

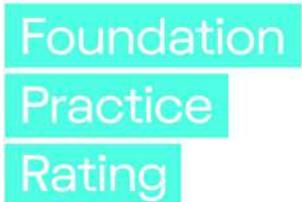
The Foundation Practice Rating 2025/26

Year Five

Summary report

**Assessing diversity, accountability and
transparency in grant-making foundations**

**Friends Provident Foundation
March 2026**



Further information

This summary, and the full report, can be downloaded from the Foundation Practice Rating website: www.foundationpracticering.org.uk

LinkedIn: linkedin.com/showcase/foundation-practice-rating

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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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Acknowledgements

The Foundation Practice Rating is a collaborative project striving to improve the practices of UK foundations against the standards they have set for themselves and those that apply to other organisations that seek to support and improve the society we live in. The FPR requires considerable joint working by many people and organisations. We would like to thank:

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- the press and journalists who help to bring the findings to a wider audience.

Note: this document is a summary report. Full detail of method and findings are in the full report and appendices, available at www.foundationpracticering.org.uk

Introduction

The Foundation Practice Rating (FPR) is **an independent assessment of foundations done without their permission or control.**

It aims to incentivise and help UK foundations to improve their practices – specifically in the three important and interlinked domains of **diversity, accountability and transparency**. Every year, the FPR makes a fresh selection of 100 UK-based charitable grant-making foundations, and carries out an independent and objective assessment by answering around 100 questions about each one.

The FPR emulates a prospective applicant, so uses only publicly available information. Each included foundation is assessed by two researchers operating independently, and their answers are compared and moderated by a third. Foundations are exempt from criteria that are not relevant to them; for example, a foundation with no staff is exempt from publishing gender pay-gap data, so foundations are not penalised for having few staff. Their scores in each of the three domains are turned into a rating on that domain (A, B, C or D: A is top), and they also each get a rating overall.

As far as we know, the FPR is groundbreaking in that foundations cannot opt out: the research and findings are outside their control, and therefore the FPR gives a representative view of the performance of the sector.

In total over its five years, the FPR has assessed 363 foundations.¹ This means that, by this point, **just under half of the foundations in-scope (on the sampling frame) have been assessed at least once.**

The FPR was initiated by Friends Provident Foundation, and is funded by a group of UK grant-making foundations. These funders recognise the importance of diversity, accountability and transparency for foundations, and want to support the trust and foundation sector to improve on them, encouraging and celebrating examples of good practice, and challenging current practices where necessary. 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.

This report summarises the findings of Year Five of the FPR, based on data gathered during August to September 2025. More detailed methods, results and analysis are in the full report (available at www.foundationpracticering.org.uk).

Some foundations which were not selected asked whether they could pay to be assessed, in order to see where to improve. An option to 'opt in' was introduced in Year

¹ Because the selection process is random, some foundations were selected in more than one year. Overall, this resulted in the assessment of 363 unique foundations across five years.

Two in response to demand. This year, five foundations opted in. They are assessed in precisely the same way but not included in the main cohort of 100, to avoid selection bias in the results.

For context, the FPR's research involves answering 101 questions about each of those 100 foundations. So that is over 10,000 data-points. In fact, the FPR gathers many more than 10,000 data-points. First, several criteria have multiple parts, so multiple data points (e.g. which of a list of five communications channels the foundation uses). Each is scored by two researchers – so that is >20,000 – and there is a moderated answer – so that is 30,000. Plus sometimes moderation involves a third researcher, and then debate between researchers. Furthermore, foundations are given their data and invited to 'appeal' it, which some do, prompting further research and decisions. So the FPR probably generates over 33,000 data-points each year. The FPR has now run for five years, so there are over 170,000 data points. Figure 9 in the main report shows findings over the full period: that summarises most of them.

Changes to the FPR's method in Year Five

The FPR'S method is deliberately changed as little as possible from year to year, to enable year-on-year comparisons, to avoid moving the goalposts which would be confusing for foundations. Year Five used the same method and data sources for selecting the cohort as in Year Four. (The sampling frame unavoidably had to change between Year Three and Year Four. This is discussed in detail in the Year Four report.)

