

Aviva Foundation funding guidelines 2024

Contributing to transformational
changes in the financial resilience
of those who need it most.



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Purpose

These guidelines aim to provide a short overview of the Aviva Foundation; **what** we fund, **how** we fund, **who** we fund and **why**. They are intended to support organisations to decide whether to apply to the Foundation.





About the Aviva Foundation

The Aviva Foundation's **vision** is to work alongside others to support people to build their financial resilience and feel in control and positive about their future finances. To achieve this, the Aviva Foundation's **mission** is to contribute to transformational changes in the financial resilience of those who need it most. Helping individuals and communities to have more control over their future finances by exploring, developing and learning from new approaches to prevent, prepare for – and recover and respond to – financial challenges.

The Aviva Foundation was established to enable Aviva to make good use of its unclaimed assets, for the public benefit, aligned to Aviva's purpose, values and expertise.

The Foundation is independent to Aviva and is funded by Aviva's unclaimed assets from the shareholder registry and donations from the Aviva business.

The Aviva Foundation was set up in 2018. Since inception, we have committed over £10 million in grants, making a positive impact for individuals and communities.

The Aviva Foundation is administered by Charities Trust under charity registration number 327489.

Our funding priorities:

'Financial resilience' can be defined as "the ability to cope financially when faced with a sudden fall in income or unavoidable rise in expenditure".¹

Building financial resilience can include **actions that help communities to prevent and prepare for future financial challenges**, and those which support them to **respond to, and recover from, financial challenges**.

Based on our heritage, expertise, and the level of need, the Aviva Foundation's funding priorities are to build understanding and explore alternative solutions that:

- Build **financial inclusion** – tackling inequality and discrimination to increase fair access to essential financial products and services, such as savings, protection and pensions, building resilience throughout the life course.
- Strengthen **financial wellbeing** – building people's capability and confidence in managing their finances – now and in the future.
- Support **strategic initiatives** to help individuals and communities to prevent, prepare for, respond to, and recover from financial challenges.

We fund initiatives that have the potential to lead to a **transformational shift** in financial resilience **for those who need it most** in the UK.

We seek to provide partners with support and stability so they can use their expertise to experiment, innovate and try something different to challenge the status quo.

This can include:

- **Creating and testing new, creative ways to tackle an entrenched or emerging issue** relating to our funding priorities.
- Investing in approaches which will generate **insights for others**, with the potential to be **replicable and to scale**, influencing the way issues are seen and tackled in society.
- **Forging new coalitions or alliances** of diverse partners to tackle a problem in a different way.
- Developing a response that includes a community that have been previously **excluded/underrepresented**.
- Indirectly building financial resilience **by linking it to a new thematic area**.

Our values

Care

We seek to listen to our partners to understand what is needed, and how best it can be delivered. We aim to be a responsive funder; led by and respectful of the expertise of our partners and the communities they serve.

Commitment

We are driven to building the financial resilience of those who need it most, so they can be confident of a better tomorrow. We will act with courage, to challenge ourselves and others to do better.

Community

Our strength comes from our connection – to Aviva, to our partners and the diverse communities they work with and for.

Confidence

We're here to imagine and to innovate for the future. We want to support our partners to tackle some of the major issues society faces, with a humility that change takes time, is rarely linear and isn't always possible to predict.



Building financial resilience

Who is most affected?

The FCA’s Financial Lives survey (May 2022) of UK adults highlights that approximately 1 in 4 (24%) of all UK adults have low financial resilience³. When compared with the Financial Lives survey in February 2020, data indicates that financial resilience in the UK has worsened, with an additional 2.2 million UK adults now reporting low financial resilience.

As demonstrated in the table on the right, UK adults that are female, younger, unemployed, working in the gig economy, renters, or in an ethnic minority group, are more likely to have low financial resilience.⁴

Levels of financial resilience differ by region. The North East (31%) and North West (28%) have lower financial resilience than the UK average (24%).⁵

In general, people with disabilities are more likely to experience challenging financial situations. A recent survey highlighted that people with disabilities had lower levels of financial confidence (47% vs 28%) and had no savings (38% vs 22%) when compared with households without disabilities.⁶

