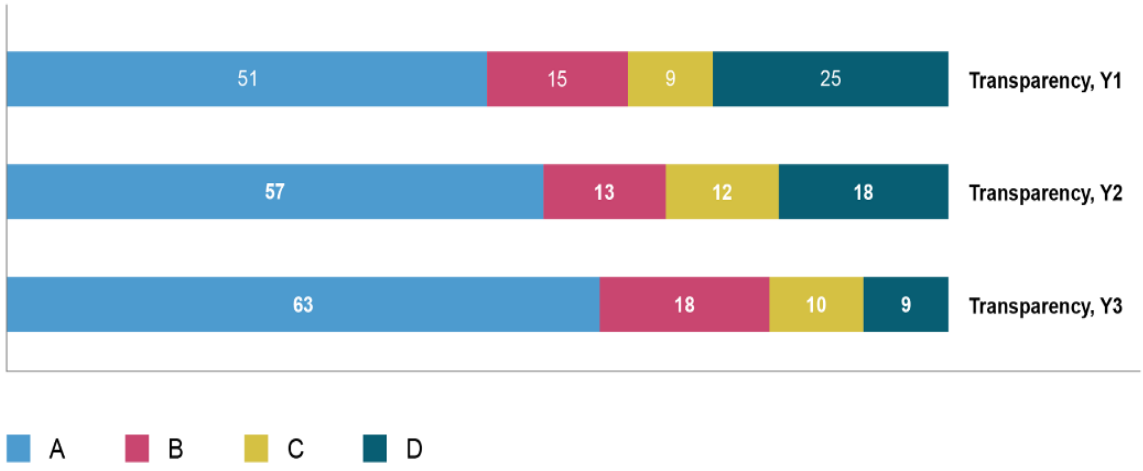
Does this change indicate a general change in practice? There is an improvement in average accountability scores for randomly selected foundations this year. But after stripping out the effect of including more community foundations (which tend to perform better), the year-on-year improvement is not statistically significant, and the change in accountability scores is smaller than the changes in diversity and transparency.

* Only data / reports published in the last three years were eligible.

Transparency

Figure 12 shows the ratings in transparency in each year.

Figure 12: *Transparency ratings in Years One, Two and Three*



Overall, ratings on transparency have continued to improve strongly: there are again more As and again fewer Ds.

Is this change due to improved performance or just changes in the cohort? **The overall change in scores on transparency between Year One and Year Three is large enough to be statistically significant** – the chance of seeing such a large change as a result of the random selection process is less than 5%. This was ascertained by stripping out the community foundations, and looking only at the other randomly selected foundations: that group still shows some evidence of an improvement in performance. This applies from Year One to Year Two, and from Year Two to Year Three.

Results for particular groups of foundations

The five largest foundations by giving budget: one A, one B and three Cs

There is a fair degree of churn amongst the five foundations with the largest giving budgets: as Figure 13 shows, though the top two are unchanged over the FPR's three years, some others have joined this set and others left.

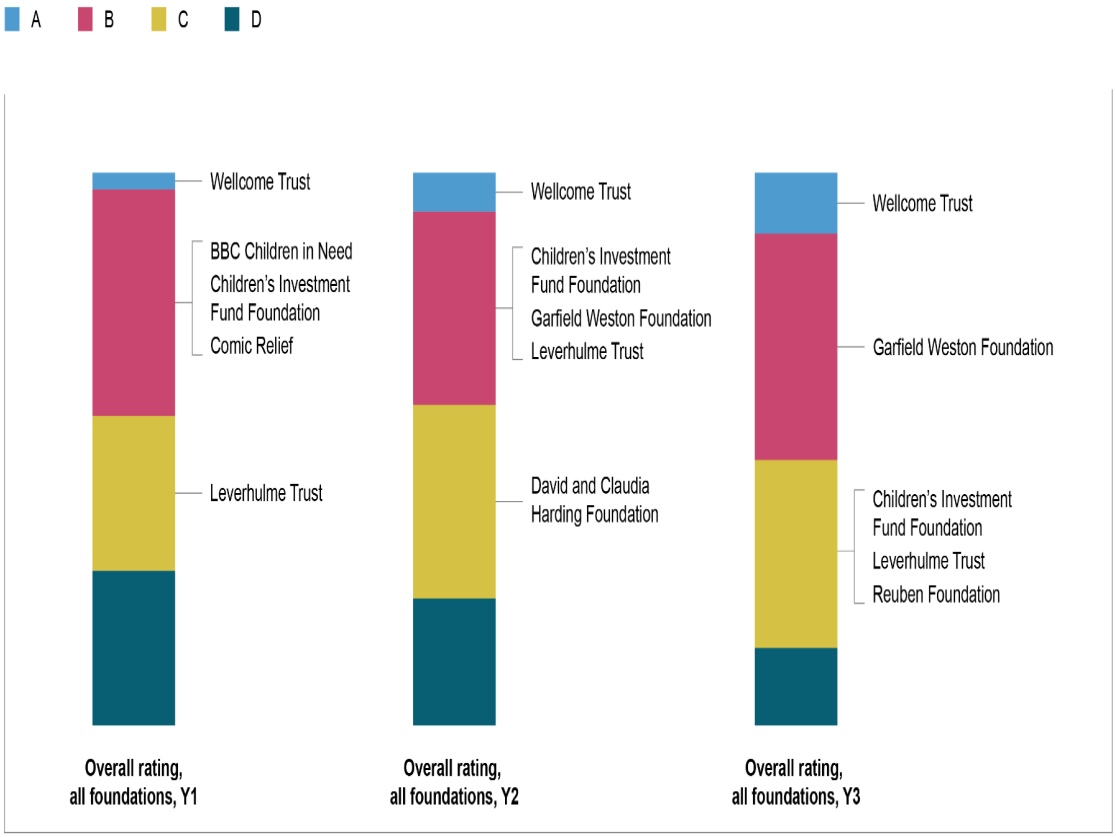
Figure 13: *The UK's largest grant-making foundations (by giving budget) over the three years of the FPR*

Largest by giving budget	1	Wellcome	Wellcome	Wellcome
	2	The Children's Investment Fund Foundation	The Children's Investment Fund Foundation	The Children's Investment Fund Foundation
	3	The Leverhulme Trust	The David and Claudia Harding Foundation	The Leverhulme Trust
	4	Comic Relief	The Leverhulme Trust	Garfield Weston Foundation
Smallest by giving budget	5	BBC Children in Need Appeal	Garfield Weston Foundation	Reuben Foundation
Source:		ACF Giving Trends 2019	ACF Giving Trends 2021	ACF Giving Trends 2022

Figure 14 shows how the five largest foundations (by giving budget) performed relative to the rest of the cohort in each year. It shows the distribution of overall ratings of the full cohort, and the overall ratings of those five largest foundations. Wellcome retains its overall A rating and Garfield Weston Foundation retains its B rating. Two foundations dropped one grade to C: Leverhulme Trust and Children's Investment Fund Foundation. Reuben Foundation is included for the first time in the group, and was rated C.

As in previous years, it is clear that it is possible to be very large and still score poorly, and that it is possible to be quite small and score well. The FPR scores do not simply reflect the foundation's giving budget.

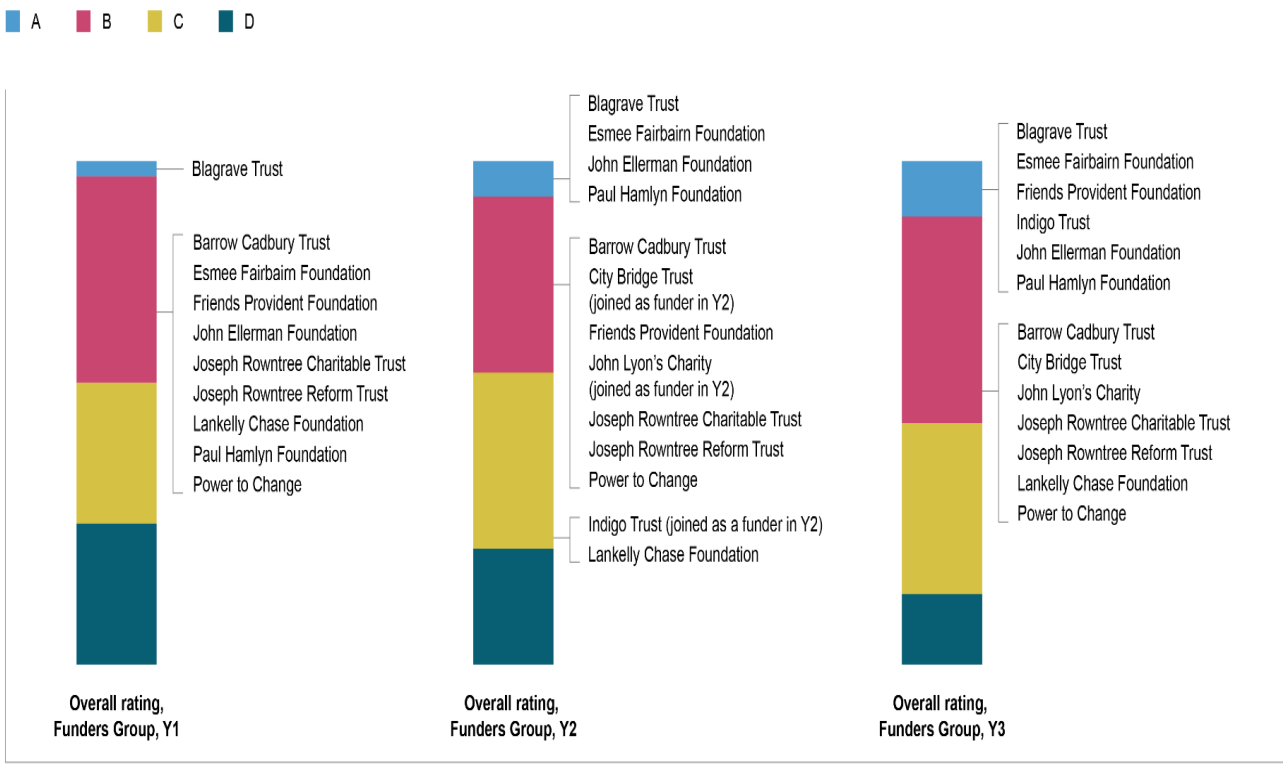
Figure 14: *Overall ratings of the five largest foundations by giving budget in each year (against the distribution of overall ratings for all assessed foundations)*



Foundations which fund the FPR: Continued improvement

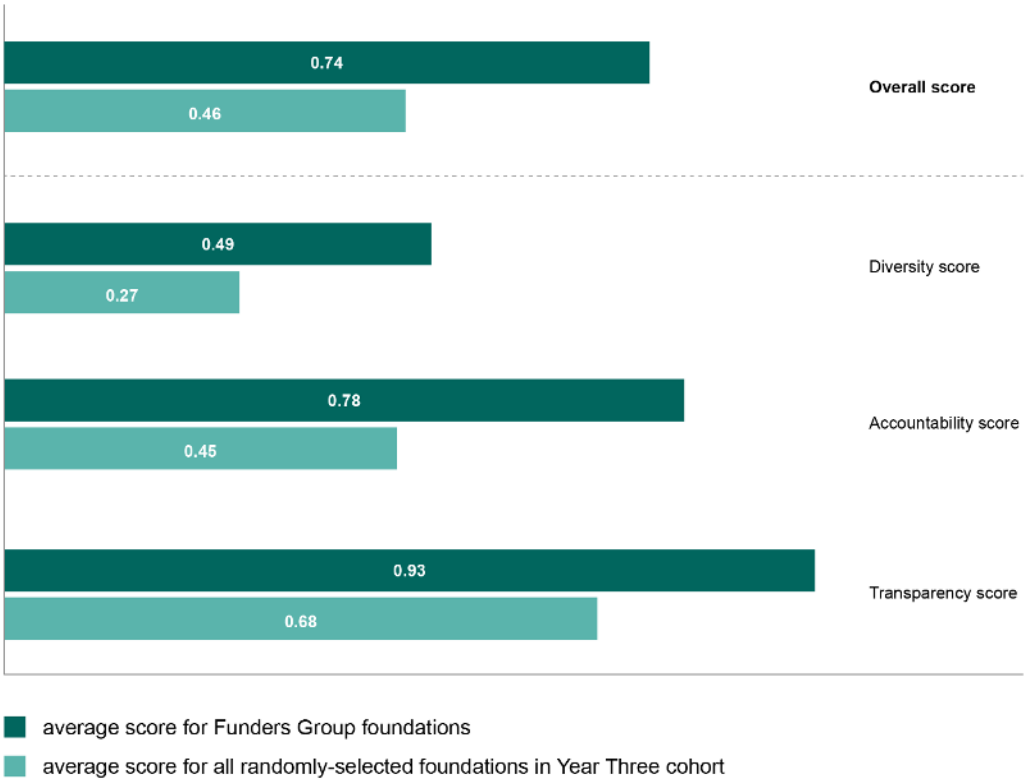
Figure 15 shows how the Funders Group performed relative to the rest of the sample: it shows the distribution of overall ratings in each year, and the overall ratings of the Funders Group. The Funders Group's performance continued to improve: six were rated A overall (against one in Year One, and four in Year Two), and the others were all rated B overall (two had scored C in Year Two).

Figure 15: *Overall ratings of Funders Group foundations in Years One, Two and Three (against the distribution of overall ratings for all assessed foundations)*



In Year Three, all foundations funding the FPR were rated either A or B: the two which last year were rated C moved up to B and A. Figure 16 shows how Funders Group members tend to score higher than foundations from the random sample.

Figure 16: *Numerical scores of the Funders Group by comparison to other randomly selected foundations*



However, those results mask some declines in practice amongst these foundations. As shown in Figure 17, in several instances, the *numerical scores* which they achieved declined – though sometimes those were not enough to drop a grade in the relevant domain; or where there was a drop in domain rating that did not reduce the foundation's overall rating. (As a reminder, a foundation's numerical score in a domain is the number of points that it scored divided by the number of points that it could have scored, given that it may be exempt from some criteria.) Figure 17 shows in more detail how the scores and ratings for the Funders Group changed between Year Two and Year Three.

Figure 17: *Changes in scores and ratings of Funders Group foundations between Year Two and Year Three*

	Numerical scores				Ratings			
	Overall score	**D score**	**A score**	**T score**	**Overall grade**	**D grade**	**A grade**	**T grade**
Barrow Cadbury Trust	Improved	Improved	Same	Same	Same	Same	Same	Same
Blagrave Trust	Declined	Declined	Declined	Declined	Same	Same	Same	Same
City Bridge Foundation	Declined	Declined	Declined	Same	Same	Same	Declined	Same
Esmée Fairbairn Foundation	Declined	Declined	Same	Declined	Same	Same	Same	Same
Friends Provident Foundation	Declined	Improved	Declined	Same	Improved	Improved	Same	Same
Indigo Trust	Improved	Improved	Improved	Improved	Improved	Improved	Improved	Same
John Ellerman Foundation	Improved	Improved	Improved	Same	Same	Same	Same	Same
John Lyon's Charity	Same	Improved	Declined	Same	Same	Same	Declined	Same
Joseph Rowntree Charitable Trust	Declined	Declined	Same	Declined	Same	Declined	Same	Same
Joseph Rowntree Reform Trust	Improved	Declined	Improved	Improved	Same	Same	Improved	Same
Lankelly Chase Foundation	Improved	Improved	Declined	Declined	Improved	Improved	Same	Same
Paul Hamlyn Foundation	Improved	Improved	Same	Improved	Same	Same	Same	Same
Power to Change	Declined	Declined	Declined	Improved	Same	Same	Declined	Same

The research team carried out the analogous analysis in Year Two, looking at changes between Year One and Year Two.

The sets of analyses show that declines in scores were more common in this most recent year than in the previous year. This is a surprise, and it is not clear why it has happened. As mentioned, the criteria and scoring system changed only a little between the years, so it is doubtful that the changes were caused by the FPR's system rather than by performance itself. It looks as though Funders Group foundations generally made a strong effort after Year One but less so after Year Two – though that would only explain the change if numbers were static: it doesn't explain the declines. Of course, foundations are responding to many changes in the world aside from the FPR – war in Europe, the cost of living crisis, etc. – which may explain some of this.

Community foundations: Continue to out-perform the average

Figure 18 shows how community foundations performed relative to the rest of the cohort: it shows the distribution of overall ratings in each year, and the overall ratings of the assessed community foundations. The community foundations are included by random selection, so the numbers of them included change from year to year: in Year One there were five, in Year Two there were eight, and in Year Three there were 16.

Figure 18: *Overall ratings of community foundations in Years One, Two and Three*

In general, community foundations continue to out-perform their peers, and by an appreciable margin.

As in Year Two, most community foundations assessed in Year Three were assessed for the first time. County Durham Community Foundation was included for a second time, having been previously included in Year One, and Lincolnshire Community Foundation was included for a second time, having been previously included in Year Two.

This is the first time that any community foundation has not been rated A or B overall. Both community foundations which were rated C did so because of the 'maximum grade differential rule': they were both rated D on diversity (both were near the top of the range for that), which just tipped their overall ratings from B to C.

