

# THE NATIONWIDE FOUNDATION

England & Wales · Charity number 1065552

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">03451979</a>
Registered	1997-11-06
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Website	<a href="http://www.nationwidefoundation.org.uk">www.nationwidefoundation.org.uk</a>

## Activities

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**Objects:** TO PROMOTE SUCH PURPOSES BEING EXCLUSIVELY CHARITABLE ACCORDING TO THE LAW OF ENGLAND AND WALES AS THE DIRECTORS OF THE FOUNDATION (THE "TRUSTEES") SHALL FROM TIME TO TIME DETERMINE

**Activities:** The Nationwide Foundation is an independent funder of charitable causes across the UK. Our vision is for everyone in the UK to have access to a decent home which they can afford and we make grants and social investments in pursuit of this vision.

## Classification

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- **How:** Makes Grants To Organisations, Provides Other Finance, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Accommodation/housing, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,074,969	£3,249,787	£7,692,560	10
2024-03-31	£4,277,871	£2,308,524	£5,878,720	9
2023-03-31	£2,594,001	£2,635,057	£3,820,057	8
2022-03-31	£1,879,479	£2,315,899	£3,874,942	8
2021-03-31	£2,282,589	£1,905,175	£4,228,618	8

## Trustees

Name	Role	Appointed
<b>Saphie Ashtiany</b>	Chair	2018-07-12
Anthony Burton		2024-01-18
Baroness Alicia Kennedy		2024-01-18
Christopher Beazley		2022-04-21
Damian Thompson		2024-09-19
Gill Leng		2020-04-15
Judith McNeill		2018-09-06
Robert Gardner		2024-10-22
Stephen Evenden		2024-10-22
TERRIE ALAFAT		2018-09-15

**THE NATIONWIDE FOUNDATION**

England & Wales - Charity number 1065552

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# Accounts

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# ANNUAL REPORT

Year ended 31 March 2025



Registered Company: 3451979  
Registered Charity: 1065552

# The Nationwide Foundation's trustees' report for the year ending 31 March 2025

## Foreword from our Chief Executive, Kate Markey

As the incoming Chief Executive of Nationwide Foundation, this is my first Annual Report for what has been an important year for the organisation. Joining the Foundation at a time when the country was preparing for a general election provided a valuable opportunity to witness the level of expertise, convening and influence the team can garner – an important and exciting reminder of why I wanted to be part of it.



The country is in the grip of a housing crisis, with the Labour Government putting home building at the heart of its manifesto agenda. Political change brings significant opportunity, but also a risk of losing strategic focus for organisations like us, who seek to influence long-term change.

As a systemic funder, the Foundation has continued to focus efforts where change is really needed across the housing system and it has been rewarding to see much of its work, directly and indirectly with its partners, manifested in the Government's legislative ambitions – including the Private Renters' Rights Bill; the Planning and Infrastructure Bill and; the Leasehold and Commonhold Reform Bill and the housing opportunities held within the English Devolution Bill.

Particular highlights of the Foundation's work and impact this year include the launch of Homes for All, a powerful set of recommendations and a roadmap for a well-functioning housing system. Created in partnership with the Church of England, alongside a broad coalition of housing experts, our intent was to demonstrate through a set of 25 compelling outcomes and a plan for long-term change, that housing - our homes - are more than just assets. Instead, they are the foundation of our lives on which we build families, careers, safety and communities. Conversely, when housing is in crisis every aspect of our lives, and wider society, suffer.

Another highlight has been the progress of our work in the private rented sector. From our foundational support for the Renters' Reform Coalition and its demonstrable impact on increasing private renters' rights, to our growing body of groundbreaking research, I am incredibly proud of the Foundation's impact in this space. The range of research has spanned devolved nations' housing policy in Scotland, tenants' rights at a grassroots level in Greater Manchester, as well as a forward looking to what we don't already know about the private rented sector. Next year will see us build significantly on this research.

Equity, diversity and inclusion has a key consideration for the Foundation this year and we are intent on driving this work further next year. An important feature in this space this year, has been the publication of [\*Community-led housing for all: Opportunities and challenges for black and minority ethnic community-led housing\*](#). This was the first co-produced national overview of the challenges faced by black and minority ethnic communities within the community-led housing sector in England. The research makes for valuable reading, and we will be taking action on its recommendations with other funders in the coming year.

## A foreword from our Chair of Trustees, Saphié Ashtiany

This year has seen significant change for the Nationwide Foundation, with five new trustees (including three new Nationwide Building Society trustees in line with our governance structure) and a new Chief Executive. In change there is always opportunity, and I know I speak on behalf of the whole board when I say how much we are looking forward to collaborating with the team and our wider stakeholder group to positively impact housing in the long-term. To this end, I also want to express my sincere gratitude to the whole team for their dedication and resilience during this year for the Foundation.

The next year of the Foundation will see us transition towards Phase four of our Decent Affordable Homes Strategy, following the Board of Trustees' approval to extend our commitment to housing for a further five years at least and in the coming year, 2025/26, we will build on areas of our existing work, whilst also exploring some of the emerging themes that could become core programmes in the next stage of our journey in housing.

Looking back over the last 10 years of Decent Affordable Homes, the growth in our influence, convening and impact is clear, with seminal highlights in how our country affords and values housing. Of note was the Affordable Housing Commission; the launch of our joint funding with the Welsh Government on community-led housing; investment in innovative housing projects like the award-winning WeCanMake in Bristol and our partnership with the Joseph Rowntree Foundation, Talking About Homes. This last project is reframing the narrative on how we talk about - and value - housing and it was gratifying to see its influence during the general election campaign last year.

We are seeing emerging new trends in how corporate philanthropy is creating social impact, and collaboration with benefactor donors for the benefit of society is key. The Nationwide Foundation and Nationwide Building Society share these ambitions: We share a commitment to helping people create homes, and a strong belief that home should be the foundation of our lives. We are grateful to Nationwide Building Society for their ongoing support and collaboration with the Foundation.

This country's housing crisis will not be solved soon, but through the work of the Foundation and our partners - and the wider housing sector - there are green shoots of hope. Our work would not be possible without the expertise, advocacy and dedication of the organisations and individuals we support and convene. We are proud to amplify their voices to remind us all of the importance of a decent, affordable and safe space to call home.



## About the Nationwide Foundation

The Nationwide Foundation is an independent charity dedicated to improving the lives of people in need, tackling the root causes of social problems that lead to disadvantage, poverty, and inequality. The Foundation takes a long-term approach, funding charitable causes and influencing work to achieve meaningful, systemic change for generations to come.

The Foundation's strategy has evolved significantly in the decades since it was founded, but since 2013, it has been dedicated to housing and making the housing system work for all through its Decent Affordable Homes strategy.

The Nationwide Foundation was established by Nationwide Building Society in 1997 as an independent charitable foundation. The Nationwide Foundation's main benefactor is Nationwide Building Society, and it receives an annual donation.

## Charitable objects

The Nationwide Foundation was established with the objects:

*“To promote such purposes being exclusively charitable according to the law of England and Wales as the trustees shall from time to time determine. In carrying out the objects the Foundation may make and receive donations.”*

## Public benefit

To thrive, we all need a home that is decent, secure, and affordable. However, the UK is facing a long-term housing crisis, with thousands of individuals and families struggling to find a decent, affordable place to call home. Homeownership is increasingly unaffordable; there is a severe shortage of social housing; and the options available in the private rented sector are increasingly unaffordable or poor quality.

The soaring cost of housing in many areas is driving poverty and homelessness, and its poor-quality is causing real harm to the health of individuals and families. Without access to decent and affordable homes, more people are becoming trapped in an endless cycle of poverty – with increasingly limited opportunities to improve their health, and achieve aspirations for employment, education and family life.

The housing system is failing, but it doesn't have to stay this way. Through its Decent Affordable Homes strategy, the Nationwide Foundation works to tackle the root causes of the housing crisis by engaging with and/or funding enterprises, experts, policymakers and campaigning groups to increase access, rights and affordability. And by evidencing the impact of what and how it funds, the Foundation is committed to demonstrating that change is possible.

The Nationwide Foundation's trustees refer to the Charity Commission's guidance on public benefit when reviewing the organisation's aims and objectives, in planning future activities, setting grant-making policy and making funding decisions.

## Summary of the year

In 2024/25, the Nationwide Foundation continued to deliver the latest phase of its Decent Affordable Homes strategy. This included investing in innovative projects and commissioning hard-hitting research to build a compelling case for real change in the housing system.

Our funding, research and influencing this year has covered:

- Designing what a **well-functioning housing system** for England should look like and a roadmap to achieve it

- Campaigning for **private renting reform** in England
- Evidencing the impact of **Scotland's private renting reform legislation** for tenants and landlords, five years on
- Supporting **tenant voice** across the UK
- Building the case for **more social and affordable homes**
- Supporting **community-led housing** and alternative housing providers
- Evidencing the **barriers and opportunities for black and minority ethnic led community-led housing**
- Exploring how land can be used to **deliver more affordable homes in Wales**
- Reframing the **narrative on housing** to more effectively campaign for decent and affordable homes

Alongside progressing our impact, we also started work on considering the next stage of our strategy in the last quarter of 2024.

## Values

The Nationwide Foundation's values shape the decisions its staff make, from big to small. They determine how the Team and Board work together and with our partners. The Foundation's values underpin how it achieves its mission: to increase the availability of decent affordable homes for people in need by using its funding and other assets to influence changes to the housing system.

The Nationwide Foundation's values are:

### The Nationwide Foundation is **courageous**

Changing systems requires ambition, action and conviction. Driven by its mission and compassion, the Foundation takes measured risks and bold steps to explore the system and to influence those with the power to change it. It is not afraid to ask difficult questions, to challenge its own thinking or to try an approach for the first time. The Foundation fosters independent thinkers who confront stereotypes, nurture innovation, and break down barriers to make the housing system fairer for people in need.

### The Nationwide Foundation is **collaborative**

The Foundation values the experience, expertise and views of others. It believes that the greatest success comes from collaboration and in pursuing collective goals. To achieve this, it listens to voices from across the spectrums of backgrounds, politics and beliefs. It convenes, connects and champions those diverse voices to learn from each other and influence change in the UK housing system. Committed to social justice and inclusivity, the Foundation is equitable, decent and empathic in all its dealings with others.

### The Nationwide Foundation is **trusting**

The Foundation's integrity, transparency and credibility means that it is trusted for its knowledge. It does what's right and takes decisions by considering which action will lead to the greatest long-term improvement in the lives of people in need. In turn, it places trust in its colleagues and partners, creating an environment in which they have the space to do their best work.

The Nationwide Foundation is **evidence-led**

The Foundation's work is led by evidence. With an open-minded approach to new ideas and the rigour to test them, it nurtures innovation. Its work is focused through the lens of long-term systems change: it seeks to understand what works, what doesn't work and what we could do better. It learns from all that it does, reflects on its own work and turns its new understanding into action. Through sharing its insightful learning openly, it advances knowledge and helps others to make a difference too.

The Nationwide Foundation is **committed**

The Foundation believes that change is possible and that it can catalyse it. It knows that change can take a long time, and it has the perseverance, patience and conviction to pursue long-term systems change. Its vision of a positive, hopeful future is clear in its mind. It is optimistic, but it is prepared for challenges along the way: by being creative and adaptable, it will find ways through difficulties.



# Decent Affordable Homes Phase Three

## Decent Affordable Homes strategy overview

The Nationwide Foundation believes that everyone should have access to a decent home that they can afford. This guiding principle has helped shape the Foundation's Decent Affordable Homes strategy, which started in 2013 and is due to run until at least 2031.

The Decent Affordable Homes strategy helps guide the Nationwide Foundation to leverage its knowledge, networks, and funding to influence changes to the housing system and achieve its aim of increasing the availability of decent affordable homes for everyone.

Since its inception, the strategy has progressed in phases: the first ran from 2013-2016; phase two from 2016-2022; and in 2022 the Nationwide Foundation entered its third phase, which it continued to focus on throughout 2024/25. You can look at some of the key projects we've supported and the achievements we've made through the first three phases of our strategy on the page below.

## Priorities and objectives

In 2024/25, the Foundation remained focused on the strategic priorities and organisational objectives established in the early stages of Decent Affordable Homes phase three:

**Our purpose** is to tackle the root causes of disadvantage, poverty, and inequality.

**Our vision** is for everyone in the UK to have access to a decent home that they can afford.

**Our mission** is to increase the availability of decent, affordable homes for people in need by using our funding and other assets to influence changes to the housing system.

### Decent Affordable Homes phase three has the following strategic priorities:

- **Generating the evidence** for meaningful ways to change the housing system, continuing support of work which begun in phase two.
- **Using the evidence** to influence changes to the housing system.
- **Increasing shared understanding of the housing system** and how change happens, so that we and other change-makers are better informed to make decisions about where our contribution will have the most impact.

### These are supported by five organisational objectives:

- Ensure the Foundation has the capabilities, capacity and confidence to deliver phase three of Decent Affordable Homes and beyond.
- Create an inclusive, efficient and empowered organisation where its staff and partners thrive.
- Embed learning into our governance and culture.
- Create collaborative and supportive partnerships based on trust and common purpose.
- Strengthen the Foundation's profile and influence with key decision-makers.

# Decent Affordable Homes: our key impacts 2013 – 2024

## Phase one 2013 - 2016

Delivery of three programmes to establish early knowledge on delivering change in the housing system: **Bringing Empty Properties into Use / Improving the Private Rented Sector / Alternative Housing Models.**

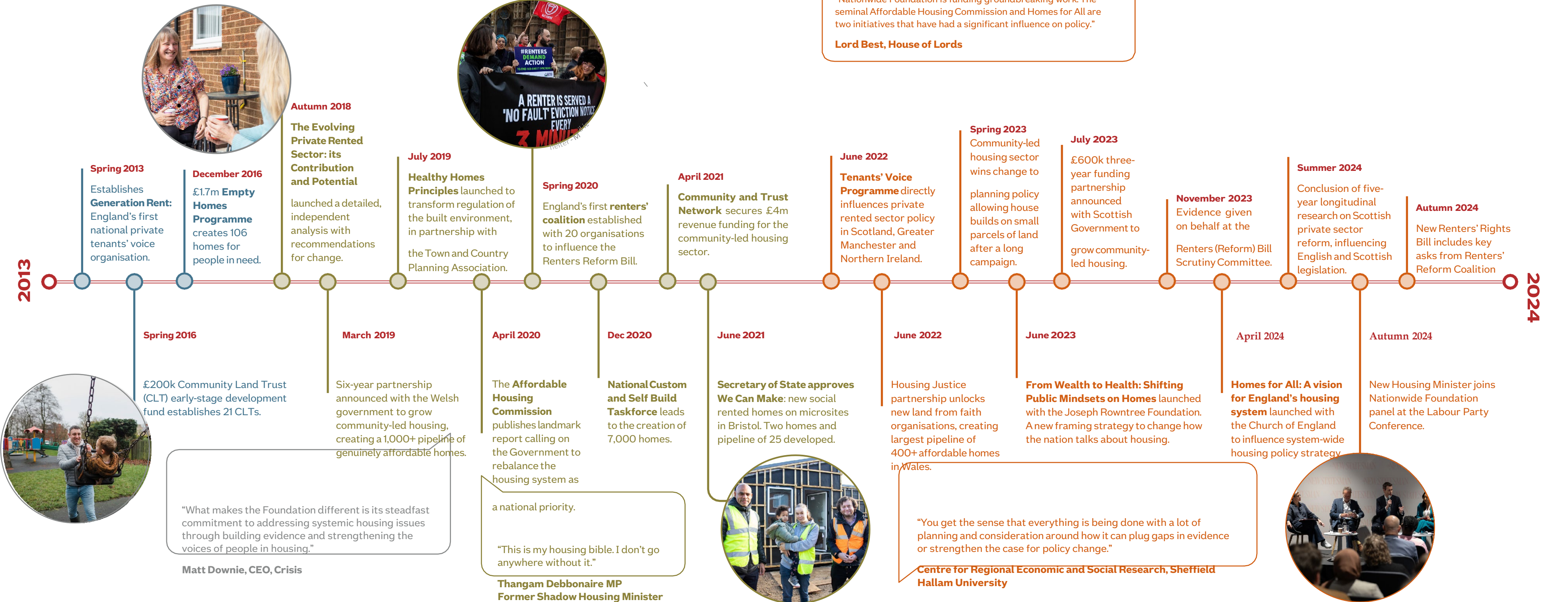
## Phase two 2016 - 2021

Focus on root causes of the lack of decent, affordable homes through funding, research and influence that assesses the whole housing system across three programmes: **Nurturing Ideas to Change the Housing System / Backing Community-Led Housing / Transforming the Private Rented Sector.**

## Phase three 2021 - 2025

Established as a leading investor, researcher and voice for policymakers, government, charities and academics. Phase two programmes are continued alongside greater investment in external and public affairs. Phase three focuses on **using evidence generated to effectively influence change** through funding alongside our expertise.

“Nationwide Foundation is funding groundbreaking work. The seminal Affordable Housing Commission and Homes for All are two initiatives that have had a significant influence on policy.”  
**Lord Best, House of Lords**



# Activities and achievements in 2024/25 across phase three

## Grant-making

In the year 2024/25, the Nationwide Foundation awarded £2.28m in grant funding across its three main programmes:

- **Nurturing Ideas to Change the Housing System**
- **Backing Community-Led Housing**
- **Transforming the Private Rented Sector**

This funding was awarded to work that aligned with the objectives of the latest phase of the Foundation's strategy. This figure includes grants awarded to existing phase three projects and for added-value grants, which are made to make the most of opportunities that arise to extend the reach of the funded work directly, or to support an organisation to build resilience or skills, so that it is better placed to deliver the funded work.

## Grant-making approach

The Nationwide Foundation awards funding to organisations across the UK that will support the achievement of its mission.

The Nationwide Foundation has developed a grant-making approach that:

1. Reflects the type of funder it is. The Foundation's work is systemic which means it focuses on long-term outcomes that address the systemic barriers to decent and affordable homes. It strives to develop relationships that are based on trust and collaboration. It seeks to co-create its programmes with the housing sector and support its partners to achieve their outcomes – using all of its assets, including its own expertise and voice.
2. Aims to balance trust with the need for accountability - for its partners, its board and its donor, ensuring the Nationwide Foundation's funds are deployed for maximum benefit. It does this through identifying specific funding criteria based on research, evaluations of previous work and stakeholder engagement alongside regular monitoring activity.
3. Sees learning as an important aspect to the Foundation's grant-making approach and expects its partners to work collaboratively with itself and its learning partner to understand the impact it is having and make decisions about future work.

The Nationwide Foundation is a Living Wage Friendly Funder and is committed to ensuring that fair wages are paid by the organisations it supports through its funding.

## Influencing long-term change

One way the Nationwide Foundation achieves its mission is through direct influencing or investing in advocacy and campaigning of its funded partners.

The new Labour government, elected in July 2024, set out bold ambitions on housing, with a manifesto pledge to build 1.5 million new homes by the end of this parliament. In addition, the government committed to an expansion of social and affordable homes, right to buy reform, continuing with the previous government's work to improve the private rented sector, overhauling planning, and publish a long-term housing strategy for England.

These commitments were strongly welcomed by the Foundation, which has long called for government action in these areas to address housing issues. In 2024/25, the Foundation built relationships with the new Housing Minister and Parliament, MHCLG (The Ministry of Housing, Communities and Local Government), the Scottish government, combined authorities and wider sector stakeholders. In September 2024, the Housing Minister Matthew Pennycook joined the Foundation and other panellists for a highly anticipated [fringe event](#) at the Labour Party Conference (shown below). The event focused on the need for a long-term, outcomes-led housing strategy from government, in line with the [Homes for All](#) report (launched in April 2024).

Throughout the year, we have continued to engage with a range of stakeholders regarding a housing strategy for England and, in particular, the need for a robust governance mechanism to future proof the national housing strategy beyond political tenures.



*Housing Minister Matthew Pennycook joined the Foundation and other panellists at the 2024 Labour Party Conference*

## Raising the Foundation's profile

Effective communication and influencing are vital to the Foundation's mission to transform the housing system, complementing its grant-making, influencing and governance work.

Over the past year, the Nationwide Foundation has achieved some notable press coverage. The launch of [Homes for All](#) (right) led to coverage in the Financial Times, the Independent, the Big Issue, and Inside Housing, and a partnership with the New Statesman during the Labour Party Conference led to a published write-up and an opinion piece by the Foundation's CEO Kate Markey.



*David Orr speaks at the launch of Homes for All in April 2024*

Social media plays a key role in achieving this. In 2025, the Foundation switched from X (formerly Twitter) to [Bluesky](#), a new and rapidly growing social media platform. The Foundation has also focused on growing its following and engagement on [LinkedIn](#), enabling it to share news and updates with a larger professional audience, particularly those in the housing space.

Another major achievement this year was the enhancement of the [Foundation's website](#). Improvements to its most visited pages have made the site more engaging, accessible and reflective of the Foundation's work, resulting in an almost 30% increase in average monthly visits on the previous year. XYZ (can we add a percentage) uptick in visits.

## Learning and evaluation

Learning is an important underpinning of the Decent Affordable Homes strategy. The Nationwide Foundation is committed to understanding how its work and the work of its partners impact wider change across the housing system. To support this commitment, the Foundation has invested in the skills of its learning partner, the Curiosity Society, to help us answer two key questions:

1. What system change is and how it happens in housing
2. How the work we are doing is influencing systemic change

This work will help the Foundation make evidence-led decision about the future direction of its strategy, where and who we partner with. We will do this by looking for indicators of what has helped or hindered progress; and by focusing on trying to understand how progress happened and how our future work can help inform, the paths to systems change in housing can be made clearer.

## The Nationwide Foundation's Programmes

### Nurturing Ideas to Change the Housing System

**The Nurturing Ideas to Change the Housing System programme ensures that ideas for protecting and creating decent, affordable homes flourish and lead to an increased number of homes for people in need.**

#### Homes for all

In April 2024, the Nationwide Foundation launched [Homes for All](#) alongside the Church of England. The Homes for All coalition developed a vision for what a good housing system should look like for England, outlining 25 outcomes for homes, the housing market, housing systems, and policy, that would deliver affordable, secure, good quality homes for everyone. The coalition's main aims include a cross-party commitment to a long-term strategy for England's housing system; a systems-wide approach to policy; and the establishment of a new Housing Strategy Committee to guide and hold government to account.

A launch event was attended by representatives from each political party and was supported by over 25 organisations who had signed up to support the coalition's asks.

In July 2024, significant progress was made when the government announced it would be developing a long-term, cross-departmental housing strategy focused on delivering outcomes. Later in the year, the Homes for All coalition, including the Nationwide Foundation, met with the Ministry of Housing, Communities and Local Government's (MHCLG) housing strategy team on to the Homes for All report and recommendations, particularly on the governance, implementation and longevity of the strategy.

Since its launch, the coalition has developed and presented additional research on international comparisons of housing strategies to support MHCLG's strategy development.

## Ensuring that our homes support our health

The Nationwide Foundation continued to fund the Town and Country Planning Association's [Healthy Homes campaign](#), which aims to implement [12 high-level principles](#) for new-build housing which, taken together, define what is meant by a decent home.



Over the past year, the Healthy Homes campaign has been successful in highlighting the critical role health and wellbeing plays in housing. Although the Healthy Homes Bill (introduced by TCPA in 2022) was not successful in securing its own legislation, it has continued to influence amendments to other legislation and has sparked a much wider debate about health and wellbeing promotion in housing policy, or the lack of it, at a national level.

Other activity this year included a private members' dinner held in the House of Lords, bringing together senior representatives from various sectors. Additionally, a renewed political interest in New Towns led to a visit between TCPA and the New Towns Task Force, focused on ensuring all New Towns created support the public's health and wellbeing.

### Accessing land to support the delivery of decent, affordable homes

One of the biggest barriers to building genuinely affordable homes, particularly for community-led housing developers, is access to both land, and long-term affordable finance.

In Bristol, the Nationwide Foundation has continued its support for WeCanMake (WCM), an innovative initiative led by Knowle West Media Centre. The project enables small parcels of council-owned land within low-density estates to be transferred into a community land trust, allowing local people to create affordable homes. The Foundation's funding has helped demonstrate the viability of WCM's community-led housing delivery model and supported efforts to scale it. This includes tackling systemic barriers such as access to long-term affordable finance and navigating delays in the planning process.

## Shifting public attitudes on housing

The Nationwide Foundation and the Joseph Rowntree Foundation continued to co-fund the [Talking about Homes](#) project, expanding its mobilisation. This project aims to shift the public narrative about homes to one that has the importance of decency and affordability at its heart. In 2024/25, there was a particular focus on how to talk about private renting, which included a convened in-depth workshop. A coaching series was devised to upskill key stakeholders so they can carry forward framing expertise into their organisations and improve the sustainability of narrative change. In addition to this deep stakeholder engagement, the project engaged broader housing audiences by hosting two webinars, attended by over 450 people.



## Backing Community-Led Housing

**The Backing Community-Led Housing programme is investing in the community-led housing sector to deliver more homes for people in need.**

### Empowering black and minority ethnic communities to build better homes and stronger communities

In October 2024 significant new research, co-funded by the Nationwide Foundation, was published by Leeds Community Homes, titled '[Community-led housing for all: Opportunities and challenges for black and minority ethnic community-led housing](#).' The research was the first co-produced national overview of the challenges faced by black and ethnic communities within the community-led housing sector in England and delivered recommendations for ways in which the community-led housing sector can support black and minority ethnic communities to create the affordable homes they want and need.

Following publication, the Nationwide Foundation played a key role in sharing the research findings nationally and [published its own response](#) to the findings, reaffirming its commitment to fostering a more just society. Tackling how housing impacts a diverse range of communities will be a key part of planning for the next phase of the Foundation's strategy. Moving forward, it will be exploring actions it can take to support and improve representation in housing spaces, including community-led housing.



### Collaborative working to provide more affordable homes in Wales

In 2024, the Foundation awarded grant funding to the Bevan Foundation, to combine its voice, resources and existing evidence with two more of our existing grant holders - Housing Justice Cymru and Cwmpas. The aim of this collaboration was to enable an in-depth examination of how land could be utilised for more affordable homes across Wales

Two reports have been published as part of this work this year. The [first](#) explores the shortage of social and community homes in Wales, and the potential these homes have to meet the Welsh government's housing delivery target. The [second](#) report, focused on Housing Justice Cymru, explores how faith-owned spaces could provide up to 7,000 affordable homes in Wales, while acknowledging the extra complexities involved in redeveloping land and buildings owned by faith-based organisations.