One issue which arose this year, which has not been seen before, was various foundations being closed for applications – apparently temporarily, while they refresh their strategies or redesign programmes. Foundations being closed – even if temporarily – is part of applicants' experience, and that was reflected: those foundations were assessed in the FPR's normal timeframe, and they were marked as not accepting applications if that was the case at the time of assessment.

In some years, non-scoring questions were added in response to feedback in the annual consultation. This year, none was added.

There were two minor changes to criteria this year. First, the researchers tightened up what was meant by a trustee recruitment policy. They published an article about their definition.² Second, foundations which operate globally / internationally were exempted from publishing in Welsh, since they cannot be expected to publish in every official language of all their countries. This change may have benefited some foundations.

2 C Fiennes (2025) 'What we mean by "a Trustee recruitment policy"'.
<https://foundationpracticering.org.uk/what-we-mean-by-a-trustee-recruitment-policy/>

Main findings from FPR Year Five

Foundation practices have improved:

- This year saw the highest number of overall A grades to date. Hitherto, the highest was 11, whereas this year, 12 foundations achieved that.
- Three³ foundations achieved a clean sweep of A grades in all three domains: hitherto only one foundation had achieved that. (The one which achieved it before was not in the cohort this year, so these are all additions.)
- Whereas in the four years to date only one foundation scored A on diversity (the one which got a clean sweep), this year three did so.
- The number of foundations scoring D on all three domains dropped, from 12 last year to seven this year.
- There is a statistically significant improvement in foundations' average numerical scores since the FPR began.⁴

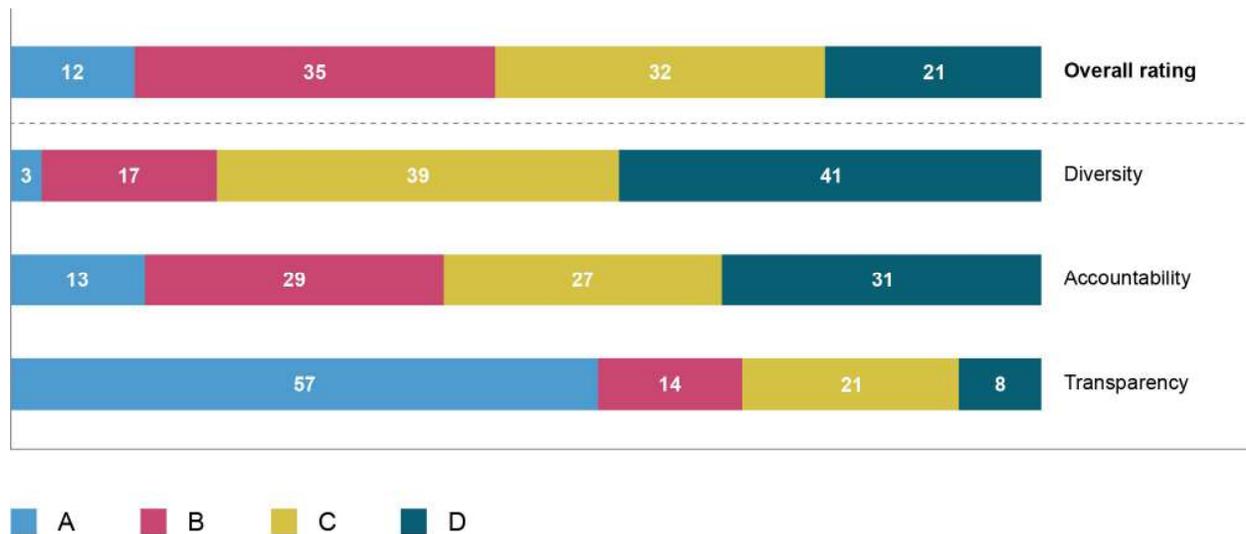
In Year Five, **every criterion was achieved by at least one foundation** in the cohort. This was also true in all previous years. This shows that **the FPR is not requiring anything impossible**.

The results for this year's cohort are shown in Figure 1.