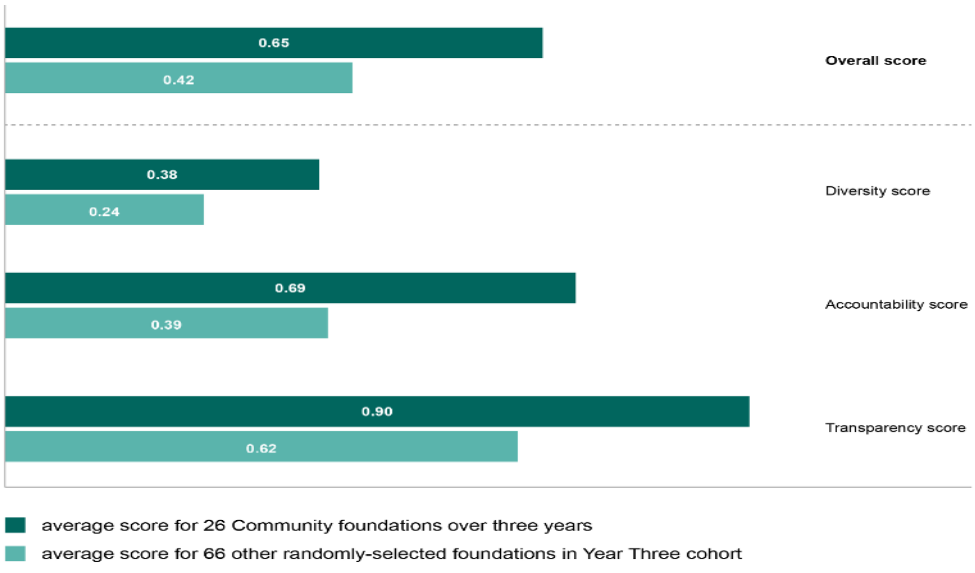
In more detail:

- on diversity, one community foundation was rated A (the first such foundation of any sort to achieve this), two were marginal Ds and others were either B or C;
- on accountability, there was one grade C, and other grades were A or B; and
- on transparency, all were rated A.

Over the three years of the FPR, 26 community foundations have been assessed. Figure 19 shows the average score for that set, as compared to the rest of the random sample from Year Three. Where community foundations have been included more than once, the average takes their later score.

Community foundations' scores are noticeably higher in all three domains. This may be because, unlike most foundations (endowed ones, or family ones, or foundations funded by a company), community foundations must compete for most of their resources, and therefore are scrutinised and have strong incentives to perform well. The difference in scores is statistically robust.

Figure 19: *Comparison of average numerical scores of community foundations with those of other randomly selected foundation (Year Three)*



What does this mean about changes in foundation practice?

The cohort overall

Figure 20 gives the average numerical scores overall and in each domain for the whole cohorts in Year One vs Year Two vs Year Three.

Figure 20: *Comparing average and domain numerical scores in Year One, Year Two and Year Three (n=100)*

	Overall average score	Diversity score	Accountability score	Transparency score
Year One	0.42	0.24	0.43	0.60
Change between Year One and Year Two	+7.1%	No change	+4.4%	+8.3%
Year Two	0.45	0.24	0.45	0.65
Change between Year Two and Year Three	+13.3%	+25%	+11.1%	+10.8%
Year Three	0.51	0.30	0.50	0.72

Clearly, these figures improved in each domain from Year One to Year Two, and then improved faster from Year Two to Year Three. Though this might indicate continued improvement, caution is needed because the cohort changes each year.

The foundations assessed each year, not included by random selection

To compare like with like, the results for foundations which were assessed in all three years, and not selected randomly, are assessed. They are the Funders Group foundations and the large foundations which have been assessed each year.*

* Specifically, Figure 21 concerns 14 foundations: 10 original Funders Group, Indigo Trust which joined the Funders Group in Year Two but was included in Year One in the random sample, and three of the five largest foundations that have been included in all three years.

Figure 21: *Comparing average and domain scores in Years One to Three for foundations included in all years and not by random chance (n=14)*

	Overall average score	Diversity score	Accountability score	Transparency score
Year One	0.66	0.37	0.71	0.90
Change between Year One and Year Two	+7.8%	+21.6%	+6.6%	+2.2%
Year Two	0.71	0.45	0.76	0.92
Change between Year Two and Year Three	+2.8%	+6.7%	+1.3%	+1.1%
Year Three	0.73	0.48	0.77	0.93

This group shows improvement in this last year in each domain – as well as, consequently, overall. But the improvement in the whole cohort is larger than that in this set, so there must also be improvement elsewhere, i.e. in the randomly selected foundations.

A side note: this group scores higher on average than the total cohort, though this might be expected because it is dominated by foundations which fund this work, which are likely to be more interested in these issues than average foundations.

As noted in the Year Two report, rises in diversity scores look large as a percentage (particularly between Year One and Year Two) but they start from a low base. The diversity score does not entirely compare like with like: the changed threshold between Year One and Year Two for staff diversity plans means that these figures tend to understate performance improvements in Year Two against Year One.

The randomly selected foundations

Above, we looked above at changes in scores of foundations which were assessed in all three years, and not included by random chance. Next we turn to foundations that *were* selected randomly. This set excludes the Funders Group and the five largest foundations. These foundations may better show changes in practice in the foundation sector overall.

There were 85 such foundations in Year One, 82 in Year Two and Year Three.* The results for this subset are shown in Figure 22.

* In Year Two, one foundation which had been randomly selected in Year One joined the Funders Group; and two foundations which had not been randomly selected in Year One joined the Funders Group.

Figure 22: *Comparing average overall and domain scores for randomly selected foundations in Years One to Three*[*]

	Overall average score	Diversity score	Accountability score	Transparency score
Year One	0.38	0.21	0.38	0.54
Change between Year One and Year Two	+2.6%	-4.8%	+2.6%	+9.6%
Year Two	0.39	0.20	0.39	0.59
Change between Year Two and Year Three	+18%	+35%	+15%	+15%
Year Three	0.46	0.27	0.45	0.68

The improvements among this group (as percentage changes) are much larger than those in the group examined above: multiples of five or 10 higher.

This hints at improved performance, particularly in diversity and transparency. However, as noted previously, community foundations typically perform better than others, and the Year Three cohort had more community foundations than previous years, by random chance. To understand the effect of this, the research team looked at the scores of the randomly selected foundations in each year, excluding the community foundations. The results are in Figure 23.

* Figure 22 is based on 85 randomly-selected foundations in Year One, and 82 in Years Two and Three

Figure 23: *Comparing scores from randomly selected foundations in each year, excluding community foundations*

	Overall average score	Diversity score	Accountability score	Transparency score
Year One (average from 80 foundations)	0.36	0.20	0.36	0.52
Change between Year One and Year Two	No change	-10%	No change	+7.7%
Year Two (average from 74 foundations)	0.36	0.18	0.36	0.56
Change between Year Two and Year Three	+17%	+33%	+7.7%	+11%
Year Three (average from 66 foundations)	0.42	0.24	0.39	0.62

This suggests that there might have been some progressive improvement in scores in this group. The question is whether this change is real or simply the product of chance. **A statistical test* showed that there was indeed a statistically significant change in transparency scores between Year One and Year Three, and in diversity scores between Year Two and Year Three, but other changes were not statistically significant.**

One-off assessments of randomly selected foundations vs repeated such assessments

The research team also looked to see whether there was a difference in Year Three scores between randomly selected foundations that were assessed for the first time this year, and randomly selected foundations that had been assessed before. Figure 24 sets out the results.

* This was a two tailed T test, assuming the samples have equal variance. It uses p=0.05 as the threshold.

Figure 24: *Comparing the performance of randomly selected foundations that were new to the FPR in Year Three with randomly selected foundations that had been assessed previously*

	Overall average score	Diversity score	Accountability score	Transparency score
Foundations that were randomly selected and new in Year Three (55 foundations)	0.46	0.26	0.42	0.69
Foundations that were randomly selected in Year Three, but which had been previously included as well (27 foundations)	0.48	0.27	0.50	0.66

The differences here are small, with the exception of the average score on accountability, and even the score on accountability is not large enough with this number of foundations in the sample to offer any robust evidence of systematic change. **This suggests that if there is a change in sector practice over the period of the FPR, it may be sector-wide, rather than a result of foundations changing their practice as a result of being randomly selected.**

Performance by criteria in Year Three

Criteria on which foundations scored highest overall

Figure 25 shows the 10 questions on which the foundations collectively performed best, taking into account that some foundations were exempt from some questions.

Figure 25: *The 10 questions on which the foundations collectively scored highest in Year Three, ordered by score achieved, with the highest first*

Question (with question number for ease of reference)	**Domain**	**% of points scored by non-exempt foundations**	**Top-ten scoring question in Year One?**	**Top-ten scoring question in Year Two?**
26. Does the foundation give any information on who or what it funded?	T	99%	Yes	Yes
75. Does the foundation have an investment policy?	A	91%	Yes	Yes
25. For approximately what percentage of the foundation's funding is information given on who makes the funding decisions (does the foundation specify the individual, or, if it is a panel, who is on that panel?) 0=none, 1=1–25%, 2=26–50%, 3=51–75%, 4=76–99% or 5=if this information is provided for all funding.	A	87%	No	Yes
2. Does the foundation have a website?	T	87%	Yes	Yes
4. Can you navigate the foundation's website using only the keyboard (without a mouse)? If the foundation doesn't have a website, enter 'no'.	D	85%	Yes	No
8. Does the foundation publish on its website any information about its funding priorities? Answer no if there is no website.	T	85%	Yes	Yes
58. Is there contact information provided on the foundation's website? If the foundation has no website the answer is 'no'.	T	85%	Yes	Yes
36. Does the foundation publish who its staff are on its website? N/A if they have no staff, this can usually be verified on the relevant charity regulator's website.	A	85%	Yes	Yes
15. Does the foundation publish any eligibility criteria for what it funds? (that is who as a potential recipient would be eligible for a particular grant)	T	84%	No	Yes
76. Does this policy include the following? (please write down all that apply)	A	84%	Yes	No

As with Year Two, the best performing questions are mainly in transparency or accountability. Only one is about diversity. High-scoring questions are relatively consistent between Years One, Two and Three.

Criteria on which foundations scored lowest overall

Figure 26 shows the 10 criteria on which the foundations collectively performed least well, again taking account of the fact that some foundations were exempt from some criteria.

Figure 26: *Questions on which the foundations collectively scored lowest in Year Three, ordered by score achieved with lowest first*

Question	Domain	% of points scored by non-exempt foundations	Lowest ten scoring question in Year One?	Lowest ten scoring question in Year Two?
60. Does the foundation give ways to contact them for people who have disabilities? (text relay, BSL or other) Please tick the different types of accessible contact (do not repeat any information from above).	D	2%	Yes	Yes
55. Please tick all of the following targets that are included in the diversity plan for trustees.	D	2.1%	Yes	Yes
54. Does this plan include specific, numerical targets to improve the diversity of its trustees or board members?	D	3.2%	Yes	Yes
48. Please tick all of the following targets that are in the diversity plan for staff.	D	3.8%	Yes	Yes
64. Please tick the different ways given for contacting the foundation concerning malpractice. Email, phone number, online form, mailing address web-chat, or any others. Be sure to include BSL, text relay, etc., if available. Please add a comment in the following question if no contact for malpractice is provided.	D	5.3%	Yes	Yes
47. Does this plan include specific, numerical targets to improve the diversity of its staff? 'N/A' if there are no staff or one member of staff.	D	5.8%	Yes	Yes

Question	Domain	% of points scored by non-exempt foundations	Lowest ten scoring question in Year One?	Lowest ten scoring question in Year Two?
56. Does the foundation publish its recruitment policy for staff? 'N/A' if there are no staff.	D	6.9%	No	No
31. If the foundation funds recipients in Wales, is a Welsh language format provided? 'N/A' if the foundation does not have a presence in Wales.	D	9.4%	Yes	Yes
69. Does the foundation publish some information of what it is doing differently as a consequence of this analysis?	A	11%	No	No
63. Is there a mechanism to report malpractice concerns (whistleblowing)?	A	12%	Yes	Yes

As with previous years, most of the questions on which foundations scored worst concern diversity.

Criteria which showed most change in Year Three

To look at changes between Year Two and Year Three, the research team identified the questions with the greatest increases and decreases in scores. These are shown in Figure 27, with the change between Year One and Year Two for additional context.

Figure 27: *Questions showing largest* ***percentage increase*** *in scores (i.e. most proportionate improvement) between years, ordered by change in score*

Question	Domain	Change in score between Year Two and Year Three (%)	Change between Year One and Year Three (%)
55. Please tick all of the following targets that are included in the diversity plan for trustees.	D	Infinite (moved from 0 to something*)	112%
44. Does the foundation publish a breakdown of the diversity of its staff against the following categories? Please tick as many as apply. Please tick 'N/A' if they have no staff or one member of staff.	D	134%	118%
57. Does the foundation publish its recruitment policy for board members?	D	89%	17%
54. Does this plan include specific, numerical targets to improve the diversity of its trustees or board members?	D	87%	59%
31. If the foundation funds recipients in Wales, is a Welsh language format provided? 'N/A' if the foundation does not have a presence in Wales.	D	70%	372%

Interestingly, these all concern diversity. But that may be because they had low baseline scores, so any change in performance creates a high percentage change. To complement it, Figure 28 looks at where there have been absolute changes in scores.

* In other words, no foundation in Year Two had a diversity plan for trustees, whereas some did in Year Three.

Figure 28: *Questions showing largest absolute increase in scores (i.e. most absolute improvement) between Year Two and Year Three, ordered by size of absolute change*

Question	Domain	Absolute change in score between Year Two and Year Three
37. Does the foundation provide a bio for its senior staff? 'N/A' if there are no staff.	A	0.28
4. Can you navigate the foundation's website using only the keyboard (without a mouse)? If the foundation doesn't have a website, enter 'no'.	D	0.25
41. Does the foundation provide a bio for its trustees / board members?	A	0.24
42. Is the following information presented for the trustees? Please tick any that apply. If none are provided, please indicate that in the next question.	A	0.24
44. Does the foundation publish a breakdown of the diversity of its staff against the following categories? Please tick as many as apply. Please tick 'N/A' if they have no staff or one member of staff.	D	0.19

The questions showing the highest absolute changes from Year Two to Year Three variously concern diversity and accountability, which is interesting because it suggests some general performance shift on these issues.

Figure 29: *Questions showing the largest percentage decrease in scores (i.e. most proportionate deterioration) between years, ordered by change in score*

Question	Domain	Change in score between Year Two and Year Three (%)	Change in score between Year One and Year Three (%)
60. Does the foundation give ways to contact them for people who have disabilities? (text relay, BSL or other) Please tick the different types of accessible contact (do not repeat any information from above).	D	-67%	-60%
69. Does the foundation publish some information of what it is doing differently as a consequence of this analysis?	A	-58%	-48%
56. Does the foundation publish its recruitment policy for staff? 'N/A' if there are no staff.	D	-51%	-63%
67. Does the foundation publish any analysis of its own effectiveness? (this is effectiveness of the foundation not analysis from the grantees of what they are doing with the funding)	A	-50%	-53%
66. Does the foundation publish any actions (however minimal) it will take to address this feedback (what they are doing differently as a consequence)?	A	-21%	25%

Note that, as mentioned in the section 'Definitions and decision – rules' (page 56), in Year Three the definitions were stricter. Where evidence was published with a date, it was only counted if the date was within three years of the research process, or five years for consulting with communities. These changes are likely to account for most if not all of the changes here.

Figure 30: *Questions showing the largest absolute decrease in scores (i.e. most absolute deterioration) from Year Two to Year Three, ordered by absolute change in score*

Question	Domain	Absolute change in score between Year Two and Year Three
67. Does the foundation publish any analysis of its own effectiveness? (this is effectiveness of the foundation not analysis from the grantees of what they are doing with the funding)	A	-16%
69. Does the foundation publish some information of what it is doing differently as a consequence of this analysis?	A	-15%
56. Does the foundation publish its recruitment policy for staff? 'N/A' if there are no staff.	D	-7%
66. Does the foundation publish any actions (however minimal) it will take to address this feedback (what they are doing differently as a consequence)?	A	-4%
60. Does the foundation give ways to contact them for people who have disabilities? (text relay, BSL or other) Please tick the different types of accessible contact (do not repeat any information from above).	D	-4%

These questions with the largest falls in scores all concern accountability and diversity.

Update on themes identified in Years One and Two

Poor performance on diversity

As in Year One and Year Two, ***practice on diversity was weaker than practice on the other domains***. Only one foundation scored A on diversity, whereas many were rated A on the other two domains: 63 for transparency and 17 for accountability.

Figure 31 gives the average numerical scores across all 100 foundations on each domain in each year. It shows the differences in average performance between the domains, and how those are maintained between Year One and Year Two.

Figure 31: *Average scores on the domains*

	Diversity	Accountability	Transparency
Average grade Year One	D (near the border for C)	C	B
Average grade Year Two	D (near the border for C)	C	B
Average grade Year Three	C	B (on the borderline with C)	B (near the border for A)

The number of foundations scoring zero in each domain is shown in Figure 32.

Figure 32: *Number of foundations scoring zero in each domain*

	Diversity	Accountability	Transparency
Year One	16	0	4
Year Two	22	0	4
Year Three	11	0	0

It is of course possible that the criteria in some domains are more difficult to meet than those in other domains. If so, that would account (in part or in full) for differences in the domain ratings. In some cases, there seems no way of knowing this in absolute terms – though each item sought by the criteria is clearly possible because each item was found in at least one foundation.

Does size matter?

In Years One and Two, the FPR data showed that financial size did not correlate with foundations' ratings, but that size by trustees did to a greater degree. This year, there is a similar pattern, although correlations looked weaker this year than before. More information is in Appendix F.

Scores by giving budget

As last year, the research team looked at the overall ratings for foundations divided into quintiles – first by giving budget and then by net assets.

As in Years One and Two, in Year Three there was no automatic relationship between the foundations' overall rating and their giving budget or their net assets – each quintile had a mix of overall scores. In other words, some foundations with pretty large giving budgets score badly, and some foundations with relatively small giving budgets score well.