## Using research to influence change and unlock new homes

The Nationwide Foundation provided funding to the New Economics Foundation (NEF) in 2024, to conduct research and advocacy work that would provide policymakers with the evidence they would need to adopt ambitious social housing proposals in the run up to the general election. With an unexpected election called in July 2024, the main findings of this research were instead issued post-election, with a new aim to influence the incoming Labour government.

Two reports have since been published and used directly with the Labour government to inform its housing plans. The [first](#) identifies the extent of public gain if the government builds on its predecessor's reforms to limit the impact of 'hope value' on land valuations subject to Compulsory Purchase Order. In March 2025, the Foundation was pleased to see proposed reforms to hope value included in the government's new Planning and Infrastructure Bill.

The [second](#) report contributes to the growing body of evidence which shows that investment in a new generation of social homes is not only essential to meet the government's housebuilding targets but also generates significant economic returns.

## Influencing wider policy changes to support the community-led housing sector

In 2023, the Nationwide Foundation, celebrated the publication of a revised version of the [National Planning Policy Framework \(NPPF\)](#), which included several changes relevant to the community-led housing sector. Building on this success, the Foundation, the Community Land Trust Network, its members and the wider sector, welcomed further revisions to the NPPF in 2024, which included some key changes that the sector had been collectively lobbying for since 2010.

For the first time in national planning policy, the sector now has an agreed definition of community-led development and the requirements for local policies to support them. Additionally, a new exception site policy has been introduced specifically for community-led development. These are significant gains for the wider sector, making the delivery of homes and community spaces easier for both community-led organisations and other small-scale housing providers or developers.

## Transforming the Private Rented Sector

**The Transforming the Private Rented Sector programme works to ensure the private rented sector provides homes which are affordable, secure, accessible and high quality.**

### Influencing private rented sector reform

In September 2024, the government published the Renters' Rights Bill, a key campaign objective for the Nationwide Foundation, which will dramatically change tenancy law in England. Through its funded partner, the Renters' Reform Coalition, and through its own advocacy, the Nationwide Foundation has been working to influence the Bill to ensure it enhances the lives and experiences of private renters, particularly those most in need. The Foundation's focus has been on addressing pressing issues within the sector, such as quality, safety, security of tenure and access to justice.

### Pioneering findings from Scotland

In line with the publication of the Renters' Rights Bill, the Foundation released the findings of the largest study of landlords and tenants in Scotland following the 2017 tenancy reforms. The third and [final phase of its five-year RentBetter research](#), reported on the impacts of 2017 tenancy reforms on renters with lower incomes and those in housing need, as well as the experiences and future plans of landlords. Whilst Scotland-focused, the findings unveiled crucial insights for shaping legislation across the UK, and provided critical evidence for the Foundation's work to influence the new Renters' Rights Bill.

In Scotland, the Housing (Scotland) Bill was introduced to parliament in March 2024, and is expected to result in further changes to the private rented sector (PRS), including measures to limit rent increases. The Foundation used the compelling evidence from its RentBetter research to influence government to improve conditions and protections for renters across Scotland. This included appearing before the Scottish parliament's Local Government, Housing and Planning Committee to discuss the Bill and how the Foundation's research could inform the proposed legislation.



*Joshua Davies, Programme Manager for Transforming the Private Rented Sector, appearing before the Scottish parliament's Local Government, Housing and Planning Committee*

## Private Renting Research

This year, the Nationwide Foundation began a significant, long-term programme of research into the private rented sector. Phase one included an [influential scoping study](#) to identify where gaps in knowledge exist across the sector and examine how research into these gaps could further the case for systemic change. Phase two commenced in Spring 2025, which will involve research partners exploring build to rent, the mediated market and letting agents.

### Tenants' voice projects

The Nationwide Foundation continued to fund eight tenant voice projects to empower tenants and support them to make their voice heard in debates around private rented sector policy and practice. The projects are spread across England, Scotland and Northern Ireland, and use a variety of methods to engage renters and support them to have a voice.

Over the past year, the impact of these projects has deepened, supporting renters with individual problems and facilitating them coming together in collective campaigns for change, which were tenant-led and directed at local, regional and national level. Key successes include:

- In Scotland, Living Rent successfully campaigned for long-term change to the PRS to be delivered through the Housing (Scotland) Bill.
- In Greater Manchester, Greater Manchester Tenants Union has influenced policy commitments by the mayor of Greater Manchester and built a network of local tenant groups.
- In England, Citizens Advice has helped bring tenants' views to the fore to influence the Renters' Rights Bill.
- In Northern Ireland, Housing Rights have been key in influencing private rented sector legislation.
- In the city of Westminster, Z2K has directly influenced local government policy and practice.

# Future Plans

## Strategic focus

Development work for the next phase of the strategy began in the last quarter of 2024, and 2025/26 will act as a transition year.

Going forward, the Foundation's work will focus on the people and communities disproportionately impacted by housing inequality; progressing its work as a leading voice and providing evidence of good practice in the private rented sector; and piloting new models to support access to affordable housing. Over this time, the Foundation will:

- Test new ideas to build understanding of what works
- Convene coalitions of different voices to improve housing
- Invest in pioneering research
- Build an evidence base to hold the nation's governments to account and offer solutions

## External affairs

In 2025/26 the Nationwide Foundation will invest in strengthening its profile and influence by:

- Building and strengthening the Foundation's engagement with key stakeholders
- Continuing to support programme-related influencing activity
- Delivering a programme of events at party conferences and other national platforms
- Invest in telling the stories of people's lives supported through our long-term impact



## Grant-making activities

The Nationwide Foundation's grant portfolio is mainly comprised of multi-year grants, many of which will be coming to a close as the Foundation moves into the next phase of its strategy. The Foundation is committed to supporting all its funded partners until the end of their existing grant arrangements and, to transition the work to its next stage, supporting them to ensure success beyond our involvement. During this period, new funding arrangements will both deepen impact in areas of the current strategy. This funding will be by invitation only.

Work to be undertaken or completed by funded partners in 2025/26 includes:

### Nurturing Ideas to Change the Housing System

- The Nationwide Foundation awaits publication of the government's housing strategy, which is expected in 2025. Following this, the Homes for All Coalition will develop its response to the strategy, which will include the consideration of a mechanism for how to lock-in the policy commitments for the long-term.
- The Foundation will continue to support WeCanMake's plans to enable other communities and regions to implement its model. Additionally, it will work with WCM to reach a total of 10 homes, demonstrating the viability and scalability of this housing solution.
- Funding has been approved for a project to support housebuilder diversification, aimed at addressing the strategic barriers faced by social purpose developers and landlords. This work will focus on addressing key challenges related to finance, land, and planning.
- Additional funding has been secured to continue delivery of the Talking about Homes mobilisation until 2027. In the coming year, a mid-point evaluation will be published about the progress so far, which will inform the final phase. Further research will be undertaken and shared with the sector that will reveal how the narrative can be changed in conversations around immigration and housing. Talking about Homes will also be supporting the sector to communicate in a way that builds consensus for the delivery of new genuinely affordable homes.

### Backing Community-Led Housing

- Alongside the Welsh Government, the Nationwide Foundation has been a co-funder of Cwmpas for over a decade. A portion of Cwmpas' current grant has been focused on the establishment of a revolving loan fund for community-led housing and in the coming year, the Foundation will continue to provide more funding to this project. As a result of this work, and following a consultation on social housing supply, this year the Welsh government will re-examine a recommendation from Cwmpas to establish a revolving loan fund for community-led housing. This is a real change in mindset and a huge step forward for the project and potentially for community-led housing in Wales.
- As part of a co-created piece of programme work between the Foundation, the Community Land Trust Network and the UK Cohousing Network, a new test and learn community-led 'policy lab' will evidence the key role that community-led housing can play in the development of New Towns. In Spring 2025, a positioning paper and a follow-up policy proposal are due to be published following a successful event held with a wide range of stakeholders.

## Transforming the Private Rented Sector

- The Nationwide Foundation will continue to play an active role as a member of the Renters' Reform Coalition to help shape the Renters' Rights Bill and ensure a proper scheme of implementation. While the passing of the Bill in law will be a huge step for the sector, the Bill itself is not perfect, and the Foundation will continue to carry out influencing and campaigning work to ensure private renters are supported. This work will include funding research from New Economics Foundation into the potential of the new private renting database.
- The Foundation's long-term PRS research project will carry out research into the local impact of build to rent, the scale and impact of the mediated market and the role and behaviour of letting agents.
- The Foundation will invest in opportunities to support place-based change initiatives to improve tenant and landlord compliance with their legal duties.

## Future uncertainties

The Nationwide Foundation is aware that the national and global context can affect our programmes. The following have been identified as potentially impacting on our and our funded partners' work in 2025/26:

- Geopolitical considerations, such as the ongoing war in Ukraine and US trade policy may impact the capacity and resources of government and public sector bodies.
- Elections in Scotland and Wales in 2026 will see the formation of new governments in the devolved nations. Both countries are likely to see significant shifts in government make-up, and it is unclear how this will affect devolved housing policy.
- In December 2024 the government published a Devolution White Paper which sets out its ambitions to make devolution the default across England, aiming to empower local leaders, enhance public services and stimulate economic growth. Devolution will shift the role and powers of local and combined authorities on housing and planning, notably through the creation of Strategic Authorities
- The ongoing cost-of-living crisis and global economic uncertainty may increase homelessness and raise costs for projects.
- High levels of inflation and the cost of construction may continue to affect the financing and affordability of community-led housing and other projects, as well as further reducing affordability for renters and homebuyers.
- Climate change is having visible effects on the world, and many aspects of our society are having to adapt to the far-reaching and increasing effects of the climate crisis. Specifically, the foundation considers what impact the climate crisis could have on its work around healthy homes and the infrastructure needed to tackle the shortage of homes.

The Nationwide Foundation trustees and team will monitor these and other issues that arise and adapt accordingly.

# Structure, Governance & Management

## Governance

The Nationwide Foundation:

- Is a company limited by guarantee (no. 3451979) and a registered charity (no. 1065552) which operates in accordance with its Articles of Association and Revised Memorandum.
- Is governed by a board of up to ten trustees which set the policies and strategy of the Foundation and approves large grants. During 2024/25 ten trustees served on the board.
- Has seven trustees who are appointed by the board following open recruitment, and three trustees who are appointed by Nationwide Building Society.
- Trustees can be appointed for terms of up to three years and may serve a maximum of three consecutive terms, following the consideration and approval of the board. All trustees undergo an in-depth induction and are offered training as well as opportunities to attend meetings with funded organisations alongside Nationwide Foundation staff. The board typically meets four times a year, plus an annual strategic away day. In 2024/25 the board held all four meetings in person.
- Has trustee committees and in-year trustee task groups, to which it delegates various aspects of the Nationwide Foundation's work, with oversight and ratification of their decisions by the board. This includes:
  1. Finance and risk committee (comprising four trustees, the chief executive and accountant): in 2024/25 this committee advised on audit, risk oversight, budget and investments.
  2. Governance, Nominations and Remunerations Committee (comprising four trustees including the chair, vice-chair and at least one building society appointed trustee who is included in the quorum). In 2024/25 this committee advised on equity, diversity and inclusion (EDI), people data and safeguarding.
- Reviews its application of the Charity Governance Code every three years. This last took place in September 2022. The review concluded that the Foundation fully applies most of the recommended practices and its approach is in keeping with the spirit of the code. Actions were agreed to make improvements to recommended practices in relation to diversity. The next full review will take place in 2025.
- Undertakes an independent audit of its internal controls every three years. This last took place in 2023/2024 and assessed the key controls in place to ensure the Foundation delivers its strategic goals through its allocation of funding. The audit concluded a satisfactory result with no substantial findings. Minor improvements were identified and have been implemented during 2024/25.
- Has a conflict of interest policy for both trustees and staff and maintains a register of declarations that is regularly shared with the board. Trustees declare conflicts of interest at the start of each meeting and withdraw from decisions where there is a conflict. A code of conduct also exists for trustees.
- Reviews its governing document every three years. A review of the Foundation's Framework Agreement document began during the year and will continue into 2025/26, alongside an external review of Nationwide Foundation's overall governance.

## Risk management

Trustees are tasked with ensuring that the Foundation’s risk management processes and mitigating controls support the appropriate management of risk. The board judges whether its agenda is focussing on the issues that are the most significant in relation to achieving the Foundation’s objectives and whether best use is being made of resources to deliver its mission. Alongside the key strategic risks, the current controls, methods of management and actions to improve management or mitigate risks, are documented in a risk summary. The summary is used as a tool by the Management Team and at each of the quarterly Finance and Risk Committee meetings

The Committee considers one or two risk areas in detail at each meeting and reports to the Board of Trustees quarterly.

### Principal risks to the Foundation

The principal risks faced by the Foundation and the mitigations are as follows:

Risk	Mitigations
<p><b>Financial stability</b> Reliance on a sole funder, Nationwide Building Society (NBS), poses a significant risk if funding is disrupted. High reserve levels could be perceived as excessive, raising concerns about the effective use of funds. Multi-year funding commitments lead to periods where large amounts of money are held, potentially affecting financial flexibility. Rising core costs, including staff and operational expenses, further strain financial resources.</p>	<ul style="list-style-type: none"> <li>• Maintain transparency and accountability in line with the reserves policy.</li> <li>• Regularly monitor and report on cashflow forecasting.</li> <li>• Regularly review core cost expenditures.</li> <li>• Regularly communicate with donor about financial strategies and risks.</li> </ul>
<p><b>Reputational</b> The Foundation actively engages in political influencing to drive systemic change and therefore its reputation is vital for building effective partnerships.</p>	<ul style="list-style-type: none"> <li>• Investment in external affairs expertise</li> <li>• Controls reviewed in line with Charity Commission guidance</li> <li>• Effective Grant Policy and robust due diligence procedures.</li> <li>• Media strategy</li> </ul>
<p><b>Operational and Governance</b> Effective governance is essential to ensure that the Foundation’s activities align with its mission and comply with legal requirements.</p>	<ul style="list-style-type: none"> <li>• Robust governance structures</li> <li>• Regular review of policies and procedures</li> <li>• Internal audits</li> <li>• Independent governance reviews.</li> </ul>
<p><b>Grant making</b> Grant making is core to the Foundation’s charitable purpose. Key risks in this area include fraudulent (or mis)use of funds, underperformance of organisations supported against impact, reputational impact of organisations funded and value for money on contracts commissioned to support the Foundation’s mission.</p>	<ul style="list-style-type: none"> <li>• Grant policy</li> <li>• Due diligence and assessment</li> <li>• Grant agreement and service contract</li> <li>• Regular monitoring and reporting</li> <li>• Effective programme and portfolio management</li> <li>• Proactive engagement and communication with portfolio</li> </ul>

## Equity, diversity and inclusion

The Foundation recognises the power and position it holds as a funder. Its work is made possible by the people and institutions around it, and it strives to be inclusive, accountable, and transparent in its operations. This year, the Foundation made significant strides to embed equity, diversity and inclusion across its work. A comprehensive workplan was developed around seven key themes, including governance, people, grant making and reporting. The plan is closely aligned with its programme work, particularly in tenant voice initiatives. The Foundation engages with marginalised and vulnerable groups to amplify their voices and ensure their perspectives' influence decision-making. This alignment supports the principles of people and power, promoting equity and inclusivity across all efforts.

At board level, trustees are preparing to complete the EDI module of the Charity Governance App – a best practice governance tool - to support inclusive governance and inform the upcoming governance review. The Foundation's team will also engage in a development programme on the practice of equity, diversity, inclusion.

## The Nationwide Foundation's impact on the environment

The Nationwide Foundation helps to reduce carbon emissions by:

- Making environmentally responsible decisions about travel, avoiding unnecessary travel and using public transport.
- Including environmental considerations in the Foundation's investment policy.
- Supporting funded partners to make environmentally responsible decisions by ensuring that the level of funding awarded is not a barrier to doing so.

The Foundation is also conscious of the environmental impact of the projects it funds and the opportunity these present, not just to improve the housing system, but to provide benefit from an environmental perspective and adapt to the impacts that climate change may present.

One such example is WeCanMake, which enables council-owned land to be transferred into a community land trust to help people create homes on small parcels of land in a low-density housing estate. This project creates local homes that are low carbon, sustainable and built using local materials. With sustainability and the environment in mind, this means that WeCanMake is not just providing more homes, and creating local jobs, but also contributing to the fight against the climate emergency.

As one of the Foundation's three key programme areas, community-led housing also provides a significant opportunity for the Foundation to have a positive impact on the environment. Across the sector, developments within community-led housing often prioritise eco-friendly building practices, ensuring homes are built to high environmentally sustainable standards, promoting community cohesion and long-term sustainability.

Within its programme of work to transform the private rented sector, the Foundation is actively engaged, alongside its funded partners, in the government's consultation and thinking on minimum energy efficiency standards, which will drive energy efficiency improvements in private rented properties.

## Staff

- The Foundation's staff implement the policies and strategies set by the board.
- All staff are employed by Nationwide Building Society and receive remuneration in accordance with their employment contract with the Society. The Foundation's Governance, Nominations and Remunerations Committee sets the chief executive's salary within the parameters of Nationwide Building Society's salary bands.
- The Nationwide Foundation's newly appointed CEO took up the position during the year.

## Key relationships

- Nationwide Building Society is the Nationwide Foundation's main benefactor and supplier of in-kind support, including office space.
- The Nationwide Foundation is a member of the following networking and support organisations: Association of Charitable Foundations (ACF), Association of Chief Executives of Voluntary Organisations (ACEVO), National Council of Voluntary Organisations (NCVO), London Funders, Funders Safeguarding Collaborative, Charity Finance Group and CharityComms.

## Fundraising activity

The Nationwide Foundation had no fundraising activities requiring disclosure under S162A of the Charities Act 2011. Almost all the Nationwide Foundation's income comes from an annual donation from Nationwide Building Society, and a funding agreement is in place which sets out the basis for the donation.

## Statement of trustees' responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. This includes Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the situation of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP; make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Guarantees

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## Auditors

Godfrey Wilson Limited has indicated its willingness to be reappointed as statutory auditor.

# Financial Review

## Income

Income for 2024/25 totalled £5,074,969 (2023/24: £4,277,871). This is primarily made up of an annual donation from Nationwide Building Society, of £4,670,150 in 2024/25 (2023/24: £3,950,278) and donated services from the society to the Nationwide Foundation totalling £73,054 (2023/24 £102,642). This represents the provision of office space, technology, legal and accountancy support.

The Nationwide Foundation's principal source of income is an annual donation from Nationwide Building Society. The donation is received annually and is at least 0.25% of Nationwide's pre-tax statutory profit averaged over three years. Nationwide Building Society provides a three-year donation floor to provide the Foundation with a commitment that supports the Foundation to plan for the medium term. The floor can only be adjusted in specified extraordinary circumstances.

## Expenditure

Expenditure for 2024/25 totalled £3,249,787 (2023/24: £2,308,524). The majority of the Nationwide Foundation's funds are used to award grants for charitable purposes, and to cover the costs of running the Nationwide Foundation. Grants are paid in instalments, and multi-year grants are released annually, subject to approval from the chief executive. Each grant is subject to monitoring to ensure satisfactory progress.

## Reserves

The total value of unrestricted funds held at 31 March 25 stands at £7,692,560. These funds represent a combination of funds already committed to grant-making, strategic contingencies and unallocated general reserves available to support delivery of the Foundation's charitable objectives.

**Unrestricted funds:** can be used on the charitable objects, to be spent at the trustees' discretion in line with agreed strategic plans. Unrestricted funds consist of general funds and designated funds.

**General (free) reserves:** are unrestricted funds which have not been earmarked and may be used generally to further the charity's objects. The general reserves held at end March 2025 were £6,414,127.

**Designated funds:** are known grant commitments and funds that trustees have earmarked for specific purposes. The funds designated at end March 2025 were £1,278,433.

At March 2025, the free reserves would cover 24 months of average expenditure. This is expected to reduce to around 14 months by March 2026 in line with grant activity and operational spending.

The trustees acknowledge the elevated reserve levels and are committed to ensuring that these funds are utilised effectively to support the Foundation's mission. The transition plan for 25/26 will concentrate on addressing housing inequality by focusing on the people and communities most affected and is designed to strategically deploy these reserves, aligning with financial prudence and operational continuity goals. By implementing this plan, the reserves are expected to be reduced within the target range of 9-15 months, thereby maximising the impact of the capital while maintaining financial stability. This approach reflects the trustees' dedication to

responsible stewardship and proactive management, ensuring that the Foundation remains agile and responsive to evolving needs and opportunities.

## Reserves policy

During February 2025 a formal review of the reserves policy took place, and the outcome was to introduce a new policy designed to be more flexible and reflective of its financial model. Instead of using a fixed reserves figure, the policy now sets a target range of 9 to 15 months of average expenditure. This dynamic approach helps ensure that reserves remain at a suitable level to manage risk, protect ongoing work and take advantage of strategic opportunities.

Reserves levels are tracked monthly and reported quarterly to the Finance & Risk Committee and supports greater transparency and accountability. A full review of the reserves policy takes place annually.

## Investment policy

During 2024/25, the Nationwide Foundation undertook a review of its investment policy to ensure optimal utilisation of its assets. The policy aims to maintain the real value of the portfolio in line with inflation and ensure sufficient liquidity for grant payments, new grants, running costs, and unexpected cash flow needs. The policy outlines the Foundation's risk management approach, emphasising diversification across financial institutions with minimum credit ratings based in the UK. Ethical standards are integral to the policy, with a commitment to responsible investment decisions that align with the Foundation's values and objectives. Investments are also strategically aligned, avoiding assets that conflict with the Foundation's goals, such as not investing in residential properties that do not support the creation of decent, affordable homes.

Trustees are permitted to manage investments up to £7.5 million, with the use of an investment manager reviewed annually.

During the year the trustees approved an interim update to the Investment Policy, including the development of a new social investment policy and the formation of a Trustee-Executive working group to explore social investment opportunities, alongside the development of a new investment approach considering long-term donation ratios and liquidity. The proposed long-term investment approach will be reviewed in Q4 2025/26.

## Investments

Most funds are held in either fixed term or instant access cash accounts on which interest is earned. Interest earned in 2024/25 totalled £325,968 (2023/24: £222,791).

In 2024/25 the Foundation held funds in CCLA's COIF Charities Ethical Investment Fund as it met the Foundation's risk requirements and ethical standards.

On 31 March 2025 the value of the investment was £758,515 (31 March 2023: £769,857), a decrease of £11,342.

## Programme related investment policy

The policy on social investments adheres to the following guidance from the Charity Commission:

*“Programme related investments (also known as social investments) are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary motivation for making them is not financial but to further the objects of the funding charity.”*

During the year:

- No new programme-related investments were made during the year
- Repayments were received from existing social investments:
  - £2,953 from Communities Housing Trust
  - £26,749 from CLH Fund
  - £9,891 from CLH Fund II
- Interest earned during 2024/25: £5,797 (2023/24: £2,160).

## Financial outlook

The Nationwide Foundation has a minimum donation committed from Nationwide for 2025 and 2026. The Nationwide Foundation's trustees monitor this throughout the year and are prepared to be responsive and flexible to any changes.

## Approval

The trustees have agreed these financial statements which have taken advantage of the small companies' exemptions provided by section 415a of the Companies Act 2006.

Approved by the board of trustees on 2 October 2025 and signed on behalf of the board of trustees by the chair and another trustee:

*S Ashtiany*

Chair .....

Saphié Ashtiany

*Terrie Alafat*

Trustee.....

Terrie Alafat

# Trustees/Directors

**Terrie Alafat** ◇

**Saphié Ashtiany (chair)** ∞

**Kit Beazley** ◇

**Tony Burton** ◇

**Rob Collins** † ◇ (retired in September 2024)

**Steve Evenden** † ◇ (appointed in October 2024)

**Robert Gardner** † (appointed in October 2024)

**Catherine Kehoe** † (retired in August 2024)

**Baroness Alicia Kennedy**

**Gill Leng** ∞

**Judith McNeill** ∞ (vice-chair)

**Damian Thompson** † ∞ (appointed in September 2024)

† Appointed by Nationwide Building Society

◇ Member of the Finance and Risk Committee

∞ Member of the Governance, Nominations and Remunerations Committee

**Chief Executive:**

Kate Markey

**Company Secretary:**

Joanna Sheppard

**Accountant:**

Kayleigh Keville

**Auditors:**

Godfrey Wilson, Fifth Floor, Mariner House, 62 Prince Street  
Bristol, BS1 4QD

**Bankers:**

CAF Bank, 25 Kings Hill, West Malling, Kent, ME19 4JQ

**Investment fund managers:**

CCLA Investment Management Limited and CCLA Fund  
Managers Limited, Senator House, 85 Queen Victoria Street,  
London, EC4V 4ET

**Solicitors:**

Bates Wells, 10 Queen Street Place, London,  
EC4R 1BE

## **Independent auditors' report**

**To the members of**

### **The Nationwide Foundation**

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#### **Opinion**

We have audited the financial statements of The Nationwide Foundation (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 5 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

**To the members of**

### **The Nationwide Foundation**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## Independent auditors' report

To the members of

### **The Nationwide Foundation**

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#### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

### **The Nationwide Foundation**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Alison Godfrey**

Date: 2 October 2025

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

## The Nationwide Foundation

### Statement of financial activities *(incorporating an income and expenditure account)*

#### **For the year ended 31 March 2025**

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	Note	2025 Total £	2024 Total £
<b>Income from:</b>			
Donations and legacies	2	<b>4,743,204</b>	4,052,920
Investments	3	<b><u>331,765</u></b>	<u>224,951</u>
<b>Total income</b>		<b><u>5,074,969</u></b>	<u>4,277,871</u>
<b>Expenditure on:</b>			
Charitable activities		<b><u>3,249,787</u></b>	<u>2,308,524</u>
<b>Total expenditure</b>	4	<b><u>3,249,787</u></b>	<u>2,308,524</u>
Net (losses) / gains on fixed asset investments	10	<b><u>(11,342)</u></b>	<u>89,316</u>
<b>Net income and net movement in funds</b>	5	<b>1,813,840</b>	2,058,663
<b>Reconciliation of funds:</b>			
Total funds brought forward		<b><u>5,878,720</u></b>	<u>3,820,057</u>
<b>Total funds carried forward</b>		<b><u>7,692,560</u></b>	<u>5,878,720</u>

All income and expenditure in the current and prior year was unrestricted.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 15 to the accounts.