3 Mission 44; Cheshire Community Foundation; and Wiltshire and Swindon Community Foundation achieved A in all three domains, so A(AAA) overall.

4 This statement refers to a specific dataset. As mentioned, there was an unavoidable change in sampling frame (the set of foundations from which the cohort is drawn) after Year Three. The new sampling frame is materially different to the original one. Therefore, to enable like-for-like comparisons, we compare the average numerical scores of the randomly-selected foundations which could have been selected in any of the FPR's five years: that means those which were on the original sampling frame (which is the list in ACF's Foundation Giving Trends report, which excludes community foundations). Those are the data points in blue in Figure 2 below.

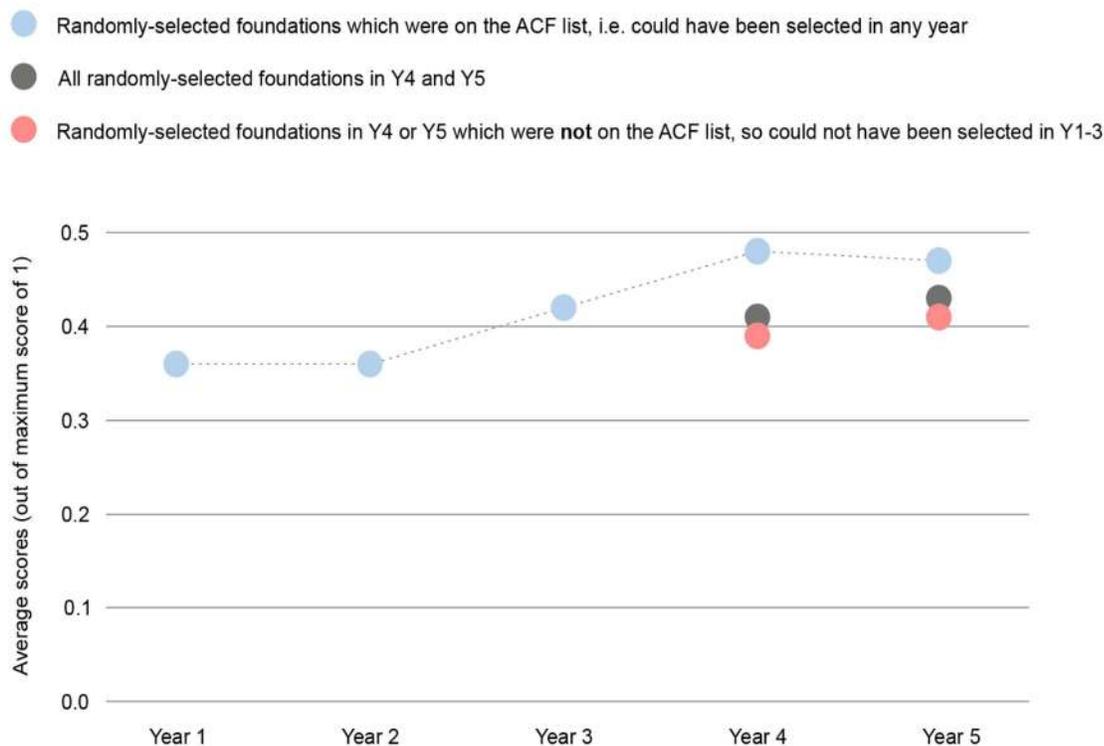
Figure 1: Summary of ratings in Year Five (2025/26)



The improvement in performance since the FPR began is material and statistically significant.⁵ To make a fair comparison over time, the researchers look at non-community foundations which were chosen randomly from the ACF list (i.e. which could have been selected in any year), and their numerical scores over time: re. Figure 2 below, the changes since last year are not statistically significant for any of the colours of dots, but there is change since Year One. This also happened last year: the performance of the ‘new’ foundations (on the new sampling frame, from UK Grantmaking, but not on the previous one, i.e. which could not have been assessed previously) is lower and has pulled downwards the performance of the Year Five cohort overall.

5 This refers to the average numerical scores of the randomly selected foundations which were on the ACF list, i.e. which could have been selected in any of the FPR’s five years.