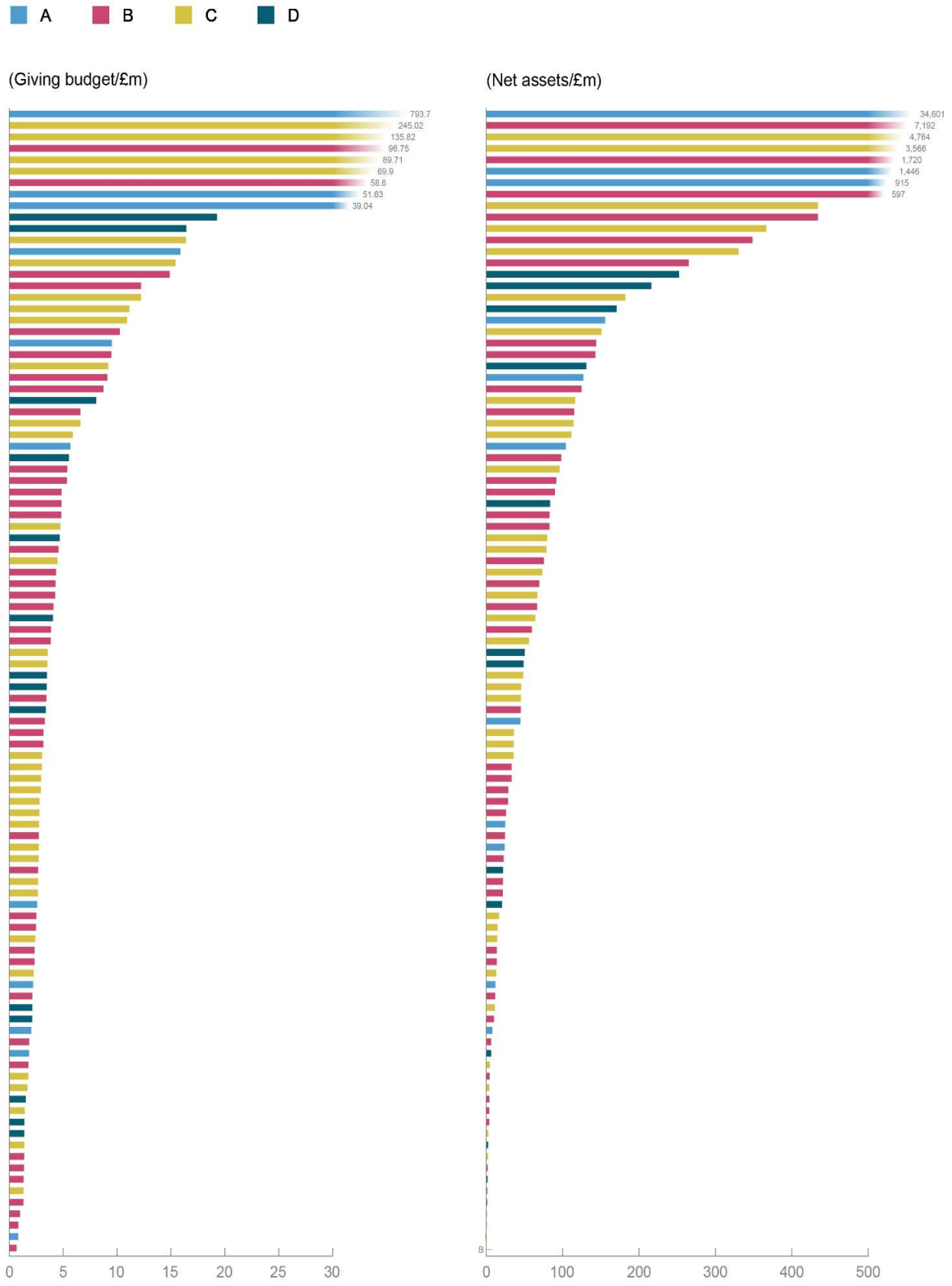
The Year Three results are set out in Figure 33.*

One foundation had not presented accounts that included net assets.

The graphs show that there are foundations scoring A overall with relatively small giving budgets and net assets. There are Bs and Cs distributed throughout the range of giving budgets; and foundations scoring D overall start to appear remarkably high up.

* The largest quintile has been split out to prevent the smaller foundations' bars being illegibly small.

Figure 33: *Overall scores of foundations ordered by financial size (Year Three)*



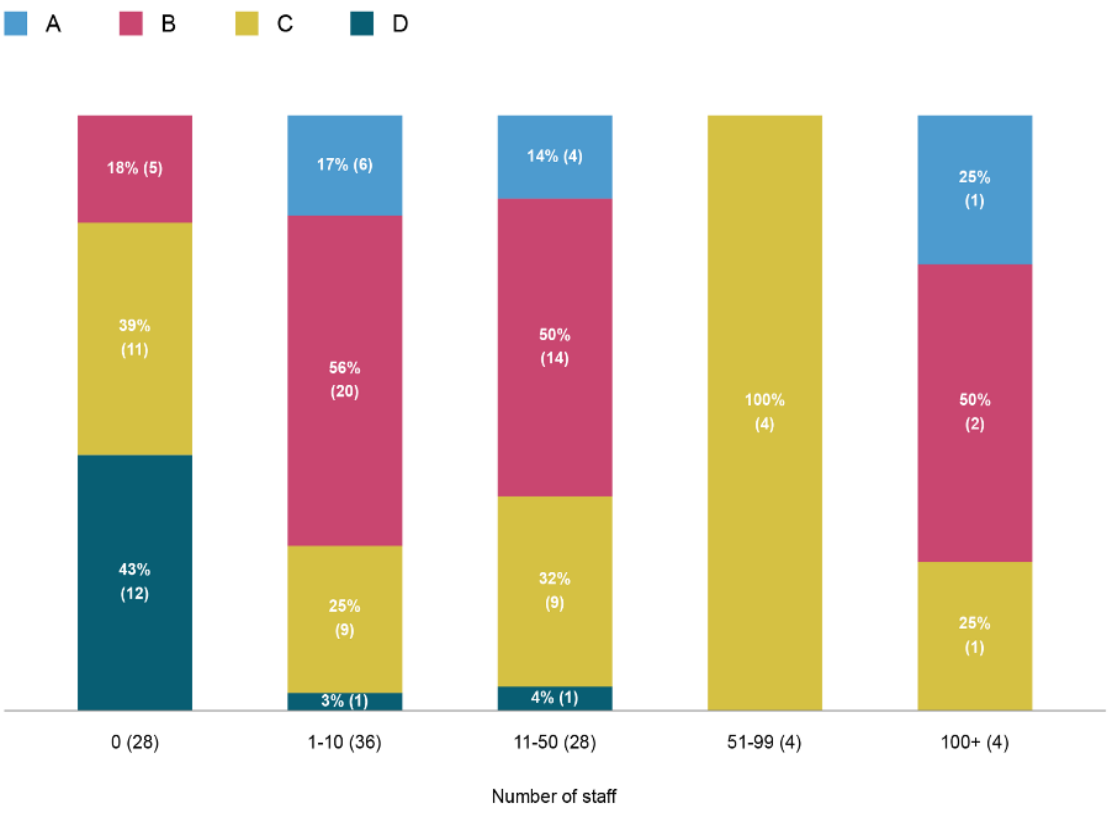
Results by size of team – staff and trustees

First, let's look at staff. In previous years, foundations with no staff tended to score lower than foundations with some staff; and to some degree foundations with few staff tended to score lower than foundations with more staff.

Much the same was found this year: the lowest rating of D was disproportionately concentrated in foundations with no staff, and no foundation with more than 50 staff members scored D. This supports the hypothesis that good practices in these three important domains require work, and having too few people prevents foundations from doing that work. Remember that the number of staff that a foundation has is a choice (unlike the size of its financial assets): foundations can choose to have more or fewer staff.

Figure 34 shows how overall scores vary by the number of staff in each foundation in Year Three.

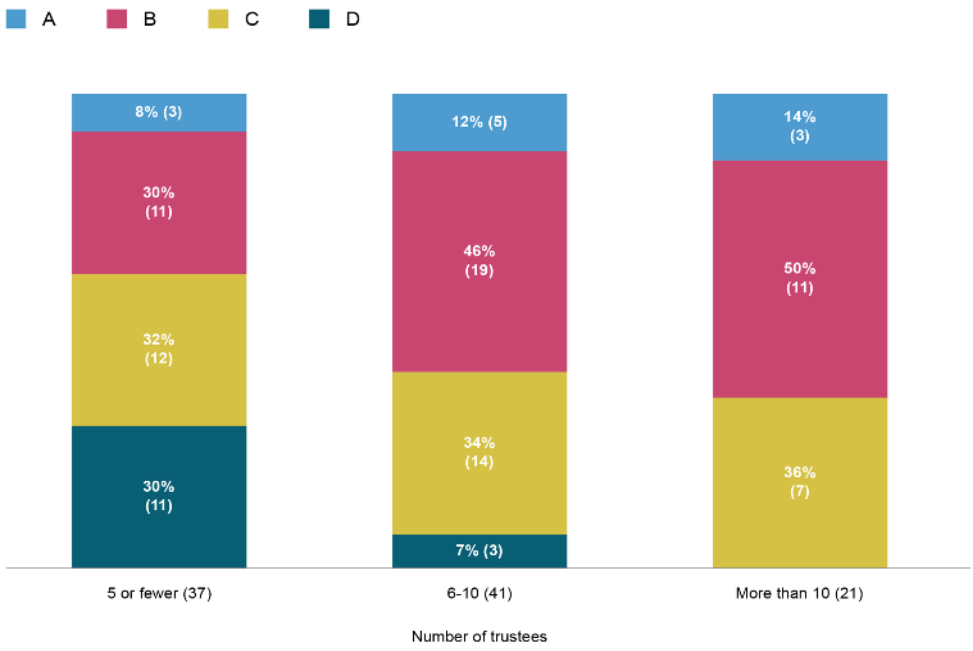
Figure 34: *Breakdown of overall scores by number of staff in each foundation (Year Three)*



* Numbers in brackets denote number of foundations

Next, we turn to trustees. In previous years, the **number of trustees** showed a similar pattern to staff size: foundations with five or fewer trustees tended to perform worse. The same was found in Year Three, as Figure 35 shows. Ds are confined to foundations with fewer than 10 trustees, and are much more common amongst foundations with five or fewer trustees. Again, a foundation can choose the number of trustees that it has, and it can have too few to do the work required for good practices in these domains.

Figure 35: *Breakdown of overall scores by number of trustees at each foundation*



*Numbers in brackets denote number of foundations.

Figure 35 only shows data for 99 foundations, because in one case (Volant Charitable Trust) the research team were unable to find the number of trustees.

Why do foundations with few personnel score badly?

The reason for this is not known. As a reminder, foundations with few staff and/or few trustees are exempt from many criteria (e.g. publishing pay gap data) so it is unlikely that the FPR penalises foundations for deciding to have few staff and/or few trustees.

It may be because disclosing the information which the FPR requires – which comes from other organisations' benchmarks and two consultations with the sector, i.e. seem to be what the sector wants – takes work, and having too few personnel means that foundations lack the labour to do that work. Clearly, funds spent on staff are funds not available for grants, but there are false economies: perhaps foundations with few staff could improve their performance and impact by having more.

On which, remember that this sample is the largest 300 foundations in the country – plus community foundations and foundations which fund the FPR. The really tiny foundations are not assessed.

4. Other findings, aside from the ratings

Foundation websites

In general, foundations with websites were good about publishing their funding priorities, eligibility information and information about who and what they have funded. Having a website is essential to performing well, both in the domains and overall: no foundation without a website scored above D overall.

As in both previous years, many foundation websites could be much better:

- 13 foundations in the Year Three sample had no website at all;
- many foundations' websites were hard to navigate, and when zoomed to 400% the hamburger button froze, hindering navigation of the website. Many had no working search function;
- when navigating using the keyboard, some websites did not highlight the position of the cursor, leaving one to read the small navigation text in the bottom left corner. This increases the navigation difficulty for anyone with a disability;
- some websites were visually very busy, impeding finding information quickly and easily. This is a concern because the FPR researchers operate as if they were potential applicants, who might also be unable to find information that they need;
- other websites shared only very limited information. Some of the foundations included this year had just a single webpage.

Foundations' reporting about lived experience and social class

For Year Three, as for Year Two, data were collected on whether or not foundations reported about the 'lived experience' and/or 'social class' of their staff and trustees. Foundations were not scored on this, i.e. this does not contribute to ratings (though it may in future). Rather, they were collected as a 'toe in the water', to see whether foundations report on these issues, and if so how and what definitions they use. Specifically, information was collected on whether or not either of these categories were

included in staff and trustee biographies, in the staff and trustee diversity reporting and/or as targets for staff and trustees in any diversity plans.

Both issues present definitional challenges, and clear independent definitions would help.

With those caveats, both issues show improvement since last year.

Lived experience

There is not yet a clear, agreed definition of 'lived experience'. This creates some difficulty in collecting data. For example, one foundation cites a trustee who 'has been involved in grassroots groups herself for many years'. Does that count as lived experience? On the one hand it implies (but does not prove) a better understanding of local communities, but on the other hand this person may not have dealt with the barriers themselves so may not really have 'lived' them or understand them. Similarly for a staff member who has 'worked with people experiencing homelessness'. There are many such examples. But other instances are unambiguous, e.g. Blagrave Trust says that one of its trustees was previously homeless.

Some foundations report information about staff / trustees with caring responsibilities. Though it is positive if employers support team members on this, it is unclear whether / when this should be counted as 'lived experience' of the issues on which the foundation works.

Amongst staff: Three foundations provided 'lived experience' information in their staff biographies (Blagrave Trust, Leeds Community Foundation[12] and Leprosy Mission International*). Blagrave Trust[13] and Leeds Community Foundation included 'lived experience' for its staff in their diversity reports. Joseph Rowntree Charitable Trust and Wellcome provide some information which is relevant but it is unclear whether it counts as 'lived experience'.

Amongst trustees: Two foundations provided 'lived experience' information in their trustee biographies (Blagrave Trust and Leeds Community Foundation), and both included that for trustees in their diversity reports.

Social class

There is a significant improvement on Year Two, when no assessed foundation provided information on social class in staff or trustee biographies.

Again, it was difficult to be confident in knowing precisely what information to allow here. For example, KPMG Foundation (which opted in in both Year Two and Year Three) reports clearly on the proportion of its team which are 'from working class backgrounds'.[14] That was counted. But one foundation reported the proportion of its trustees which 'attended an independent / fee-paying school and one or both parents attended university'. Clearly that can be taken as an indicator of class / background.

* The Annual Report includes an estimate of numbers of staff who have lived with leprosy.

The research team eventually decided against counting this because (some) independent / fee-paying schools offer bursaries or scholarships precisely so they can include pupils from less affluent backgrounds, so that is not a reliable indicator of family wealth.

Amongst staff and trustees: Four foundations provided social class information (Friends Provident Foundation, Paul Hamlyn Foundation, Community Foundation serving Tyne & Wear and Northumberland,[15] and Leeds Community Foundation). Friends Provident Foundation,[16] Paul Hamlyn Foundation, Community Foundation serving Tyne & Wear and Northumberland and Leeds Community Foundation[17] provided social class information in their diversity report.

Foundations' reporting about the diversity of the organisations they fund

Data were collected about whether foundations reported on the diversity of their grantees. The research team were also interested in whether foundations used an independent set of definitions for this, such as the DEI Data Standard.[18] This was a new addition in Year Three, and was partly in response to the consultation.

Thirteen foundations reported about this, five of them community foundations.

The foundations varied in:

- whether they reported the diversity of their applicants as well as grantees. For example, for Wellcome, only analysis of grantees was found, whereas for the Esmée Fairbairn Foundation, analysis of applicants and grantees was found;
- the characteristics of diversity on which they reported. For example, the Sport Aid Trust reported on the breakdown of people receiving a SportsAid award by gender, whether they had 'a disability' and whether they were 'from ethnically diverse communities', whereas the Lloyds Bank Foundation for England and Wales stated a breakdown by race. ('28% of funding went to charities led by and for Black, Asian and minority ethnic communities'). The United Utilities Trust Funds reports a breakdown of individuals applying for funding based on their age but no other characteristics;[19] and
- whether they stated what the definitions were and where they had come from. Some foundations had used the DEI Data Standard, and some had had a Race Equality audit (e.g. John Lyon's Charity[20]). Others did not state the definition or source: for instance, one reported the breakdown of funding which 'went to charities led by and for Black, Asian and minority ethnic communities', though it is unclear how that is defined or who determines whether a particular grantee meets that definition or not.

In short, the data provided by foundations about the diversity of their applicants and grantees could be a great deal better. It is currently insufficient to create any reliable picture of the combined funding flows.

Evidence and analysis of foundations' own effectiveness

Many foundations require grantees and applicants to produce evidence of their effectiveness, yet few foundations publish such analysis of their own effectiveness. **Just 16 of the 100 foundations in the main cohort were scored as providing analysis of their own effectiveness.**

Definitions and decision – rules

Clearly grant-makers' effects are mainly vicarious through their grantees, so identifying their effects is complicated. But it is possible to gain a 'line of sight' through various types of analysis, all of which Giving Evidence has seen foundations produce and publish. A foundation's effectiveness analysis was counted using evidence such as:

- views of grantees and/or applicants, collected systematically. (The research team did not count ad-hoc quotes or case studies published without a statement that all grantees / applicants were surveyed, because there is no way of knowing whether the foundation has cherry-picked only the most flattering examples);
- analysis of the proportion of grants which (at some level) succeeded vs those which did not; and
- analysis of the costs created by the foundation's funding processes and borne by grantees / applicants: ideally this would be expressed as a proportion of the amount given, i.e. the net grant. This matters because clearly if a foundation is a net drain on the sector it seeks to support, then it is not helping.