## The Nationwide Foundation

### Balance sheet

As at 31 March 2025

	Note	£	2025 £	2024 £
<b>Fixed assets</b>				
Programme related investments	9		<b>68,402</b>	98,223
Investments	10		<u><b>758,515</b></u>	<u>769,857</u>
			<b>826,917</b>	868,080
<b>Current assets</b>				
Debtors	11	<b>65,227</b>		69,637
Programme related investments	9	<b>27,971</b>		37,744
Fixed term deposits		<b>4,500,000</b>		3,000,000
Cash at bank and in hand		<u><b>2,998,912</b></u>		<u>2,484,644</u>
			<b>7,592,110</b>	5,592,025
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	12	<u><b>(726,467)</b></u>		<u>(581,385)</u>
<b>Net current assets</b>			<u><b>6,865,643</b></u>	<u>5,010,640</u>
<b>Net assets</b>	14		<u><b>7,692,560</b></u>	<u>5,878,720</u>
<b>Funds</b>	15			
Unrestricted funds				
Designated funds			<b>1,278,433</b>	1,966,079
General funds			<u><b>6,414,127</b></u>	<u>3,912,641</u>
<b>Total charity funds</b>			<u><b>7,692,560</b></u>	<u>5,878,720</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 2 October 2025 and signed on their behalf by

*S Ashtiany*

Saphié Ashtiany - Chair

*Terrie Alafat*

Terrie Alafat - Trustee

## The Nationwide Foundation

### Statement of cash flows

#### For the year ended 31 March 2025

	2025 £	2024 £
<b>Cash used in operating activities:</b>		
Net movement in funds	1,813,840	2,058,663
Adjustments for:		
Losses / (gains) on investments	11,342	(89,316)
Interest from investments	(331,765)	(224,951)
Decrease / (increase) in debtors	4,410	(48,442)
Increase / (decrease) in creditors	<u>145,082</u>	<u>(291,947)</u>
<b>Net cash provided by operating activities</b>	<u>1,642,909</u>	<u>1,404,007</u>
<b>Cash flows from investing activities:</b>		
Interest from investments	331,765	224,951
Fixed term deposits redeemed	3,000,000	1,100,000
Fixed term deposits issued	(4,500,000)	(3,000,000)
Receipts from programme related investments	<u>39,594</u>	<u>102,840</u>
<b>Net cash used in investing activities</b>	<u>(1,128,641)</u>	<u>(1,572,209)</u>
<b>Increase / (decrease) in cash and cash equivalents in the year</b>	<b>514,268</b>	<b>(168,202)</b>
Cash and cash equivalents at the beginning of the year	<u>2,484,644</u>	<u>2,652,846</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><u>2,998,912</u></u>	<u><u>2,484,644</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

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#### 1. Accounting policies

##### a) General information and basis of preparation

The Nationwide Foundation is a charitable company limited by guarantee registered in England and Wales. The registered office address is The Nationwide Foundation, Nationwide House, Pipers Way, Swindon, SN38 1NW.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Nationwide Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

##### d) Donated services and facilities

Donated goods and services represent Nationwide Building Society specialist staff services and accommodation costs which have not been directly charged to the Foundation. Donated professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

##### e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

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#### 1. Accounting policies (continued)

##### f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

##### g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### h) Allocation of support and governance costs

Staff costs have been apportioned on the basis of the approximate time allocated by the Chief Executive and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as the staff costs. Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have all been allocated to charitable activities. The allocation methodology is reviewed annually to ensure that it is still appropriate.

##### i) Grants

Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions are pledged and provided for in the designated fund. Multi-year grants are subject to conditions (such as annual reviews) which, until met, prevent the recognition of the liability.

##### j) Programme related investments

Programme related investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Programme related investments are held at cost as the Foundation is unable to obtain a reliable estimate of fair value.

##### k) Fixed asset investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

##### l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### m) Fixed term deposits

Fixed term deposits consist of cash held on deposit in interest bearing accounts with a term not more than 1 year. Such investments are held at fair value.

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

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#### 1. Accounting policies (continued)

##### n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of 30 days or less from the date of acquisition or opening of the deposit or similar account.

##### o) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### p) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### q) Pension costs

The officers of the Foundation are part of Nationwide Group pension arrangements. The only pension costs incurred by the Foundation are the employer's pension scheme contributions which are re-charged to the Foundation. Pension scheme liabilities are borne by the Society.

##### r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The management consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

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#### 2. Income from donations and legacies

	<b>2025</b>	2024
	<b>Total</b>	Total
	£	£
Donations and legacies	<b>4,670,150</b>	3,950,278
Donated services	<b><u>73,054</u></b>	<u>102,642</u>
<b>Total income from donations and legacies</b>	<b><u><u>4,743,204</u></u></b>	<b><u><u>4,052,920</u></u></b>

Donated services represent the cost of specialist staff services and accommodation which have not been directly charged to the Foundation by Nationwide Building Society. In addition, Nationwide Building Society provides the Foundation with other services such as IT support which cannot be readily quantified. IT costs for the maintenance of the Foundation's grants administration system are paid by the Foundation and are included in support costs.

*All income from donations and legacies was unrestricted in the current and prior period.*

#### 3. Income from investments

	<b>2025</b>	2024
	<b>Total</b>	Total
	£	£
Bank interest receivable	<b>325,968</b>	222,791
Interest and income from programme related activities	<b><u>5,797</u></b>	<u>2,160</u>
<b>Total income from investments</b>	<b><u><u>331,765</u></u></b>	<b><u><u>224,951</u></u></b>

*All income from investments was unrestricted in the current and prior period.*

The Nationwide Foundation

Notes to the financial statements

For the year ended 31 March 2025

4. Total expenditure

	Decent Affordable Homes funding £	Support costs £	Governance costs £	2025 Total £
Staff costs (note 6)	451,889	-	141,595	<b>593,484</b>
Grants (note 7)	2,278,048	-	-	<b>2,278,048</b>
Administration and IT	-	199,194	15,011	<b>214,205</b>
Learning and evaluation	-	90,996	-	<b>90,996</b>
<i>Donated services:</i>				
Specialist staff services	-	48,972	17,482	<b>66,454</b>
Facility costs	-	6,600	-	<b>6,600</b>
<b>Sub-total</b>	<b>2,729,937</b>	<b>345,762</b>	<b>174,088</b>	<b>3,249,787</b>
Allocation of support and governance costs	519,850	(345,762)	(174,088)	-
<b>Total expenditure</b>	<b><u>3,249,787</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>3,249,787</u></b>

The Nationwide Foundation

Notes to the financial statements

For the year ended 31 March 2025

4. Total expenditure (continued)  
Prior period comparative

	Decent Affordable Homes funding £	Support costs £	Governance costs £	2024 Total £
Staff costs (note 6)	408,782	-	115,218	524,000
Grants (note 7)	1,413,001	-	-	1,413,001
Administration and IT	-	96,125	13,329	109,454
Learning and evaluation	-	159,427	-	159,427
<i>Donated services:</i>				
Specialist staff services	-	37,182	14,310	51,492
Facility costs	-	51,150	-	51,150
<b>Sub-total</b>	1,821,783	343,884	142,857	2,308,524
Allocation of support and governance costs	486,741	(343,884)	(142,857)	-
<b>Total expenditure</b>	<u>2,308,524</u>	<u>-</u>	<u>-</u>	<u>2,308,524</u>

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

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##### 5. Net movement in funds

This is stated after charging:

	2025	2024
	£	£
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	2,411	2,264
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	10,500	9,200
▪ Other services	<u>7,000</u>	<u>-</u>

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements. Our auditors have also provided consultancy services to the charity during the year.

##### 6. Staff costs and numbers

The officers of the foundation are employed by Nationwide Building Society and assigned to the Foundation for the duration of their employment under the terms of the Framework Agreement between the Society and the Foundation.

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	425,138	386,834
Social security costs	46,719	47,915
Pension contributions	<u>121,627</u>	<u>89,251</u>
	<u>593,484</u>	<u>524,000</u>

	2025	2024
	No.	No.
Employees earning more than £60,000 during the year:		
Between £60,000 and 69,999	1	-
Between £70,000 and £79,999	<u>1</u>	<u>1</u>

The key management personnel of the charitable company comprise the Trustees and the Chief Executive Officer. The total employee benefits of the key management personnel were £90,306 (2024: £158,492, which included payments to the interim CEO in addition to the stated key management personnel).

	2025	2024
	No.	No.
Average head count	<u>10</u>	<u>9</u>

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

#### 7. Grants payable

The Nationwide Foundation committed to the following grants during the year in relation to its Decent Affordable Homes strategy. All grants are made to institutions.

	2025 £	2024 £
Bevan Foundation	-	25,000
Camden Federation of Private Tenants	81,944	13,216
Centre for Social Justice	-	60,000
Citizens Advice	118,760	19,479
CLTN CLH Growth lab	65,000	-
CLTN core funding	58,500	-
Communities Creating Homes phase 2	247,544	84,846
Communities Housing Trust	-	54,000
Communities Land Trust	41,480	100,000
DAH Added Value	14,046	11,010
Diversifying the housing developer market	60,000	-
English Housing strategy	55,000	5,000
England PRS research	45,900	-
Fair Housing Futures	-	48,043
Faith in Affordable Housing	73,949	92,875
Frameworks	-	97,522
Greater Manchester Community Organiser	(8,086)	28,900
Greater Manchester Tenants Union	127,562	19,912
Healthy Homes	173,516	-
Housing First England	56,962	60,978
Housing rights	71,331	17,567
Indigo House	(4,608)	159,185
Living Rent	108,538	23,811
National CLT Network (NCLTN)	-	19,500
National custom and self build association	31,376	-
Networking and best practice for TVP	(5,991)	10,000
Renters Reform Coalition	130,940	195,165
Shelter	28,530	9,750
Social and Community Led Housing GE Influencing	2,500	-
South of Scotland Community Housing	-	40,500
Supporting CLH across northern Scotland	39,750	-
Supporting CLH in SW Scotland	39,525	-
Talking About Homes	102,500	-
The New Economics Foundation	50,792	30,000
Town and Country Planning Association	(10)	177,996
We can make	444,562	-
Zacchaeus 2000 Trust	26,236	8,746
	<b><u>2,278,048</u></b>	<b><u>1,413,001</u></b>

Negative grant expenditure arises from prior commitments later reduced by agreement with the recipient.

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

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#### 8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 9. Programme related investments

	2025 £	2024 £
<b>Non-current assets</b>		
Community Housing Trust	45,152	48,223
Community Led Housing Fund	<u>23,250</u>	<u>50,000</u>
	68,402	98,223
<b>Current assets</b>		
Community Housing Trust	3,071	2,953
Community Led Housing Fund II	<u>24,900</u>	<u>34,791</u>
	<u>27,971</u>	<u>37,744</u>
<b>Total programme related investments at 31 March</b>	<u><u>96,373</u></u>	<u><u>135,967</u></u>

The Foundation has three ongoing programme related investments:

- Community Led Housing Fund II is interest-free and is due to be repaid during 2025-26.
- Community Led Housing Fund is interest-free and is due to be repaid during 2025-27.
- Communities Housing Trust, which bears interest at a rate of 4% per annum, is due to be repaid over the next 15 years.

#### 10. Fixed asset investments

	2025 £	2024 £
Market value at 1 April	769,857	680,541
Gains / (losses)	<u>(11,342)</u>	<u>89,316</u>
<b>Market value at 31 March</b>	<u><u>758,515</u></u>	<u><u>769,857</u></u>

#### 11. Debtors

	2025 £	2024 £
Accrued interest	55,416	61,531
Prepayments	<u>9,811</u>	<u>8,106</u>
	<u><u>65,227</u></u>	<u><u>69,637</u></u>

The Nationwide Foundation

Notes to the financial statements

For the year ended 31 March 2025

12. Creditors: amounts falling due within 1 year

	2025 £	2024 £
Grants payable (note 13)	641,059	485,857
Other creditors	43,674	47,570
Accruals	<u>41,734</u>	<u>47,958</u>
	<u><b>726,467</b></u>	<u><b>581,385</b></u>

13. Grant commitments

	2025 £	2024 £
Grant commitments brought forward	485,857	485,857
Grants committed during the period (note 7)	2,278,048	1,413,001
Grants paid during the period	<u>(2,122,846)</u>	<u>(1,413,001)</u>
Grant commitments carried forward (note 12)	<u><b>641,059</b></u>	<u><b>485,857</b></u>

14. Analysis of net assets between funds

	Designated funds £	General funds £	Total funds £
Investments	-	826,917	<b>826,917</b>
Current assets	1,278,433	6,313,677	<b>7,592,110</b>
Current liabilities	<u>-</u>	<u>(726,467)</u>	<u><b>(726,467)</b></u>
<b>Net assets at 31 March 2025</b>	<u><b>1,278,433</b></u>	<u><b>6,414,127</b></u>	<u><b>7,692,560</b></u>
<b>Prior period comparative</b>			
	Designated funds £	General funds £	Total funds £
Investments	-	868,080	868,080
Current assets	1,966,079	3,625,946	5,592,025
Current liabilities	<u>-</u>	<u>(581,385)</u>	<u>(581,385)</u>
<b>Net assets at 31 March 2024</b>	<u><b>1,966,079</b></u>	<u><b>3,912,641</b></u>	<u><b>5,878,720</b></u>

**The Nationwide Foundation**

**Notes to the financial statements**

**For the year ended 31 March 2025**

**15. Movements in funds**

	At 1 April 2024 £	Income £	Expenditure £	Transfers between funds £	Gains / (losses) £	At 31 March 2025 £
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Contingency fund	550,000	-	-	65,000	-	<b>615,000</b>
Grant commitments	<u>1,416,079</u>	-	-	<u>(752,646)</u>	-	<u><b>663,433</b></u>
<i>Total designated funds</i>	<u>1,966,079</u>	-	-	<u>(687,646)</u>	-	<u><b>1,278,433</b></u>
General funds	<u>3,912,641</u>	<u>5,074,969</u>	<u>(3,249,787)</u>	<u>687,646</u>	<u>(11,342)</u>	<u><b>6,414,127</b></u>
<b>Total unrestricted funds</b>	<u><b>5,878,720</b></u>	<u><b>5,074,969</b></u>	<u><b>(3,249,787)</b></u>	<u><b>-</b></u>	<u><b>(11,342)</b></u>	<u><b>7,692,560</b></u>

**Purposes of designated funds**

*Contingency fund*

This fund is ring fenced to ensure the Nationwide Foundation holds sufficient funds to deal with an unexpected significant event such as the withdrawal of support from our main benefactor as described in the trustee report.

*Grant commitments*

To hold sufficient funds to cover grant commitments that have been pledged but have not yet been accrued in the accounts as the criteria for recognition have not been met.

**Transfers**

Transfers between funds represent movements between designated funds, as determined by the board of trustees.

The Nationwide Foundation

Notes to the financial statements

For the year ended 31 March 2025

15. Movements in funds (continued)

Prior period comparative

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	Gains / (losses) £	At 31 March 2024 £
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Contingency fund	550,000	-	-	-	-	550,000
Grant commitments	<u>1,884,441</u>	-	<u>(961,406)</u>	<u>493,044</u>	-	<u>1,416,079</u>
<i>Total designated funds</i>	<u>2,434,441</u>	-	<u>(961,406)</u>	<u>493,044</u>	-	<u>1,966,079</u>
General funds	<u>1,385,616</u>	<u>4,277,871</u>	<u>(1,347,118)</u>	<u>(493,044)</u>	<u>89,316</u>	<u>3,912,641</u>
<b>Total unrestricted funds</b>	<u><u>3,820,057</u></u>	<u><u>4,277,871</u></u>	<u><u>(2,308,524)</u></u>	<u><u>-</u></u>	<u><u>89,316</u></u>	<u><u>5,878,720</u></u>

## The Nationwide Foundation

### Notes to the financial statements

#### For the year ended 31 March 2025

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#### 16. Financial instruments at fair value

	2025 £	2024 £
Financial assets measured at fair value	<u>758,515</u>	<u>769,857</u>

Financial assets measured at fair value comprises fixed asset investments as set out in note 10.

#### 17. Related party transactions

The Nationwide Foundation is an independent charity, set up and funded by Nationwide Building Society (“the Society”). A legal contract called the Framework Agreement sets out the working relationship between the Society and the Nationwide Foundation and encompasses the provision of funds and donated services including office space, technology and other support. All financial donations and donated services are disclosed in the financial statements. The Society can appoint three of ten trustees. In the opinion of the board, there is no ultimate controlling party of the Nationwide Foundation.

All staff and trustees are asked annually to record any conflicts of loyalty or interest and to declare them at the start of each board and committee meeting. There were no related party transactions in the year ending 31 March 2025. During the year ended 31 March 2024, one related party transaction was registered: One trustee (Saphié Ashtiany), was also a trustee of the Joseph Rowntree Foundation (JRF). In 2022-23 the Nationwide Foundation agreed to jointly fund the Frameworks Institute with JRF, making grant payments of £97,552 (2024: £124,000) At the year ended 31 March 2024 the charity owed the Frameworks Institute £48,559 (2024: £82,482), which is included in grants payable in note 12. All transactions were carried out at arms length.

#### 18. Post balance sheet events

In June 2025, a donation of £2,700,000 was received from Nationwide Building Society. These funds were designated for the Bridging Plan as per the reserves policy in the trustees’ report.

**THE NATIONWIDE FOUNDATION**

England & Wales - Charity number 1065552

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# Accounts

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# Annual Report and Financial Statements

Year ended 31 March 2024

Registered Company: 3451979

Registered Charity: 1065552



# The Nationwide Foundation's trustees' report for the year ending 31 March 2024

## About the Nationwide Foundation

The Nationwide Foundation is an independent charity that improves the lives of people in need, tackling the root causes of social problems that lead to disadvantage, poverty, and inequality. We do this by funding charitable causes and influencing for meaningful, long-term, and lasting change. We want to create a legacy, so that more people experience positive social outcomes in the future thanks to timely and innovative intervention today.

The Foundation's strategy has evolved and changed significantly in the decades since the charity was set up, but its current focus is on housing and making the housing system work for all.

The Nationwide Foundation was established by Nationwide Building Society in 1997 as a fully independent charitable foundation. The Nationwide Foundation's main benefactor is Nationwide Building Society, and it receives an annual donation.

## Charitable objects

The Nationwide Foundation was established with the objects:

*"To promote such purposes being exclusively charitable according to the law of England and Wales as the trustees shall from time to time determine. In carrying out the objects the Foundation may make and receive donations."*

## Decent Affordable Homes strategy overview

The Nationwide Foundation believes that everyone should have access to a decent home that they can afford. The Nationwide Foundation uses its knowledge, networks, and funding to influence changes to the housing system and achieve its aim of increasing the availability of decent affordable homes for people in need.

The Nationwide Foundation is committed to its Decent Affordable Homes strategy, which started in 2013 and is due to run until at least 2031. This is in recognition of the severity of the housing crisis and the significant changes needed to transform the housing system so that it works for everyone.

The strategy has progressed in phases: the first ran from 2013-2016; phase two from 2016-2022; and in 2022 the Nationwide Foundation entered its third phase, which it has been focused on throughout 2023/24. In the year ahead, the Foundation will commence the development of phase four of its strategy.

## Public benefit

To be able to thrive, we all need a home that is decent, secure, and affordable. Yet the lack of decent, affordable housing is one of the most pressing social problems facing the UK today, impacting the mental and physical health of individuals, families, communities and society at large.

The UK is facing a long-term housing crisis: homeownership is increasingly unaffordable; there is a severe shortage of social housing; and the options available in the private rented sector are often unaffordable and of poor quality. The high cost of housing in many areas is a direct cause of poverty and homelessness, and poor-quality housing is causing real harm to the health of individuals and families. The lack of decent and affordable homes is trapping people in an endless cycle of poverty - narrowing, or even blocking, the pathways available to people to improve their health, and achieve aspirations for employment, education and family life.

The Nationwide Foundation understand that the conditions, stability and cost of housing have far-reaching impacts on the quality of people's lives. What is more, those who are vulnerable are most deeply affected by the damaging impacts of inadequate housing, while at the same time, are often those with the least resource available to proactively change the housing system.

We know the housing system is failing, but it doesn't have to be this way. The Nationwide Foundation's Decent Affordable Homes strategy tackles the root causes of the housing crisis by engaging with and/or funding the right experts, academics, policymakers and activists to increase the availability of decent and affordable homes for all who need them. We are grateful for their expertise and commitment to change.

The Nationwide Foundation's trustees refer to the Charity Commission's guidance on public benefit when reviewing the Nationwide Foundation's aims and objectives, in planning future activities, setting grant-making policy and making funding decisions.

## Summary of the year

In 2023/24, the Nationwide Foundation continued to deliver phase three of its Decent Affordable Homes strategy. The object of phase three is to build on the progress of the second phase, which generated a host of useful evidence about the housing system, and to generate interest in that evidence amongst key decision-makers so that it is used to inform policymaking.

The Nationwide Foundation has increased influencing activity in its own right, while continuing to support the campaigning of its funded partners. Exploring the Nationwide Foundation's capacity to influence, and assessing the impact of this work, is key to phase three of the strategy, and will continue to be a key focus for the year ahead. Some projects which began in phase two have also continued into phase three, continuing to gather and use evidence.

## Learning and evaluation

Learning is a vital part of phase three of the Decent Affordable Homes strategy. The Nationwide Foundation seeks to gain an understanding of how its work and the work of its funded partners is influencing wider change across the housing system and so has partnered with an external organisation, The Curiosity Society to understand three key questions:

1. What system change is and how it happens
2. How the work we are doing is influencing change
3. How we can apply learning to our future work

This learning will be used to make evidence-led decisions about what the Nationwide Foundation and others do next. We will do this by looking for indicators of what has helped or hindered progress, and

by focusing on trying to understand how progress happened, the paths to systems change can be made clearer.

In 2023/24, the Nationwide Foundation and The Curiosity Society have continued to gather the experience and knowledge of the Foundation's funded partners and stakeholders. Our learnings will be useful not only for our team and trustees and funded partners of the Nationwide Foundation, but for the wider housing and funding sector. Work has also begun on building understanding of the housing system itself, by mapping its complexities and revealing levers for change.

## Grant-making policy

The Nationwide Foundation's trustees and staff strive for a robust, transparent governance and grant-making policy, including commitment to:

- Ensuring that the Nationwide Foundation's funds are deployed for maximum benefit.
- Developing its funding programmes by incorporating research and learning.

The Nationwide Foundation:

- Seeks to fund work that addresses the root causes of social issues.
- Identifies specific funding criteria to make best use of the funds available; this is based on research, evaluations of previous work and stakeholder engagement.
- Awards funding to organisations delivering work in the UK.

The Nationwide Foundation is a Living Wage Friendly Funder and is committed to ensuring that fair wages are paid, as an obvious and simple way of helping to tackle poverty and disadvantage.

## The Nationwide Foundation's impact on the environment

The Nationwide Foundation helps to reduce carbon emissions by:

- Making environmentally responsible decisions about travel, avoiding unnecessary travel and using public transport.
- Including environmental considerations in the Foundation's investment policy.
- Supporting funded partners to make environmentally responsible decisions by ensuring that the level of funding awarded is not a barrier to doing so.

The Foundation is also conscious of the environmental impact of the projects it funds and the opportunity these present, not just to improve the housing system, but to provide benefit from an environmental perspective and adapt to the impacts that climate change may present.

One such example is WeCanMake, which enables council-owned land to be transferred into a community land trust to help people create homes on small parcels of land in a low-density housing estate. This project creates local homes that are low carbon, sustainable and built using local materials. With sustainability and the environment in mind, this means that WeCanMake is not just providing more homes, and creating local jobs, but also contributing to the fight against the climate emergency.

As one of the Foundation's three key programme areas, community-led housing also provides a significant opportunity for the Foundation to have a positive impact on the environment. Across the sector, developments within community-led housing often prioritise eco-friendly building practices, ensuring homes are built to high environmentally sustainable standards, promoting community cohesion and long-term sustainability.

Recent research funded by the Foundation and carried out by Dr Tom Archer and Ian Wilson at Sheffield Hallam University, explored the effects of high levels of energy efficiency, a predominant feature of new community-led homes. The research estimated that households in new community-led homes may be saving £490 on average per year, compared to equivalent EPC D-rated homes. While this has a significant cost-saving impact for residents, it also has a positive environmental impact too. The reduced need for fossil fuels for heating and lighting in energy efficient homes delivers environmental benefits, such as reduced greenhouse gas emissions. Additionally, travel times, costs and associated carbon dioxide emissions may also be reduced if new community-led homes enable people to live closer to work, friends and family.

# Decent Affordable Homes Phase Three

In 2022/23, the Nationwide Foundation refined its strategy as it moved fully into phase three of Decent Affordable Homes. While the overall strategic direction remained unchanged, the three high-level pillars that initially outlined the phase three strategy were fine-tuned into five more detailed strategic objectives, outlined below. The Foundation has remained focused on this iteration of the strategy during 2023/2024:

**Our purpose** is to tackle the root causes of disadvantage, poverty, and inequality.

**Our vision** is for everyone in the UK to have access to a decent home that they can afford.

**Our mission** is to increase the availability of decent, affordable homes for people in need by using our funding and other assets to influence changes to the housing system.

Decent Affordable Homes phase three has three strategic priorities:

- **Generating the evidence** for meaningful ways to change the housing system, continuing support of work begun in phase two.
- **Using the evidence** to influence changes to the housing system.
- **Increasing shared understanding of the housing system** and how change happens, so that we and other change-makers are better informed to make decisions about where our contribution will have the most impact.

These are supported by five organisational objectives:

- Ensure the Foundation has the capabilities, capacity and confidence to deliver phase three of Decent Affordable Homes and beyond.
- Create an inclusive, efficient and empowered organisation where its staff and partners thrive.
- Embed learning into our governance and culture.
- Create collaborative and supportive partnerships based on trust and common purpose.
- Strengthen the Foundation's profile and influence with key decision-makers.