Figure 2: Overall scores in each year of the FPR (randomly selected non-community foundations). This shows the effect of the set of foundations newly included because of the change of sampling frame between Years Three and Four.



In all three FPR domains, the performance of these ‘newly in-scope’ foundations is lower than that of the foundations which were on the ACF list, i.e. foundations which could have been assessed in previous years. This was also the case in Year Four.

- As with previous years, **the foundations scoring A overall are diverse in size and structure**. As in previous years, they include the largest foundation (Wellcome, formerly called Wellcome Trust), a mid-size one (Barnwood Trust) and at least one with few staff, such as John Ellerman Foundation, which has six. They include some endowed foundations and some community foundations, one founded over 800 years ago (City Bridge Foundation) and a much younger one (Mission 44, founded by racing driver Lewis Hamilton).
- **Financial size does not predict high ratings**. Some financially small foundations score well, and some large ones score relatively poorly. That pattern has been found in all previous years too. This year, two of the largest foundations (by giving budget) scored C overall, and, for the first time, one of the largest five scored D overall.
- In other words, **the FPR is not a tacit measure of a foundation’s size**.

- **Diversity remains the weakest domain.** This is consistent with all previous years. That said, scores here have improved. Whereas only one foundation had ever previously achieved A on diversity, three did so this year; the number of foundations scoring zero in diversity fell – from 13 last year to five this year; and most of the criteria on which average scores climbed the most were in diversity. However, diversity was the sole domain on which any foundation scored zero.
- **A foundation’s ratings can vary quite markedly on the various domains.** Some foundations get A on one domain but only C or D on another. This also happened in previous years.
- **Number of staff.** Ratings of D overall are unique to foundations with 10 or fewer staff – as happened last year.
- **Number of trustees.** Ratings of D overall are concentrated in foundations with 10 or fewer trustees; and only one foundation with 10 or more trustees scored D overall (the same pattern as we saw in Years Three and Four).⁶
- **Community foundations continue to outperform the broader sector.** This year, all seven included scored A or B overall. By Year Three, there were enough data for the research team to be confident that this is statistically robust, and this year it remained so.⁷
- **Still, many foundations have no website.** As in Year Four, this year, 21 of the cohort had no website (vs 13 in Year Three and 22 in Year Two, none of them community foundations). Most striking among these is CH Foundation, the fifth largest funder by giving budget.⁸ Having no website is a strong predictor of poor FPR performance: over five years, only one foundation without a website has ever scored above D overall: that was this year.
- **The paucity of foundations’ websites** was striking. Some 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. None of the seven foundations rated D on all three domains had a website.
- **Few foundations publish anything about their own effectiveness**, as distinct to that of their grantees. The FPR assesses whether foundations publish systematic feedback from their grantees and/or applicants, and also systematic analysis of their own effectiveness; and for both, whether they publish any steps that they will take as a result. Few do. We know that some foundations have these analyses but do not share them. This is a shame because other foundations and donors would be able to learn from them.

6 There are 21 of the 100 foundations in the cohort which have 10 or more trustees. So if D ratings were equally spread, four foundations with 10 or more trustees might score D.

7 The difference is almost comically robust. On t-tests comparing the scores of community foundations vs others on overall scores, and scores on each of the three domains, the p values (reminder: anything below 5% is statistically significant) are about 0.001%. One of them is zero: Excel doesn’t have enough space to show it precisely!

8 There are entities called ‘CH Foundation’ in various other countries. This report refers to the UK charity, registered number 1156222.

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). This criterion has always been one of the highest scoring in the FPR;
- for approximately what percentage of the foundation's funding is information given on who makes the funding decisions (84% had this information). This criterion has always been one of the highest scoring in the FPR except for Year One;
- whether the foundation publishes any eligibility criteria for what it funds (that is, who would be eligible for a particular grant: 82% had this information). This criterion was always one of the highest scoring in the FPR except for Year One;
- whether the foundation publishes on its website who its staff are (82% of those foundations that had staff did so). This criterion was always one of the highest scoring in the FPR;
- for approximately what percentage of all funding were eligibility criteria presented? This information was available for 80% of foundations. This was one of the top scoring criteria in Year Four as well but not in any year before that.