The research team were open to counting other relevant analyses if they found them. Points were not awarded for:

- simple breakdowns of the grant portfolio, e.g. by grant size, geography or sector, because these do not relate to effectiveness;
- claiming some benefit but without explaining the input data or calculation method (since such data could simply be fabricated). For instance, one foundation cited a figure for its social return on investment, but it was not clear who had calculated it or how it had been calculated, or the data set or time period to which it referred. Another foundation stated that '£3.06 [is] generated for every £1 invested', and that this 'reveals how [its beneficiary group] are having their lives transformed';
- stories of grantees' effects. Grantees might have achieved that impact *despite* their funders! (This will certainly happen if the grant is net negative – costing more to deal with the funder than is granted, as happens sometimes);

- citing activities / outputs, e.g. '76 volunteers have received training to help them provide support within their organisations'; and
- describing or counting changes created by grantees. This is because it is unclear whether the funder(s) contributed to those changes: sometimes grantees achieve things despite their meddlesome funders!

This year, three changes were made to the research on this criterion. First, the research team published an article explaining the types of analysis which are required for it.[21] Second, they were stricter in what counted. They stated in the report last year that they might make this change. Whereas in previous years foundations might have gained credit for simply stating that they had done a systematic survey (and, for example, citing a few quotes from it, without evidence that they were representative), this year they wanted to see the full survey results. They also only counted analyses of the foundation as a whole, rather than only for a particular programme: again, this is because there is no way of knowing whether that programme was chosen (or *the results* for that programme chosen for publication) because they are flattering and everything else withheld. And third, as for other criteria, the material needed to have been published in the last three years.

Findings

Most foundations (84 out of the 100) published no analysis of their own effectiveness.

Of those that do, the analyses vary considerably. Surveys of grantees were the most common, some of which also include applicants. Some of these – such as that by Lloyds Bank Foundation – also list lessons learned through the foundation's practice, grantee reports, etc., and also about changes which the foundation is making as a result.[22] Some foundations do not state who ran the survey – and, related, whether it was anonymous – whereas several others state that it was done by a contractor.

Walcot Foundation says that it scores each grant on how well it met its objectives.[23] That is fabulous. Sadly, Walcot Foundation does not (yet!) publish those data, even in aggregate.

There were some interesting examples of impact and types of analyses of impact. For example, Joseph Rowntree Foundation lists findings from its research, and also some activities of its staff (as distinct from its grantees). For example:

> Our policy and campaigns experts were frequently sought after by media outlets, political groups, and advisory bodies for commentary and advice. In addition to hundreds of appearances and comments in the national and regional press JRF personnel were invited to address meetings of the Work and Pensions Select Committee, the APPGs on Hunger, Universal Credit, Poverty and Health and the BEIS Equalities Working Group.

Equally, Wellcome's Science Report discusses the bibliographic success of its science funded projects, which (as it says) is a proxy for the impact of that work.

In sum, it continues to be the case that foundations could do much more to analyse and understand their own effects – as opposed to those achieved by their grantees – and to publish the methods and findings of those analyses. If a new funder were to read all the impact reports published by the cohort of 100 foundations, it is doubtful whether they would learn much which is backed by data about how to give well.

It's very difficult to contact some foundations

In each of the FPR's three years, the research team sent to each assessed foundation the data about it, for it to check. They used the contact details that foundations provide. For a surprisingly large number, that is not email but a postal address – so the information was sent by post. For an also-surprising number, the email address is a generic one – such as info@ or enquiries@ – and sometimes it is for a lawyer. Foundations quite often feed back that those emails are not received: presumably they go to spam and are not checked. That is, for many foundations, the contact details which a prospective applicant might use go to some place which is not checked.

All charitable foundations operate in the public interest and are subsidised by the tax-payer. It seems not unreasonable that outsiders should be able to contact them.

Using Vital Signs reports to determine funding priorities

Seven community foundations in the Year Three cohort use Vital Signs reports to establish priority needs in their geographic areas to determine their strategies. Vital Signs was developed by Community Foundations of Canada, which describes it as 'a community-driven data program that uses local knowledge to measure the vitality of a community and support action towards improving collective quality of life'.[24] It is championed by UK Community Foundations (the membership body for community foundations) and used by community foundations in various ways:

- Multiple thematic areas or single thematic area: Cornwall Community Foundation publishes a comprehensive Vital Signs report every five years with statistics in eight thematic areas including environment, arts and culture, safety, fairness and strong communities, etc. The Community Foundation serving Tyne & Wear and Northumberland publishes single-themed reports more frequently, e.g. a cost of living themed report in 2022.
- High cost vs low cost: Bedfordshire and Luton Community Foundation commissioned a private researcher to produce Vital Signs reports in 2017 and 2023 that combined use of published information, a community survey and key informant interviews. In comparison, the South Yorkshire Community Foundation has rolled out an online survey to community residents.

- Herefordshire Community Foundation defines priority needs by comparing its performance with neighbouring counties. It compares key indicators in 10 thematic areas with neighbouring county scores to select high-priority and very high-priority intervention areas defined as performing worse than 60% of its neighbours and 80% of its neighbours respectively.

The Vital Signs approach / method is highlighted because perhaps more foundations could use it (or some variant of it) to gain valuable insights about the communities or needs that they seek to serve. Vital Signs is used in at least 10 countries and by increasing numbers of UK community foundations.*

Examples of great practice

As last year, the research encountered some practices that seem particularly strong. Some are cited in Figure 36 to inspire other foundations and to show what is possible.

Figure 36: *Examples of particularly good practice*

Practice	Foundation
Has a grants application wizard that guides the applicant to select the appropriate fund / grant to apply for	South Yorkshire Community Foundation
With diversity data of staff and trustees, the foundation provides the comparative community diversity data	Leeds Community Foundation
Has a grants and giving booklet that is published every year	Leicestershire and Rutland Community Foundation
Has an illustration of the entire grant making process on one page	Lincolnshire Community Foundation
Provides detailed instructions on whistleblowing, with information for each type of concern, e.g. misuse of funds, bullying and harassment, sexual exploitation and abuse	Leprosy Mission International
Has minicom enabled phone contact detailed for text relay services on the contact page	Joseph Rowntree Foundation
Provides details on the application criteria and process even though unsolicited applications are not accepted	KPMG Foundation

* UKCF reports an increase from four foundations in 2013 producing Vital Signs reports, to 16 foundations in 2017. UKFC (2019) *Vital Signs and the UK Voluntary Sector: Utilizing the community foundations Vital Signs initiative to model philanthropic giving*, https://www.ukcommunityfoundations.org/media/emnea3ir/ukcf-report-updated-apr-2019-new.pdf

Practice	Foundation
Has multi-language enabled on the UserWay accessibility widget, which can change the entire website to Welsh or any other language	Lloyds Bank Foundation

A list of bad practice has not been compiled for this report. This is largely because most ‘bad practice’ is simply that things are absent: for instance, that a foundation does not publish pay gap data, or does not publish its funding priorities, or its website cannot be read without a mouse. It was often found that, where a foundation has a funding stream but it is not open for applications at the current time, there can be no information about it published at all. That prevents charities from seeing whether they might be eligible and planning to apply when that becomes possible again.

5.Reactions from foundations

The discussion of foundations' reactions has been split into: their technical reactions to the data about them, which they are each sent to check; and comments about the FPR more broadly.

Foundations' reactions to the data about them

Each included foundation was sent the information gathered about it, so that it could suggest corrections and point out anything that had been missed. They had at least three weeks to respond. The research team ran three public webinars during this period, open to anybody and to which the included foundations were invited.

For context, most (87) of the 100 included foundations had not asked to be included: rather, they were chosen randomly.

Responses were received from 35 foundations. That is a considerable increase on Years One and Two, which each saw just a handful.

Some comments were minor; e.g. several simply acknowledged the data, and confirmed their accuracy. Some foundations had not hitherto been aware of the FPR and wanted to ask how it worked and how / why they had been selected. Quite a few sought to confirm that they were exempt from certain criteria because they, for instance, have only a few staff or only accept invited proposals. The accompanying letter to foundations explaining the data could have explained this better, and has been improved for future years. In a couple of instances, foundations cited relevant public information which the researchers had missed, so their data were adjusted accordingly. Some responses included examples of foundations changing their practices as a result of the FPR: these are discussed below.

Whereas in Year One some foundations replied saying that they did not think they were grant-making foundations, there was no such response either this year or last year.

Examples of foundations changing their practices as a result of the FPR

Many more such examples were found this year. Some were recounted verbally; others in writing; some were from foundations which have been assessed (either this year or

previously), whereas **others were from foundations which have never (yet) been assessed.**

These examples are very heartening because the FPR was created and designed to influence behaviour rather than simply as a research exercise.

Below are some examples: these were provided by foundations – unsolicited – when foundations responded to the data about them that was sent to them for checking. Below is the full set of such responses: these have not been cherry-picked in any manner.

> ‘Generally I would like to say the FPR is proving useful when we are thinking about transparency. It is not just a case of ‘compliance’ but it helps our thinking about what we post and how we frame our output or our communication.’ (Paul Hamlyn Foundation)
>
> ‘Thanks once again for sharing your review of our practice rating. We have discussed as a team and whilst we see lots of areas for improvement (either in practice or in terms of transparency or clarity of explaining how we work) we do not see any areas where correction is required. We recognise there’s so much we’re doing that we haven’t made visible – but this is an action for us to take away.’ (Co-op Foundation)
>
> ‘I completely understand your comment on diversity and am very grateful for highlighting this as an opportunity for improvement. We are in the process of developing a new website and your review is very helpful in making our processes and policies more transparent on our website. Thank you very much for including us in the Practice Rating. Many thanks for organising the webinar too. I found it very useful. I agree with your findings, and these are very helpful for improving our practices and the information available on our website. I have a few clarifications included in red in the table below.’ (Cornwall Community Foundation)
>
> ‘Generally we think most of it is pretty fair and it gives us some easy pointers for improvement. Observations on decision timelines for all funds, payment timings and decision-making process, plus specific support to people with access issues are all useful and will be addressed.’ (Kent Community Foundation)
>
> ‘We are now exploring how this information can be provided to potential applicants in our funding guidelines and on our website. [*Re. the criterion: ‘Does the foundation provide its data on awarded grants in a downloadable (open) format that doesn’t require payment to access?’*] The information is provided on our website and free to access but is not currently available in the formats indicated. We will now be exploring these options. [*Re. being a Living Wage employer*] The Trust is a Living Wage employer and is a principal partner of the Living Wage Foundation. This was highlighted on our website but appears to have fallen off during our website refresh so thank you for highlighting this. This information has now been added again.’ (abrdn Financial Fairness Trust)

Clearly this feedback is not definitive proof of systematic change across the board, but is nonetheless heartening in terms of indicating that the FPR is having its desired effect of encouraging foundations to improve their practices.

6. Next steps

Next year's research and analysis

The Foundation Practice Rating will run again in 2024–25 (which will be Year Four). The details have yet to be finalised but the following is envisaged.

The **cohort of foundations** will be defined in the same way: that is, it will comprise:

- the foundations funding the work;
- the five largest UK foundations by giving budget; and
- a fresh sample of other foundations drawn from an independently published list of UK grant-making foundations, and the most recent list of UK community foundations. It will, again, be a stratified random sample.

As with Year Three, there is a good chance that foundations in the cohort in Year Three or before will be included again in Year Four, simply by weight of numbers: the sample is 100 foundations drawn from a set of around 380 foundations, depending on what is in the independent report and on the UK Community Foundation's website.

It is likely that **the criteria** for Year Four will be largely the same. That is for reasons of continuity and direct comparison. That said, the questions may be refined in the light of experience and feedback. At some point – perhaps after Year Four – the criteria may be completely overhauled, reviewing them 'from the ground up'.

The 'grade boundaries' are likely to remain the same in Year Four as for Years One, Two and Three. An alternative is to raise the bar for the rating bands, on the basis that, by Year Four, foundations have had time to improve their practice and disclosure, and expectations should accordingly be higher.

Assessing the impact of the FPR

As set out last year, accurately and comprehensively identifying the entire effect of this project will be impossible.

This is because there is no counterfactual: the FPR 'operates on' the whole UK foundation sector – and does so quite deliberately – for instance by publishing the FPR criteria and stating publicly that the rating is being carried out, and that any foundation might be included in any year. There are therefore no foundations that are outside what

researchers call the 'treatment group' (i.e. who are not affected by the project). This precludes any comparison of changes in performance of foundations who are 'treated' (i.e. assessed) with changes in performance of foundations who are not – everybody is 'treated'.

Furthermore, there is no 'baseline' data. The FPR Year One data in effect are the baseline, but they were gathered *after* the criteria and guidance on 'how to do well' were published: that is, after the intervention started. As a result, it is possible that some foundations may have changed practices and public documents in response to the criteria and guidance but before the formal data gathering. And that is great! – the FPR team and funders are more interested in encouraging change than in documenting and attributing it.

Consequently, it is not possible to rigorously distinguish between the effects of this rating and the effects of (the many) other factors that affect foundations. Any observed changes could be due to factors that affect all foundations.

However, as mentioned, there are encouraging signals and examples from various foundations that they are changing their practices in response to the FPR (and probably other factors too). Many foundations have said that they find value in this process and the criteria. The FPR will continue to track these anecdotes and hope that the process continues to create value for the sector. The FPR may commission some systematic qualitative work to hear from foundations about whether they are aware of the FPR, their experiences of it and whether / where / how it has affected their practices. This might illuminate both the kinds of effects that the FPR is having, and how it could be amended to be more consequential.

How to provide feedback

Friends Provident Foundation welcomes feedback about this project. That can include your views about the process or the results; or if your foundation is now changing its practice as a result.

Please contact Friends Provident Foundation:

enquiries@friendsprovidentfoundation.org.uk

Appendices

A. Method: How the Foundation Practice Rating works

This section describes who is involved in the FPR and their roles, the principles underpinning the design of the FPR, how the rating process was developed, how research was undertaken, and how the data collected about the foundations were converted into ratings.

Principles which inform the FPR method

A rating, not a ranking or index

The FPR is a *rating* of foundations, not a *ranking*.

A rating is an absolute measure of performance. In a rating system, everybody can get top marks, or everybody can get bottom marks.

The FPR is not a ranking, because rankings show relative performance (who is top, who is second, and so on). The FPR intends to assess what prospective applicants experience, which is a foundation's absolute performance, not relative performance. If all the foundations with which a charity deals are brilliant, it doesn't much matter which one is slightly more brilliant than the others; and if all the foundations are awful, it doesn't matter who is marginally the worst. Furthermore, a ranking is a zero-sum system: if somebody rises, somebody else must fall: in other words, one organisation's gain is at somebody else's expense. This is not how foundation practice works.

A rating shows foundations' performance on an absolute scale so gives a stronger signal for improvement than a ranking would, and is also capable of indicating the improvement of the sector overall.

Equally, the FPR is not an index. An index – such as the Retail Price Index – solely tracks changes over time, rather than showing the absolute level.

Objectivity

A key principle in the FPR is objectivity. Hence the decisions are based on external sources whenever possible. For example:

- an existing list of foundations is used, rather than creating a new one;

- the FPR criteria draw on other self-assessment tools and ratings in the private, public and non-profit sectors – such as GlassPockets' Transparency Standard, Give.org's BBB Standards for Charity Accountability, the Social Mobility Employer Index and the Racial Equality Index. These sources are detailed in previous years' reports. There was also a public consultation about the criteria and process;
- each criterion is given equal weighting within its domain. Hence the FPR is neutral as to the relative importance of the various criteria within a domain;
- each domain – diversity, accountability and transparency – is equally weighted in the overall score: the FPR is neutral as to the relative importance of the various domains;
- on assessing foundations' investment policies and whether they should have them, the FPR used the fact that GlassPockets features a criterion that foundations should include an investment policy, and the Charity Commission for England and Wales publishes guidance on what investment policies should contain.

Nonetheless, some scores unavoidably involved subjective judgements. For instance, one criterion asks whether a foundation had published any analysis of its own effectiveness (distinct from listing grantees or the budgets of its various funding streams). The researchers had to judge whether any particular document constitutes analysis of that foundation's effectiveness.

Taking the stance of a prospective applicant

Grant-making foundations create social change through the organisations that they fund. The FPR puts those organisations centre-stage. The research process is designed to mimic the experience of prospective applicant by acting as they do:

- **only publicly available data is used.** The sources used are those most likely to be used by a prospective applicant, i.e. the foundations' websites and their annual reports and accounts filed with the regulator. Other materials, such as those presented at events or on social media, are not taken into account; and
- **a time limit is set for the research.** Each researcher spends up to 90 minutes researching each foundation, a plausible time that a charity might spend initially researching a possible funder. Sometimes the information is hard to find: sometimes it takes 90 minutes to find it all, at other times it was faster. A prospective applicant may not take (or have) as much as 90 minutes, so, even if the information was found and the foundation scored well on that aspect, there is scope to make it easier to find.

The FPR uses only public information

Because the FPR takes the perspective of a prospective applicant, it uses only publicly available data: from foundations' websites (including reports on there) and their annual reports as published by their regulator. For a few criteria, the information must come from the website, such as 'Does the foundation say who its staff are on its website?'

Of course, this may not completely capture what foundations are doing. For example, if they did an excellent job involving a diverse group of stakeholders but did not mention that on their website or in their annual report, the rating gave no credit for that. The research team did not look at material posted on social media, simply because of the difficulty of searching through it.

Clearly, foundations may have materials or processes which are not public, e.g. one has diversity goals which are not public, and one told the research team privately that it is willing to talk with prospective grantees before they apply. Those are not counted because they are not visible to outsiders.