## Values

The Nationwide Foundation's values shape the decisions its staff make, from big to small. They reflect the way we have conversations, the way we work with others and individually, and the way we see the world. We believe our values help us achieve our mission: to increase the availability of decent affordable homes for people in need by using our funding and other assets to influence changes to the housing system.

The Nationwide Foundation's values were established in 2022/23. They are:

**We are courageous**

Changing systems requires ambition, action and conviction. Driven by our mission and compassion, we take measured risks and bold steps to explore the system and to influence those with the power

to change it. We are not afraid to ask difficult questions, to challenge our own thinking or to try an approach for the first time. We are independent thinkers who confront stereotypes, nurture innovation, and break down barriers in our work to make the housing system fairer for people in need.

#### We are collaborative

We value the experience, expertise and views of others. We believe that the greatest success comes from collaboration and in pursuing collective goals. To achieve this, we listen to voices from across the spectrums of backgrounds, politics and beliefs. We convene, connect and champion those diverse voices to learn from each other and influence change in the UK housing system. Committed to social justice and inclusivity, we are equitable, decent and empathic in all our dealings with others.

#### We trust

Our integrity, transparency and credibility mean that we are trusted for our knowledge. We do what's right and take decisions by considering which action will lead to the greatest long-term improvement in the lives of people in need. In turn, we place trust in our colleagues and in our partners, creating an environment in which they have the space to do their best work.

#### We are evidence-led

Our work is led by evidence. With an open-minded approach to new ideas and the rigour to test them, we nurture innovation. Our work is focused through the lens of long-term systems change: we seek to understand what works, what doesn't work and what we could do better. We learn from all that we do, reflect on our own work and turn our new understanding into action. Through sharing our insightful learning openly, we advance knowledge and help others to make a difference too.

#### We are committed

We believe that change is possible and that we can catalyse it. We know that change can take a long time, and we have the perseverance, patience and conviction to pursue long-term systems change. Our vision of a positive, hopeful future is clear in our minds. We are optimistic, but we are prepared for challenges along the way: by being creative and adaptable, we will find ways through difficulties.

# Activities and achievements in 2023/24 across phase three

## Grant-making

In the year 2023/24, the Nationwide Foundation awarded £850,280 in grant funding across its three main programmes for work that aligned with the objectives of Decent Affordable Homes phase three. This figure includes grants awarded to existing phase three projects and for added-value grants, which are made to make the most of opportunities that arise to extend the reach of the funded work directly, or to support an organisation to build resilience or skills, so that it is better placed to deliver the funded work.

## Influencing change

Influencing key decision-makers and stakeholders is fundamental to achieving the Nationwide Foundation's vision.

The Nationwide Foundation influences for positive change in two ways; indirectly, by funding others that share the Nationwide Foundation's vision and partnering with funded partners to disseminate and amplify their evidence and learning; and directly, through its own activities, such as meetings, events, writing consultation responses, and engaging with governments and other stakeholders. The Nationwide Foundation also convenes and connects as a way of building consensus and voice across sectors and between stakeholders.

A key organisational objective of phase three of the Decent Affordable Homes strategy is to increase the stakeholder engagement and external affairs activity carried out by the Nationwide Foundation. In 2023/24, the Foundation has continued to support the influencing work of funded partners across all three of its programmes and has also raised its own profile amongst key stakeholders in the housing system.

Significantly, in 2023/24 the Nationwide Foundation developed its first manifesto-style document, titled 'Decent and affordable homes for all: five proposals for a fairer housing system'. This document presents the Foundation's recommendations to the new government to help achieve a fair housing system. Key to this, is the primary ask for the new government to make addressing the housing crisis a priority with a clear long-term vision for housing and a robust governance structure to drive action.

In the year ahead, the Foundation will use 'our recommendations' to influence policymakers and ultimately contribute to the long-term improvement of the housing system for people in need.

# The Nationwide Foundation's Programmes

## Nurturing Ideas to Change the Housing System

### Activities, achievements and outcomes

**The Nurturing Ideas to Change the Housing System programme ensures that ideas for protecting and creating decent, affordable homes flourish. And that these ideas can lead to an increased number of homes for people in need.**

#### Ensuring that our homes support our health

The Nationwide Foundation continued to fund the Town and Country Planning Association's Healthy Homes campaign, which sought to introduce a Healthy Homes Act to prevent the creation of poor-quality, health-damaging housing. The campaign aims to implement 11 high-level principles for new-build housing which, taken together, define what is meant by a decent home.

In September 2023, peers voted to support the Healthy Homes amendments to the Levelling Up and Regeneration Bill, which set out a new regulatory framework for housing. However, when the Bill returned to the House of Commons through the parliamentary process, the government removed these amendments, deeming them too broad for the scope of the Levelling up Bill. Despite this, the work has sparked significant conversations on integrating health into housing policy, leading to numerous parliamentary debates and meetings with ministers, and has continued to influence key debates and discussions since. We are continuing to push for health to play a key part in housing policy, through additional legislative opportunities, as well as via a local policy approach.

#### Accessing land to support the delivery of decent, affordable homes

Accessing land is one of the biggest barriers to building genuinely affordable homes, so it seeks to find ways to change the system to release suitable land more easily.

In Bristol, the Nationwide Foundation continued to fund WeCanMake, a project by Knowle West Media Centre that is pioneering an approach which enables council-owned land to be transferred into a community land trust to help people create homes on small parcels of land in a low-density housing estate. Homes are built using sustainable, local materials in response to specific housing need, such as overcrowding or homelessness. The ambition is to enable other areas in England to replicate this proven and tested model, through raising awareness amongst national and local power-holders, as well as community groups.

#### Shifting public attitudes on housing

In February 2023, the Nationwide Foundation and its co-funder, the Joseph Rowntree Foundation (JRF), launched the 'How to talk about Homes' toolkit as part of its narrative change project. In 2023/24, the Foundation and JRF promoted the toolkit, including hosting a series of webinars and workshops delving deeper into the framing guidelines, and developing the suite of resources. The project is reaching a breadth of stakeholders in the housing space, who are adopting use of the How to Talk About Housing Frameworks; as well as deeper work with key strategic voices, for whom bespoke support is developed.

## Driving forward ideas for greater affordability

In March 2020, the Nationwide Foundation funded the Affordable Housing Commission, which later produced a set of seminal reports in 2020/21 assessing problems with housing affordability in the UK and proposing solutions. Since then, the Foundation has been carrying out work focused on the report's recommendations.

The first of these recommendations proposed replacing the current definition of 'affordability' with a definition linked to income, which would alleviate the reality of 'affordable' housing increasingly being unaffordable for many people. This year, the Foundation has supported a new report from the Centre for Social Justice (CSJ), which examined the genuine affordability of Affordable Rent schemes, which traditionally link the cost of rent to other privately-rented homes in the local area. This new report proposes a 'Living Rent' model, which would instead link rent levels to local incomes, as a viable alternative. The report also documents how some regional authorities are addressing their own affordability issues by creating policies and initiatives linking rents in some social housing schemes to local incomes, rather than the rental market.

Another recommendation from the Affordable Housing Commission reports referred to the creation of a national strategy for housing in England. Since 2023, the Nationwide Foundation has been working in partnership with the Church of England, who also called for such a strategy in its 'Coming Home' report. In 2023/24, this partnership grew to become a coalition, working with a cross-party steering group of peers, experts from across the wider housing sector, and lead researchers - the UK Collaborative Centre for Housing Evidence. Together, the coalition developed a vision for what a good housing system should look like for England, outlining 25 outcomes for our homes, housing market, housing systems, and policy, that would deliver affordable, accessible, secure, quality homes for everyone.

The main aims of this coalition, and the method for delivering the vision, include a cross-party commitment to a long-term strategy for England's housing system; a system-wide approach to policy; and a new Housing Strategy Committee to guide and hold government to account. The coalition worked together to prepare for a launch in April 2024, with support from across the political spectrum, housing sector and beyond.

# Backing Community-Led Housing

## Activities, achievements and outcomes

**The Backing Community-Led Housing programme is investing in the community-led housing sector to deliver more homes for people in need.**

Improving access to information, support, advice and technical expertise that is needed to progress a community-led housing scheme

As part of its work to support the strengthening of community-led housing infrastructure, the Nationwide Foundation continued to provide additional funding to the Community Land Trust Network (CLTN) to support its review of infrastructure provision across the UK. This will consolidate learning about what kind of infrastructure is needed so that the sector can be most effective, self-sustaining and deliver the most promising models to scale and grow.

Influencing wider policy changes to support the community-led housing sector

The Nationwide Foundation and CLTN have continued to campaign in England for reinstatement of the Community Housing Fund or an alternative. Our work has included raising the profile of the fund at conferences, targeted meetings and asks of MPs, and maintaining strong links with the Department for Levelling Up, Housing and Communities (at the time of writing, now the Ministry of Housing, Communities and Local Government).

A revised version of the National Planning Policy Framework was published in December 2023, containing several policy changes relevant to the community-led housing sector, most notably a new exception site policy specifically for community-led development. This is a big victory for the sector, something that the Foundation, alongside CLTN, its members and the wider sector have been lobbying for since 2010.

Affordability research with Sheffield Hallam University

As the cost of materials, staffing and land rose in 2022/23 for all developers, the Nationwide Foundation commissioned Sheffield Hallam University to research current affordability within community-led housing.

In early 2024, the Nationwide Foundation published the results of this research, which concluded that community-led homes are highly affordable, with 91 per cent of the homes studied found to be genuinely affordable (cost below 35 per cent of household incomes), as well as having high levels of energy efficiency. This valuable evidence will now shape the Nationwide Foundation's support of the community sector, in addition to helping the wider sector to consider future strategies.

Taking community-led housing to the next level in Wales

In 2022/23, the Nationwide Foundation granted an additional three years of funding to Cwmpas, with the aim of building on its knowledge and growing reputation so that more groups take forward community-led housing schemes across Wales. In 2023/24, the Foundation has continued to

collaborate with Cwmpas in strengthening support for community-led housing in Wales in partnership with the Welsh government.

In 2023, funding was also awarded to the Bevan Foundation to fund research into ways to unlock the supply of affordable land across Wales, enabling an in-depth examination of how land could be utilised to deliver more affordable homes across Wales. The Bevan Foundation will work with Housing Justice and Cwmpas to demonstrate the potential of church land and other socially-owned land to create high quality social or community-led homes.

### [Boosting community-led housing in Scotland](#)

In September 2023, the Nationwide Foundation announced a new partnership with the Scottish government to invest a total of up to £940,000 in two community-led housing organisations – Communities Housing Trust and South of Scotland Community Housing. The investment will help the Scottish government deliver good quality and genuinely affordable homes in Scotland and will offer support to both trusts until June 2026.

# Transforming the Private Rented Sector

## Activities, achievements and outcomes

**The Transforming the Private Rented Sector programme wants to ensure the private rented sector provides which are more affordable, secure, accessible and better quality.**

### Influencing private sector tenancy reform

In May 2023, the government released the long-awaited Renters (Reform) Bill, which began the parliamentary process. The Bill represents a once-in-a-generation opportunity to improve the rights and protections given to private renters in England. It links clearly to the Nationwide Foundation's long-term aim to strengthen the voice of renters and improve their protections from poverty and harm. Through its funded partner, the Renters' Reform Coalition, and through its own direct activity, the Nationwide Foundation has been working to influence the Bill so that it can have as positive an impact as possible on the lives of renters, particularly those most in need. The focus is on addressing pressing issues within the sector, such as quality, safety, security of tenure and access to justice.

The basis for this work is the Renters' Reform Coalition's [\*Safe, Secure and Affordable Homes for All: A Renters' Blueprint for Reform\*](#), which sets out solutions for reform shaped by the experiences of the renters with whom Coalition members work. Alongside this, the Foundation's views are informed by our wider work on the private rented sector, including multiple research projects and work to promote tenant's voice.

Additional funding has been agreed for the Renters Reform Coalition to continue to lead the campaign for change in the private rented sector during a critical period. Alongside ongoing influencing and campaigning around the RRB (or a similar future Bill proposed by a new government), the RRC will also have an important role to play in coordinating and undertaking wider and more varied campaigning to secure further changes for renters on affordability, quality and security.

### Keeping the Renters (Reform) Bill in the spotlight

Throughout 2023/24, progression of the Bill was slow, leading to consistent pressure from the Foundation in the form of statements, blogs, and joint letters calling for the government to speed up its passing of the Bill and rethink the areas in which the Bill needs to be strengthened.

The Bill received its second reading in parliament in October 2023, with MPs debating the legislation for the first time. November 2023 saw the beginning of the committee stage of the Renters (Reform) Bill, in which the committee reviewed the Bill in full, as well as the additional amendments introduced by the government. During this stage, the Foundation's interim CEO sat before the committee to explain how changes to the Bill could help ensure private renters have safe and secure homes.

### Sharing timely findings from Scotland

In 2023, the Foundation launched the third and final phase of its RentBetter research, which explores the impacts of 2017 tenancy reforms in Scotland on renters with lower incomes and those in housing need, as well as the experiences and future plans of landlords. This final phase seeks to answer fundamental questions, including finding out what difference the changes in the tenancy regime in Scotland have made since 2017, what impact rent controls in Scotland have had, what else is still to

be achieved, and how might the system be improved further. The results of the research are expected to be released in Summer 2024.

The Foundation has continued to use the findings from the first two phases of research to influence change, including through meetings with key powerholders such as MPs and civil servants.

### Tenants' voice projects

The Nationwide Foundation continued to fund seven tenant voice projects with the overall aim of empowering tenants and supporting them to make their voice heard in debates around private rented sector policy and practice. The projects are spread across England, Scotland and Northern Ireland, and use a variety of methods to engage renters and support them to have a voice.

This year, projects have achieved key policy wins at all levels of government: locally, regionally and nationally. All this work has been led by renters. Nationally, in Scotland, the funded project - hosted by the organisation Living Rent - was influential in extending key protections for tenants during the cost-of-living crisis and is now campaigning for long-term change to be delivered through the Scottish Housing Bill. Regionally, in Greater Manchester, the funded project - hosted by Greater Manchester Tenants Union - influenced the development of the Good Landlord Charter, which will be a voluntary landlord scheme with multiple criteria that demonstrates good landlord practice. And locally, in Bristol, the funded project - hosted by Shelter - directly informed Bristol Council's Living Rent Commission recommendations into how to improve private renting in the city.

### Using evidence from place-based funding

Over the past 6 years, the Nationwide Foundation has funded Shelter to deliver the Fair Housing Futures project in Greater Manchester. This has brought together stakeholders from across the private rented sector in Greater Manchester and tested several pioneering projects to improve the private rented sector for the most vulnerable people. In the past year, learning from across the project has been used to influence policy and practice changes to private renting.

The project has now ended, and an evaluation of the project will be published in June 2024. Additional funding has been awarded to Shelter to deliver community organising with renters, continuing the work for Fair Housing Futures and promoting its calls for policy change locally, regionally and nationally.

# Future Plans

## Strategic focus

The Nationwide Foundation's strategic focus during 2024/25 will be on delivering phase three of the Decent Affordable Homes strategy, while commencing development of phase four. This will include:

- Delivery of the strategic priorities of the Decent Affordable Homes phase three, ensuring that funded projects from phase two continue to generate and use evidence to give these projects the best chance of success. These projects will receive both financial support and support using the Nationwide Foundation's other resources, such as its staff, advice and convening power.
- Learning from funded projects to increase our knowledge and understanding of how systems change happens in the UK housing system and applying the learning to the development of the next phase of the strategy.
- Increasing and developing the Nationwide Foundation's reputation and profile as a knowledgeable voice in systems change so that it is better able to contribute to making changes happen alongside its funded partners.
- Increasing the Foundation's own impact and understanding of best practice in shaping positive change to the housing system. In July 2024, the Foundation launched 'Decent and affordable homes for all: five proposals for a fairer housing system' which it will use to influence policymakers and support the delivery of its strategic plan.

## Grant-making activities

The Nationwide Foundation's grant portfolio is mainly comprised of multi-year grants that will be ongoing during 2024/25. Some of these projects will receive additional funding under phase three to take them to the next level of generating more evidence and using what has been discovered.

Work to be undertaken or completed by funded partners in 2024/25 includes:

## Nurturing Ideas to Change the Housing System

- The Nationwide Foundation will continue to call for a national strategy for housing in England, in coalition with the Church of England. This coalition launched its vision for a cross-party housing strategy in April 2024 and will continue to promote and build momentum to gain cross-party support following the general election and the establishment of a new government.
- With the support of the Nationwide Foundation, Knowle West Media Centre will continue to raise awareness of WeCanMake and encourage other areas to utilise its pioneering model for creating affordable homes.
- Housing Justice will continue to test and refine the Faith in Affordable Housing partnership model, improve access to and understanding of legal guidance, and influence denominations to put in place policies and processes that enable faith groups to turn land into affordable housing. It will also influence Welsh government to support more smaller affordable housing sites and conversions.

- The ambition for the Talking about Housing project is that the framing is adopted, normalised and used by those voices pushing for change. In support of this, the Nationwide Foundation and co-funder JRF will continue to engage with key stakeholders, as well as seeking new relevant audiences. Work will continue on an indepth evaluation of the Talking about Housing project and recommendations will be made for the future iteration of the project, beyond its end date in January 2025.

### Backing Community-Led Housing

- The Nationwide Foundation and its funded partners within community-led housing will continue to campaign for sustainable funding of the sector, including a replacement for the Community Housing Fund in England. This will include further support to rollout a Community-Led Housing Growth Lab that has been developed by the Community Land Trust Network to develop a more effective and financially self-sustaining ecosystem of intermediaries capable of delivering community-led housing at a significant scale.
- Research by Leeds Community Homes, which began in 2022, will deliver recommendations for ways in which the community-led housing sector can support black and minority ethnic communities to create the affordable homes they want and need. The findings will be shared with sector representatives, funders and policy-makers at local, regional and national level, with the longer-term aim that more black and minority ethnic people access community-led housing.
- The Bevan Foundation will work with Housing Justice and Cwmpas to demonstrate the potential of church land and other socially owned land to create high quality social or community-led homes. By combining their collective voices, they hope to increase their ability to reach and influence a greater number of decision makers.

### Transforming the Private Rented Sector

- The Nationwide Foundation will continue to play an active role as a member of the Renters' Reform Coalition to help shape the Renters (Reform) Bill and ensure it has the power to offer real protection for vulnerable renters in the private rented sector.
- The third wave of the RentBetter research into Scottish tenancy reforms will be released in 2024.
- The Nationwide Foundation will begin funding research into the English private rented sector. This builds on seminal analyses of the sector completed by Julie Rugg in 2018 and 2021. Phase one of the research will assess the private rented sector to identify where gaps in knowledge exist, and how research into these gaps could further the case for systemic change. Phase one will be published in September 2024, followed by phase two which will then complete further research on the identified areas.
- The seven tenant voice projects will continue empowering tenants and support them to have their voices heard in public housing debate.

## Future uncertainties

The Nationwide Foundation is aware that the national and global context can affect our programmes. The following have been identified as potentially impacting on our and our funded partners' work in 2024/25:

- The ongoing war in Ukraine may continue to increase prices and affect the capacity and resources of the government and other public sector bodies.
- The continued cost-of-living crisis and global economic uncertainty may increase homelessness and raise costs for projects.
- High levels of inflation and the cost of construction may affect the financing and affordability of community-led housing and other projects, as well as further reducing affordability for renters and home-buyers.
- Climate change is already having visible effects on the world and many aspects of our society are already having to adapt to the far-reaching and increasing effects of the climate crisis. Specifically, the foundation considers what impact the climate crisis could have on its work around healthy homes and the infrastructure needed to tackle the shortage of homes.

The Nationwide Foundation trustees and team will monitor these and other issues that arise and adapt accordingly.

# Structure, Governance & Management

## Governance

The Nationwide Foundation:

- Is a company limited by guarantee (no. 3451979) and a registered charity (no. 1065552) which operates in accordance with its Articles of Association and Revised Memorandum.
- Is governed by a board of up to ten trustees which set the policies and strategy of the Foundation and approves large grants. During 2023/24 ten trustees served on the board.
- Has seven trustees who are appointed by the board, following open recruitment, and three trustees who are appointed by Nationwide Building Society.
- Can appoint trustees for up to three terms of three years, following the consideration and approval of the board. All trustees undergo an in-depth induction and are offered training as well as opportunities to attend meetings with funded organisations alongside Nationwide Foundation staff. The board typically meets four times a year, plus an annual strategic away day. In 2023/24 the board held all four meetings in person.
- Has trustee committees and in-year task and finish trustee groups, to which it delegates various aspects of the Nationwide Foundation's work, with oversight and ratification of their decisions by the board:
  1. Finance and risk committee (comprising five trustees, the chief executive and accountant): in 2023/24 this committee advised on audit, risk oversight, budget and investments.
  2. Nominations and Remunerations Committee (comprising five trustees including the chair, vice-chair and at least one Society appointed trustee who is included in the quorum).
- Reviews its application of the Charity Governance Code every three years. This last took place in September 2022. The review concluded that the Foundation fully applies most of the recommended practices and its approach is in keeping with the spirit of the code. Actions were agreed to make improvements to recommended practices in relation to diversity. The next full review will take place in 2025.
- Undertakes an independent audit of its internal controls every three years. This last took place in 2023/2024 and assessed the key controls in place to ensure the Foundation delivers its strategic goals through its allocation of funding. The audit concluded a satisfactory result with no substantial findings. Minor improvements have been identified and will be implemented during 2024/25.
- Has a conflicts of interest policy for both trustees and staff and maintains a register of declarations that is regularly shared with the board. Trustees declare conflicts of interest at the start of each meeting and withdraw from decisions where there is a conflict. A code of conduct also exists for trustees.
- Reviews its governing document every three years. This last took place in 2019/20 and will next be reviewed as part of an external review of Nationwide Foundation's governance to be undertaken during 2024/25.

## Risk management

Trustees undertake an annual risk assessment exercise to review the major risks to which the Nationwide Foundation is exposed. During the year the trustees undertook a significant review of the risks the Nationwide Foundation currently faces and assessed the measures in place to deal with them. Trustees identified six main areas where risks may occur: Governance, external/reputational, financial, funding strategy, fraud and operational.

The ongoing major risk identified over the following 12 months was the loss of, or underperforming, staff and key personnel due to capacity issues in a period of change and growth for the Foundation.

## Diversity, equity and inclusion

The Foundation recognises the power and position it holds as a funder. Our work is made possible by the people and institutions around us and we seek to be inclusive, accountable and transparent in how we work. The Foundation continued its focus on advancing its diversity, equity and inclusion goals by establishing a DEI working group to set a strategic plan and establish how the Foundation can be a diverse, equitable and inclusive organisation through its mission, strategy and values. The group will report to the trustees through the Governance, Nominations and Remunerations Committee.

## Staff

- The staff implement the policies and strategies set by the board.
- The trustees have delegated responsibility to the chief executive to approve grants of up to £75k.
- All staff are employed by Nationwide Building Society and receive remuneration in accordance with their employment contract with the Society. The Foundation's Nominations and Remunerations Committee sets the chief executive's salary within the parameters of Nationwide Building Society's salary bands.
- The Nationwide Foundation appointed a new CEO during the year.

## Key relationships

- Nationwide Building Society is the Nationwide Foundation's main benefactor and supplier of in-kind support, including offices.
- The Nationwide Foundation is a member of the following networking and support organisations: Association of Charitable Foundations (ACF), Association of Chief Executives of Voluntary Organisations (ACEVO) and National Council of Voluntary Organisations (NCVO).

## Fundraising activity

The Nationwide Foundation had no fundraising activities requiring disclosure under S162A of the Charities Act 2011. Almost all the Nationwide Foundation's income comes from an annual donation from Nationwide Building Society and a funding agreement is in place which sets out the basis for the donation.

## Statement of trustees' responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the situation of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Guarantees

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Auditors**

Godfrey Wilson Limited were appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

# Financial Review

## Income

Income for 2023/24 totalled £4,277,871 (2022/23: £2,594,001). This is primarily made up of an annual donation from Nationwide in 2023/24 of £3,950,278 (2022/23: £2,405,000) and donated services from the society to the Nationwide Foundation totalling £102,642 (2022/23 £124,342). This represents the provision of office space, technology, legal and accountancy support.

The Nationwide Foundation's principal source of income is an annual donation from Nationwide Building Society. The donation is received annually and is at least 0.25% of Nationwide's pre-tax statutory profit averaged over three years. Nationwide provides a three-year donation floor to provide the Foundation with a commitment that supports the Foundation to plan for the medium term. The floor can only be adjusted in specified extraordinary circumstances.

## Expenditure

Expenditure for 2023/24 totalled £2,308,524 (2022/23: £2,635,057). The majority of the Nationwide Foundation's funds are used to award grants for charitable purposes, and to cover the costs of running the Nationwide Foundation. Grants are paid in instalments, and multi-year grants are released annually, subject to approval from the chief executive. Each grant is subject to monitoring to ensure satisfactory progress.

## Reserves policy

Trustees annually review the adequacy of the Foundation's reserves, which in this case are the Charity's accumulated surpluses that are available to spend once it has met its grant commitments and covered its other planned expenditure, often called free reserves.

Trustees aim to keep at least six months running costs (being total costs less grants payable) to cover unexpected reductions in income, amounting to approximately £500,000.

The Foundation has accumulated £3.9M in free reserves up to the end of 2023/24. This is held largely in liquid investments, so can be easily accessed if needed. At the time of writing these Annual Statements, the trustees are aware of the higher level of reserves (aligned to the Foundation's reserves policy) and this will be a significant consideration for the future strategy. Trustees expect the foundation's free reserves to reduce over time.

Note 15 of the accounts provides details of the amounts designated at 31 March 2024.

## Investment policy

During 2023/24 the Nationwide Foundation undertook a review of its investment policy to ensure that the policy allowed for the Foundation to make the best use of its assets.

The Nationwide Foundation's investment policy sets out the following objectives:

- to maintain real value; the overall return across the portfolio should be in line with inflation.

- to hold sufficient levels of liquid funds to make grant payments, award new grants, cover running costs and any unanticipated cashflow requirements.

The investment policy identifies the Foundation's attitude to risk, which recognises that charitable activity is funded from the annual donation and the Foundation's activity is not reliant on income from investments. The policy specifies the criteria that must be applied when making different types of investments to manage the risks. This includes spreading the funds across different financial institutions that meet a set of requirements, such as minimum credit ratings and being based in the UK.