Factors	Low financial resilience (UK average: 24%)
Sex	Female: 28%
Age	18-54: 29%
Employment status	Unemployed: 48% Gig economy: 37%
Ethnicity	Black and Black British: 44% Mixed/multiple: 39%
IMD (Index of Multiple Deprivation)	Most deprived areas of the UK (ie IMD Decile 1): 42%

Strengthening financial resilience requires a multi-faceted response. It includes building an individual’s “ability to access and draw on internal capabilities and appropriate, acceptable and accessible external resources and supports in times of financial adversity.”⁷

Capturing impact

The Foundation funds a wide range of organisations working in different ways to **build the financial resilience of those that need it the most.**

Our Funding Priorities focus on **improving financial inclusion and financial wellbeing**, in addition to **identifying strategic initiatives** that help individuals and communities to prevent, prepare for, respond to, and recover from financial challenges.

There are many different ways of capturing and understanding the impact of programmes that aim to build financial resilience. As part of our selection process, we aim to identify partners with a **solid logic of how their interventions will strengthen financial resilience, underpinned by a monitoring, evaluation and learning plan** that is able to capture and utilise the impact and insights they generate.

The Foundation does not impose metrics on our partners, as it is important that they **measure what matters most to their organisation, and the people they work with.** However, to help us understand and capture the different areas of impact we contribute to, we have an **impact framework which provides an overall structure that our partners' data can feed into.** The table on the next page highlights the overall outcome measures we aim to capture – and examples of the kinds of KPIs that contribute to these measures. This is not an exhaustive list, and is intended to provide an example of how the kind of information our partners capture feeds into the Foundation's Impact Framework.

It's important to note that the example KPIs provided below are more relevant to 'direct' interventions. For those initiatives that are more 'indirect' such as research and influencing programmes, **we work with partners to understand how efforts ladder up to the outcome measures**, and how they can be tracked.



Capturing impact

	Outcome measures	Example KPIs
Financial inclusion	<p>Increase in access to financial products and services.</p> <p>Financial products and services deliver fair outcomes for the target audience.</p>	<ul style="list-style-type: none"> • Decrease in # beneficiaries refused a financial product or service (Financial Lives Survey). • # beneficiaries whose knowledge of financial matters has increased (Financial Lives Survey). • # beneficiaries who consider themselves to be confident and savvy customers (Financial Lives Survey). • # beneficiaries taking up products and services specifically targeted to their needs.
Financial wellbeing	<p>Increased ability to manage existing financial challenges.</p> <p>Increased ability to plan financial future.</p> <p>Increased feelings of confidence and choice when managing money now or in the future.</p> <p>Reduced stress about finances.</p>	<ul style="list-style-type: none"> • # beneficiaries whose confidence managing money has increased (Financial Lives Survey). • # beneficiaries supported to access benefits they are entitled to. • # beneficiaries who have reduced reliance on debt / borrowing for everyday essentials (Financial Capability Survey). • # beneficiaries who report a reduction in the extent to which they find keeping up with domestic bills and credit commitments a burden (Financial Lives Survey). • # beneficiaries whose satisfaction with their overall financial circumstances has increased (Financial Lives Survey).



Our approach

The Aviva Foundation provides grants to organisations that contribute to the delivery of our mission and funding priorities.

This section provides an overview of our:

- **Funding criteria:** the kinds of initiatives we are looking to fund.
- **Eligibility criteria:** the kinds of organisations we support.
- **Funding support:** the kind of support we provide.
- **Funding relationship:** what we expect from our partners.

Funding criteria: the kinds of initiative we are looking to fund

- **Transformational:** we fund initiatives that have the potential to lead to a transformational shift in financial resilience for those who need it most in the UK. This can include:
 - Creating and testing **new, creative ways** to tackle an entrenched or emerging issue relating to our funding priorities.
 - Investing in approaches which will generate insights for others, with the potential to be **replicable and to scale**, potentially influencing the way issues are tackled in society.
 - Forging **new coalitions and/or ways of working**.
 - Developing a response that **includes a community that have been previously excluded/underrepresented**.
 - Indirectly building financial resilience by **linking it to a new thematic area**.