Some foundations wrote to the research team saying that they have considered publishing particular material and there is a good reason why they do not publish it. Again, that information – and usually the rationale for not publishing it – are not visible to outsiders, so it is not counted. (Some of these decisions seemed curious. For instance, one foundation said that it does not put trustee names on its website for reasons of 'privacy' or 'avoiding bias', though they are – by law – published by its regulator.)

Roles

Funding

The FPR is funded by 13 foundations:

- Friends Provident Foundation;
- Barrow Cadbury Trust;
- The Blagrave Trust;
- Esmée Fairbairn Foundation;
- John Ellerman Foundation;
- Joseph Rowntree Reform Trust;
- Joseph Rowntree Charitable Trust;
- Lankelly Chase Foundation;
- Paul Hamlyn Foundation;
- Power to Change;
- Indigo Trust;
- City Bridge Foundation; and
- John Lyon's Charity.

These foundations, collectively called the Funders Group, meet periodically to advise. The Association of Charitable Foundations also joins these meetings.

Research

The design and refinement of the rating system (including defining the criteria and research process) is led by Giving Evidence, an independent consultancy and research house. Giving Evidence works to encourage and enable *giving* based on sound *evidence*. It developed the FPR rating system, including the criteria and scoring system, and produces the research and analysis for the ratings each year.

Giving Evidence's role covers:

- determining the criteria (including running a public consultation each year);
- determining the cohort of foundations to be assessed;

- gathering the data about each included foundation and ensuring its accuracy;
- turning the data into scores in each of the three domains, and from that ratings on each domain, and from that an overall rating; and
- analysis of the results.

Decisions

The Funders Group has no control over the detail of the assessment, nor the data about or ratings assigned to individual foundations, including themselves. All operational decisions are made by Giving Evidence; discrepancies on the research findings are resolved by the research team; and the scores are determined by the scoring system set up by Giving Evidence.

Scope: How the assessed foundations are chosen

The FPR looks at UK charitable grant-making foundations.* Public grant-making agencies (such as local authorities or the research councils) are not included because they have other accountability mechanisms.

There are hundreds of charitable foundations in the UK, so a sample is taken. Each year's cohort comprises 100 foundations, which are:

1. **the foundations which fund this project.** This project does not aim to criticise other foundations, but instead to improve the whole sector. The Funders Group foundations are assessed using the same criteria and process as the other foundations. They are listed on the previous page;
2. **the five foundations with the largest giving budgets** in the UK, because they so dominate UK grant-making overall; and
3. **a stratified random selection of community foundations and other foundations** listed in the most recent ACF Giving Trends report. For the latter, the foundations' giving budgets are taken from the ACF report. (The research team adopt ACF's determination of what is a foundation. Some organisations which have been assessed by the FPR because they are included in ACF's list have written to the research team disputing that they are grant-making foundations.) For community foundations, their revenue is taken as the figure on the relevant regulator's site listed as 'charitable expenditure': of course, this might include non-grant expenditure. The cohort is organised so that a fifth is in the top quintile by giving budget; a fifth in the second quintile, etc. Consequently, there are fewer randomly selected foundations in the top quintile (because five of those 'slots' are already taken by the UK's five largest foundations).

* This includes the organisations that fund it. They include the Joseph Rowntree Reform Trust, which is a non-charitable grant-making foundation. It is the sole non-charity included.

In Year Three there were various anomalies, e.g. foundations which were on ACF's list but turned out to have ceased operations. For completeness, anomalies are listed and explained on page 79.

In response to feedback foundations can choose to opt-in to the FPR, paying a small fee to cover the research work. They are assessed in the same way as the main cohort. Their results are reported here but separately from the main analysis to avoid the selection effect skewing the results. Three foundations opted-in in Year Three: The Masonic Charitable Foundation, Mercer Charitable Foundation and KPMG Foundation.

The process for gathering the data

Gathering and checking the data

Eight researchers plus a Giving Evidence research manager gathered and checked the data: some had worked on the FPR in previous years whereas others were new. No assessed foundation, including the Funders Group foundations, is a Giving Evidence client.

The researchers are chosen to have enough experience of charities, foundations or similar organisations and/or fundraising to understand the dynamics and perspectives of a prospective applicant, but not to know the UK foundation scene so closely that they have relationships and hence conflicts of interest. Several of the researchers are based outside the UK, deliberately, because some prospective applicants are outside the UK and have little or no contact with UK foundations. Each year, each researcher declares whether they have any relationship with any of the foundations included in the FPR: none did.

Each foundation is researched by two researchers operating independently. Each researcher is given 90 minutes to research the non-financial questions on each foundation (the financial points are scored by a separate, specialised researcher). This is to mimic a charity researching a prospective funder: such a charity is unlikely to spend more than an hour and a half looking at any given foundation. On some occasions, researchers run out of time: they cannot answer all the questions within that time. In those cases, the questions which they have been unable to answer in that period are unanswered and the foundation will not score any points for those unanswered criteria.

In order for data or reports to count, they must be published within the last three years.* This is a new rule in Year Three and is to avoid foundations getting credit for material that may be very old and hence no longer relevant or even accurate. The Year Two report stated that this change was being considered.

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* As mentioned, reports that were undated were assumed to be current and hence were counted. Research related to consulting with communities to determine the foundation's priorities was given a five-year window.

Data were gathered relating to the *criteria*, which contribute to the scores and ratings, and 'questions' which do not. A 'question' is a piece of information that the researchers collect but which does not contribute to the score, such as 'What is its website?'

The two researchers' answers are compared by Giving Evidence's research manager, who moderates them, possibly involving a third researcher to resolve discrepancies.

The data were gathered from August 2023. Each included foundation was sent its data to check during October 2023, and given three weeks to do so. The foundation's published preferred contact method was used: that was mostly email, but some foundations had no email address so the material was sent by post. Included foundations were also offered webinars, in October 2023, to discuss the FPR and answer their questions.

When a foundation raised a valid point, e.g. cited a relevant public document which had been missed, the data were amended.

Making exemptions

Foundations are only scored on criteria which are relevant to them, and are exempt from criteria which are not. For example, a foundation which has few (or no) staff cannot be expected to publish gender pay gap data, and so is exempt from that criterion.[*] A full list of the FPR's exemption rules is in Appendix D.

Equally, some foundations have programmes which are not grant-making programmes but rather campaigns with which the foundation is involved. Those programmes and that spending were excluded from the analysis, because the FPR is about grant-making. So, for example, where researchers assess the percentage of a foundation's giving for which success rates are published, they include (as denominator) only the foundation's grant-making budget: that may be less than its total spend.

As a result of these exemptions, the maximum score available within a domain varies between foundations: a foundation's maximum possible score in a particular domain was determined from only the questions relevant to that foundation.

[*] For instance, one criterion was whether foundations published a plan for improving their staff diversity. Any foundation with five or fewer staff was exempt from this criterion.
The legal requirement, when we started the Year Two process, was only for employers with over 250 staff. Very few foundations have that many staff. The researchers used 50 staff as the exemption ceiling, because that was the original recommendation to government by a report it commissioned in 2017 from Baroness McGregor-Smith: The McGregor-Smith Review (2017) *The Time for Talking is Over. Now is the time to act.*
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/594336/race-in-workplace-mcgregor-smith-review.pdf

Converting the data into domain scores, domain ratings and an overall rating for each foundation

Calculating the domain scores

Because of the FPR's principle of objectivity, the criteria within a domain were all weighted equally in generating the domain score.

To obtain a foundation's numerical score for each domain, its actual score for that domain (i.e. the number of points it is awarded in that domain) was divided by the maximum possible score for it on that domain, which gave a percentage figure. The maximum possible score differed between foundations because of exemptions.

Each foundation's numerical score in each domain was then converted into a domain rating. The FPR ratings have four grades, from A (the highest) to D. Four grades were chosen partly because various UK public sector rating / quality assessment systems have four (e.g. Ofsted, HM Inspectorate of Prisons, the Care Quality Commission). A to D were chosen because they are easy to understand.

Each foundation's rating on each domain is published, but not the numerical scores. This is to prevent a ranking being constructed from the data, which would be unhelpful for the reasons given earlier.

Calculating a foundation's overall score

Because of the FPR's principle of objectivity, the three domains were weighted equally to give the overall rating. A natural way to generate a foundation's overall rating would simply be to take an average of its scores on the three domains. However, really excellent performance requires a minimum level of achievement in all three areas, rather than just an outstanding score on one or two domains. So the FPR does not use a straight average.

This issue was addressed by the public sector comparators that were used. For example, in Ofsted's ratings, if a school is rated as 'inadequate' on any of the four domains of its criteria, it will be 'inadequate' overall: in other words, a school's overall rating will not be higher than its lowest domain score.[25] The Care Quality Commission regulates health and social care provision in England. It assesses providers on various aspects, and if a provider scores below 'good' on any aspect it cannot get an 'outstanding' rating overall.

The FPR uses a similar principle. If a foundation scores badly on any domain, it cannot be said to be excellent. For instance, if a foundation is graded A in both accountability and transparency but D in diversity, it does not warrant an overall grade of A.

The FPR rule is that a foundation's overall rating can be at most one grade higher than its lowest domain score. That is, if a foundation scores D in any domain, the best overall score it can get is C. Similarly, if a foundation scores C in any domain, the best overall score it can have is B. The overall rating of a foundation is determined by taking the *lower* of:

- what the overall grade would be if the foundation's average score from the three domains were converted into one number, and then into a grade; and
- the lowest grade that a foundation achieved for an individual issue, increased by one.

This is illustrated in Figure 37.

Figure 37: *Illustration of rating system used by the FPR*

Foundation	Diversity rating	Accountability rating	Transparency rating	Rating based on the numerical average of its domain scores	Actual overall rating	Reason
1	A	B	A	A	A	Lowest grade (B) raised by one is the same as the simple average.
2	A	C	A	A	B	Lowest grade (C) raised by one is B, which is lower than the average score.
3	B	B	B	B	B	The simple average is B, and there is no reason to lower it.
4	D	A	A	B	C	The lowest grade (D) raised by one is C. This is lower than the simple average (B). This foundation's grade is affected by its poor performance on diversity.

In Year Three, there were only seven foundations whose overall ratings were different under the rule described above than if a simple average had been used (in Year Two there were 10 foundations.) They were all pulled down by their ratings on diversity, moving from B overall to C overall because of a D rating on diversity.

Analysis and statistical tests

The research team did various analysis on the ratings and also on the numerical scores. They used statistical analysis to check whether apparent changes from year to year in

the numerical scores are statistically significant or just likely to result from random chance. To examine changes in overall and domain scores from year to year, they used two-tailed t-tests. These analyses were checked for accuracy and method by an independent statistician.

How the criteria were defined

Determining the criteria

It is important to ensure that the FPR reflects what operational nonprofits want from foundations. So, each year, Giving Evidence runs a fresh public consultation, promoted to UK charities and foundations. Respondents can suggest new criteria, criteria to be removed or adapted, and any other changes to the process. The consultation influences the criteria for each year. In both Year Two and Year Three, the consultation highlighted issues that should be covered: such as lived experience. As a 'toe in the water', the research team added non-scoring questions on these topics in both years, to see what foundations publish and test the feasibility of developing scoring criteria on them. The results of this are discussed in the section 'Foundations' reporting about lived experience and social class' (page 53). The data on these questions have been reported, even though the data don't contribute to the ratings.

All criteria are based on external definitions and thresholds, where possible. The process for determining the criteria is described in detail below.

The criteria, and guidance on how the criteria would be assessed, were published before the assessments were carried out. For Year Three, some small refinements were made to some criteria and thresholds (see page 76 for more details), but the criteria are largely unchanged from previous years.

The three domains of diversity, accountability and transparency

The FPR covers three 'domains':

- **Diversity.** The extent to which a foundation reports on the diversity of its staff and trustees and its plans to improve its diversity, and how well it caters for people who prefer / need to communicate in different ways (i.e. accessibility). The FPR did not look at issues such as how well foundations hear and heed views from a diverse set of stakeholders to inform their work. On the issue of what or whom foundations fund, this was not covered in Years One and Two, but for this Year Three data were gathered about whether and how foundations disclose who they fund. Those data are reported in the section 'Foundations' reporting about the diversity of the organisations they fund' (page 55).
- **Accountability.** How anyone who wants to examine the work or decisions of a foundation after the event can do so, and make their voice heard.
- **Transparency**. Whether a potential grantee has access to the information that they need to decide whether to apply for funding, or to ask the foundation for that, or to make other enquiries.

The FPR to date has not examined what the foundations actually fund. It is possible that a foundation with poor disclosure and undiverse staff might fund very diverse organisations and activities. This year, the research team started gathering data on this and may create scoring criteria on it in future.

On diversity of staff and trustees, the researchers measure whether foundations publish data about their diversity. Few do. They have previously attempted to assess what the reported diversity of staff and trustees is. But they have been unable (thus far) to find a sensible and objective way to assess it: to what should it be compared? For instance, should the racial diversity of a foundation funding across the UK but based in Norwich be compared to that of the UK as a whole, or just Norwich, or all of East Anglia? What about a foundation based in the UK but funding globally, or funding biodiversity? Deciding on such questions seemed to require opinion, which the FPR tries to avoid. In Year Two, data on the actual diversity of staff and trustees were collected (the FPR criteria only cover whether it is disclosed at all) and published.[26]

Some foundations did not disclose particular information – and sometimes this is for good reason, because of how they operate. For instance, some foundations that fund human rights work might want to avoid attracting attention – particularly to their grantees – because that may imperil them.

The rating does not imply that some ways of doing philanthropy are better than others. But it may prompt reflection about foundations' practices, their openness and accountability. Weaknesses in internal practices may 'spill over' into their funding approaches.

Selecting criteria, and developing them over time

Criteria were developed in each of the three domains. They are listed in Appendix C, which shows the domain for each criterion.

In Year One, criteria were selected through a process which involved: discussions with the Funders Group; researching criteria used in other rating and ranking projects (UK and international); testing a subset of these criteria through a public consultation; soliciting suggestions from the general public; interviews with sector and rating experts; and several rounds of feasibility testing. The final criteria were selected only if they met both the following requirements:

- **in scope.** The criteria must relate to diversity, accountability and transparency. Any that did not were out of scope. For example, criteria only about environmental sustainability or relating to an assessment of a foundation's impact or its strategy were out of scope; and
- **observable and measurable.** The rating process used only publicly available sources, and therefore the criteria had to relate to data that could be in the public domain. The evidence on whether a foundation met a criterion had to be measurable from the outside, and not require (for instance) interviews with staff or insider knowledge.

Most criteria remained the same into Year Two and Year Three. The criteria received a favourable response in the consultations, and continuity aids comparisons over time. The detailed criteria are in Appendix C.

Some minor changes were made in Year Two to improve clarity and the research process. They include combining a couple of questions which turned out to be rather duplicative.

Information gathering questions were added which do not currently influence scores:

- from Year Two, information was collected on whether foundations cover the social class or lived experience of staff and/or trustees; and
- from Year Three, information was collected on whether / what foundations publish about the diversity of their applicants and grantees.

Lastly, some changes have been made that may affect scores:

- in Year Two, the exemption threshold was changed for questions about staff diversity plans. In Year One, foundations with fewer than 10 staff were exempt from questions about staff diversity plans: in Year Two, that was changed to five or fewer staff. This had the effect of aligning it with the threshold applied for the equivalent questions for trustee diversity. That change resulted in four foundations scoring a grade on diversity lower than they would have scored using the Year One rules; those four plus another one also dropping a grade in their overall score;
- in Year Three the following adjustments were made:
    - taking a more robust approach to the evidence needed to score points on assessing their own effectiveness: more detail is in the section ‘Evidence and analysis of foundations’ own effectiveness’ (page 56). This may reduce accountability scores a little, other things being equal;
    - mostly only counting information published within the three years before the research period, which was autumn 2023. It was assumed that undated reports were still current. Details of how foundations had consulted with the communities they seek to help, and how that had influenced their strategies, could be up to five years old. These changes would also have the effect of reducing scores a little, other things being equal; and
    - whereas in previous years the research team assessed how many programmes had transparent eligibility criteria, decision-makers and time-frames associated with funding, this year they assessed the percentage of a foundation’s funding that had those, to avoid a situation where a foundation would be marked down if it had (for example) one very large and transparently run programme and several less transparent but much smaller programmes. This could either slightly increase or decrease scores.

Some of the FPR’s criteria are based on similar criteria used in other rating or ranking systems, e.g. GlassPockets, BBB Wise Giving Alliance, Standards for Charity Accountability, the Racial Equality Index, the Social Mobility Employer Index, and a

range of reports produced by the Association of Charitable Foundations as part of its Stronger Foundations initiative.

Figure 38 shows two examples of the final criteria, related external benchmarks and comments from the public consultation.

Figure 38: *Examples of criteria, and related benchmarks*

Domain	Criteria	Used in other ratings or rankings tools / guidance?
Transparency	Does the foundation publish on its website any information about its funding priorities?	GlassPockets; ACF Transparency and Engagement
Transparency	Does the foundation publish any eligibility criteria for what it funds? (i.e. who as a potential recipient would be eligible for a particular grant?)	GlassPockets; ACF Transparency and Engagement

The final criteria were published on social media, along with advice on how foundations can achieve a high rating.[27]

The diversity domain also includes accessibility

In the Year One public consultation, several respondents suggested that the FPR assess how accessible foundations are, for example to people with disabilities. Therefore, various criteria related to accessibility are included in the diversity domain, because they are about enabling a diverse audience to engage with the foundation.