Conversely, they collectively scored worst on the following criteria:

- publishing information about what the foundation is doing differently as a consequence of analysis of its own effectiveness. This information was published by just one of 100 foundations assessed. This was among the lowest scoring criteria in Years Three and Four as well;
- publishing any analysis of its own effectiveness: only four of 100 foundations did this. This was the lowest scoring criterion in Year Four as well;
- having a plan with numerical targets to improve the diversity of trustees or board members (5.3% of available points scored, up from just 2% in Year Four);
- publishing any actions (however minimal) foundations will take to address the feedback they received from grant seekers and/or grantees: just eight foundations did this;
- having a plan to improve the diversity of staff with numerical targets (9% of possible points scored, up from 4% in Year Four).

Who does the FPR rate and how does it rate them?

The foundations assessed

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

- the foundations funding the work.⁹ This year, there were eight of them;
- the five largest UK foundations by giving budget; and
- a stratified random sample of community foundations and charitable foundations (which give at least £1.17 million per year¹⁰). This year, there were 87 of them. They are taken from the relevant part of the list published by UK Grantmaking.

The FPR takes a repeated cross-section. In other words, the cohort changes somewhat year-to-year. Each year, the cohort is organised to be representative by size: a fifth of the cohort is in the top quintile by size; a fifth in the second quintile, etc.

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

- net assets of £47.3 billion (compared to £48.6 billion in Year Four, £61.6 billion in Year Three and £68.1 billion in Year Two);
- annual giving of £2.92 billion (compared to £2.25 billion in Year Four, £2.0 billion in Year Three and £1.8 billion in Year Two); and
- an average pay-out rate (i.e. the amount given annually as a proportion of assets) of 6.1% (against 4.6% in Year Four, 3.2% in Year Three and 2.6% in Year Two).¹¹

9 One of the foundations which funds the FPR is not a registered charity but is included anyway: the Joseph Rowntree Reform Trust.

10 This esoteric number is because in a previous year the threshold was £1 million, and is now adjusted for inflation.

11 This figure is the sum of the giving budgets of all the included foundations divided by the sum of their net assets. It is therefore the average across the whole cohort, and does not represent (say) the modal foundation.

Composition of the Year Five cohort (of 100 foundations)