- **Combining practice and evidence:** we fund initiatives that focus on developing and delivering programmes to support communities, and are evidence-informed, and evidence-informing. This includes:
 - Partnerships/collaborations between **service delivery and research experts.**
 - Organisations with a credible plan to **evaluate their work**, and **share their learnings** widely.
 - Ability to capture **clear, measurable social impact outcomes** which contribute to the Foundation's funding priorities.
 - Initiatives with a clear **understanding of the current situation and gaps in service delivery and evidence**, and the opportunity to **develop new insights and complement existing evidence and practice.**
 - **Supporting those who need it most:** we fund initiatives that support individuals and communities that face barriers due to inequality and discrimination, which can result in them being much more likely to be excluded or underserved by measures that can build financial resilience. Approaches can include:
 - **Tackling barriers** created by inequality and discrimination.
 - **Building inclusive programmes** for those with vulnerabilities.
 - **Rooted in communities:** we fund initiatives whose commitment to diversity, equality and inclusion is reflected in their work with communities. They will have an excellent understanding of the communities they serve and support them to have a meaningful role in the initiative. This can include:
 - Demonstrating how **those with lived experience of an issue have a voice, are listened to, and are actively involved** in solving the problem.
 - Creating ways for those with professional expertise, and those with lived experience of an issue, **to work together.**
- **Influencing:** we fund initiatives that utilise their insight and connections to support and influence the work of others that have a role to play in building financial resilience at scale. This can include:
 - **Disseminating lessons learned** to relevant decision makers.
 - Targeted advocacy to support the **scale up** of programmes, ensure a legacy for the programme (e.g. continued funding), and/or **influencing policies, practice and funding.**
 - **Informing the financial services sector:** we want to use what we learn to help develop Aviva, and the financial service sector's, approach to supporting the financial resilience of their customers. This can include:
 - Sharing insight and evidence that can **improve support to, and produce better outcomes for, vulnerable customers.**
 - Acting as a **critical friend to Aviva and others in the financial sector**, highlighting where the business and sector can undertake measures to contribute to strengthening financial resilience.
 - Identifying ways that Aviva, its **expertise, people and influence, can strengthen and scale** the approach of grantees.

Eligibility criteria: the kinds of organisations we support

Who we fund:

We fund charitable, non-profit and social enterprises that deliver public benefit. We are also open to partnering with for-profit organisations that can demonstrate how their activities deliver clear public benefit, and are uniquely placed to meet our funding priorities.

Organisational size:

We support organisations with **minimum income of £1,000,000**.

We support organisations of this size for the following reasons:

- Approximately 5% (7,700) of charities in the UK fit this category, accounting for c.87% of overall income.¹¹
- This income band means that our average grant size is significant enough to make a difference to our partners, but is not at a level where it distorts the organisation.
- In general, organisations this size are more likely to be established and experienced, which enables us to direct our resources and capacity to supporting them. We do not have the capacity and systems in place to support and monitor multiple smaller grants to organisations.
- We are open to applications from smaller organisations who form part of a consortium, as long as it is led by a primary, accountable partner.

We recognise that this income band can be restrictive for smaller charities. However, there are opportunities for charities of this size to seek funding from the [Aviva Community Fund](#)

What we are looking for in a partner:

- **Strong leadership, management and governance:** established systems and processes in place to oversee the work of the organisation. Leadership, management and governance structures are diverse and

representative of the communities they cover. Good finance and risk management systems, and relevant policies, such as safeguarding, in place.

- **Strong understanding of the communities they serve:** clear understanding of the problem they are seeing to solve and listening to, and involving, communities to develop the response.
- **Commitment to diversity, equality and inclusion:** in the workplace and with the communities they work alongside.
- **Credible track record:** able to demonstrate impact, with strong systems in place, or credible plans, to monitor, evaluate and learn from their work.
- **Commitment to influencing:** driven to demonstrating results, sharing learning and amplifying the impact of their work through aspects such as scaling, advocacy and campaigning.

We are a [Living Wage Friendly Funder](#), which means we are committed to tackling low pay by encouraging the organisations we support to pay the real Living Wage.

Geographic focus:

The Aviva Foundation supports initiatives that contribute to our funding priorities across the UK.

We particularly welcome initiatives with the potential to scale.

We consider eligible applications from organisations working with communities located around Aviva's main employee sites. This enables us to involve the expertise and resources of our business to support the Foundation's partners.



Funding support: the kind of support we provide

Grant size and length:

We want organisations to come to us with an **honest overview of what they need**, rather than fitting a funding box.

Our minimum grant size is £100,000. There is no maximum. However, our likely expenditure for 2024 is approximately £3m – so we expect average grant sizes to be in the region of c.£250,000. We will consider the size of your request, relative to your overall income/ expenditure.