A foundation's accessibility was measured in several ways, including:

- **how accessible its website was.** An accessible website should meet the international Web Content Accessibility Guidelines (WCAG) that are recommended by the UK Government.[28] The WCAGs include things like: make sure your website is accessible to people who can only use a keyboard, ensure that it is compatible with a screen reader[29] and that web content is still legible in a single column when enlarged to 400%, so that it can be used by people with visual impairments;
- **whether it provided different ways for people to get in touch.** According to UK Government advice, the best way to make your information accessible to everyone is to 'make effective use of accessible communication formats'.[30] This includes having alternative formats for people with visual impairments, such as audio descriptions, a Braille option, or, for those that have hearing impairments, using technology such as text relay, or making British Sign Language or a telephone contact option available;

- **whether it provided eligibility information.** Some foundations provide this kind of information solely via PDFs. However, PDFs cannot always be used easily by screen readers. Alternatives include an interactive eligibility quiz, a video explaining who is eligible and who is not, or an in-person roadshow for potential applicants and others. In short, the more formats that a foundation offers, the more audiences it can engage with and the more accessible it will be; and
- **whether it provided different ways for people to apply.** Similar to above, a foundation was assessed on whether it offered alternative ways in which people could apply for funding, such as offline or online application forms, in-person / virtual meetings, video application, etc.

It is possible that a foundation has various methods for people to get in touch or to apply for funding but which were not publicly advertised, e.g. through invitation-only events. In such cases, the foundations were not given credit for that variety because a prospective applicant may not benefit from it.

The inter-relatedness of the three domains

There are close relationships between the three domains, so a particular criterion may relate to two or even three domains. For example, if a foundation publishes information on the diversity of its staff, that is about diversity (encouraging diverse applicants) and transparency (who it employs). A commitment to a Living Wage could be accountability, transparency (about its practices / policies) or diversity (encouraging applicants and staff). Giving Evidence chose what seems the most reasonable domain for each criterion.

Issues of foundation practice on which data are gathered but which do not score (yet)

The annual consultations in Year Two and Year Three produced suggestions of a few additional aspects of foundation practice which the FPR could consider assessing. The research team have been loathe to add criteria because of not wanting to move the goal-posts for foundations, and they also wanted to establish the feasibility of any proposed new criteria. So, in both Year Two and Year Three, they collected data on those additional aspects. Criteria may be added in future years related to these aspects of foundation practice.

The additional aspects on which data were gathered for the first time in Year Two were:

Lived experience of staff / trustees

Lived experience refers to personal knowledge about the world gained through direct, first-hand involvement in everyday events rather than through representations constructed by other people, research or media.[31]

For the FPR, this means that staff or trustees have experience of the communities that the foundation or its grantees serve. This can include experience with disability, deprived areas, LGBTQI+, and other protected categories.

The research team looked at whether foundations disclose any information about this, and what they disclose, e.g. how they define or categorise the various types of 'lived experience', and whether they disaggregate data by staff vs trustees. As with the criterion around racial or gender diversity, the FPR does not form a view about whether any particular extent of diversity is 'enough': rather, it looks solely at whether the foundation discloses data on this.

Social class background of staff / trustees

Publishing about this is possible – KPMG Foundation, which opted-in to Year Two, published this information.

Here again, the research team looked at whether foundations disclose any information about this, and what they disclose, e.g. what definitions or categories they use, and whether they disaggregate data by staff vs trustees. And, again, the FPR does not form a view about whether any particular spread of backgrounds is 'enough'.

The sole additional aspect on which data were gathered for the first time in Year Three was:

The diversity of organisations which the foundations fund

In Year Three the FPR noted, for each included foundation, whether and how it publishes about the diversity of the organisations which it funds. The research team noted whether each foundation uses any external categorisation for that (e.g. the DEI Data Standard developed by 360Giving[32]).

Anomalies in the Year Three research process

There were various instances this year when the method could not be applied precisely. These are documented here for completeness.

- One foundation, Four Acres Trust, which was randomly selected because it was listed in ACF's report turned out to have ceased operation in March 2023, so it was swapped out for another in its quintile which is still operational. This is in line with the FPR's stance of being about influencing foundations' behaviour rather than just being a research project.
- For Volant Charitable Trust, its website states that its grant-making is handled by Foundation Scotland, a community foundation. So both the material on Volant Charitable Trust's own website and the material about Volant on Foundation Scotland's website were used in this research.
- Occasionally, a foundation has a website but it is not possible to determine precisely which foundation the website refers to. The Goldman Sachs Charitable Gift Fund (UK) is an example, which was selected randomly: its website appears

to show it as a subsidiary of a US entity, i.e. not a UK-registered charity. In this case, solely the material on the Charity Commission website was used.

- On investment policies, the FPR has criteria about the clarity and scope of foundations' published investment policies. The criteria were taken from the Charity Commission's guidance about what charities should state re investment policies, CC14. During the period that foundations were being assessed for this Year Three, that guidance changed, on 1 August 2023.[33] For Year Three, the existing criteria were retained, i.e. the ones used in Years One and Two which draw on the previous CC14. That is because foundations cannot be expected to update their investment policies instantaneously when the guidance changes; but moreover, in practice, the research on investment policies mainly uses their most recent annual reports which are mainly published some months before the research team read them, so obviously they cannot apply new rules to existing published documents. The criteria for Year Four might be changed, because foundations may by then have had time to reflect the new guidance in their documents published since then.
- One foundation closed during the research period: both researchers had gathered the data but it had not yet been moderated. This was the Severn Trent Trust Fund. There was enough information still publicly available about the Fund for the research team to complete their research.
- One foundation – the Lincolnshire Community Foundation – appears to have de-registered and then re-registered with the Charity Commission. This removed access to its previous financial accounts. Consequently, those accounts could not be used for some questions, such as its investment policy.
- Re. Joseph Rowntree Reform Trust, which is not a charity but is included because it funds the FPR. It created and funds JRSST Charitable Trust, which is a charity. JRRT and JRSST-CT share a CEO. JRRT told the research team that most policies apply to both entities, except where a CT policy needs to be different for charitable law purposes. So they did not consider JRSST-CT as a separate entity, and rather simply assessed JRRT.

Potential areas to tighten up in future years

There are a couple of areas where the research team became aware that the criteria are perhaps not optimal or not adequately clear. They will endeavour to improve these for future years. They are:

- whether a staff whistle-blower policy (i.e. how a foundation handles staff complaints) needs to be public. At present, the criteria include publishing a whistle-blower policy, which could be for complaints by staff and/or applicants, grantees or others;
- one criterion relates to funding in Wales: 'If the foundation funds recipients in Wales, is a Welsh language format provided? ('N/A' if the foundation does not have a presence in Wales.)' It isn't always clear whether a foundation is funding recipients in Wales, so further work on when this criterion applies would be useful.

B. Background on ratings systems from which some criteria were drawn

The Racial Equality Index

The Racial Equity Index (REIndex) Group was formed by a group of BIPOC people (Black, Indigenous and People of Colour). The purpose of the Racial Equity Index[34] is to produce an index and advocacy tools that will 'provide greater accountability for racial equity within and across the global development sector in order to dismantle structural racism and create a more equitable system and culture, with justice and dignity at its core'.

Give.org's BBB Wise Giving Alliance: Standards for Charity Accountability

Give.org's BBB Wise Giving Alliance is a 501(c)(3) public charity in the US that works to help the public to identify trustworthy national charities by evaluating them rigorously in relation to the 20 BBB Standards for Charity Accountability[35] (which address four areas of charity accountability: governance, results reporting, finances and transparent communications).

Funders Collaborative Hub: DEI Data Standard

The DEI Data Group is an independent working group that includes a range of foundations and funders from across the UK. In August 2020 the DEI Data Group commissioned 360Giving and the Social Investment Consultancy to develop a framework to monitor equity considerations in grant-making, with a view to including the data in published grants information.

The DEI Data Group also included input, engagement and consultation with a diverse range of specialist infrastructure organisations, organisations working on social justice issues, and the wider sector to try to reflect, as far as possible in a unifying framework, how organisations identify themselves.

The final framework is not meant to judge organisations, but to help identify the different categories that funders could use to collect data in a systematic manner, to gauge how equitable their funding and funding practices are.

Social Mobility Foundation: Social Mobility Employer Index

The Social Mobility Employer Index,[36] established in 2017, is a benchmarking initiative that ranks Britain's employers on the actions they are taking to ensure they are open to accessing and progressing talent from all backgrounds and it showcases progress towards improving social mobility. The method was developed in collaboration with the

Bridge Group, a non-profit consultancy that uses research to promote social equality. Employers are benchmarked against one another based on the results.

Candid: GlassPockets Transparency Standard

The GlassPockets website is now retired.

When in existence, it 'champions philanthropic transparency in an online world'.[37] It provided the data, resources, examples and action steps foundations need to understand the value of transparency, be more open in their own communications, and help shed more light on how private organisations are serving the public good.

In order to participate, foundations needed to complete a self-assessment form concerning how their practice related to a suite of transparency indicators provided by GlassPockets. The team at GlassPockets would then review this self-assessment and publish it, if the foundation agreed.

C. Detail of the criteria in the FPR

Figure 39 sets out the data that researchers gather about each foundation. Most of these translate into criteria on which the foundation is assessed; some criteria are contained in more than one question; and some questions are for information only and do not score. The figure also shows the domain (diversity, accountability or transparency) to which each criterion contributes.

As discussed, not all questions apply to all foundations. Some examples are foundations that only fund by invitation, have no staff, or have a low number of trustees. In such cases, that foundation is exempt from that criterion: it receives no marks, but the calculation of the overall percentage also removes those questions from the potential total score. This means that if foundations achieve a perfect score on all the questions that apply to them, they will receive 100%. The exemption criteria are set out in Appendix D.

Figure 39: *The FPR's questions and whether / how they score*

Question	Domain	How does it score?
2. Does the foundation have a website?	T	1 or 0
3. If yes, please insert the URL. If there is no website write 'none'.	None	
4. Can you navigate the foundation's website using only the keyboard (without a mouse)? If the foundation doesn't have a website, enter 'no'.	D	1 or 0
5. Can you zoom to 400% on any page within the foundation's website and still read ALL of the text in a single column (the text and images don't overlap or spill off the page)? If the foundation doesn't have a website, enter 'no'.	D	1 or 0
Please enter any comments on web navigation here.	None	
6. Is the foundation current on the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator or The Charity Commission for Northern Ireland? (i.e. has it filed accounts within the last 24 months with at least one of those regulators?)	None	
7. Which charity regulator did you use to find the foundation's information? Charity Commission for England and Wales (CCEW), Office of the Scottish Charity Regulator (OSCR) or Charity Commission for Northern Ireland (CCNI)?	None	
Please enter any comments on regulator website information here	None	

Question	Domain	How does it score?
8. Does the foundation publish on its website any information about its funding priorities? Answer 'no' if there is no website.	T	1 or 0
9. How many ways does the foundation present its funding priorities – PDF, web text, video, via public forums or other? Please tick all that apply.	D	Up to 1, downloadable doc (0.25), web text (0.25), video/slides/audio (0.25), public meetings (0.25)
10. Does the foundation state how to apply for funding?	T	1 or 0
11. Is it possible to submit funding proposals in a range of different formats? Enter 'no' if there is no information given about how to apply or if there is only one way to submit an application.	D	1 or 0
12. What different types of formats are accepted for proposals by the foundation? Hand-written, paper, video, audio, in-person, online meetings? Please tick any that apply. If it is not clear how to submit a proposal, show that in the following question.	D	Up to 1. 0.5 for first way, 0.25 each for up to two others
13. If it is not clear how to submit a proposal, please tick here.	None	
14. Does the foundation only fund proposals that it has invited? (e.g. it does not accept unsolicited applications) The answer to this is usually 'no' if you have ticked at least one box in response to question 12.	None	
Please add any comments on applications here.	None	
15. Does the foundation publish any eligibility criteria for what it funds? (that is who as a potential recipient would be eligible for a particular grant)	T	1 or 0
16. How are the eligibility criteria presented? PDF, eligibility quiz, web text, video? Please tick any that apply.	D	Up to 1. 0.5 for first way, 0.25 each for up to two others
17. For approximately what percentage of all funding are eligibility criteria presented? Please select one of the following scores: 0=none, 1=1–25%, 2=26–50%, 3= 51–75%, 4=76–99% or 5=eligibility information provided for all funding.	T	0.2 * number given in answer, up to 1
18. Is the foundation explicit about what it will not fund? The foundation must state 'we do not fund' or 'are not likely to fund' (or similar), to score 'yes'.	T	1 or 0
19. Is there an explicit mechanism to ask questions about funding? (e.g. contact details for the relevant people or general contact for funding questions)	T	1 or 0

Question	Domain	How does it score?
Please add any comment about eligibility criteria here	None	
20. Does the foundation give a time frame for when applicants will be informed about whether or not their application will be funded? (this is distinct from application deadlines) This must include either explicit dates or information such as 'within four weeks after proposal submission' or similar.	None	
21. For approximately what percentage of the foundation's funding is a timeline given? Please select one of the following scores: 0=none, 1=1–25%, 2=26–50%, 3= 51–75%, 4=76–99% or 5=timelines are provided for all funding.	T	0.2 * number given in answer, up to 1
22. Does the foundation say how soon a successful applicant will receive the funds?	T	1 or 0
Please add any comment here on time frames.		
23. Does the foundation cite any criteria on which its funding decisions are made?	A	1 or 0
24. Does the foundation say who makes the funding decisions in its organisation? (the staff, the trustees, an external panel, or other)	None	
25. For approximately what percentage of the foundation's funding is information given on who makes the funding decisions? (does the foundation specify the individual, or, if it is a panel, who is on that panel?) 0=none, 1=1–25%, 2=26–50%, 3= 51–75%, 4=76–99% or 5=if this information is provided for all funding.	A	0.2 * number given in answer
Please add any comment about funding decisions (time frames for decisions, and who makes them) here.		
26. Does the foundation give any information on who or what it funded?	T	1 if answer to this question is yes, or if answer to next question is yes. Otherwise 0
27. If the answer to the question above is no, do they state why? Please enter 'N/A' if the answer to Question 26 is 'yes'.	None	
28. Is the following information provided about the awarded grants? Please tick any that apply. Name of grantee; award date; description/title; amount awarded; duration.	T	Cap at 1. 0.2 per item.

Question	Domain	How does it score?
29. Does the foundation provide its data on awarded grants in a downloadable (open) format that doesn't require payment to access? (.xlsx, .csv. .jstor, or .txt) – The answer to this question is 'yes' if they have made their data available on 360Giving (see below). PDFs do not count.	A	1 if they provide (a) on their own website or (b) on 360Giving, and say so on their website or on the charity register. O otherwise
30. Does the foundation say it has made data available for download at 360Giving?	None	
Please add any comments on the information on previous funding decisions here.		
31. If the foundation funds recipients in Wales, is a Welsh language format provided? 'N/A' if the foundation does not have a presence in Wales.	D	1 if answer is 'yes' (Welsh language provided), 0 if not.
Please add a comment if appropriate about why you concluded that the foundation does not have a presence in Wales.		
32. Are funding success rates provided?	T	1 if success rates are provided, or answer to 33 is 'yes' (i.e. there is a reason why not provided). 0 otherwise
33. If not, is there a reason why? (the foundation funds invite-only proposals or similar) 'N/A' if the funding success rates are provided.	None	
Please add any comment on success rates here.		
34. Does the foundation publish information about any grant reporting requirements for its grantees?	T	0.5 or 0 (this and question 39 were consulted on as a single point, hence half mark for each)
35. Does the foundation publish information about branding requirements for its grantees?	T	0.5 or 0
Please add any comment on reporting and branding requirements.		
36. Does the foundation publish who its staff are on its website? N/A if they have no staff, this can usually be verified on the relevant charity regulator's website.	A	1 or 0
37. Does the foundation provide a bio for its senior staff? 'N/A' if there are no staff.	A	1 or 0

Question	Domain	How does it score?
38. Is the following information presented for the staff? Please tick any that apply. Name; picture; previous job history; job title; contact information; social class or lived experience.	A	Cap at 1. 0.2 per item.
39. Please write down the number of staff. Please get this from the relevant charity regulator's website (in the Charity Overview, under People).	None	
Please add any comment on staff here – including whether they provide information on social class or lived experience (and if so, provide the URL).		
40. Does the foundation publish who its trustees / board members are on its website? This is 'no' if this information comes from a charity regulator's website.	A	1 or 0
41. Does the foundation provide a bio for its trustees / board members?	A	1 or 0
42. Is the following information presented for the trustees? Please tick any that apply. If none are provided, please indicate that in the next question.	A	Cap at 1. 0.33 per item – no longer counting job title
43. Please write down the number of trustees / board members. Please get this from the relevant charity regulator's website (in the Charity Overview, under People).	None	
Please add any comment on trustees / board members here – including whether they provide information on social class or lived experience (and if so, provide the URL).		
44. Does the foundation publish a breakdown of the diversity of its staff against the following categories? Please tick as many as apply. Please tick 'N/A' if they have no staff or one member of staff.	D	1 or 0.
45. At what URL(s) did you find the breakdown of staff diversity for the previous question?	None	
46. Does the foundation have a plan to improve the diversity of its staff? This can include tackling systematic racism or sexism within the institution. Please give details in the comments. 'N/A' if there are no staff or one member of staff.	D	1 or 0
47. Does this plan include specific, numerical targets to improve the diversity of its staff? 'N/A' if there are no staff or one member of staff.	D	1 or 0

Question	Domain	How does it score?
48. Please tick all of the following targets that are in the diversity plan for staff. Gender; BAME; LBGTQI+; disability; social class; lived experience; other.	D	Cap at 1. 0.33 each for gender, ethnicity and disability. Others (LBGTQ+, lived exp, social class) collected for records only
Please provide any comments on any staff diversity plans here and provide the URL for this plan if there is one. Write 'none' if there is no plan.		
49. Does the foundation publish information on any pay gaps (gender, ethnicity, disability)? 'N/A' if there are no staff.	D	1 or 0
50. Has the foundation made a public commitment to be a Living Wage Employer? 'N/A' if there are no staff.	D	1 or 0
Please enter any comments on pay gap or Living Wage commitments here, if there are any.		
51. Does the foundation publish a breakdown of the diversity of its trustees / board members against the following categories? Please tick as many as apply.	D	1 or 0
52. At what URL(s) did you find the breakdown of trustee diversity for the previous question?	None	
53. Does the foundation have a plan to improve the diversity of its trustees / board members?	D	1 or 0
54. Does this plan include specific, numerical targets to improve the diversity of its trustees or board members?	D	1 or 0
55. Please tick all of the following targets that are included in the diversity plan for trustees. Gender; BAME; LBGTQI+; disability; social class; lived experience; other.	D	Cap at 1. 0.33 for women, BAME, disabled. Others are collected for info but not for scoring
Please add any comment on board / trustee diversity plans here and provide the URL for this plan if there is one. Write 'none' if there is no plan.		
56. Does the foundation publish its recruitment policy for staff? 'N/A' if there are no staff.	D	1 or 0
57. Does the foundation publish its recruitment policy for board members?	D	1 or 0
Please add any comment on recruitment for staff or trustees here – including whether they have specific aims to recruit for diversity including social class and lived experience.		