The trustees have considered the ethical standards that the Foundation wishes to meet through its investments and the following statement is included in the investment policy:

"The Nationwide Foundation is committed to ensuring that all investment decisions are made responsibly. The Foundation has a strong preference for an ethical investment portfolio that is consistent with the values and objectives of the Foundation."

In addition to broad ethical considerations that consider the impact that the assets being invested in have on society, specific consideration will be given to investment in assets that directly relate to the strategy at the time. The Foundation will not invest in assets that conflict with the strategic objectives.

For example, while delivering the Decent Affordable Homes strategy, funds will not be invested in residential property that does not support the creation of decent, affordable homes.

The policy permits trustees to manage the Nationwide Foundation's investments up to an agreed amount. In 2023/24 this amount was £7.5m. The use of an investment manager is reviewed annually.

## Investments

Most funds are held in either fixed term or instant access cash accounts on which interest is earned. Interest earned in 2023/24 totalled £222,791 (2022/23: £62,639).

In 2023/24 the Foundation held funds in CCLA's COIF Charities Ethical Investment Fund as it met the Foundation's risk requirements and ethical standards.

On 31 March 2024 the value of the investment was £769,857 (31 March 2023 £680,541), an increase of £89,316. The investment performance was strong throughout the second half of the year.

## Programme related investment policy

The policy on social investments adheres to the following guidance from the Charity Commission:

*"Programme related investments (also known as social investments) are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary motivation for making them is not financial but to further the objects of the funding charity."*

During the year:

- No new programme-related investments were made during the year
- Repayments were received from existing social investments (£2,840 from Communities Housing Trust) and one existing social investment was partially written off and awarded as a grant (£100,000 from the Community Led Housing Fund).
- Interest earned during 2023/24: £2,160 (2022/23: £2,020).

## Financial outlook

The Nationwide Foundation has a minimum donation committed from Nationwide for 2024 and 2025 which remains high due to inflated profits. The Nationwide Foundation’s trustees monitor this throughout the year and are prepared to be responsive and flexible to any changes.

## Approval

The trustees have agreed these financial statements which have taken advantage of the small companies’ exemptions provided by section 415a of the Companies Act 2006.

Approved by the board of trustees on 5 September 2024 and signed on behalf of the board of trustees by the chair and another trustee:

Chair ..... *Saphié Ashtiany*

Saphié Ashtiany

Trustee..... *Terrie Alafat*

Terrie Alafat

# Trustees/Directors

**Terrie Alafat** ◇

**Saphié Ashtiany (chair)** ∞

**Antonia Bance** ∞ (retired September 2023)

**Kit Beazley** ◇

**Tony Burton** ◇ (appointed in January 2024)

**Rob Collins** † ◇

**Catherine Kehoe** † (appointed in November 2023) (retired on 29 July 2024)

**Baroness Alicia Kennedy** (appointed in January 2024)

**Gill Leng** ◇

**Judith McNeill (vice-chair)**

**Sarah Mitchell** ◇ ∞ (retired December 2023)

**Rachael Sinclair** † ∞

† Appointed by Nationwide Building Society

◇ Member of the Finance and Risk Committee

∞ Member of the Nominations and Remunerations Committee

**Interim Chief Executive:** Sam Stewart

**Company Secretary:** Joanna Sheppard

**Accountant:** Kayleigh Keville

**Auditors:** Godfrey Wilson, Fifth Floor, Mariner House, 62 Prince Street  
Bristol, BS1 4QD

**Bankers:** CAF Bank, 25 Kings Hill, West Malling, Kent, ME19 4JQ

**Investment fund managers:** CCLA Investment Management Limited and CCLA Fund  
Managers Limited, Senator House, 85 Queen Victoria Street,  
London, EC4V 4ET

**Solicitors:** Bates Wells Braithwaite, 10 Queen Street Place, London,  
EC4R 1BE

## Independent Auditor's Report to the Members of The Nationwide Foundation

### Opinion

We have audited the financial statements of The Nationwide Foundation (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 5 September 2024

*Alison Godfrey*

**Alison Godfrey FCA  
(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

**THE NATIONWIDE FOUNDATION  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2024  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Notes	2024 £	2023 £
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	2	<b>4,052,920</b>	2,529,342
Income from investments	3	<b>224,951</b>	64,659
<b>Total income and endowments</b>		<b>4,277,871</b>	2,594,001
<b>EXPENDITURE ON:</b>			
Charitable activities	4	<b>(2,308,524)</b>	(2,635,057)
<b>Total expenditure</b>		<b>(2,308,524)</b>	(2,635,057)
<b>Net gains/(losses) on fixed asset investments</b>		<b>89,316</b>	(13,903)
<b>Gains/(losses) from movements in foreign exchange</b>		<b>-</b>	74
<b>Net (expense)/income and net movement in funds</b>		<b>2,058,663</b>	(54,885)
Fund balances brought forward		<b>3,820,057</b>	3,874,942
<b>Fund balances carried forward</b>	15	<b>5,878,720</b>	3,820,057

The notes on pages 34 to 44 form part of these financial statements.

All income is unrestricted. All amounts relate to continuing operations. Movements in designated funds are disclosed in note 15 to the accounts.

There were no recognised gains or losses other than the net income for the year in the Statement of Financial Activities (2023: £nil).

**THE NATIONWIDE FOUNDATION  
BALANCE SHEET  
AS AT 31 MARCH 2024  
COMPANY REGISTERED NUMBER: 3451979**

	Notes	2024 £	2023 (Restated) £
<b>FIXED ASSETS</b>			
Programme related investments	9	<b>98,223</b>	201,176
Investments	10	<b>769,857</b>	680,541
<b>TOTAL FIXED ASSETS</b>		<b>868,080</b>	881,717
<b>CURRENT ASSETS</b>			
Programme related investments	9	<b>37,744</b>	37,631
Debtors	11	<b>69,637</b>	21,195
Fixed term deposits		<b>3,000,000</b>	1,100,000
Cash at bank		<b>2,484,644</b>	2,652,846
<b>TOTAL CURRENT ASSETS</b>		<b>5,592,025</b>	3,811,672
<b>CURRENT LIABILITIES</b>			
Creditors	12	<b>(581,385)</b>	(873,332)
<b>NET CURRENT ASSETS</b>		<b>5,010,640</b>	2,938,340
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,878,720</b>	3,820,057
<b>NET ASSETS</b>	13	<b>5,878,720</b>	3,820,057
<b>UNRESTRICTED FUNDS OF THE CHARITY</b>			
Designated funds	15	<b>1,966,079</b>	2,434,441
General funds	15	<b>3,912,641</b>	1,385,616
<b>TOTAL FUNDS</b>		<b>5,878,720</b>	3,820,057

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of trustees on 5 September 2024 and signed on behalf of the board of trustees by the chair and another trustee.

*Saphié Ashtiany*

}  
} Chair – Saphié Ashtiany  
}

*Terrie Alafat*

}  
} Trustee – Terrie Alafat  
}

Prior period funds have been restated due to a removal of designations on unrestricted funds. The restatements are purely reclassifications of unrestricted funds and do not affect total funds. The restatement has been disclosed in note 18.

**THE NATIONWIDE FOUNDATION  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
<b>Cash flows from operating activities</b>		
Net movement of funds per statement of financial activities	<b>2,058,663</b>	(54,885)
<b>Adjustments for:</b>		
Interest from investments	<b>(224,951)</b>	(64,659)
(Increase)/decrease in debtors	<b>(48,442)</b>	(10,944)
Increase/(decrease) in creditors	<b>(291,947)</b>	203,594
Losses/(gains) on fixed asset investments	<b>(89,316)</b>	13,903
Gains from movements in foreign exchange	-	(74)
<b>Net cash provided by (used in) operating activities</b>	<b>1,404,007</b>	86,935
<b>Cash flows from investing activities</b>		
Fixed term deposits redeemed	<b>1,100,000</b>	2,000,000
Fixed term deposits issued	<b>(3,000,000)</b>	(2,000,000)
Interest from investments	<b>224,951</b>	64,659
Receipts from programme related investments	<b>102,840</b>	6,730
<b>Net cash generated from/(used in) investing activities</b>	<b>(1,572,209)</b>	71,389
Effect of exchange rate changes on cash and cash equivalents	-	541
<b>Increase/(decrease) in cash and cash equivalents in the year</b>	<b>(168,202)</b>	158,865
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,652,846</b>	2,493,981
<b>Total cash and cash equivalents at the end of the year</b>	<b>2,484,644</b>	2,652,846

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

**THE NATIONWIDE FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**1. Accounting policies**

**Charity information**

The Nationwide Foundation is a company limited by guarantee (registered number 3451979), which is incorporated in the UK. The address of the registered office is Nationwide House, Pipers Way, Swindon, SN38 1NW.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019), applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Nationwide Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Going concern**

The Nationwide Foundation has cash resources and has no requirement for external funding. The Trustees have a reasonable expectation that the Nationwide Foundation has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

**Significant judgements and estimates**

The management consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

**Accounting policies**

The following accounting policies have been applied consistently in the preparation of the financial statements:

- (i) Income**  
Both donation income and interest income are credited to the Statement of Financial Activities when a receipt is probable, there is evidence of entitlement and it can be measured reliably.
- (ii) Grants**  
Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions are pledged and provided for in the designated fund. Multi-year grants are subject to conditions (such as annual reviews) which, until met, prevent the recognition of the liability.
- (iii) Programme related investments**  
Programme related investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Programme related investments are held at cost as the Foundation is unable to obtain a reliable estimate of fair value.
- (iv) Donated goods and services**  
Donated goods and services represent Nationwide Building Society specialist staff services and accommodation costs which have not been directly charged to the Foundation.

**1. Accounting policies (continued)**

**(v) Allocation of expenditure**

Staff costs have been apportioned on the basis of the approximate time allocated by the Chief Executive and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as the staff costs. Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have all been allocated to charitable activities. The allocation methodology is reviewed annually to ensure that it is still appropriate.

**(vi) Designated funds**

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of such designated funds is set out in the notes to the financial statements.

**(vii) Irrecoverable VAT**

Irrecoverable VAT is charged to the Statement of Financial Activities.

**(viii) Cash flow statement**

A cash flow statement has been prepared under FRS 102. Cash and cash equivalents represent cash in hand and notice deposits of less than 30 days.

**(ix) Pension costs**

The officers of the Foundation are part of Nationwide Group pension arrangements. The only pension costs incurred by the Foundation are the employer's pension scheme contributions which are re-charged to the Foundation. Pension scheme liabilities are borne by the Society.

**(x) Debtors**

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**(xi) Creditors**

Creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**(xii) Financial instruments**

The Nationwide Foundation holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

**(xiii) Fixed asset investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

**1. Accounting policies (continued)**

**(xiv) Gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Gains and losses are calculated as the difference between the market value at the balance sheet date and opening market value (or purchase value if the date is later).

**(xv) Foreign currency translation**

Foreign currency transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the retranslation are recognised in the statement of financial activities.

**2. Donations and legacies**

	<b>2024</b>	2023
	£	£
Nationwide Building Society	<b>4,052,920</b>	2,529,342
<b>Total</b>	<b>4,052,920</b>	2,529,342

**3. Income from investments**

	<b>2024</b>	2023
	£	£
Bank interest receivable	<b>222,791</b>	62,639
Interest from programme related investments	<b>2,160</b>	2,020
<b>Total</b>	<b>224,951</b>	64,659

**4. Analysis of total expenditure**

**2024**

Charitable activities by objective	Decent Affordable Homes funding strategy			Support costs	Governance costs	Total
	£	£	£			
Staff costs (note 5)	408,782	-	115,218	-	-	<b>524,000</b>
Administration and IT	-	96,125	13,329	-	-	<b>109,454</b>
Learning and evaluation	-	159,427	-	-	-	<b>159,427</b>
Grants (note 7)	1,413,001	-	-	-	-	<b>1,413,001</b>
Donated services	-	88,332	14,310	-	-	<b>102,642</b>
<b>Total</b>	<b>1,821,783</b>	<b>343,884</b>	<b>142,857</b>	<b>142,857</b>	<b>2,308,524</b>	<b>2,308,524</b>
Reallocation	343,884	(343,884)	-	-	-	-
<b>Total</b>	<b>2,165,667</b>	<b>-</b>	<b>142,857</b>	<b>142,857</b>	<b>2,308,524</b>	<b>2,308,524</b>

#### 4. Analysis of total expenditure (continued)

2023

Charitable activities by objective	Decent Affordable Homes funding strategy			Support costs	Governance costs	Total
	£	£	£			
Staff costs (note 5)	383,300	-	-	-	76,458	459,758
Administration and IT	-	69,793	-	-	16,368	86,161
Learning and evaluation	-	18,862	-	-	-	18,862
Grants (note 7)	1,945,934	-	-	-	-	1,945,934
Donated services	-	111,458	-	-	12,884	124,342
<b>Total</b>	<b>2,329,234</b>	<b>200,113</b>	<b>200,113</b>	<b>105,710</b>	<b>105,710</b>	<b>2,635,057</b>
Reallocation	200,113	(200,113)	-	-	-	-
<b>Total</b>	<b>2,529,347</b>	<b>-</b>	<b>-</b>	<b>105,710</b>	<b>105,710</b>	<b>2,635,057</b>

For further analysis of staff costs see note 5.

	2024 £	2023 £
<b>(a) Donated services</b>		
Specialist staff services	51,492	58,342
Facility costs	51,150	66,000
<b>Total</b>	<b>102,642</b>	<b>124,342</b>

Donated services represent the cost of specialist staff services and accommodation which have not been directly charged to the Foundation by Nationwide Building Society. In addition, Nationwide Building Society provides the Foundation with other services such as IT support which cannot be readily quantified. IT costs for the maintenance of the Foundation's grants administration system are paid by the Foundation and are included in support costs.

	2024 £	2023 £
<b>(b) Analysis of governance costs</b>		
Staff costs	115,218	76,458
Trustees' reimbursed expenses	2,264	1,340
Audit costs (inclusive of irrecoverable VAT)	11,040	15,000
Other administration costs	25	28
Donated services	14,310	12,884
<b>Total</b>	<b>142,857</b>	<b>105,710</b>

## 5. Staff costs

The officers of the Foundation are employed by Nationwide Building Society and assigned to the Foundation for the duration of their employment under the terms of the Framework Agreement between the Society and the Foundation.

The amounts charged as direct staff costs comprised:

	<b>2024</b>	2023
	£	£
Salaries	<b>386,834</b>	335,144
Social security	<b>47,915</b>	42,760
Pension contributions	<b>89,251</b>	81,854
<b>Total staff costs</b>	<b>524,000</b>	459,758

The average number of persons employed by the Society who acted as officers of the Foundation was 9 (2023: 8). The number of employees of the Society who acted as an officer of the Foundation receiving emoluments of over £70,000 and less than £80,000 was 1 (2023: 2). All staff receive emoluments, including benefits in kind, in accordance with Nationwide Building Society employment policies. For details of pensions costs see note 1(ix).

The average number of employees during the year comprises the following:

	<b>2024</b>	2023
Decent Affordable Homes funding strategy	<b>7</b>	6
Governance	<b>2</b>	2
<b>Total</b>	<b>9</b>	8

The key management personnel of the charitable company comprise the trustees and the chief executive officer. The total employee benefits of the key management personnel were £158,492 (2023: £95,266).

## 6. Net income resources for the year

Net income for the year is stated after charging:

	<b>2024</b>	2023
	£	£
Trustees' expenses	<b>2,264</b>	1,340
Auditor's remuneration:		
Audit services (inclusive of VAT) – current year	<b>11,040</b>	15,000

None of the trustees / directors received any emoluments in respect of services to the Foundation (2023: nil).

### Trustees' expenses

Trustees' expenses include amounts reimbursed to trustees for out-of-pocket expenses and amounts paid for by the Nationwide Foundation to third parties for costs such as travel, accommodation, subsistence and training. During the year, three trustees (2023: four) received reimbursements of personal travel and subsistence expenditure, amounting to £2,264 (2023: £1,340).

## 7. Grants payable

The Nationwide Foundation committed to the following grants during the year in relation to its Decent Affordable Homes strategy.

All grants are made to institutions.

	2024	2023
	£	£
<b>DECENT AFFORDABLE HOMES FUNDING STRATEGY</b>		
Bevan Foundation	25,000	-
Camden Federation of Private Tenants	13,216	73,165
Centre for Social Justice	60,000	-
Citizens Advice	19,479	77,916
Communities Creating Homes DAH3	84,846	123,618
Communities Housing Trust	54,000	34,552
Communities Land Trust	100,000	-
COVID-19 support fund (note i)	-	10,000
DAH Added Value (note i)	11,010	2,000
DSS Discrimination case (Shelter)	-	-
East Midlands CLH (EMCLH)	-	20,223
English Housing strategy	5,000	-
Fair Housing Futures	48,043	90,284
Faith in Affordable Housing	92,875	135,096
Frameworks	97,522	124,000
Greater Manchester Community Organiser	28,900	-
Greater Manchester Tenants Union	19,912	119,596
Highlands Small Communities Housing Trust (HSCHT)	-	13,334
Housing First England	60,978	119,938
Housing rights	17,567	25,972
Indigo House	159,185	-
Living Rent	23,811	65,364
National CLT Network (NCLTN)	19,500	144,757
Networking and best practice for TVP	10,000	8,580
Renters Reform Coalition	195,165	371,895
Sheffield Hallam University	-	21,975
Shelter	9,750	38,280
South of Scotland Community Housing	40,500	42,726
Tenants together	-	12,742
Test & Learn Fund	-	(17,965)
The New Economics Foundation	30,000	-
Town & Country Planning Association	177,996	-
University of York	-	(195)
We Can Make	-	238,849
Zacchaeus 2000 Trust	8,746	49,232
<b>Total</b>	<b>1,413,001</b>	<b>1,945,934</b>

## 8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

## 9. Programme related investments

	2024	2023
	£	£
<b>Non-current assets</b>		
Communities Housing Trust	48,223	51,176
Community Led Housing Fund	50,000	150,000
	<b>98,223</b>	201,176
<b>Current assets</b>		
Communities Housing Trust	2,953	2,840
Community Land Trust Fund II	34,791	34,791
	<b>37,744</b>	37,631
<b>Total programme related investments at 31 March</b>	<b>135,967</b>	238,807

The Foundation has three ongoing programme related investments:

- Community Led Housing Fund II is interest-free and is due to be repaid during 2024-25.
- Community Led Housing Fund is interest-free and is due to be repaid during 2025-27.
- Communities Housing Trust, which bears interest at a rate of 4% per annum, is due to be repaid over the next 15 years.

## 10. Fixed asset investment

	2024	2023
	£	£
Balance at 1 April	680,541	694,444
Gains / (losses)	89,316	(13,903)
<b>Balance at 31 March</b>	<b>769,857</b>	680,541

The fixed asset investment comprises cash equivalents on deposit held in CCLA's COIF Charities Ethical Investment Fund.

## 11. Debtors

	2024	2023
	£	£
Accrued interest	61,531	14,086
Prepayments	8,106	7,109
<b>Total</b>	<b>69,637</b>	21,195

## 12. Creditors

	2024	2023
	£	£
<b>Amounts falling due within one year</b>		
Grants payable	485,857	685,463
Programme related investment commitments	-	100,000
Other creditors	47,570	48,946
Accruals	47,958	38,923
<b>Total</b>	<b>581,385</b>	<b>873,332</b>

## 13. Analysis of net assets between funds

2024	General Funds	Designated Funds	Total
	£	£	£
Fixed assets	868,080	-	868,080
Current assets	3,625,946	1,966,079	5,592,025
Current liabilities	(581,385)	-	(581,385)
<b>Total</b>	<b>3,912,641</b>	<b>1,966,079</b>	<b>5,878,720</b>

2023 (Restated)	General Funds	Designated Funds	Total
	£	£	£
Fixed assets	881,717	-	881,717
Current assets	1,377,231	2,434,441	3,811,672
Current liabilities	(873,332)	-	(873,332)
<b>Total</b>	<b>1,385,616</b>	<b>2,434,441</b>	<b>3,820,057</b>

## 14. Financial instruments

	2024	2023
	£	£
Financial assets measured at fair value	769,857	680,541
<b>Total</b>	<b>769,857</b>	<b>680,541</b>

Financial assets measured at fair value comprises a fixed asset investment.

## 15. Movement in funds

Movement in funds 23/24	As at 1 April 2023	Incoming	Expenditure	Transfers	Gains and losses	As at 31 March 2024
<b>Designated funds</b>						
Contingency fund	550,000	-	-	-	-	<b>550,000</b>
Grant commitments	1,884,441	-	(961,406)	493,044	-	<b>1,416,079</b>
<b>Total designated</b>	<b>2,434,441</b>	<b>-</b>	<b>(961,406)</b>	<b>493,044</b>	<b>-</b>	<b>1,966,079</b>
General funds	1,385,616	4,277,871	(1,347,118)	(493,044)	89,316	<b>3,912,641</b>
<b>Total unrestricted</b>	<b>3,820,057</b>	<b>4,277,871</b>	<b>(2,308,524)</b>	<b>-</b>	<b>89,316</b>	<b>5,878,720</b>

### Purposes of designated funds:

#### *Contingency fund*

This fund is ring fenced to ensure the Nationwide Foundation holds sufficient funds to deal with an unexpected significant event such as the withdrawal of support from our main benefactor as described in the trustee report.

#### *Grant commitments*

To hold sufficient funds to meet all funding commitments to grants that have been awarded but not yet released in line with accounting policy 1(ii).

Restated Movement in funds 22/23	As at 1 April 2022	Incoming	Expenditure	Transfers	Gains and losses	As at 31 March 2023
<b>Designated funds</b>						
Contingency fund	550,000	-	-	-	-	550,000
Grant commitments	815,310	-	(435,215)	1,504,346	-	1,884,441
<b>Total designated</b>	<b>1,365,310</b>	<b>-</b>	<b>(435,215)</b>	<b>1,504,346</b>	<b>-</b>	<b>2,434,441</b>
General funds	2,509,632	2,594,001	(2,199,842)	(1,504,346)	(13,829)	1,385,616
<b>Total unrestricted</b>	<b>3,874,942</b>	<b>2,594,001</b>	<b>(2,635,057)</b>	<b>-</b>	<b>(13,829)</b>	<b>3,820,057</b>

### Restatement of movement in funds:

A restatement was recognised in the year to remove the designation from all designated funds except the contingency fund and grant commitments.

In addition, donated services from Nationwide Building Society are included in general funds income and expenditure (£124,342).

See note 18 for detail of restatement.

## **16. Related parties**

The Nationwide Foundation is an independent charity, set up and funded by Nationwide Building Society (“the Society”). A legal contract called the Framework Agreement sets out the working relationship between the Society and the Nationwide Foundation and encompasses the provision of funds and donated services including office space, technology and other support. All financial donations and donated services are disclosed in the financial statements. The Society can appoint three of ten trustees. In the opinion of the board, there is no ultimate controlling party of the Nationwide Foundation.

All staff and trustees are asked annually to record any conflicts of loyalty or interest and to declare them at the start of each board and committee meeting. During the year ended 31 March 2024, one related party transaction was registered: One trustee (Saphié Ashtiany), was also a trustee of the Joseph Rowntree Foundation (JRF). In 2022/23 the Nationwide Foundation agreed to jointly fund the Frameworks Institute with JRF, making grant payments of £97,552 (2023: £124,000) At the year ended 31 March 2024 the charity owed the Frameworks Institute £48,559 (2023: £82,482), which is included in grants payable in note 12. All transactions were carried out at arms length.

## **17. Post balance sheet events**

In June 2024, a donation of £4,670,000 was received from Nationwide Building Society. These funds were designated for the Decent Affordable Homes Strategy as per the reserves policy in the trustees’ report.

## 18. Prior period restatement

The prior year comparatives have been restated to remove designations on unrestricted funds.

The prior year designated funds note also excluded donated services of £124,342 from income and expenditure. This has been brought into the movement in funds note as shown below.

The impact upon prior year funds movements is shown below.

Per prior year accounts:

2022/2023	As at 1 April 2022	Incoming resources	Resources expensed	Transferred	Gains and losses	As at 31 March 2023
Decent Affordable Homes strategy:						
Future funds	-	2,469,659		(2,455,830)	(13,829)	-
Allocated:						
Phase 2	80,605	-	(37,173)	(43,432)	-	-
Covid-support fund	224,845	-	(10,000)	(214,845)	-	-
Phase 3	1,958,645	-	(1,463,546)	270,572	-	765,671
Pledged	815,310	-	(435,215)	1,504,346	-	1,884,441
Programme related investment	245,537	-	-	(6,730)	-	238,807
Learning & evaluation	-	-	(18,862)	400,000	-	381,138
Running costs	-	-	(545,919)	545,919	-	-
Other designated funds:						
Contingency fund	550,000	-	-	-	-	550,000
<b>Total</b>	<b>3,874,942</b>	<b>2,469,659</b>	<b>(2,510,715)</b>	<b>-</b>	<b>(13,829)</b>	<b>3,820,057</b>

Impact:

	As at 1 April 2022	Incoming	Expenditure	Transfers	Gains and losses	As at 31 March 2023
Designated funds reclassified as general	2,509,632	2,469,659	(2,075,500)	(1,504,346)	(13,829)	1,385,616
Donated services	-	124,342	(124,342)	-	-	-
General unrestricted funds at 31 March 2023	2,509,632	2,594,001	(2,199,842)	(1,504,346)	(13,829)	1,385,616
Revised designated funds						
Grant commitments	815,310	-	(435,215)	1,504,346	-	1,884,441
Contingency fund	550,000	-	-	-	-	550,000
<b>Total Funds</b>	<b>3,874,942</b>	<b>2,594,001</b>	<b>(2,635,057)</b>	<b>-</b>	<b>(13,829)</b>	<b>3,820,057</b>

Alison Godfrey FCA  
Godfrey Wilson Limited  
Chartered Accountants & Statutory Auditors  
5<sup>th</sup> Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

5 September 2024

Dear Alison,

### **Letter of Representations on the Financial Statements for the Year Ended 31 March 2024**

This representation letter is provided in connection with your audit of the financial statements of the charity for the year ended 31 March 2024.

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 26 March 2024, under the Companies Act 2006 for preparing financial statements, in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2024.