We expect our grants to be around **three years**, but are willing to consider different timeframes based on your theory of change.

Additional support:

We want to **offer more than just funding** to organisations. We aim to develop relationships with our partners so we can understand how we can further your work and the issues you are tackling.

For example, this could include Aviva providing communications support to amplify your work, or expert volunteering.

Funding relationship: what we expect from our partners

In our funding relationship, we expect partners to:

- **Reporting:** share 6-monthly update reports on progress of the grant, with an annual finance report. Conscious of the burden many charities face due to different funders asking for different reporting information, we aim to have a simple reporting form – and the metrics that you provide will be your established monitoring and evaluation framework, not one imposed by the Foundation.
- **Community:** we aim to build a network of organisations with a shared commitment. We would like partners to work together to, where relevant, share learning, build insight and develop a collective voice.
- **Shape our work:** we want partners to add diversity to, and help shape and challenge, our grant-making. We welcome our partners to be propositional and use their insight and expertise to inform and challenge the work of the Foundation, Aviva and the Financial Services sector.

The application process

We are conscious that charities spend a significant amount of their precious time applying for funding, with UK charities spending an estimated £900m every year applying to charitable foundations.¹²

We are committed to:

- Minimising unnecessary time spent by charities in the application process.
- Being transparent about the application and selection process.
- Monitoring our application process to ensure it is efficient for applicants and the Foundation.
- Where relevant, working with other funders to explore pooled funding and/or joint/harmonised application processes.

There are two ways the Aviva Foundation identifies initiatives to fund:

- **Closed application process:** we proactively identify partners through targeted research and/or requests for proposals.
- **Open application process:** we are open to applications from organisations that meet the **Foundation's funding and eligibility criteria.**

Closed application process:

On specific, targeted issues relevant to our funding priorities and funding criteria we proactively research, identify and assess prospective grantees through requests for proposals.

This more targeted application process allows us to:

- Proactively target organisations that tackle issues, or who work with communities, we tend not to access through an open application process.
- Approach relevant organisations to co-design an approach.

- Actively identify partners to increase the diversity of our response.
- Move quickly on priority areas.

Open application process:

Like many Foundations, we receive many more enquires and applications than we can fund. To reduce the time and effort for applicants, we have a two-stage application process that runs twice a year.

- **Phase 1 – Simple application form:** Eligible organisations are asked to complete a short application form. These are reviewed by the Aviva Foundation Advisory Committee, and successful organisations will be invited to Phase 2.
- **Phase 2 – Interview:** a small number of organisations will be provided with a short set of questions in advance of a one-hour interview with members of the Aviva Foundation Advisory Committee.

We run two open application processes each year. The application deadlines for 2024 are: **round one, 17/04/2024** and **round two, 23/10/2024.**

An open application process provides us with the opportunity to:

- Hear from organisations proposing new approaches/opportunities to build financial resilience that we are not aware of / we haven't identified as a priority.
- Identify prospective new partners that aren't known to the Foundation, reaching beyond the 'usual suspects'.

Organisations interested in applying through the open process are able to directly reach out to the Foundation through direct enquiries: (avivafoundation@aviva.com) to request a copy of the short application form.



Who makes the decisions and how?

The Foundation is led by Alex Christopoulos. The Foundation Lead runs the open and closed application processes and is responsible for ensuring they are fair, transparent and maximise the Foundation's charitable objects.

All applications are reviewed and assessed by an Advisory Committee that make recommendations to the Foundation Management Board. The Foundation Management Board reviews and makes decisions on funding applications. It comprises:

- **Kirsty Cooper (chair):**
Former Aviva Group General Counsel and Company Secretary
- **Andrew Reid:**
Aviva Financial Communications & Media Relations Director
- **Jonathan Marsh:**
Managing Director, Partnerships & Transformation: Personal Lines, Aviva
- **David Schofield:**
Sustainability Director
- **Katie Tompkin:**
Strategy Portfolio Director, Group Sustainability
- **Linda Minnis:**
Chief Executive Officer, Charities Trust

Conscious of the need to increase the diversity of experience in decision-making, over 2024, the Foundation will continue to explore ways to build in a more diverse range of expertise and experience into its governance and operations.

References

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Find out more about [Aviva Foundation](#)

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