Question	Domain	How does it score?
58. Is there contact information provided on the foundation's website? If the foundation has no website the answer is 'no'.	T	1 or 0
59. Please tick the different ways mentioned on its website for contacting the foundation. Email, phone number, online form, mailing address, web-chat, Facebook, Twitter, Instagram etc. Use the next question if no contact information is provided.	D	Cap at 1. Online / email (0.25), phone (0.25), physical address (0.25) and social media (0.25)
60. Does the foundation give ways to contact them for people who have disabilities? (text relay, BSL or other) Please tick the different types of accessible contact (do not repeat any information from above). Text relay; BSL; other.	D	1 for any mechanism, 0 otherwise
61. Does the foundation provide a mechanism for comments, complaints (feedback)? (this is over and above simple contact information)	A	1 or 0
62. Please tick the different ways given for contacting the foundation concerning complaints. Email, phone number, online form, mailing address web-chat, or any others. Be sure to include BSL, text relay, etc. if available. Please add a comment in the next question if no contact for complaints is provided. Email; phone; online form / webchat; physical address; other.	D	Cap at 1 – 0.33 for each way (phone, email, written, BSL, etc.)
Please add any comment on ways to contact the foundation concerning complaints.		
63. Is there a mechanism to report malpractice concerns (whistleblowing)?	A	1 or 0
64. Please tick the different ways given for contacting the foundation concerning malpractice. Email, phone number, online form, mailing address web-chat, or any others. Be sure to include BSL, text relay, etc. if available. Please add a comment in the following question if no contact for malpractice is provided. Email; phone; online form / webchat; physical address; other.	D	Cap at 1 – 0.33 for each way (phone, email, written, BSL, etc.)
Please add any comments on contacting the foundation concerning malpractice here.		
65. Does the foundation publish any feedback it receives from grant seekers and/or grantees? (this must be feedback, e.g. suggestions for the foundations)	A	1 or 0
66. Does the foundation publish any actions (however minimal) it will take to address this feedback (what they are doing differently as a consequence)?	A	1 or 0

Question	Domain	How does it score?
67. Does the foundation publish any analysis of its own effectiveness? (this is effectiveness of the foundation not analysis from the grantees of what they are doing with the funding)	A	1 or 0
68. Please write down what this analysis is and where you found it (and the url, if possible) or 'none' if there is no analysis.	None	
69. Does the foundation publish some information of what it is doing differently as a consequence of this analysis?	A	1 or 0
70. Please write down what this information is and where you found it (and the url, if possible), or write 'none'.	None	
71. Does the foundation cite any evidence that it has consulted the communities it seeks to support in determining its funding priorities?	A	1 or 0
72. Please write down what this information is and where you found it (and the url, if possible), or write 'none'.	None	
73. Does the foundation publish data about diversity of its grantees or applicants, for example on gender, ethnicity or disability?		
74. If so, what do they publish (e.g. on grantees or applicants, and on what categories do they publish, and using what definitions do they seem to use?) and at what URL?		
Please add any comments on foundation effectiveness, self-examination and feedback.	None	
75. Does the foundation have an investment policy?	A	1 or 0
76. Does this policy include the following (please write down all that apply)	A	Cap at 1 – 0.125 point for each item that they have. 0 if none. Note h) if not applicable in next question counts as 0.125
77. Is point (h) from the previous question applicable?	None	
78. Please write down the income for the foundation from the most recent published accounts, in £.	None	
79. Please write down the net assets for the foundation from the most recent published accounts, in £.	None	
Please add any comment on financials here, including URL for investment policy.	None	

D. Exemption rules

Diversity exemptions

These questions are grouped such that those sharing an exemption criterion appear together.

Figure 40: *Exemptions for diversity criteria*

Question	Exemption rules
44. Does the foundation publish a breakdown of the diversity of its staff against the following categories? Please tick as many as apply. Please tick 'N/A' if they have no staff or one member of staff.	5 or fewer staff
46. Does the foundation have a plan to improve the diversity of its staff? This can include tackling systematic racism or sexism within the institution. Please give details in the comments. 'N/A' if there are no staff or one member of staff.	5 or fewer staff
47. Does this plan include specific, numerical targets to improve the diversity of its staff? 'N/A' if there are no staff or one member of staff.	5 or fewer staff
48. Please tick all of the following targets that are in the diversity plan for staff.	5 or fewer staff
49. Does the foundation publish information on any pay gaps (gender, ethnicity, disability)? 'N/A' if there are no staff.	49 or fewer staff*
51. Does the foundation publish a breakdown of the diversity of its trustees / board members against the following categories? Please tick as many as apply.	5 or fewer trustees / board members
53. Does the foundation have a plan to improve the diversity of its trustees / board members?	5 or fewer trustees / board members
54. Does this plan include specific, numerical targets to improve the diversity of its trustees / board?	5 or fewer trustees / board members

* The legal requirement is only for employers with over 250 staff. Very few foundations have that many staff. The researchers used 50 staff as the exemption ceiling, because that was the original recommendation to government by a report which it commissioned in 2017 from Baroness McGregor-Smith: The McGregor-Smith Review (2017) The Time for Talking is Over. Now is the time to act.

Question	Exemption rules
55. Please tick all of the following targets that are in the diversity plan for trustees.	5 or fewer trustees / board members
31. If the foundation funds recipients in Wales, is a Welsh language format provided? 'N/A' if the foundation does not have a presence in Wales.	Does not fund in Wales
11. Is it possible to submit funding proposals in a range of different formats?	Solicits proposals
12. What different types of formats are accepted for proposals by the foundation? Write down all that apply.	Solicits proposals
16. How are the eligibility criteria presented? PDF, eligibility quiz, web text, video? Write down all that apply.	Solicits proposals
50. Has the foundation made a public commitment to be a Living Wage employer?	No staff
56. Does the foundation publish its recruitment policy for staff?	No staff

Accountability exemptions

Figure 41: *Exemptions for accountability criteria*

Question	Exemption rules
36. Does the foundation publish who its staff are on its website?	No staff
37. Does the foundation provide a bio for its senior staff?	No staff
38. Is the following information presented for the staff? Please tick any that apply.	No staff
75. Does the foundation have an investment policy?	If not applicable

Transparency exemptions

Figure 42: *Exemptions for transparency criteria*

Question	Exemption rules
10. Does the foundation state how to apply for funding?	Solicits proposals
15. Does the foundation publish any eligibility criteria for what it funds (that is, who as a potential recipient would be eligible for a particular grant)?	Solicits proposals
17. For approximately what percentage of all funding are eligibility criteria presented?	Solicits proposals

Question	Exemption rules
18. Is the foundation explicit about what it will not fund? The foundation must state ‘We do not fund’ or ‘We are not likely to fund’ (or similar) to score ‘Yes’.	Solicits proposals
19. Is there an explicit mechanism to ask questions about funding?	Solicits proposals
21. Approximately what percentage of the foundation’s funding programmes have associated timelines?	Solicits proposals
22. Does the foundation say how soon a successful applicant will receive the funds?	Solicits proposals

E. Examples of foundations that exhibit each item assessed

Figure 43 lists an example foundation that met the conditions for each FPR question. Every question was met by at least one Year Three foundation: this shows that everything being sought is attainable.

As mentioned, the researchers gather data on all the *criteria* – which are used in the scoring – but also other *questions*. Foundations are not scored on the *questions* but those data are used in the process. For example, *questions* include its website URL, the date on which the data were gathered, and the number of staff. At the end of Figure 43 are some examples of these questions. There are also two questions about whether the foundation publishes data about the diversity of its grantees or applicants. These have not contributed to scores this year, but are clearly linked to the diversity domain, so they have been included in that part of the table.

Figure 43: *Examples of foundations that exhibit each item assessed (categorised by domain)*

Criterion	Example foundation meeting the criterion
Diversity domain	
4. Can you navigate the foundation's website using only the keyboard (without a mouse)? If the foundation doesn't have a website, enter 'no'.	City Bridge Foundation
5. Can you zoom to 400% on any page within the foundation's website and still read ALL of the text in a single column (the text and images don't overlap or spill off the page)? If the foundation doesn't have a website, enter 'no'.	Gloucestershire Community Foundation
9. How many ways does the foundation present its funding priorities – PDF, web text, video, via public forums or other? Please tick all that apply.	The Reuben Foundation
11. Is it possible to submit funding proposals in a range of different formats? Enter 'no' if there is no information given about how to apply or if there is only one way to submit an application.	Garfield Weston Foundation
12. What different types of formats are accepted for proposals by the foundation? Hand-written, paper, video, audio, in-person, online meetings? Please tick any that apply. If it is not clear how to submit a proposal, show that in the following question.	Walcot Educational Fund

Criterion	Example foundation meeting the criterion
16. How are the eligibility criteria presented? PDF, eligibility quiz, web text, video? Please tick any that apply.	Cooperative Community Investment Foundation
31. If the foundation funds recipients in Wales, is a Welsh language format provided? 'N/A' if the foundation does not have a presence in Wales.	Lloyds Bank Foundation
44. Does the foundation publish a breakdown of the diversity of its staff against the following categories? Please tick as many as apply. Please tick 'N/A' if they have no staff or one member of staff.	Barrow Cadbury Trust
45. At what URL(s) did you find the breakdown of staff diversity for the previous question?	https://barrowcadbury.org.uk/about/barrow-cadbury-trust-gender-bame-pay-gaps/
46. Does the foundation have a plan to improve the diversity of its staff? This can include tackling systematic racism or sexism within the institution. Please give details in the comments. 'N/A' if there are no staff or one member of staff.	Football Foundation
47. Does this plan include specific, numerical targets to improve the diversity of its staff? 'N/A' if there are no staff or one member of staff.	Wellcome Trust
48. Please tick all of the following targets that are in the diversity plan for staff.	Wellcome Trust
49. Does the foundation publish information on any pay gaps (gender, ethnicity, disability)? 'N/A' if there are no staff.	Joseph Rowntree Foundation
50. Has the foundation made a public commitment to be a Living Wage Employer? 'N/A' if there are no staff.	abrdn Financial Fairness Trust
51. Does the foundation publish a breakdown of the diversity of its trustees / board members against the following categories? Please tick as many as apply.	Leeds Community Foundation
52. At what URL(s) did you find the breakdown of trustee diversity for the previous question?	https://www.leedscf.org.uk/about-us/
53. Does the foundation have a plan to improve the diversity of its trustees / board members?	Community Foundation serving Tyne & Wear and Northumberland
54. Does this plan include specific, numerical targets to improve the diversity of its trustees or board members?	Community Foundation serving Tyne & Wear and Northumberland
55. Please tick all of the following targets that are included in the diversity plan for trustees.	Community Foundation serving Tyne & Wear and Northumberland
56. Does the foundation publish its recruitment policy for staff? 'N/A' if there are no staff.	Indigo Trust

Criterion	Example foundation meeting the criterion
57. Does the foundation publish its recruitment policy for board members?	John Ellerman Foundation
59. Please tick the different ways mentioned on its website for contacting the foundation. Email, phone number, online form, mailing address, web-chat, Facebook, Twitter, Instagram etc. Use the next question if no contact information is provided.	Zurich Community Trust
60. Does the foundation give ways to contact them for people who have disabilities? (text relay, BSL or other) Please tick the different types of accessible contact (do not repeat any information from above).	Joseph Rowntree Foundation
62. Please tick the different ways given for contacting the foundation concerning complaints. Email, phone number, online form, mailing address web-chat, or any others. Be sure to include BSL, text relay, etc. if available. Please add a comment in the next question if no contact for complaints is provided.	Kent Community Foundation
64. Please tick the different ways given for contacting the foundation concerning malpractice. Email, phone number, online form, mailing address web-chat, or any others. Be sure to include BSL, text relay, etc. if available. Please add a comment in the following question if no contact for malpractice is provided.	Leprosy Mission International
73. Does the foundation publish data about diversity of its grantees or applicants, for example on gender, ethnicity or disability? [Note question not scored in Year Three]	Esmée Fairbairn Foundation
74. If so, what do they publish (e.g. on grantees or applicants, and on what categories do they publish, and using what definitions do they seem to use?) and at what URL? [Note question not scored in Year Three]	https://esmeefairbairn.org.uk/latest-news/who-our-funding-reaching/
Accountability domain	
23. Does the foundation cite any criteria on which its funding decisions are made?	Legal Aid Foundation
24. Does the foundation say who makes the funding decisions in its organisation? (the staff, the trustees, an external panel, or other)	Blagrave Trust

Criterion	Example foundation meeting the criterion
25. For approximately what percentage of the foundation's funding is information given on who makes the funding decisions (does the foundation specify the individual, or, if it is a panel, who is on that panel?) 0=none, 1=1–25%, 2=26–50%, 3= 51–75%, 4=76–99% or 5=if this information is provided for all funding.	Esmée Fairbairn Foundation
29. Does the foundation provide its data on awarded grants in a downloadable (open) format that doesn't require payment to access? (.xlsx, .csv. .jstor, or .txt) – The answer to this question is 'yes' if they have made their data available on 360Giving (see below). PDFs do not count.	Leathersellers Company Charitable Fund
30. Does the foundation say it has made data available for download at 360Giving?	Friends Provident Foundation
36. Does the foundation publish who its staff are on its website? N/A if they have no staff, this can usually be verified on the relevant charity regulator's website.	Power to Change
37. Does the foundation provide a bio for its senior staff? 'N/A' if there are no staff.	Zurich Community Trust
38. Is the following information presented for the staff? Please tick any that apply.	Joseph Rowntree Foundation
40. Does the foundation publish who its trustees / board members are on its website? This is 'no' if this information comes from a charity regulator's website.	Sports Aid Trust
41. Does the foundation provide a bio for its trustees / board members?	FIA Foundation
42. Is the following information presented for the trustees? Please tick any that apply. If none are provided, please indicate that in the next question.	Blagrave Trust
61. Does the foundation provide a mechanism for comments, complaints (feedback)? (this is over and above simple contact information)	A B Charitable Trust
63. Is there a mechanism to report malpractice concerns (whistleblowing)?	Leprosy Mission International
65. Does the foundation publish any feedback it receives from grant seekers and/or grantees? (this must be feedback, e.g. suggestions for the foundations)	Lloyds Bank Foundation
66. Does the foundation publish any actions (however minimal) it will take to address this feedback (what they are doing differently as a consequence)?	Gloucestershire Community Foundation

Criterion	Example foundation meeting the criterion
67. Does the foundation publish any analysis of its own effectiveness? (this is effectiveness of the foundation not analysis from the grantees of what they are doing with the funding)	Esmée Fairbairn Foundation
68. Please write down what this analysis is and where you found it (and the url, if possible) or 'none' if there is no analysis.	https://esmeefairbairn.org.uk/latest-news/what-do-people-really-think-about-esmee-fairbairn-foundation/
69. Does the foundation publish some information of what it is doing differently as a consequence of this analysis?	KPMG Foundation
70. Please write down what this information is and where you found it (and the url, if possible), or write 'none'.	https://kpmgfoundation.org.uk/downloads/impact-report.pdf
71. Does the foundation cite any evidence that it has consulted the communities it seeks to support in determining its funding priorities?	Cooperative Community Investment Foundation
72. Please write down what this information is and where you found it (and the url, if possible), or write 'none'.	https://www.coopfoundation.org.uk/future-communities-vision/
75. Does the foundation have an investment policy?	Huo Family Foundation (UK) Ltd
76. Does this policy include the following (Please write down all that apply):	John Armitage Charitable Trust
Transparency domain	
2. Does the foundation have a website?	AB Charitable Trust
3. If yes, please insert the URL. If there is no website write 'none'	https://abcharitabletrust.org.uk/
8. Does the foundation publish on its website any information about its funding priorities? Answer no if there is no website	Aberdeen Fairness Trust
10. Does the foundation state how to apply for funding?	Lincolnshire Community Foundation
15. Does the foundation publish any eligibility criteria for what it funds? (that is, who as a potential recipient would be eligible for a particular grant)	London Community Foundation
17. For approximately what percentage of all funding are eligibility criteria presented? Please select one of the following scores: 0=none, 1=1–25%, 2=26–50%, 3= 51–75%, 4=76–99% or 5=eligibility information provided for all funding.	County Durham Foundation
18. Is the foundation explicit about what it will not fund? The foundation must state 'we do not fund' or 'are not likely to fund' (or similar), to score 'yes'.	Herefordshire Community Foundation
19. Is there an explicit mechanism to ask questions about funding? (e.g. contact details for the relevant people or general contact for funding questions)	DHL UK Foundation

Criterion	Example foundation meeting the criterion
20. Does the foundation give a time frame for when applicants will be informed about whether or not their application will be funded? (this is distinct from application deadlines) This must include either explicit dates or information such as 'within four weeks after proposal submission' or similar.	London Community Foundation
21. For approximately what percentage of the foundation's funding is a timeline given? Please select one of the following scores: 0=none, 1=1–25%, 2=26–50%, 3= 51–75%, 4=76–99% or 5=timelines are provided for all funding.	Gosling Foundation
22. Does the foundation say how soon a successful applicant will receive the funds?	Trusthouse Charitable Foundation
26. Does the foundation give any information on who or what it funded?	Trusthouse Charitable Foundation
28. Is the following information provided about the awarded grants? Please tick any that apply.	Leicestershire and Rutland Community Foundation
32. Are funding success rates provided?	John Ellerman Foundation
33. If not, is there a reason why (the foundation funds invite-only proposals or similar)? 'N/A' if the funding success rates are provided.	N/A
34. Does the foundation publish information about any grant reporting requirements for its grantees?	Garfield Weston Foundation
35. Does the foundation publish information about branding requirements for its grantees?	Legal Aid Foundation
58. Is there contact information provided on the foundation's website? If the foundation has no website the answer is 'no'.	Zurich Community Trust
Below are example 'questions' (as opposed to criteria): the answers to questions are used in the research process, e.g. to determine exemptions, but do not contribute to scores directly:	
6. Is the foundation current on the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator or The Charity Commission for Northern Ireland? (i.e. has it filed accounts within the last 24 months with at least one of those regulators?)	29th May 1961 Charitable Trust
14. Does the foundation only fund proposals that it has invited? (e.g. it does not accept unsolicited applications). The answer to this is usually 'no' if you have ticked at least one box in response to question 12.	The Tolkien Trust

F. Correlations between scores and other foundation features

The research team examined the relationships between the scores achieved on each domain and various other factors:

- the net assets of the foundation;
- the giving budget of the foundation;
- the number of staff; and
- the number of trustees or board members.