Figure 3: Split of the Year Five cohort on various dimensions

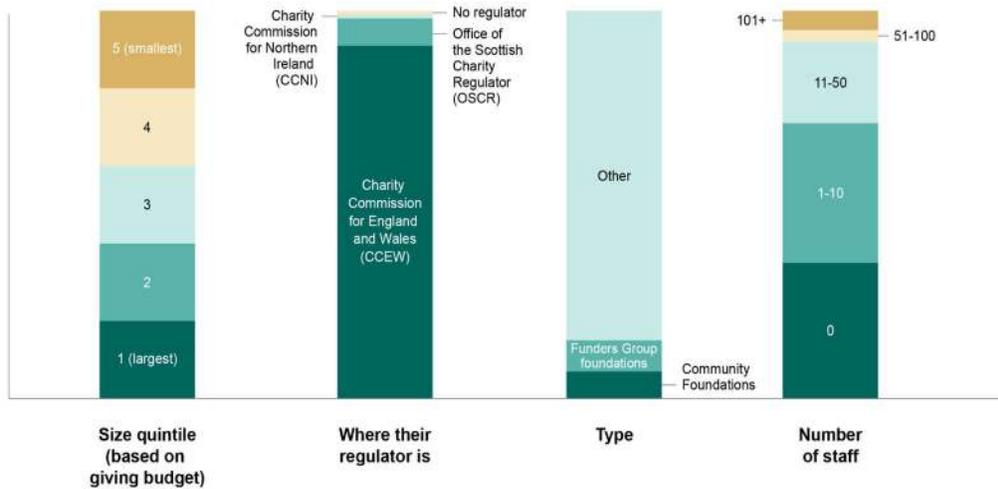
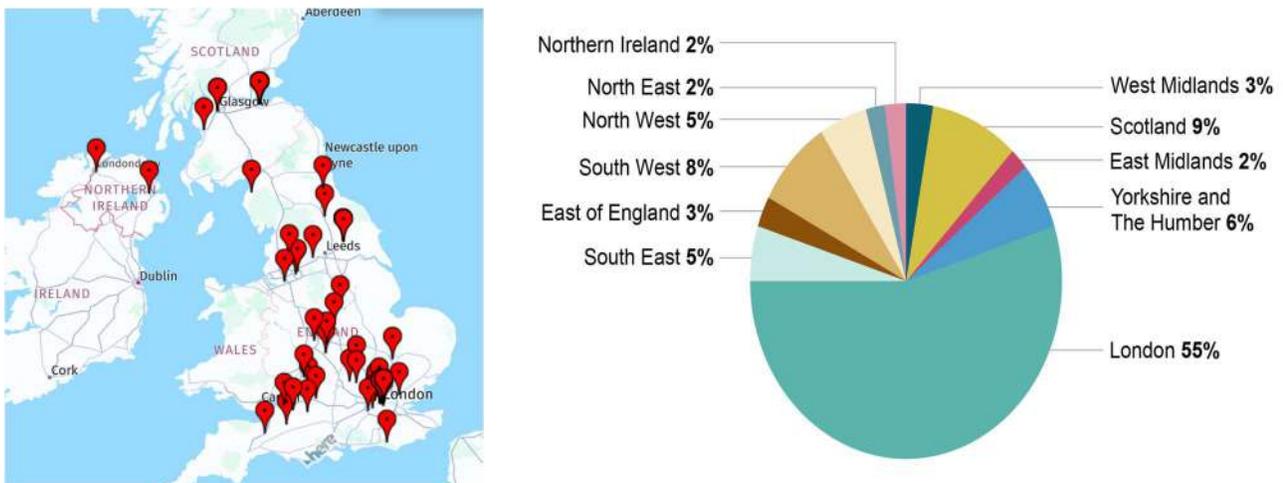


Figure 4 shows the location of the headquarters of the Year Five foundations. As in previous years, London was the most common location for foundations included (55, compared with 59 in Year Four). Nine are headquartered in Scotland (eight in Year Four), two in Northern Ireland (Year Four had one), and none in Wales (Year Four also had none, Year Three had one).

Figure 4: Location of the foundations in the Year Five cohort



A summary of the research method

The FPR uses only publicly available information,¹² because this is all that is visible to outsiders such as prospective applicants for grants or work. The criteria are determined as objectively as possible, drawing where possible on other rating systems (in the voluntary sector and also beyond), as well as the FPR's annual public consultation.

To facilitate comparison, the FPR's method deliberately changes very little year-on-year. Also, the number of community foundations assessed was stabilised at seven, because fluctuations in the number of these foundations in previous years affected the performance of the cohort overall, which could be misleading.

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 and sponsors ran two public webinars during this period, open to anybody and to which the included foundations were invited.

12 Material on the foundation's website or in its filings to its regulator.

Feedback from foundations

There are many anecdotal examples of how foundations are using the FPR criteria to assess themselves, and how being assessed has focused foundations on these issues and sometimes to take new action. This is very heartening – particularly in combination with the emerging signs of improvement in sector practice from the data discussed earlier. The FPR was created and designed to influence behaviour, rather than simply as a research exercise. These are some examples of feedback received this year:

“We wanted to let you know that we have made some updates to our website in response to some of the points in our FPR review, including making our enquiry form clearer and giving more info about what we look for and how long our processes take. We also recently ran our own feedback survey, and took some of the feedback from our partners onboard too in terms of other edits, as well as the IVAR peer review process.”

“We feel that it is an accurate reflection of the information available. Thank you for giving us the opportunity to feed back. Looking forward to seeing the report in due course.”

Next steps

The Foundation Practice Rating will run again in 2026–27 (which will be Year Six). To inform that, and our understanding of the impact that the FPR is having, we welcome comments and observations. Please contact Friends Provident Foundation: enquiries@friendsprovidentfoundation.org.uk