2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We acknowledge that it is a criminal offence to make a false statement in this regard, and where any director either makes a false statement; is aware that the statement is false; is reckless in preventing this statement; or fails to take reasonable steps to prevent the trustees' report from being approved, we acknowledge that each director will be guilty of a criminal offence.



4. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
5. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
6. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.
7. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
8. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
9. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous. We confirm that the related party relationships and transactions set out in appendix I are a complete list of such relationships and transactions and that we are not aware of any further related parties or transactions.
10. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees.
11. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
12. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
13. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
14. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.
15. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.

16. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.
17. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is set out in the management letter.
18. We confirm that, in respect of the restatement to correct a material misstatement in prior period financial statements that affects the comparative information (and any other period covered by your work), the adjustment relates to the correction of a fundamental error which has no bearing on the results of the current period, and accordingly, should be accounted for by restating prior periods.
19. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
20. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.
21. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that: (a) so far as each trustee is aware, there is no relevant audit information of which you as auditors are unaware; and (b) each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.
22. We acknowledge that it is a criminal offence to knowingly or recklessly make you as an auditor, a statement (oral or written) that conveys, or purports to convey, information or explanations that you require in your capacity as auditor, or are entitled to require, that is misleading, false or deceptive in a material particular.

Yours sincerely

*Saphié Ashtiany*

Saphié Ashtiany – chair  
For and on behalf of the trustees of the Nationwide Foundation

## Appendix I: Summary of Related Parties

Connected Organisation	Name	Nature of Connection
Joseph Rowntree Foundation	Saphié Ashtiany	Jointly funding the Frameworks project.
Nationwide Building Society Nationwide Building Society Nationwide Building Society	Rob Collins Catherine Kehoe Rachael Sinclair	Three NBS nominated trustees on the Foundation's board.

**THE NATIONWIDE FOUNDATION**

England & Wales - Charity number 1065552

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# Accounts

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Annual Report and  
Financial Statements

Year ended 31 March 2023

Registered Company: 3451979

Registered Charity: 1065552

# The Nationwide Foundation's trustees' report for the year ending 31 March 2023

## About the Nationwide Foundation

The Nationwide Foundation is an independent charity that seeks to improve the lives of people in need. It does this by funding charitable causes and influencing for meaningful, long-term, and lasting systems change. At its heart, the Nationwide Foundation seeks to tackle the root causes of social problems that lead to disadvantage, poverty, and inequality. Key to the Nationwide Foundation's approach is creating a legacy, so that fewer people experience negative social outcomes in the future thanks to timely and innovative intervention today.

The Nationwide Foundation was established by Nationwide Building Society in 1997 as a fully independent charitable foundation. The Nationwide Foundation's main benefactor is Nationwide, and it receives an annual donation from the building society.

## Charitable objects

The Nationwide Foundation was established with the objects:

*"To promote such purposes being exclusively charitable according to the law of England and Wales as the trustees shall from time to time determine. In carrying out the objects the Foundation may make and receive donations."*

## Decent Affordable Homes strategy overview

The Nationwide Foundation believes that everyone should have access to a decent home that they can afford. As a charity that helps to create positive and lasting changes to tackle disadvantage in the UK, the Nationwide Foundation uses its knowledge, leverage and funding of others to influence changes to the housing system and achieve its aim of increasing the availability of decent affordable homes for people in need.

The Nationwide Foundation is committed to its Decent Affordable Homes strategy, which started in 2013 and is due to run until at least 2031. This is in recognition of the severity of the housing crisis and the significant changes needed to help create a modern housing system that works for everyone.

The strategy is structured in phases: the first ran from 2013-2016; phase two from 2016-2022; and in 2022 the Nationwide Foundation entered its third phase.

## Public benefit

Having somewhere safe and secure to live is a basic necessity, yet the lack of decent, affordable housing is one of the most pressing social problems facing the UK today, causing harm to the health of individuals, families, their communities and society at large.

The UK is facing a long-term housing crisis: homeownership is increasingly unaffordable; there is a severe shortage of social housing; and the options available in the private rented sector are too often unaffordable and of poor quality. The high cost of housing in many areas is a direct cause of poverty, with poor-quality housing exacerbating the impact of poverty and narrowing, or even blocking, the pathways available to people to improve their health, employment, education and family life.

The Nationwide Foundation's trustees understand that the conditions, stability and cost of housing have far-reaching impacts on the quality of people's lives. What is more, those who are vulnerable are most deeply affected by the damaging impacts of inadequate housing, while at the same time often being those with the least resource available to proactively change the housing system.

The Nationwide Foundation's Decent Affordable Homes strategy aims to tackle the root causes of those negative impacts by creating conditions for increasing the availability of good quality and affordable homes for all who need it, for as long as they need it.

The Nationwide Foundation's trustees refer to the Charity Commission's guidance on public benefit when reviewing the Nationwide Foundation's aims and objectives, in planning future activities, setting grant-making policy and making funding decisions.

### **Summary of the year**

In 2022/3 the Nationwide Foundation fully entered phase three of the Decent Affordable Homes strategy. The object of phase three is to build on the progress of the second phase, which generated a host of useful evidence about the housing system, and to generate interest in that evidence amongst key decision-makers so that it is used to inform policy-making.

The Nationwide Foundation has begun to carry out more influencing work in its own right, alongside continuing to support the influencing work of its grant-holders. This work will increase in future years. Exploring the Nationwide Foundation's capacity to influence, and assessing the impact of this work, is key to the phase three strategy. Some projects which began in phase two have also continued into phase three, continuing to gather and use evidence.

### **Response to the cost-of-living crisis**

Economic difficulties hit the UK in 2022, with the Nationwide Foundation's funded projects affected by steep rises in costs of construction, staffing, energy, travel and food. Some projects which assist those in need directly also reported a sudden increase in demand, as more people's bills and living costs became unsustainable.

The Nationwide Foundation carried out a survey to discover what support grant-holders needed to maintain their projects. Responses showed that needs were wide-ranging and that a one-size-fits-all support package would not be appropriate. Bespoke support was offered to grant-holders in response to requests and the Nationwide Foundation worked with organisations individually.

### **Learning and evaluation**

Learning is a vital part of phase three of the Decent Affordable Homes strategy. The Nationwide Foundation seeks to gain an understanding of how its work and the work of its grant-holders is influencing change in the housing system and has partnered with an external organisation to surface and understand this collective learning.

This understanding will become usable lessons and insights that enable evidence-led decisions about what the Nationwide Foundation and others do next. By looking for indicators of what has helped or hindered progress, and focusing on trying to understand how progress happened, the paths to systems change can be made clearer.

Moving into 2023/24, the Nationwide Foundation and its partner organisation will gather the experience and knowledge of its ecosystem of grant-holders and stakeholders. It will seek to develop this into learnings which will be useful not only for trustees, staff members and grant-holders of the Nationwide Foundation, but for the wider housing sector. Work has also begun on building understanding of the housing system itself by mapping its complexities and revealing levers for change.

## Grant-making policy

The Nationwide Foundation's trustees and staff strive for robust, transparent governance and grant-making policy, including commitment to:

- ensuring that the Nationwide Foundation's funds are deployed for maximum benefit
- developing its funding programmes by incorporating research and learning.

The Nationwide Foundation:

- seeks to fund work that addresses the root causes of social issues
- identifies specific funding criteria to make best use of the funds available; this is based on research, evaluations of previous work and stakeholder engagement
- awards funding to organisations delivering work in the UK.

The Nationwide Foundation is a Living Wage Friendly Funder and is committed to ensuring that fair wages are paid, as an obvious and simple way of helping to tackle poverty and disadvantage.

## The Nationwide Foundation's impact on the environment

The Nationwide Foundation helps to reduce carbon emissions by:

- making environmentally responsible decisions about travel, avoiding unnecessary travel and using public transport.
- including environmental considerations in the investment policy
- supporting grant-holders to make environmentally responsible decisions by ensuring that the level of funding awarded is not a barrier to doing so.

# Decent Affordable Homes Phase Three

## Strategic review

The Nationwide Foundation refined its strategy as it moved fully into phase three of Decent Affordable Homes for 2022/23. While the overall strategic direction remains unchanged, the three high-level pillars that initially outlined the phase three strategy have been fine-tuned into five more detailed strategic objectives.

Establishing clear strategic drivers is key to ensuring that the Foundation can deliver on its stated mission: this is a commitment to what we aim to achieve within phase three of Decent Affordable Homes.

Underpinning the strategic drivers are five organisational objectives, which show what needs to be done in practical terms to achieve the Foundation's mission.

**Our purpose** is to tackle the root causes of disadvantage, poverty, and inequality.

**Our vision** is for everyone in the UK to have access to a decent home that they can afford.

**Our mission** is to increase the availability of decent, affordable homes for people in need by using our funding and other assets to influence changes to the housing system.

## Decent Affordable Homes phase three has three strategic priorities:

- **Generating the evidence** for meaningful ways to change the housing system, continuing support of work begun in phase two.
- **Using the evidence** to influence changes to the housing system.
- **Increasing shared understanding of the housing system** and how change happens, so that we and other change-makers are better informed to make decisions about where our contribution will have the most impact.

## These are supported by five organisational objectives:

- Ensure the Foundation has the capabilities, capacity and confidence to deliver phase three of Decent Affordable Homes and beyond.
- Create an inclusive, efficient and empowered organisation where its staff and partners thrive.
- Embed learning into our governance and culture.
- Create collaborative and supportive partnerships based on trust and common purpose.
- Strengthen the Foundation's profile and influence with key decision-makers.

## Values

Following the strategic review above, the Nationwide Foundation considered and agreed a new set of values.

The values shape the decisions that the Nationwide Foundation and its staff make, from big to small. They reflect the way we have conversations, the way we work with others and individually, and the way we see the world. We believe our values are the guiding lights that will allow us to achieve our mission: to increase the availability of decent affordable homes for people in need by using our funding and other assets to influence changes to the housing system.

## We are courageous

Changing systems requires ambition, action and conviction. Driven by our mission and compassion, we take measured risks and bold steps to explore the system and to influence those with the power to change

it. We are not afraid to ask difficult questions, to challenge our own thinking or to try an approach for the first time. We are independent thinkers who confront stereotypes, nurture innovation, and break down barriers in our work to make the housing system fairer for people in need.

### **We are collaborative**

We value the experience, expertise and views of others. We believe that the greatest success comes from collaboration and in pursuing collective goals. To achieve this, we listen to voices from across the spectrums of backgrounds, politics and beliefs. We convene, connect and champion those diverse voices to learn from each other and influence change in the UK housing system. Committed to social justice and inclusivity, we are equitable, decent and empathic in all our dealings with others.

### **We trust**

Our integrity, transparency and credibility means that we are trusted for our knowledge. We do what's right and take decisions by considering which action will lead to the greatest long-term improvement in the lives of people in need. In turn, we place trust in our colleagues and in our partners, creating an environment in which they have the space to do their best work.

### **We are evidence-led**

Our work is led by evidence. With an open-minded approach to new ideas and the rigour to test them, we nurture innovation. Our work is focused through the lens of long-term systems change: we seek to understand what works, what doesn't work and what we could do better. We learn from all that we do, reflect on our own work and turn our new understanding into action. Through sharing our insightful learning openly, we advance knowledge and help others to make a difference too.

### **We are committed**

We believe that change is possible and that we can catalyse it. We know that change can take a long time, and we have the perseverance, patience and conviction to pursue long-term systems change. Our vision of a positive, hopeful future is clear in our minds. We are optimistic, but we are prepared for challenges along the way: by being creative and adaptable, we will find ways through difficulties.

## Activities and achievements in 2022/23 across phase three

### Grant-making

The Nationwide Foundation has three programmes and in all these programmes, funding was granted during 2022/23 – the vast majority from the budget for phase three.

In the year 2022/23, the Nationwide Foundation awarded £3,010,523 in grant funding for charitable work that aligned with the objectives of Decent Affordable Homes phase three. This figure includes grants awarded to existing phase two projects for cost-of-living support and for added value. Added value grants are made to make the most of opportunities that arise to extend the reach of the funded work directly or to support an organisation to build resilience or skills, so that it is better placed to deliver the funded work.

### Influencing change

It is the Nationwide Foundation's belief that strategic change is required across the UK's housing system. This change will mean that effective and long-lasting improvements can happen to reduce the harm that poor quality and unaffordable housing causes and perpetuates.

Influencing key decision-makers and stakeholders is fundamental to the Nationwide Foundation's approach. Much of the Nationwide Foundation's time is spent working with and alongside grant-holders in support of the programmes' aims.

The Nationwide Foundation influences for positive change in two ways; indirectly, by funding others that share the Nationwide Foundation's vision and partnering with grant-holders to disseminate and amplify their evidence and learning; and directly, through its own activities, such as meetings, events, writing consultation responses, and engaging with governments and other stakeholders. The Nationwide Foundation also convenes and connects as a way of building consensus and voice across sectors and between stakeholders.

A key organisational objective of phase three of the Decent Affordable Homes strategy is to increase the stakeholder engagement and external affairs activity carried out by the Nationwide Foundation. The groundwork for this was laid in 2022/23. In addition to continuing to support the influencing work of grant-holders across all three of its programmes, the Nationwide Foundation actively sought out opportunities to raise its own profile amongst key stakeholders in the housing system. The purpose of this is to increase the number and quality of opportunities that the Foundation has for using its body of evidence to influence effective, long-term improvement to the housing system for people in need.

# The Nationwide Foundation's Programmes

## Nurturing Ideas to Change the Housing System Activities, achievements and outcomes

**The Nurturing Ideas to Change the Housing System programme ensures that ideas for protecting and creating decent, affordable homes flourish and that these ideas result in changes that lead to an increased number of homes for people in need.**

### Ensuring that our homes support our health

The Nationwide Foundation funds the Town and Country Planning Association's Healthy Homes campaign, which seeks to introduce a Healthy Homes Act that prevents the creation of poor-quality, health-damaging housing. The campaign aims to implement 11 high-level principles for new-build housing which, taken together, define what is meant by a decent home.

In 2022/23, the Town and Country Planning Association built up core support for the Healthy Homes Act. The Healthy Homes Bill, a private members' bill originating in the House of Lords, received its second reading in July 2022. It reached committee stage in December 2022 and awaits its third reading, the last stage before it proceeds to the House of Commons.

Momentum for the campaign was kept up through regular articles driven by the Town and Country Planning Association and thought pieces by prominent housing spokespeople, including key supporter Lord Crisp. In January 2023, the Town and Country Planning Association held a reception meeting for campaign supporters and briefed peers on a proposal to include the core principles of the Healthy Homes Act in a new section of the Levelling Up and Regeneration Bill.

The Town and Country Planning Association also worked with local authorities to embed Healthy Homes principles into local policy.

### Accessing land to support the delivery of decent, affordable homes

The Nationwide Foundation knows that accessing land is a key barrier to building genuinely affordable and decent homes, so it seeks to find ways to change the system to more easily release suitable land.

In Bristol, the Nationwide Foundation has funded WeCanMake, a project by Knowle West Media Centre that enables a community land trust to help people create homes on small parcels of land in a low-density housing estate. Homes are built using sustainable, local materials in response to specific housing need, such as overcrowding or homelessness. This is a pioneering approach. The ambition is to enable other areas to replicate this proven and tested model through raising awareness amongst national and local power-holders, as well as community groups.

Two homes have now been delivered onsite: the Nationwide Foundation has granted additional funding to deliver a total ten pilot homes, to deeply explore challenges and possibilities, and to open the WeCanMake model for adaptation and adoption by others. In February 2023, the project published a playbook and film demonstrating how the WeCanMake model works. A launch event held at Nationwide's London offices was well-attended both in-person and virtually, and an accompanying media campaign resulted in high levels of broadcast and print coverage, in addition to interest from ministers. Following the launch, the project was inundated with approaches from a wide range of stakeholders.

Another funded project, Faith in Affordable Housing by Housing Justice, was also granted a further two years of funding by the Nationwide Foundation. One of the biggest barriers to creating affordable housing is unlocking land, and this project in Wales connects faith organisations with surplus land to housing associations. Together in partnership, these organisations create affordable homes on the land. In 2022, Faith in Affordable Housing's pipeline had grown to 364 and was recognised by Welsh government as one of Wales's largest pipelines for affordable housing delivery.

### Shifting public attitudes on housing

The Nationwide Foundation and its co-funder, the Joseph Rowntree Foundation, launched a Talking about Homes toolkit in February 2023 to provide the housing and health sectors with frames proven to change the way people think about housing matters. A successful campaign of digital, media and direct promotion spread the word of the report to people working in relevant communications roles. A webinar launching the toolkit 'sold out' in capacity terms. Work to further promote the toolkit will be ongoing in 2023/24.

### Driving forward ideas for greater affordability

The Nationwide Foundation's funding of the Affordable Housing Commission, which produced a set of seminal reports assessing problems with housing affordability in the UK and proposing solutions. Following completion of the work, the Nationwide Foundation has been sharing the report to influence relevant discussions of housing policy. In 2022/23, influencing work focused particularly on three of the report's recommendations.

Firstly, replacing the current definition of 'affordability' with a definition linked to income, which would alleviate the current problem of 'affordable' housing often being unaffordable for many people. The Nationwide Foundation met with a number of think-tanks, policy officials and local authorities to explore this concept.

Secondly, the concept of a conversion fund became particularly topical as private rents rose and increased private renting standards were proposed. This fund would allow properties no longer wanted by their private sector landlords to be purchased by social landlords and brought up to standard for social use. The Nationwide Foundation has attended roundtables and engaged in discussion around this idea with political representatives and peers, laying the groundwork to explore it further in future years.

Thirdly, the creation of a national strategy for housing in England. The Nationwide Foundation has been working in partnership with the Church of England who also called for such a strategy in its 'Coming Home' report. This partnership will continue to work on creating a cross party housing strategy in 2023/24.

## Backing Community-Led Housing

### Activities, achievements and outcomes

**The Backing Community-Led Housing programme enables the community-led housing sector to deliver an increased number of homes for people in need.**

[Improving access to information, support, advice and technical expertise that is needed to progress a community-led housing scheme](#)

As part of its continued work to support the strengthening of community-led housing infrastructure, the Nationwide Foundation awarded funding to the Community Land Trust Network to commence a review of infrastructure provision across the UK. This will consolidate learning about how the infrastructure that supports the sector can be most effective and self-sustaining and deliver the most promising models to scale and grow.

[Activity to directly influence for sustainable finance for community-led housing](#)

[Community Housing Fund distribution](#)

In 2021/22, the government's Community Housing Fund Revenue Programme awarded £4 million to community organisations across England which were planning to deliver over 1,100 additional affordable homes. This fund was strongly supported by the Nationwide Foundation and its grant-holder, the Community Land Trust Network. It increased the potential pipeline of community-led homes to over 23,000 and grew a network of 25 enabler hubs covering most of England. However, it closed for all areas outside London in March 2022 and for London in March 2023, and has not been renewed.

The Nationwide Foundation and the Community Land Trust Network have continued to campaign for reinstatement of this fund or an alternative. Continued engagement included attending conferences, meeting and questioning MPs, and maintaining strong links with the Department for Levelling Up, Housing and Communities. Funding for the Community Land Trust Network has been agreed for a further two years to enable this influencing work to continue at a pivotal time for the sector in England.

[Affordability research with Sheffield Hallam University](#)

As the cost of materials, staffing and land rose in 2022/23, anecdotal evidence suggested that community-led housing schemes were struggling to deliver homes that were truly affordable. To explore the extent of this issue, the Nationwide Foundation awarded a seven-month grant to Sheffield Hallam University to research current affordability within community-led housing. This research will provide valuable evidence to shape the Nationwide Foundation's support of community sector, in addition to helping the wider sector to consider future strategies.

[Taking community-led housing to the next level in Wales and Scotland](#)

The Nationwide Foundation collaborated with its grant-holder Cwmpas (formerly the Wales Co-operative Centre) in strengthening support for community-led housing in Wales.

The programme manager supported Cwmpas in engaging with the Senedd on barriers and challenges faced by communities in taking ownership of publicly- or privately-owned assets. Its suggestions were included within the recommendations of the inquiry's report.

The Nationwide Foundation granted an additional three years of funding to Cwmpas, with the aim of building on its knowledge and growing reputation so that more groups take forward community-led housing schemes across Wales. Cwmpas also began work on delivering a pilot capital grant fund with the Welsh government, which will be used to secure land and assets for affordable community-led homes.

[Boosting community-led housing in Scotland](#)

From autumn 2022, the Nationwide Foundation has been working with the Scottish Government to help community-led housing to become a more established, sustainable part of the overall affordable housing landscape in Scotland. Success came in the form of commitments to community-led housing in the Scottish Government's overarching housing strategy, 'Housing to 2040'. These included a remote, rural and island action plan and consideration of funding for community housing trusts to support this plan's delivery. The

Nationwide Foundation was able to connect Scottish officials to their counterparts in Wales to facilitate sharing of experience. Discussions are ongoing and will continue into 2023/24.

## Transforming the Private Rented Sector

### Activities, achievements and outcomes

**The Transforming the Private Rented Sector programme wants to ensure the private rented sector provides homes for people in need which are more affordable, secure, accessible and better quality.**

#### Influencing private sector tenancy reform

In summer 2022, the government released its White Paper on A Fairer Private Rented Sector, which formed the basis of proposals for the Renters' Reform Bill.

The Bill represents a once-in-a-generation opportunity to improve the rights and protections given to private renters in England. It links clearly to the Nationwide Foundation's long-term aim to strengthen the voice of renters and improve their protections from poverty and harm. Through its grant-holder, the Renters' Reform Coalition, and through its own direct activity, the Nationwide Foundation has sought to influence the upcoming Bill so that it has as positive an impact as possible on the lives of renters, particularly those most in need. The focus is on addressing pressing issues within the sector, such as quality, safety, security of tenure and access to justice.

The basis for this work is the Renters' Reform Coalition's [Safe, Secure and Affordable Homes for All: A Renters' Blueprint for Reform](#), which sets out solutions for reform shaped by the experiences of the renters with whom Coalition members work. Alongside this, the Foundation's views are informed by our wider work on the private rented sector, including multiple research projects and work to promote tenant's voice.

Additional funding has been agreed for the Renters' Reform Coalition to continue its work to call for and shape the Renters' Reform Bill; and to influence renting reform outside of the Bill where there is a strong fit with its Blueprint or the aims of the Transforming the Private Rented Sector programme.

#### Sharing timely findings from Scotland

The White Paper's publication coincided with the release of wave two findings from RentBetter, research conducted in Scotland by the Nationwide Foundation's grant-holder Indigo House. This segment of the research explored the impacts of 2017 tenancy reforms in Scotland on renters with lower incomes and those in housing need, as well as the experiences and future plans of landlords. Findings provided important insights into gaps in legislation that were being exploited by non-compliant landlords, in addition to barriers which prevented those tenants who were most vulnerable to harm from using their new rights.

The Nationwide Foundation's work to share this key understanding included meeting with the Scottish Government's minister for tenants' rights alongside Indigo House, submitting articles to legal industry publications, and writing to stakeholders including MSPs and charities. The findings were also used to provide recommendations for forthcoming private rented sector reform in England, including through consultation responses, blogs and media, and meetings with officials and ministers from the Department for Levelling Up, Housing & Communities.

#### Keeping the Renters' Reform Bill in the spotlight

Since the publication of the White Paper, the Nationwide Foundation and its grant-holders have called for the government to commit to a timeline for publishing the Bill. Both organisations held meetings, released statements and blogs, and sent joint and individual letters to supply evidence of the urgent need for legislation to officials and politicians across parties.

In summer 2022, the Renters' Reform Coalition published research showing strong public support for rental reform across the political spectrum. This research was referenced in articles in national media co-ordinated by the Coalition. In September 2022, it held a parliamentary reception supported by the Nationwide Foundation, at which the research was presented. This event was well-attended by Members of Parliament, sector organisations and private renters.

In March 2023, the Nationwide Foundation supported the Renters' Reform Coalition in holding the largest ever private renters' day of action in Westminster. The event received national media coverage and was attended by the housing minister, who confirmed that the Bill would be published before autumn 2023.

### Working to improve standards

Alongside the Renters' Reform Bill, the government has committed to extending the decent homes standard to the private rented sector for the first time. The Nationwide Foundation and its grant-holders responded to a consultation on this matter in winter and spoke to power-holders on quality, regulation and enforcement within the sector. This included the Nationwide Foundation's chief executive speaking at a Westminster Social Policy Forum panel; a summit held by the Mayor of London; and the Building Society Association.

### Engaging with the Department for Levelling Up, Housing and Communities

The Nationwide Foundation has built up a body of evidence around the private rented sector and used it in responses to two further significant consultations in 2022/23, relating to short-term holiday lets and the extension of the decent homes standard to the private rented sector.

### Tenants' voice projects

The Nationwide Foundation continued to fund seven tenant voice projects with the overall aim of strengthening the voice of tenants in debates on the private rented sector and housing. The projects are spread across England, Scotland and Northern Ireland, and each has a different model for engaging renters to support them to have a voice.

At the beginning of 2023, the Nationwide Foundation released a report evaluating these models, which provided recommendations for others considering setting up a project to hear and amplify the voices of tenants. As part of its work to share learning, the Nationwide Foundation sought industry media coverage of the report, sent it to charities and power-holders with potential influence over making tenant voice heard in decision-making, and co-hosted an event in Northern Ireland to promote the learnings. This resulted in significant interest in the report. Follow-up meetings were held with local and national power-holders, and other funders, to share best practice in successful tenant voice work.

Further funding for the seven tenant voice projects was agreed until the end of 2024. They will continue to support tenants to be involved in local, regional and national decision making on the private rented sector, and increase their focus on supporting those tenants who are most vulnerable to harm.

### Using evidence from place-based funding to influence change

In Greater Manchester, the Nationwide Foundation has funded Shelter to deliver the Fair Housing Futures project. This has tested a number of pioneering projects to improve the private rented sector, including a new model which provides loans to landlords to improve property standards in return for meaningful benefits to tenants. The five projects were evaluated and the evidence was used to begin influencing policy and practice changes to private renting. The partnership Board of the project, which includes powerholders and key stakeholders from across the private rented sector in Greater Manchester, used the evidence from the projects and their own expertise to develop and publish a set of recommendations for local, regional and national government on policy changes that would make the private rented sector fairer and drive up standards. This manifesto for change, titled the 'Plan for better renting in Greater Manchester', was launched with the Mayor of Greater Manchester.