In each case, foundations' numerical scores on the domain were used, rather than the A–D rating.

There was a very weak positive correlation between accountability and net assets, giving budget and number of staff. A similar weak positive trend was observed for transparency. In contrast with accountability and transparency, diversity had a better but similarly weak correlation with net assets, giving budget and staff numbers.

The trustee numbers had stronger but still weak positive correlation with the accountability and transparency domains. The correlation with the diversity scores was less pronounced than in Years One and Two. The figures are shown below. It is not clear why there might be relationships as these numbers imply. It may be that having more personnel enables more work on defining and disclosing policies.

Figure 44: *Correlation coefficients between selected variables and overall and domain scores, Year Three*

	Giving budget	Net assets	No. of staff	No. of trustees
Overall scores	0.208	0.210	0.222	0.362
Diversity	0.235	0.249	0.267	0.211
Accountability	0.184	0.183	0.196	0.356
Transparency	0.155	0.150	0.153	0.372

As with Year Two, this analysis did not look at overall grades. This is because they are not calculated simply from numerical scores, because of the rule that a foundation's overall score cannot be more than one band higher than its lowest domain score. It would therefore have been necessary to use the A–D ratings; and even if A = 4, B = 3,

etc., were used, that is very imprecise for correlations: a particular foundation's numerical score which gives it a B rating might be a lot higher than the numerical score which gives it a C rating, or those numerical scores could be very close if they were both near the 'grade boundary'.

G. Foundations included in Year One, Year Two and Year Three

Figures 45–47 show which foundations were included in each year of the FPR, by category. Foundations that were included in two of the three years are shaded in yellow. Foundations included in all three years are shaded in light blue.

Five largest by size of giving budget

Three of the five largest foundations were included in all three years (Figure 45); Garfield Weston Foundation was included in Year Two and Year Three. Others were included in just one year.

Figure 45: *Foundations included by virtue of size of giving budget (the five largest UK foundations)*

Year One	Year Two	Year Three
Wellcome	Wellcome	Wellcome
Leverhulme Trust	Leverhulme Trust	Reuben Foundation
Comic Relief	Garfield Weston Foundation	Leverhulme Trust
Children's Investment Fund Foundation	David and Claudia Harding Foundation	Garfield Weston Foundation
BBC Children in Need	Children's Investment Fund Foundation	Children's Investment Fund Foundation

Community foundations

Community foundations are selected as part of the random sample in each year. No community foundation has been selected for inclusion in all three years, but three have been selected in two years: Berkshire Community Foundation (Year One and Year Two); County Durham Community Foundation (Year One and Year Three), and Lincoln Community Foundation (Year Two and Year Three) (Figure 46). The number of community foundations included each year varies because of the random selection.

Figure 46: *Community foundations included in the FPR*

Year One	Year Two	Year Three
Berkshire Community Foundation	Berkshire Community Foundation	Bedfordshire and Luton Community Foundation
County Durham Community Foundation	Community Foundation for Calderdale	Community Foundation serving Tyne & Wear and Northumberland
Cumbria Community Foundation	Gloucestershire Community Foundation	Community Foundations for Lancashire and Merseyside
Foundation Derbyshire	Herefordshire Community Foundation	Cornwall Community Foundation
Northamptonshire Community Foundation	Lincolnshire Community Foundation	County Durham Community Foundation
	Norfolk Community Foundation	Devon Community Foundation
	Oxfordshire Community Foundation	Gloucestershire Community Foundation
	Suffolk Community Foundation	Herefordshire Community Foundation
		Hertfordshire Community Foundation
		Kent Community Foundation
		Leeds Community Foundation (includes Bradford)
		Leicestershire and Rutland Community Foundation
		Lincolnshire Community Foundation
		London Community Foundation
		One Community Foundation (The Community Foundation for the People of Kirklees)
		South Yorkshire Community Foundation

Other randomly selected foundations

Three of the foundations selected for Year Three had also been selected in both previous years (Hugh Fraser, Legal Education Foundation and Zurich Community Trust (UK)) (Figure 47). One foundation (Indigo Trust) was included in Year One as a result of random selection, and was then included in Year Two as a member of the Funders Group. Twenty of those selected for Year Three had been selected in one year previously. Forty-three were included for the first time in Year Three.

Figure 47: *Other randomly selected foundations included in the FPR*

Year One	Year Two	Year Three
29th May 1961 Charitable Trust	4 Charity Foundation	29th May 1961 Charitable Trust
4 Charity Foundation	A B Charitable Trust	A B Charitable Trust
A M Qattan Foundation	Adrian Swire Charitable Trust	abrdn Financial Fairness Trust
Aga Khan Foundation (United Kingdom)	African Medical & Research Foundation UK Ltd	Albert Hunt Trust
Albert Hunt Trust	AKO Foundation	Apax Foundation
Asda Foundation	Amabrill Limited	Aurora Trust (formerly Ashden Charitable Trust)
Asser Bishvil Foundation	Amanat Charitable Trust	Baily Thomas Charitable Fund
Backstage Trust	Asda Foundation	Baring Foundation
Bank of Scotland Foundation	Asfari Foundation	Barnabas Fund
Barnabas Fund	Banister Charitable Trust	Bauer Radio's Cash for Kids Charities (Scotland)
Baron Davenport's Charity	Barbour Foundation	Beatrice Laing Trust
Beit Trust	Baring Foundation	Beaverbrooks Charitable Trust
Bernard Lewis Family Trust	Bloom Foundation	Burdett Trust for Nursing
British Record Industry Trust	British Gas Energy Trust	Catherine Cookson Charitable Trust
Burdett Trust for Nursing	British Record Industry Trust	Cattanach
Cadogan Charity	Buttle UK	CHK Foundation
Chalfords Ltd	Cadogan Charity	Co-operative Community Investment Foundation
Charitworth Ltd	Calleva Foundation	DHL UK Foundation
Charles Dunstone Charitable Trust	Chevras Mo'oz Ladol	Dunard Fund
Chevras Mo'oz Ladol	Coldstones Charitable Trust	FIA Foundation

Year One	Year Two	Year Three
Christian Vision	Credit Suisse EMEA Foundation	Fidelity UK Foundation
Clergy Support Trust (formerly Sons and Friends of the Clergy)	David & Ruth Lewis Family Charitable Trust	Football Foundation
Drapers' Charitable Fund	Dollond Charitable Trust	Franciscan Missionaries of the Divine Motherhood Charitable Trust
Dunard Fund	Dorfman Foundation	Gosling Foundation Ltd
Dunhill Medical Trust	Earl Haig Fund (Scotland)	Greggs Foundation
EBM Charitable Trust	Edward Gostling Foundation	Headley Court Charity
Edward Gostling Foundation	Eranda Rothschild Foundation	Headley Trust
Evan Cornish Foundation	Eureka Charitable Trust	Hugh Fraser
Eveson Charitable Trust	Four Acre Trust	Huo Family Foundation (UK) Ltd
Foyle Foundation	Gilmoor Benevolent Fund Limited	Jerusalem Trust
Franciscan Missionaries of the Divine Motherhood Charitable Trust	Global Charities	John Armitage Charitable Trust
Gilmoor Benevolent Fund Limited	Grace Trust	John Black Charitable Foundation
Golden Bottle Trust	Health Foundation	John Booth Charitable Foundation
Goodman Foundation	Henry Oldfield Trust	John Laing Charitable Trust
Greggs Foundation	Henry Smith Charity	Johnson & Johnson Foundation Scotland (formerly Johnson & Johnson Corporate Citizenship Trust)
Hadley Trust	Hintze Family Charitable Foundation	Joseph Rowntree Foundation
Halifax Foundation for Northern Ireland	Holywood Trust	The Leathersellers' Foundation
Hugh Fraser	Hugh Fraser	Legal Education Foundation
Hurdale Charity Ltd	IGY Foundation	Leprosy Mission International
Indigo Trust	Innocent Foundation	Lloyds Bank Foundation for England and Wales
Islamic Aid	Jack Petchey Foundation	Michael Uren Foundation
JMCMRJ Sorrell Foundation	Joseph Rowntree Foundation	Nationwide Foundation
KPMG Foundation	Keren Association Limited	Oglesby Charitable Trust

Year One	Year Two	Year Three
Legal Education Foundation	Kolyom Trust Limited	Peacock Charitable Trust
LHR Airport Communities Trust	Law Family Charitable Foundation	Phillips Education Foundation Ltd
Lloyd's Register Foundation	Legal Education Foundation	R&A Foundation
Lloyds Bank Foundation for England and Wales	Medlock Charitable Trust	Richmond Parish Lands Charity
London Marathon Charitable Trust Ltd	Mercers' Charitable Foundation	Said Foundation
M & R Gross Charities Ltd	Mike Gooley Trailfinder Charity	Severn Trent Water Charitable Trust Fund
Maitri Trust	Mission Aviation Fellowship UK Ltd	Society of the Holy Child Jesus CIO
Maurice and Vivienne Wohl Philanthropic Foundation	Mohn Westlake Foundation	Sports Aid Trust
Mercers' Charitable Foundation	Monday Charitable Trust	Becht Foundation
National Gardens Scheme Charitable Trust	Nationwide Foundation	The Berkeley Charitable Foundation
Nuffield Foundation	Newmarston Limited Group	The Charles Wolfson Charitable Trust
Oxford Russia Fund	One Foundation	The D'Oyly Carte Charitable Trust
Performing Right Society Foundation	Peacock Charitable Trust	The Goldman Sachs Charitable Gift Fund (UK)
Rachel Charitable Trust	R S Macdonald Charitable Trust	The Hunter Foundation
Resolution Trust	Restore Our Planet	The J Van Mars Foundation
Rhodes Trust	Reuben Foundation	The Jane Hodge Foundation
Rotary Foundation of the United Kingdom	Rufford Foundation	The Keith Howard Foundation
Royal Navy and Royal Marines Charity	S F Foundation	Tolkien Trust
Scottish Catholic International Aid Fund	St John's Foundation	Trusthouse Charitable Foundation
Steve Morgan Foundation	Steel Charitable Trust	United Utilities Trust Fund
Swire Charitable Trust	Steve Morgan Foundation	Volant Charitable Trust
Becht Foundation	Stewards Company Ltd	Walcot Educational Foundation
The Charles Hayward Foundation	Stoneygate Trust	Zurich Community Trust (UK)

Year One	Year Two	Year Three
The Charles Wolfson Charitable Trust	Swire Charitable Trust	
The Desmond Foundation (formerly RD Crusaders Foundation)	The Hunter Foundation	
The Dr Mortimer and Theresa Sackler Foundation	Tolkien Trust	
The Goldman Sachs Charitable Gift Fund (UK)	Walcot Educational Foundation	
The James Dyson Foundation	Wolfson Foundation	
The Michael Bishop Foundation	Womankind (Worldwide) Limited	
The Northwood Charitable Trust	World Children's Fund	
The Ogden Trust	Zurich Community Trust (UK)	
The Raphael Freshwater Memorial Association Ltd		
The Roddick Foundation		
Volant Charitable Trust		
Yesamach Levav		
Zochonis Charitable Trust		
Zurich Community Trust (UK)		

Funders Group

Ten of the thirteen members of the Funders Group have been included in all three years by virtue of their membership in each year (Figure 48). One (Indigo Trust) joined as a Funders Group member in Year Two, having been randomly selected for Year One. Two others (City Bridge Foundation and John Lyon's Charity) joined the Funders Group in Year Two, but were not part of the random sample in Year One.

Figure 48: *Funders Group foundations in each year*

Foundations which have funded the FPR for two years are shaded yellow; foundations which have funded the FPR for all three years are shaded blue.

Year One	Year Two	Year Three
Barrow Cadbury Trust	Barrow Cadbury Trust	Barrow Cadbury Trust
Blagrave Trust	Blagrave Trust	Blagrave Trust
Esmée Fairbairn Foundation	City Bridge Foundation	City Bridge Foundation
Friends Provident Foundation	Esmée Fairbairn Foundation	Esmée Fairbairn Foundation
John Ellerman Foundation	Friends Provident Foundation	Friends Provident Foundation
Joseph Rowntree Charitable Trust	Indigo Trust	Indigo Trust
Joseph Rowntree Reform Trust	John Ellerman Foundation	John Ellerman Foundation
Lankelly Chase Foundation	John Lyon's Charity	John Lyon's Charity
Paul Hamlyn Foundation	Joseph Rowntree Charitable Trust	Joseph Rowntree Charitable Trust
Power to Change	Joseph Rowntree Reform Trust	Joseph Rowntree Reform Trust
	Lankelly Chase Foundation	Lankelly Chase Foundation
	Paul Hamlyn Foundation	Paul Hamlyn Foundation
	Power to Change	Power to Change

H. Responses to the Year Three consultation

This following material provides more detail on the responses to the consultation that Giving Evidence ran to inform Year Three of the FPR, and how they have dealt with them. The consultation process and questions were similar to that run ahead of Years One and Two.

The Year Three consultation had many fewer responses: 10, as opposed to 14 in Year Two and 138 in Year One. It is not known what caused that fall: perhaps everybody is happy with the FPR and has no comments, or perhaps they do not know or care about the consultation.

The feedback ranged widely, from complimentary ('methodologically robust and worthwhile') to critical ('harmful and a distraction from the real issue, which is climate').

Some feedback covered issues that the FPR team had already been considering, e.g. whether and how to assess the diversity of a foundation's grantees. The consultation encouraged the research team to gather during Year Three data about what foundations report in terms of the diversity of what they fund (reported elsewhere in this document).

Other feedback is similar to that for Year Two, which suggested that a few participants are unsure about or do not agree with the scope of the FPR: some seem to want the FPR to assess foundations on issues beyond its agreed scope of diversity, accountability and transparency, such as foundations' work on climate, or their impact (which would be impossible to assess meaningfully for so many foundations within attainable resources). This may indicate a reluctance to accept that the FPR 'can't do everything', or a lack of appreciation that the FPR sits alongside a wide range of other improvement and reform initiatives across the sector. On the notion that 'the whole initiative is harmful [because…] Just being more diverse, accountable and transparent is woefully inadequate for the fact we are in a climate crisis', the research team reject the notion that there is a choice between working on diversity, etc., and climate.

There was a suggestion to see whether foundations are currently collecting and analysing diversity data about grantees and/or applicants. The research team had had this in mind already, and did implement this in Year Three. Similarly, they implemented a consultation suggestion to consider the age of the data: they created a three-year rule.

There is sometimes an objection that the FPR is biased towards / easier for large foundations. (It is often unclear whether people mean foundations with large balance sheets or large teams: those are not always the same.) The research team do not believe this to be true: as discussed, foundations with small teams are exempt from criteria which relate to that, and it is not the case that the top ratings are unique to rich foundations: every year, there have been small foundations scoring A overall, and large ones with much lower ratings. And, to reiterate, the number of staff and trustees in a foundation is a choice made by that foundation. One consultation respondent further

said that there are ‘some fundamental flaws in the way that it works. It is funded by the sector it reports on (and no surprise that its funders receive the highest marks)’. Actually, not all the foundations funding the FPR ‘receive the highest marks’, as discussed: last year, two of them scored C overall, though it is hardly surprising if they are unusually interested in the issues promoted by an intervention that they fund.

As in previous years, some comments were too unclear to use, such as a comment the entire text of which was ‘Transformative / Systemic Work’.

Several comments related to the nature and timing of communications around the FPR, which have been integrated into comms plans.

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