## Future Plans

### Strategic focus

The Nationwide Foundation's strategic focus during 2023/24 will be on delivering phase three of the Decent Affordable Homes strategy. This will include:

- Delivery of strategic priorities one and two of the Decent Affordable Homes phase three, ensuring that funded projects from phase two continue to generate and use evidence to give these projects the best chance of success. These projects will receive both financial support and support from the Nationwide Foundation's other resources, such as its voice and name.
- Using learning from the funded projects to increase our knowledge and understanding of how systems change happens in the UK housing system and adapting our programme theories of change accordingly.
- Increasing and developing the Nationwide Foundation's reputation and profile as a knowledgeable voice in systems change so that it is better able to contribute to making changes happen alongside its grant-holders.

### Grant-making activities

The Nationwide Foundation's grant portfolio is made up of mainly multi-year grants that will be ongoing during 2023/24. Some of these projects will receive additional funding under phase three to take them to the next level of generating more evidence and using what has been discovered.

Work due to be undertaken or completed by grant-holders in 2023/24 includes:

- The Nationwide Foundation will be playing an active role as a member of the Renters' Reform Coalition to influence the **shape of the Renters' Reform Bill** so that there is better protection for vulnerable renters in the private rented sector.
- Research by Leeds Community Homes will deliver recommendations for ways in which the community-led housing sector can **support black and minority ethnic communities** to create the affordable homes they want and need. The findings will be shared with sector representatives, funders and policy-makers at local, regional and national level, with the longer-term aim that more black and minority ethnic people access community-led housing.
- With the support of the Nationwide Foundation, Knowle West Media Centre will continue to raise awareness of WeCanMake and encourage other areas to utilise its **pioneering model for creating affordable homes**.
- Indigo House will work towards releasing its third wave of **research into Scottish tenancy reforms** in 2024.
- The seven tenant voice projects will continue **helping tenants' voices to be heard** in public debate, with a renewed focus on those most vulnerable to harm.
- Housing Justice will continue to test and refine the Faith in Affordable Housing partnership model, improve access to and understanding of legal guidance, and influence denominations to put in place policies and processes that **enable faith groups to turn land into affordable housing**. It will also influence Welsh government to support more smaller affordable housing sites and conversions.
- The Nationwide Foundation and co-funders Joseph Rowntree Foundation will continue to increase awareness, understanding and use of the Talking about Homes toolkit. Mobilisation will focus on the housing and health sectors, providing them with frames proven to **shift public thinking on housing matters**. Further work will be carried out to explore how the frames can be used in conjunction with other existing framing toolkits around changing public ideas about poverty.

- The Nationwide Foundation and its grant-holders within community-led housing will continue to influence for **sustainable funding of the sector**, including a replacement for the Community Housing Fund in England.
- The Nationwide Foundation will continue to **increase its own influence and understanding** of best practice in shaping positive change to the housing system. This work will include arranging more events to convene and connect key powerholders and experts, alongside greater digital and media campaigning.
- Cwmpas (formerly the Wales Co-operative Centre), which is funded by the Nationwide Foundation, will deliver a pilot capital grant fund, influence to **increase the Welsh government's commitment to community-led housing** and continue to deliver training to local authorities.
- The Town and Country Planning Association will continue to **progress the Healthy Homes Bill** and to work towards incorporation of the eleven Healthy Homes principles in legislation.

### Future uncertainties

The Nationwide Foundation is aware that the national and global context can affect our programmes. The following, in particular, have been identified as potentially impacting on our and our grant-holders' work in 2023/24:

- The **war in Ukraine** may continue to increase prices and affect the capacity and resources of the government and other public sector bodies.
- The **cost-of-living crisis** and global economic uncertainty may increase homelessness and raise costs for projects.
- Sharp rises in **inflation** and the cost of construction may affect the financing and affordability of community-led housing and other projects, as well as further reducing affordability for renters and home-buyers.
- A **general election** is expected before the end of DAH3, which may result in changes in key political stakeholders.

The Nationwide Foundation will monitor these and other issues that arise and adapt accordingly.

## Structure, Governance & Management

### Governance

The Nationwide Foundation:

- Is a company limited by guarantee (no. 3451979) and a registered charity (no. 1065552) which operates in accordance with its Articles of Association and Revised Memorandum.
- Is governed by a board of up to 10 trustees which set the policies and strategy of the Foundation and approves large grants. During 2022/23 ten trustees served on the board.
- Has seven trustees who are appointed by the board, following open advertisement and interview, and three trustees who are appointed by Nationwide Building Society.
- Appoints trustees for up to three terms of three years, following the consideration and approval of the board. All trustees undergo an in-depth induction and are offered training as well as opportunities to attend meetings with funded organisations alongside Nationwide Foundation staff. The board typically meets four times a year, plus an annual strategic away day. In 2022/23 the board held all four meetings in person.
- Has trustee committees and groups, to which it delegates various aspects of the Nationwide Foundation's work, with oversight and ratification of their decisions by the board:
  1. Finance and risk committee (comprising five trustees, the chief executive and accountant): in 2022/23 this committee advised on audit, risk oversight, budget and investments.
  2. Nominations and Remunerations Committee (comprising five trustees including the chair, vice-chair and at least one Society appointed trustee who is included in the quorum):
- Reviews its application of the Charity Governance Code every three years. This last took place in September 2022. The review concluded that the Foundation fully applies most of the recommended practices and its approach is in keeping with the spirit of the code. Actions were agreed to make improvements to a small number of partially applied recommended practices in relation to diversity. The next full review will take place in 2025.
- Maintains a risk register to identify the major risks to which the Nationwide Foundation is exposed. During the year, the board reviewed the register. The major risk identified over the following 12 months was the loss of or under-performing staff and key personnel, due to the ongoing impact of prolonged remote working and capacity issues in a period of change and growth for the Foundation. Over three-years the greatest risks were identified as loss or underperforming of staff and key personnel, and projects failing to achieve outcomes.
- Undertakes an independent audit of its internal controls every three years. This last took place in 2019/2020 and concluded that key controls worked, were efficient and built to last. Agreed actions for some improvements were actioned during 2020/21.
- Has a conflicts of interest policy for both trustees and staff and maintains a register of declarations that is regularly shared with the board. Trustees declare conflicts of interest at the start of each meeting and withdraw from decisions where there is a conflict. A code of conduct also exists for trustees.
- Reviews its governing document every three years. This last took place in 2019/20.

### Equality, diversity and inclusion

- Following a review of the updated Charity Governance Code principles, the Nationwide Foundation will be reviewing its equality, diversity and inclusion policy in 2023/24.
- Using the Governance Code's guidance, trustees will consider how equality, diversity and inclusion are important to the Nationwide Foundation in its context and in the delivery of its aims.

### Staff

- The staff implement the policies and strategies set by the board.
- The trustees have delegated responsibility to the chief executive to approve grants of up to £75k.

- All staff are employed by Nationwide Building Society and receive remuneration in accordance with their employment contract with the Society. The Foundation's Nominations and Remunerations Committee sets the chief executive's salary within the parameters of Nationwide Building Society's salary bands.

### Key relationships

- Nationwide Building Society is the Nationwide Foundation's main benefactor and supplier of in-kind support, including offices.
- The Nationwide Foundation is a member of the following networking and support organisations: Association of Charitable Foundations (ACF), Association of Chief Executives of Voluntary Organisations (ACEVO) and National Council of Voluntary Organisations (NCVO).

### Fundraising activity

The Nationwide Foundation had no fundraising activities requiring disclosure under S162A of the Charities Act 2011. Almost all the Nationwide Foundation's income comes from an annual donation from Nationwide Building Society and a funding agreement is in place which sets out the basis for the donation.

### Statement of trustees' responsibilities

The trustees (who are also directors of the Nationwide Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditors

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and;
- that trustee has taken all steps that ought to have been taken as a trustee to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Financial Review

### Income

Income for 2022/23 totalled £2,469,659 (2021/212: £1,770,175). This is primarily made up of an annual donation from Nationwide in 2022/23 of £2,405,000 (2021/22: £1,700,000). In addition to the annual donation, in 2022/23, the Society donated services to the Nationwide Foundation totalling £124,341 (2021/212 £99,755). This represents the provision of office space, technology, legal and accountancy support.

The Nationwide Foundation's principal source of income is an annual donation from Nationwide Building Society. The donation is received annually and is at least 0.25% of Nationwide's pre-tax statutory profit averaged over three years. Nationwide provides a three-year donation floor to provide the Foundation with a commitment that supports the Foundation to plan for the medium term. The floor can only be adjusted in specified extraordinary circumstances.

### Expenditure

Expenditure for 2022/23 totalled £2,635,057 (2021/22: £2,315,899). The majority of the Nationwide Foundation's funds are used to award grants for charitable purposes, and to cover the costs of running the Nationwide Foundation. Grants are paid in instalments, and multi-year grants are released annually, subject to approval from the chief executive. Each grant is subject to monitoring to ensure satisfactory progress.

### Reserves policy

The trustees review the reserves policy annually and monitors the level of reserves throughout the year. All the Nationwide Foundation's reserves are unrestricted, and trustees set out how and why the funds should be designated as set out below:

Designated to	Purpose	Amount 2022/23
<b>Contingency fund</b>	To hold sufficient funds to deal with an unexpected and significant event, such as the withdrawal of support from our main benefactor. This is comprised of: <ul style="list-style-type: none"> <li>• running costs for up to three years to manage existing funding commitments and give trustees time to consider what action to take</li> <li>• costs of third-party expertise to assist the trustees in what may be complex circumstances.</li> </ul>	This amount is determined annually following a review of a budget tailored to the specific circumstances of the Nationwide Foundation losing its income.  Target - £550,000
<b>Pledged fund</b>	To hold sufficient funds to meet all funding commitments to grants that have been awarded but not yet released.	This is determined by the amount that has been awarded in grants but not yet released.
<b>Allocated fund</b>	To hold the funds that have been allocated by the trustees to each funding programme, but not yet awarded as grants.  Funds from this designation are awarded over the duration of the funding programme, which is usually across multiple years.	This is determined by taking the agreed budget for funding programmes and deducting the funds that have been awarded to date.

	The allocated fund may have sub-categories for different funding programmes.	
<b>Programme related investment fund</b>	The value of programme related investment commitments.  These funds can only be realised by disposing of the investment in line with the terms of that investment.	Determined by the value of the programme related investments that have been awarded.

Note 16 of the accounts provides details of the amounts designated at 31 March 2023.

### Investment policy

During 2022/23 the Nationwide Foundation undertook a comprehensive review of its investment policy to ensure that the policy allowed for the Foundation to make the best use of its assets.

The Nationwide Foundation's investment policy sets out the following objectives:

- to maintain real value; the overall return across the portfolio should be in line with inflation
- to hold sufficient levels of liquid funds to make grant payments, award new grants, cover running costs and any unanticipated cashflow requirements.

The investment policy identifies the Foundation's attitude to risk, which recognises that charitable activity is funded from the annual donation and the Foundation's activity is not reliant on income from investments. This is why preserving the value of the capital in real terms is an objective and minimal risks are taken. The policy specifies the criteria that must be applied when making different types of investments to manage the risks. This includes spreading the funds across different financial institutions that meet a set of requirements, such as minimum credit ratings and being based in the UK.

The trustees have considered the ethical standards that the Foundation wishes to meet through its investments and the following statement is included in the investment policy:

"The Nationwide Foundation is committed to ensuring that all investment decisions are made responsibly. The Foundation has a strong preference for an ethical investment portfolio that is consistent with the values and objectives of the Foundation."

In addition to broad ethical considerations that consider the impact that the assets being invested in have on society, specific consideration will be given to investment in assets that directly relate to the strategy at the time. The Foundation will not invest in assets that conflict with the strategic objectives.

For example, while delivering the Decent Affordable Homes strategy, funds will not be invested in residential property that does not support the creation of decent, affordable homes.

The policy permits trustees to manage the Nationwide Foundation's investments up to an agreed amount. In 2022/23 this amount was £7.5m. The use of an investment manager is reviewed annually.

### Investments

Most funds are held in either fixed term or instant access cash accounts on which interest is earned. Interest earned in 2022/23 totalled £64,659 (2021/22: £9,549).

In 2022/23 the Foundation held funds in CCLA's COIF Charities Ethical Investment Fund as it met the Foundation's risk requirements and ethical standards.

On 31 March 2023 the value of the investment was £680,541 (31 March 2022 £694,444), a loss of £13,903. The investment performance has struggled throughout the year due to inflation, rising interest rates, political uncertainty, and unexpected events.

**Programme related investment policy**

The policy on social investments adheres to the following guidance from the Charity Commission:

*“Programme related investments (also known as social investments) are made directly in pursuit of the organisation’s charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary motivation for making them is not financial but to further the objects of the funding charity.”*

During the year:

- No new programme-related investments were made during the year
- Repayments were received from existing social investments (£2,730 from Communities Housing Trust)
- Interest earned during 2022/23: £2,020 (2021/22: £2,625).

**Financial outlook**

The Nationwide Foundation has a minimum donation committed from Nationwide for 2023 and 2024 which, due to better than expected profits is higher than previous years.

The current cost of living crisis will continue to dominate the UK economic, social and political context during 2023. Housing costs play a significant role in this crisis, given they are a major household expenditure which is rising across tenure types. We are committed to funding activity and supporting our grant holders to find workable solutions to rising housing costs and associated problems, and to keep the impact of rising housing costs on the political agenda. We will also continue to push for change through our own influencing and public affairs activity. In addition, we are aware of the impact the crisis is having on our grant holders and are committed to continuing to support them during this period.

The longer-term economic outlook remains uncertain as the UK economy recovers from the impact of Covid-19 and Brexit. This uncertainty may lead to a reduction of the minimum donation commitment for the 2024 donation. The Nationwide Foundation’s trustees monitor this throughout the year and are prepared to be responsive and flexible to any changes.

**Guarantees**

The guarantor members of the charity, who are also the trustees, guarantee an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 10 (2021/22: 9). The members are only entitled to voting rights and do not have a beneficial interest in the charity.

**Auditors**

New auditors will be assigned for the 2023/24 audit.

**Approval**

The trustees have agreed these financial statements which have taken advantage of the small companies’ exemptions provided by section 415a of the Companies Act 2006.

Approved by the board of trustees on 7 September 2023 and signed on behalf of the board of trustees by the chair and another trustee:

Chair .....

Saphié Ashtiany

Trustee.....

Sarah Mitchell

## Trustees/Directors

**Terrie Alafat** ♦

**Saphié Ashtiany (chair)** ∞

**Antonia Bance** ∞

**Kit Beazley** ♦

**Rob Collins** † ♦

**Gill Leng** ♦

**Judith McNeill**

**Sarah Mitchell (vice-chair)** ♦ ∞

**Rachael Sinclair** † ∞ (appointed 15th August 2022)

**Usha Prashar** † ∞ (retired 9 June 2023)

† Appointed by Nationwide Building Society

♦ Member of the Finance and Risk Committee

∞ Member of the Nominations and Remunerations Committee

**Acting Chief Executive:** Sam Stewart

**Company Secretary:** NBS CoSec Limited

**Accountant:** Kayleigh Keville

**Auditors:** Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, Berkshire, RG1 1PL

**Bankers:** CAF Bank, 25 Kings Hill, West Malling, Kent, ME19 4JQ

**Investment managers:** CCLA Investment Management Limited and CCLA Fund Managers Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

**Solicitors:** Bates Wells Braithwaite, 10 Queen Street Place, London, EC4R 1BE

Registered charity no. 1065552 Registered company no. 3451979

Registered office address: Nationwide House, Pipers Way, Swindon, SN38 1NW

## **Independent Auditor's Report to the Members of The Nationwide Foundation**

### **Opinion**

We have audited the financial statements of The Nationwide Foundation ('the charitable company') for the year ended 31 March 2023 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were Charity Commission regulations, taxation legislation, employment legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within timing of recognition of income, the application of grant expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for bias, reviewing the grant recognition calculations and supporting documentation, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Alastair Lyon*

5D496AAA0433488...

**Alastair Lyon**

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

27.09.2023

**THE NATIONWIDE FOUNDATION  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Notes	2023 £	2022 £
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	2	2,405,000	1,770,175
Income from investments	3	64,659	9,549
Other incoming resources	4	124,342	99,755
<b>Total income and endowments</b>		<b>2,594,001</b>	<b>1,879,479</b>
<b>EXPENDITURE ON:</b>			
Charitable activities	5	(2,635,057)	(2,315,899)
<b>Total expenditure</b>		<b>(2,635,057)</b>	<b>(2,315,899)</b>
Net (losses)/gains on fixed asset investments		(13,903)	73,614
Gains/(losses) from movements in foreign exchange		74	9,130
<b>Net (expense)/income and net movement in funds</b>		<b>(54,885)</b>	<b>(353,676)</b>
Fund balances brought forward		3,874,942	4,228,618
<b>Fund balances carried forward</b>	16	<b>3,820,057</b>	<b>3,874,942</b>

The notes on pages 4 to 13 form part of these financial statements.

All income is unrestricted. All amounts relate to continuing operations.

There were no recognised gains or losses other than the net income for the year in the Statement of Financial Activities (2022: £nil).

**THE NATIONWIDE FOUNDATION**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2023**  
**COMPANY REGISTERED NUMBER: 3451979**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Programme related investments	10	201,176	230,727
Investment	11	680,541	694,444
<b>TOTAL FIXED ASSETS</b>		<b>881,717</b>	925,171
<b>CURRENT ASSETS</b>			
Programme related investments	10	37,631	14,810
Debtors	12	21,195	10,251
Fixed term deposits		1,100,000	1,100,000
Cash at bank		2,652,846	2,493,981
<b>TOTAL CURRENT ASSETS</b>		<b>3,811,672</b>	3,619,042
<b>CURRENT LIABILITIES</b>			
Creditors	13	(873,332)	(669,271)
<b>NET CURRENT ASSETS</b>		<b>2,938,340</b>	2,949,771
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>3,820,057</b>	3,874,942
<b>NET ASSETS</b>	14	<b>3,820,057</b>	3,874,942
<b>UNRESTRICTED FUNDS OF THE CHARITY</b>			
Designated funds	16	3,820,057	3,874,942
<b>TOTAL FUNDS</b>		<b>3,820,057</b>	3,874,942

The notes on pages 4 to 13 form part of these financial statements.

The financial statements were approved by the board of Trustees on 7 September 2023 and signed on behalf of the board of trustees by the chair and another trustee

}
  
} Chair - Saphié Ashtiany
  
}

}
  
} Trustee - Sarah Mitchell
  
}

**THE NATIONWIDE FOUNDATION  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
<b>Cash flows from operating activities</b>		
Net movement of funds per statement of financial activities	(54,885)	(353,676)
<b>Adjustments for:</b>		
Interest from investments	(64,659)	(9,549)
(Increase)/decrease in debtors	(10,944)	3,957
Increase/(decrease) in creditors	203,594	(96,648)
Losses/(gains) on fixed asset investments	13,903	(73,614)
Gains from movements in foreign exchange	(74)	(9,130)
<b>Net cash provided by (used in) operating activities</b>	<b>86,935</b>	<b>(538,660)</b>
<b>Cash flows from investing activities</b>		
Fixed term deposits redeemed	2,000,000	2,000,000
Fixed term deposits issued	(2,000,000)	(1,100,000)
Interest from investments	64,659	9,549
Receipts from programme related investments	6,730	9,959
<b>Net cash generated from investing activities</b>	<b>71,389</b>	<b>919,508</b>
Effect of exchange rate changes on cash and cash equivalents	541	853
<b>Increase in cash and cash equivalents in the year</b>	<b>158,865</b>	<b>381,701</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,493,981</b>	<b>2,112,280</b>
<b>Total cash and cash equivalents at the end of the year</b>	<b>2,652,846</b>	<b>2,493,981</b>

**THE NATIONWIDE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**1. Accounting policies**

**Charity information**

The Nationwide Foundation is a company limited by guarantee (registered number 3451979), which is incorporated in the UK. The address of the registered office is Nationwide House, Pipers Way, Swindon, SN38 1NW.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019), applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Nationwide Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Going concern**

The Nationwide Foundation has cash resources and has no requirement for external funding. The Trustees have a reasonable expectation that the Nationwide Foundation has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

**Significant judgements and estimates**

The management consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

**Accounting policies**

The following accounting policies have been applied consistently in the preparation of the financial statements.

**(i) Income**

Both donation income and interest income are credited to the Statement of Financial Activities when a receipt is probable, there is evidence of entitlement and it can be measured reliably.

**(ii) Grants**

Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions are pledged and provided for in the designated fund.

**(iii) Programme related investments**

Programme related investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Programme related investments are held at cost as the Foundation is unable to obtain a reliable estimate of fair value.

**(iv) Donated goods and services**

Donated goods and services represent Nationwide Building Society specialist staff services and accommodation costs which have not been directly charged to the Foundation.

**1. Accounting policies (continued)****(v) Allocation of expenditure**

Staff costs have been apportioned on the basis of the approximate time allocated by the Chief Executive and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as the staff costs. The allocation methodology is reviewed annually to ensure that it is still appropriate.

**(vi) Designated funds**

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of such designated funds is set out in the notes to the financial statements.

**(vii) Irrecoverable VAT**

Irrecoverable VAT is charged to the Statement of Financial Activities.

**(viii) Cash flow statement**

A cash flow statement has been prepared under FRS 102. Cash and cash equivalents represent cash in hand and notice deposits of less than 30 days.

**(ix) Pension costs**

The officers of the Foundation are part of Nationwide Group pension arrangements. The only pension costs incurred by the Foundation are the employer's pension scheme contributions which are re-charged to the Foundation. Pension scheme liabilities are borne by the Society.

**(x) Debtors**

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**(xi) Creditors**

Creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**(xii) Financial instruments**

The Nationwide Foundation holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 15 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments, debtor balances excluding prepayments, cash and cash equivalents, and financial liabilities referring to all creditor balances excluding deferred income.

**(xiii) Fixed asset investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

**(xiv) Gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Gains and losses are calculated as the difference between the market value at the balance sheet date and opening market value (or purchase value if the date is later).

**1. Accounting policies (continued)****(xv) Foreign currency translation**

Foreign currency transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the retranslation are recognised in the statement of financial activities.

**2. Donations and legacies**

	2023	2022
	£	£
Nationwide Building Society	2,405,000	1,770,000
Other donations	-	175
<b>Total</b>	<b>2,405,000</b>	<b>1,770,175</b>

**3. Income from investments**

	2023	2022
	£	£
Bank interest receivable	62,639	6,924
Interest from programme related investments	2,020	2,625
<b>Total</b>	<b>64,659</b>	<b>9,549</b>

**4. Other incoming resources**

	2023	2022
	£	£
Donated services from Nationwide Building Society	124,342	99,755
<b>Total</b>	<b>124,342</b>	<b>99,755</b>

Donated services are analysed in note 5(b).

**5. Analysis of total expenditure**

2023	Decent Affordable Homes funding strategy	Governance costs	Total
Charitable activities by objective	£	£	£
Staff costs	383,300	76,458	459,758
Support costs	88,655	16,368	105,023
Grants	1,945,934	-	1,945,934
Donated services	111,458	12,884	124,342
<b>Total</b>	<b>2,529,347</b>	<b>105,710</b>	<b>2,635,057</b>

**5. Analysis of total expenditure (continued)**

2022	Decent Affordable Homes funding strategy	Governance costs	Total
Charitable activities by objective			
	£	£	£
Staff costs	366,857	33,312	400,169
Support costs	37,667	13,923	51,590
Grants	1,764,385	-	1,764,385
Donated services	91,127	8,628	99,755
<b>Total</b>	<b>2,260,036</b>	<b>55,863</b>	<b>2,315,899</b>

For further analysis of staff costs see note 6.

	2023 £	2022 £
<b>(a) Analysis of support costs</b>		
Administration and IT	86,161	66,411
Learning and evaluation and system mapping	18,862	(14,821)
<b>Total</b>	<b>105,023</b>	<b>51,590</b>

	2023 £	2022 £
<b>(b) Donated services</b>		
Specialist staff services	58,342	33,755
Facility costs	66,000	66,000
<b>Total</b>	<b>124,342</b>	<b>99,755</b>

Donated services represent the cost of specialist staff services and accommodation which have not been directly charged to the Foundation by Nationwide Building Society. In addition, Nationwide Building Society provides the Foundation with other services such as IT support which cannot be readily quantified. IT costs for the maintenance of the Foundation's grants administration system are paid by the Foundation and are included in support costs.

	2023 £	2022 £
<b>(c) Analysis of governance costs</b>		
Staff costs	76,458	33,312
Trustees' expenses	1,340	165
Audit costs (inclusive of irrecoverable VAT)	15,000	13,758
Other administration costs	28	-
Donated services	12,884	8,628
<b>Total</b>	<b>105,710</b>	<b>55,863</b>

**6. Staff costs**

The officers of the Foundation are employed by Nationwide Building Society and assigned to the Foundation for the duration of their employment under the terms of the Framework Agreement between the Society and the Foundation.

The amounts charged as direct staff costs comprised:

	2023	2022
	£	£
Salaries	335,144	285,581
Social security	42,760	31,686
Pension contributions	81,854	82,902
<b>Total staff costs</b>	<b>459,758</b>	<b>400,169</b>

The average number of persons employed by the Society who acted as officers of the Foundation was 8 (2022: 8). The number of employees of the Society who acted as an officer of the Foundation receiving emoluments of over £60,000 and less than £70,000 was 1 (2022: 2) and emoluments of over £70,000 and less than £80,000 was 1 (2022: nil). All staff receive emoluments, including benefits in kind, in accordance with Nationwide Building Society employment policies. For details of pensions costs see note 1(ix).

The average number of employees during the year comprises the following:

	2023	2022
Decent Affordable Homes funding strategy	6	7
Governance	2	1
<b>Total</b>	<b>8</b>	<b>8</b>

**7. Net income resources for the year**

Net income for the year is stated after charging:

	2023	2022
	£	£
Trustees' expenses	1,340	165
Auditors' remuneration:		
Audit services - current year	15,000	11,958

None of the trustees / directors received any emoluments in respect of services to the Foundation (2022: nil).

**Trustees' expenses**

Trustees' expenses include amounts reimbursed to trustees for out-of-pocket expenses and amounts paid for by the Nationwide Foundation to third parties for costs such as travel, accommodation, subsistence and training. During the year, four trustees (2022: one) received reimbursements of personal travel and subsistence expenditure amounting to £1,340 (2022: £165).

**8. Grants payable**

The Nationwide Foundation committed to the following grants during the year in relation to its Decent Affordable Homes strategy.

All grants are made to institutions.

	2023	2022
	£	£
<b>DECENT AFFORDABLE HOMES FUNDING STRATEGY</b>		
Affordable Housing Commission	-	10,000
Camden Federation of Private Tenants	73,165	11,499
Citizens Advice	77,916	45,888
Communities Creating Homes DAH3	123,618	121,342
Communities Housing Trust (previously HSCHT)	34,552	43,226
COVID-19 support fund	10,000	310,317
Decent Affordable Homes - Added Value	2,000	5,989
DSS discrimination case	-	1,700
East Midlands Community Led Housing	20,223	24,777
Fair Housing Futures	90,284	127,305
Faith in Affordable Housing	135,096	-
Frameworks	124,000	83,399
Greater Manchester Tenants Union (previously Tenants Union)	119,596	-
Highlands Small Communities Housing Trust (HSCHT)	13,334	-
Homeless Link	118,108	45,000
Housing First England	1,830	-
Housing Justice	-	93,715
Housing rights	25,972	51,332
Indigo House	-	127,381
Leeds Community Housing	-	21,600
Living Rent	65,364	5,000
National Community Land Trust Network	144,757	75,000
Networking and best practice for Tenants' Voice Programme	8,580	-
Renters' Reform Coalition (previously Generation Rent)	371,895	93,844
Sheffield Hallam University	21,975	-
Shelter	38,280	27,410
South of Scotland Community Housing Trust (previously Dumfries)	42,726	37,200
Tenants together	12,742	-
Test & Learn Fund	(17,965)	-
Town & Country Planning Association	-	259,110
University of York	(195)	(48)
We Can Make	238,849	117,399
Zacchaeus 2000 Trust	49,232	25,000
<b>Total</b>	<b>1,945,934</b>	<b>1,764,385</b>

**9. Taxation**

Corporation tax payable for the year ended 31 March 2023 was £nil (2022: £nil).

**10. Programme related investments**

	2023 £	2022 £
<b>Non-current assets</b>		
Community Land Trust Fund II	-	26,461
Communities Housing Trust	51,176	54,266
Community Led Housing Fund	150,000	150,000
	<b>201,176</b>	<b>230,727</b>
<b>Current assets</b>		
Communities Housing Trust	2,840	2,730
Community Land Trust Fund I	-	3,750
Community Land Trust Fund II	34,791	8,330
	<b>37,631</b>	<b>14,810</b>
<b>Total programme related investments at 31 March</b>	<b>238,807</b>	<b>245,537</b>

The Foundation has three ongoing programme related investments:

- Community Led Housing Fund II is due to be repaid during 2023-24.
- Community Led Housing Fund is due to be repaid during 2025-27.
- Communities Housing Trust is due to be repaid over the next 15 years.

**11. Fixed asset investment**

	2023 £	2022 £
Balance at 1 April	694,444	622,515
Revaluations	(13,903)	71,929
Balance at 31 March	<b>680,541</b>	<b>694,444</b>

The fixed asset investment comprises funds held in CCLA's COIF Charities Ethical Investment Fund.

**12. Debtors**

	2023 £	2022 £
Accrued interest	14,086	739
Prepayments	7,109	9,512
Total	<b>21,195</b>	<b>10,251</b>

**13. Creditors**

	2023	2022
	£	£
<b>Amounts falling due within one year</b>		
Grants payable	685,463	509,548
Programme related investment commitments	100,000	100,000
Other creditors	48,946	33,120
Accruals	38,923	26,603
<b>Total</b>	<b>873,332</b>	<b>669,271</b>

**14. Analysis of net assets between funds**

	Designated Fund	
	2023	2022
	£	£
Fixed assets	881,717	925,171
Current assets	3,811,672	3,619,042
Current liabilities	(873,332)	(669,271)
<b>Total</b>	<b>3,820,057</b>	<b>3,874,942</b>

**15. Financial instruments**

	2023	2022
	£	£
Financial assets measured at amortised cost	3,766,932	3,594,720
Financial assets measured at fair value	680,541	694,444
Financial liabilities measured at amortised cost	(873,332)	(669,271)

Financial assets measured at amortised cost comprise all cash and cash equivalents and debtor balances excluding prepayments.

Financial assets measured at fair value comprises a fixed asset investment.

Financial liabilities measured at amortised cost comprise all creditor balances excluding deferred income.

**16. Designated funds**

The designated funds, represented below, are allocated as per the reserves policy described in the trustees' report and as per note 1(vi).

2022/2023	As at 1 April 2022	Incoming resources	Resources expensed	Transferred	Gains and losses	As at 31 March 2023
<b>Decent Affordable Homes strategy:</b>						
Future funds	-	2,469,659		(2,455,830)	(13,829)	-
<b>Allocated:</b>						
Phase 2	80,605	-	(37,173)	(43,432)	-	-
Covid-support fund	224,845	-	(10,000)	(214,845)	-	-
Phase 3	1,958,645	-	(1,463,546)	270,572	-	765,671
Pledged	815,310	-	(435,215)	1,504,346	-	1,884,441
Programme related investment	245,537	-	-	(6,730)	-	238,807
Learning & evaluation	-	(18,862)	-	400,000	-	381,138
Running costs	-	-	(545,919)	545,919	-	-
<b>Other designated funds:</b>						
Contingency fund	550,000	-	-	-	-	550,000
<b>Total</b>	<b>3,874,942</b>	<b>2,450,797</b>	<b>(2,491,853)</b>	<b>-</b>	<b>(13,829)</b>	<b>3,820,057</b>

2021/2022	As at 1 April 2021	Incoming resources	Resources expensed	Transferred	Gains and losses	As at 31 March 2022
<b>Decent Affordable Homes strategy:</b>						
Future funds	1,017,858	1,779,724	-	(2,880,326)	82,744	-
<b>Allocated:</b>						
Phase 2	284,691	-	(308,176)	104,090	-	80,605
Covid-support fund	655,507	-	(320,662)	(110,000)	-	224,845
Phase 3	-	-	(134,828)	2,093,473	-	1,958,645
Pledged	1,466,751	-	(1,000,719)	349,278	-	815,310
Programme related investment	253,811	-	-	(8,274)	-	245,537
Learning & evaluation	-	14,821	-	(14,821)	-	-
Running costs	-	-	(466,580)	466,580	-	-
<b>Other designated funds:</b>						
Contingency fund	550,000	-	-	-	-	550,000
<b>Total</b>	<b>4,228,618</b>	<b>1,794,545</b>	<b>(2,230,965)</b>	<b>-</b>	<b>82,744</b>	<b>3,874,942</b>

Donated services from Nationwide Building Society are not included in the designated fund.

## 17. Related parties

The Nationwide Foundation is an independent charity, set up and funded by Nationwide Building Society (“the Society”). A legal contract called the Framework Agreement sets out the working relationship between the Society and the Nationwide Foundation and encompasses the provision of funds and donated services including office space, technology and other support. All financial donations and donated services are disclosed in the financial statements. The Society can appoint three of ten trustees. In the opinion of the board, there is no ultimate controlling party of the Nationwide Foundation.

All staff and trustees are asked annually to record any conflicts of loyalty or interest and to declare them at the start of each board and committee meeting. During the year ended 31 March 2023, one related party transaction was registered: One trustee (Saphié Ashtiany), was also a trustee of the Joseph Rowntree Foundation (JRF). In 2022/23 the Nationwide Foundation agreed to jointly fund the Frameworks Institute with JRF.

Total aggregate compensation paid to key management personnel (the Chief Executive) amounts to £90,570 (2022: £85,266).

## 18. Post balance sheet events

In June 2023, a donation of £3,870,000 was received from the Nationwide Building Society. These funds were designated for the Decent Affordable Homes Strategy as per the reserves policy in the trustees’ report.

**THE NATIONWIDE FOUNDATION**

England & Wales - Charity number 1065552

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# Accounts

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Annual Report and  
Financial Statements

Year ended 31 March 2022

Registered Company: 3451979

Registered Charity: 1065552

# The Nationwide Foundation's trustees' report for the year ending 31 March 2022

## About the Nationwide Foundation

The Nationwide Foundation is an independent charity that seeks to improve the lives of people in need. It does this by funding charitable causes and influencing for meaningful, long-term, and lasting systems change. At its heart, the Nationwide Foundation seeks to tackle the root causes of social problems that lead to disadvantage, poverty, and inequality. Key to the Nationwide Foundation's approach is creating a legacy, so that fewer people experience negative social outcomes in the future thanks to timely and innovative intervention today.

The Nationwide Foundation was established by Nationwide Building Society in 1997 as a fully independent charitable foundation. The Nationwide Foundation's main benefactor is Nationwide and it receives an annual donation from the building society.

## Charitable objects

The Nationwide Foundation was established with the objects:

*"To promote such purposes being exclusively charitable according to the law of England and Wales as the trustees shall from time to time determine. In carrying out the objects the Foundation may make and receive donations."*

## Decent Affordable Homes strategy overview

The Nationwide Foundation believes that everyone should have access to a decent home that they can afford. As a charity that helps to create positive and lasting changes to tackle disadvantage in the UK, the Nationwide Foundation uses its knowledge, leverage and funding of others to influence changes to the housing system and achieve its aim of increasing the availability of decent affordable homes for people in need.

The Nationwide Foundation is committed to its Decent Affordable Homes strategy, which started in 2013 and is due to run until at least 2031. This is in recognition of the severity of the housing crisis and the significant changes needed to help create a modern housing system that works for everyone.

The strategy is structured in phases: the first ran from 2013-2016; phase two from 2016-2021; and in 2021/22 the strategy entered its third phase.

## Public benefit

Having somewhere safe and secure to live is a basic necessity, yet the lack of decent, affordable housing is one of the most pressing social problems facing the UK today, causing harm to the health of individuals, families, their communities and society at large.

The UK is facing a long-term housing crisis: homeownership is increasingly unaffordable; there is a severe shortage of social housing; and the options available in the private rented sector are too often unaffordable and of poor quality. The high cost of housing in many areas is a direct cause of poverty, with poor-quality housing exacerbating the impact of poverty and narrowing, or even blocking, the pathways available to people to improve their health, employment, education and family life.

The Nationwide Foundation's trustees understand that the conditions, stability and cost of housing have far-reaching impacts on the quality of people's lives. What is more, those who are vulnerable are most deeply affected by the damaging impacts of inadequate housing, while at the same time often being those with the least resource available to proactively change the housing system.

The Nationwide Foundation's Decent Affordable Homes strategy aims to tackle the root causes of those negative impacts by creating conditions for increasing the availability of good quality and affordable homes for all who need it, for as long as they need it.

The Nationwide Foundation's trustees refer to the Charity Commission's guidance on public benefit when reviewing the Nationwide Foundation's aims and objectives, in planning future activities, setting grant-making policy and making funding decisions.

## Summary of the year

In 2021/22 the Nationwide Foundation continued to deliver phase two of the Decent Affordable Homes strategy. As more of the phase two projects reached maturity in this year, there was plenty of opportunity for the Nationwide Foundation and its grant-holders to use the evidence that has been gathered to share with stakeholders and key decision-makers.

At the same time, much of the Nationwide Foundation's focus was given to designing the third phase of the Decent Affordable Homes strategy. The intention was to build on the progress of the second phase and to ensure that the Nationwide Foundation was making good progress towards the aim of the strategy.

After reviewing the work and progress of phase two and how it could best impact systems change, the Nationwide Foundation's trustees agreed the shape of the next three-year phase which will focus on generating and using evidence to influence changes to the housing system so that the availability of decent affordable homes increases. A key part of phase three is to deliver knowledge that will lead to better understanding of the housing system by mapping its complexities and revealing levers for change.

Phase three of the strategy got underway during 2021/22.

## Ongoing response to Covid-19

In the previous financial year, the Nationwide Foundation had identified that the impact of the pandemic had a particularly significant effect on those projects due to complete within 12 months. These projects had less time to recover from the impact of the pandemic and grant-holders were also entering a much more challenging funding environment. Therefore, these grant-holders were able to access a funding extension so they could complete their work. It was during 2021/22 that this funding was distributed.

In addition, in recognition of the toll taken on leaders and senior management teams during the pandemic, the Nationwide Foundation set up a fund to support the wellbeing of leaders at the organisations it funded. This was offered so that leaders could use it to care for their own wellbeing and strengthen their resilience, and therefore they could maintain strong leadership and continue to support the wellbeing of others over the coming months.

## Learning and evaluation

The Nationwide Foundation wants to know what progress it is making towards achieving its outcomes; what it can learn from the activities it funds; and how it can use the learning to inform greater progress towards the outcomes.

The Nationwide Foundation received the final evaluation report on phase two of the strategy from Sheffield Hallam University. Learning from this was a key component of the design of phase three.

## Grant-making policy

The Nationwide Foundation's trustees and staff strive for robust, transparent governance and grant-making policy, including commitment to:

- ensuring that the Nationwide Foundation's funds are deployed for maximum benefit

- developing its funding programmes by incorporating research and learning.

The Nationwide Foundation:

- seeks to fund work that addresses the root causes of social issues
- identifies specific funding criteria to make best use of the funds available; this is based on research, evaluations of previous work and stakeholder engagement
- awards funding to organisations delivering work in the UK.

The Nationwide Foundation is a Living Wage Friendly Funder and is committed to ensuring that fair wages are paid, as an obvious and simple way of helping to tackle poverty and disadvantage.

### **The Nationwide Foundation's impact on the environment**

The Nationwide Foundation helps to reduce carbon emissions by:

- making environmentally responsible decisions about travel, avoiding unnecessary travel and using public transport
- including environmental considerations in its investment policy
- supporting grant-holders to make environmentally responsible decisions by ensuring that the level of funding awarded is not a barrier to doing so.

## Decent Affordable Homes Phase Two

Some of the activity during 2021/22 was carried out to deliver Decent Affordable Homes phase two, which began in 2016. The strategy of phase two is shown below.

Decent Affordable Homes Phase Two	
<b>Our vision is</b>	for everyone in the UK to have access to a decent home that they can afford
<b>Our aim is</b>	to increase the availability of decent, affordable homes for people in housing need
<b>Our charitable focus is</b>	on solutions that reach people who are, or are at risk of being, in need
<b>Our commitment is</b>	long term (10 years)
<b>Our strategic approach is</b>	to influence changes to the housing system by supporting, testing and evidencing solutions for increasing the availability of decent, affordable homes for people in housing need
<b>To do this we will</b>	<p>use all of our resources to</p> <ul style="list-style-type: none"> <li>• support new ideas for solutions</li> <li>• support practical experience to learn what works on the ground</li> <li>• connect those with knowledge to those with power to make change happen at scale</li> <li>• collaborate and engage with others</li> </ul>

Our programmes are	Nurturing Ideas to Change the Housing System	Backing Community-Led Housing	Transforming the Private Rented Sector
<b>The change we want to see (our outcomes)</b>	Ideas for protecting and creating decent, affordable homes flourish and result in changes that lead to an increased number of homes for people in need	Community-led housing delivers an increased number of homes for people in need	The private rented sector provides homes for people in need, which are more affordable, secure, accessible and better quality
<b>To make the changes we want to see happen, our funding focusses on</b>	<p>Generating more ideas on how to protect and increase the supply of decent affordable homes</p> <p>Having an improved understanding of which ideas have the potential to create change</p> <p>Changing policy and practice to support the implementation of ideas</p>	<p>Ensuring there is better access to information, support, advice and technical expertise that is needed to progress a scheme</p> <p>Increasing the availability of suitable and affordable finance at every stage</p> <p>Increasing access to land and properties currently not used as homes</p>	<p>Ensuring there is more robust evidence of the solutions to address the issues of cost, quality, security and access in the private rented sector is available and used to inform policy and practice</p> <p>Making sure tenants have a stronger voice in the debates on the private rented sector and housing</p>

# Decent Affordable Homes Phase Three

## Strategic review

A review of the Nationwide Foundation's Decent Affordable Homes strategy ran from September 2020 until June 2021 to consider how phase two of the strategy would evolve into phase three.

The review was informed by an evaluation of phase two which was undertaken by Sheffield Hallam University and delivered in the previous year. This evaluation confirmed that the Nationwide Foundation had been making good progress in phase two, and that there was opportunity to build on the learning in phase three.

The Nationwide Foundation's strategic review identified that the Nationwide Foundation's collaborative approach should continue, as it is valued and it contributes to achieving better results. It also highlighted that the Nationwide Foundation can and should use its name, voice and influence more.

In June 2021, the board of trustees approved the outline of the phase three strategy.

## Decent Affordable Homes phase three has three pillars:

- **Generating the evidence** for meaningful ways to change the housing system
- **Using the evidence** to influence changes to the housing system
- **Revealing the housing system** to show the complex networks of cause and effect and where there are levers to transform the system

## Features of Decent Affordable Homes phase three

Phase three builds on the excellent headway that was made in phase two. The first two pillars of this phase focus on generating and using the evidence that comes from the work we funded in phase two.

We will continue to support projects which were funded in phase two to build evidence and learning, with greater emphasis on how that evidence and learning can be used to influence change.

The test and learn nature of the work means that generation and use of evidence happens at the same time and that learning gathered along the way is used to adapt and then retest to build stronger evidence.

Pillar three – revealing the housing system - brings one new large strategic project to the Nationwide Foundation's portfolio. This work has two components: first, to map the complexities of the housing system to identify causal loops and levers for change within it. The second component is to create a systems change framework to help build an understanding of how change can happen and how stakeholders who share a common vision can work together. This work will convene change agents, such as key organisations, stakeholders and funders, around a route map to deliver the changes.

## Activities and achievements in 2021/22 across phase two and phase three

### Grant-making

The Nationwide Foundation has three programmes and in all these programmes, funding was granted during 2021/22 – the vast majority from the budget for phase two.

In the year 2021/22, the Nationwide Foundation awarded £1,377,970 in grant funding for charitable work that aligned with the objectives of Decent Affordable Homes phase two. This figure includes grants awarded to existing phase two projects, for Covid-19 support and for added value.

There were two pieces of work that were funded under phase three of the strategy, totalling £386,415. These were awarded to Fair Housing Futures and the Town and Country Planning Association.

### Influencing change

It is the Nationwide Foundation's belief that strategic change is required across the UK's housing system. This change will mean that effective and long-lasting improvements can happen to reduce the harm that poor quality and unaffordable housing causes and perpetuates.

Influencing key decision-makers and stakeholders is fundamental to the Nationwide Foundation's approach. Much of the Nationwide Foundation's time is spent working with and alongside grant-holders in support of the programmes' aims.

The Nationwide Foundation influences for positive change in two ways; indirectly, by funding others that share the Nationwide Foundation's vision and partnering with grant-holders to disseminate and amplify their evidence and learning; and directly, through its own activities, such as meetings, writing consultation responses, and engaging with governments and other stakeholders. The Nationwide Foundation also convenes and connects as a way of building consensus and voice across sectors and between stakeholders.

Since the beginning of phase two of the Decent Affordable Homes strategy, the Nationwide Foundation has been expanding its influencing activities across all three of its programmes to bring about changes to the housing system. However, to take this even further, a key organisational focus of phase three will be driving up the stakeholder engagement and public affairs activity carried out by the Nationwide Foundation. This will allow the Nationwide Foundation to make a greater contribution to the aim of the strategy to increase the availability of decent, affordable homes for people in need.

# The Nationwide Foundation's Programmes

## Nurturing Ideas to Change the Housing System

### Activities, achievements and outcomes

**The Nurturing Ideas to Change the Housing System programme ensures that ideas for protecting and creating decent, affordable homes flourish and that these ideas result in changes that lead to an increased number of homes for people in need.**

#### Moving towards legislation that will make homes healthier environments

The Nationwide Foundation has been funding the Town and Country Planning Association to persuade the government to legislate the built environment in order to prevent the creation of poor-quality housing. The Town and Country Planning Association aims to ensure that new legislation will implement 11 high-level principles to be adhered to when new homes are being built, which, taken together, define what is meant by a decent home.

During 2021/22, the healthy homes campaign found an opportunity to influence by working on an amendment to the Building Safety Bill as it was undergoing scrutiny in the House of Lords. The proposed amendment was to extend the definition of safety so that it is not just the absence of immediate physical harm, but also includes the consideration of wider health and wellbeing. The amendment had cross-party support when it was presented at committee stage in February 2022, and the Nationwide Foundation convened bishops and peers to meet with the Town and Country Planning Association to build support for the healthy homes principles. Although the amendment was not passed by the House of Lords at the subsequent report stage, the government minister agreed that how to bring health and wellbeing into the built environment should be on his agenda.

In addition, through direct influencing activity, the Nationwide Foundation responded to the housing, communities and local government select committee's consultation on permitted development rights, drawing on the Town and Country Planning Association's [No Place for Placemaking](#) report, which was funded by the Nationwide Foundation and which examined the impacts of permitted development rights on place-making. Specifically, the Nationwide Foundation's response highlighted that permitted development rights can play a role in increasing the supply of new homes, but numbers should not be prioritised over decency standards and good design in place-making. When making new legislation, the government introduced safeguards to permitted development rights, which included light and minimum space standards, which the campaign called for.

To take the healthy homes campaign to the next level, in March 2022 a 36-month grant of £404,482 was awarded to the Town and Country Planning Association from the Decent Affordable Homes Phase Three budget. This will allow the evidence gathered to date from the healthy homes campaign to be used to influence policy and practice.

#### Accessing land to support the delivery of decent affordable homes

The Nationwide Foundation knows that accessing land is a key barrier to building genuinely affordable and decent homes and therefore it seeks to find ways to change the system to more easily release suitable land. During the year, Housing Justice, a funded project that has been exploring how surplus church land can be used to create decent and genuinely affordable housing in Wales, has delivered an interactive mapping tool to identify all Welsh church land. This mapping tool now plays a key role in enabling Housing Justice to work more effectively with churches to identify surplus land and ownership quickly. Housing Justice works with social housing developers that are searching for suitable land for development of homes which are genuinely affordable. The ambition of this approach is for it to be replicable across other faith groups which own land and want to deliver genuinely affordable homes. An indicator of the relevance of this project came during a debate in the House of Lords in 2021, brought by the Archbishop of Canterbury, when evidence from Housing Justice into accessing church land was used as an example of good practice.

Meanwhile, We Can Make, a project run by Knowle West Media Centre and funded by the Nationwide Foundation, has been exploring innovative ways to use microsites on a housing estate in south Bristol to

create affordable homes through modern methods of construction. In July 2021, the land transfer process for the microsites was officially approved by the secretary of state. This achievement means that a new supply of land exclusively for community-led genuinely affordable housing has been created and We Can Make has a tested and proven model for affordable housing delivery that can now be adopted and adapted to other communities.

#### [Engaging with members of the House of Lords](#)

The House of Lords' Built Environment Committee undertook an inquiry on meeting housing demand. Evidence taken from the Nationwide Foundation's submission was referenced in [the Committee's report](#) in the chapter on housing types and tenures. This was a wide-ranging inquiry that allowed the Nationwide Foundation to present robust evidence about housing solutions, tenure mix and planning and innovation opportunities that had been drawn from funded projects.

#### [Changing the way that the public thinks about housing](#)

The Nationwide Foundation is funding the Frameworks Institute to bring forward new, tested ways to discuss housing so that the public is engaged and supportive of moves to transform the housing system to deliver more decent, affordable homes. This project reached a landmark achievement in 2021/22 with the publication of its strategic brief: [Communicating About Housing in the UK: Obstacles, Opening and Emerging Recommendations](#). The key document provided valuable insight into the way the public understands housing issues, and it also forms the basis of the next phase in the research, which is to design and test ways of talking about housing that shift hearts and minds to build public support for more decent and affordable housing. As part of the mobilisation of this framing guidance, bespoke workshops were provided for Shelter and other key stakeholders to disseminate the work.

#### [Securing long-term funding for Housing First](#)

Housing First improves the lives of homeless people with multiple and complex needs by providing them with a home that they can call their own at the very start of long-term support. The Nationwide Foundation jointly funds Homeless Link to expand its Housing First services across England, and the evidence from this has been used to help secure long-term funding. Homeless Link's submission to the government's Spending Review 2021 provided evidence to make a case for a national programme for Housing First. The submission contributed to the government's decision to allow local authorities to apply for funding of up to three years under its Rough Sleeping Initiative; previously, this was limited to one year. This will markedly improve the Housing First services as they are eligible to apply to this fund. The Nationwide Foundation provided Homeless Link with an added value grant to attend the Housing First international conference to share its learning that graduations from Housing First are very low in England and therefore that support needs to be commissioned for the long-term.

## Backing Community-Led Housing

### Activities, achievements and outcomes

**The Backing Community-Led Housing programme enables the community-led housing sector to deliver an increased number of homes for people in need.**

#### **Activity to directly influence for sustainable finance for community-led housing**

##### Community Housing Fund distribution

During the year, the government's £4 million Community Housing Fund Revenue Programme 2021/22 awarded 52 grants to community organisations across England which are planning to deliver over 1,200 additional affordable homes. This distribution of funds was a significant outcome for the Nationwide Foundation and its grant-holder, the Community Land Trust Network, because for a number of years both organisations have collaborated to campaign for investment in this fund. The Nationwide Foundation's continued engagement in this sustainable investment for affordable community-led housing work this year included a member of the Nationwide Foundation's staff sitting on the grants panel for the fund and the Nationwide Foundation calling for an extension to the fund in a submission to the government's autumn 2021 Spending Review.

##### Proving community-led housing has a pipeline of homes

The Nationwide Foundation recognised that there was a need to evidence the scale of demand for community-led housing to make the case for the government's Community Housing Fund and for the delivery of homes via alternative sources of funding. Therefore, the Nationwide Foundation co-funded research with Power to Change, revealing that 12,000 community-led homes were in the pipeline. The new [research](#) informed key decision-makers when it was launched by the Community Land Trust Network in September 2021 at an event attended by the minister of state for housing.

##### Evidencing the speed of delivery for community-led housing

Sheffield Hallam University extracted evidence from its review of the Nationwide Foundation's strategy proving that it takes the same length of time or quicker for community-led housing groups to build new homes compared to private housebuilders ([Sheffield Hallam University – Nationwide Foundation](#)). This knowledge equipped stakeholders in the community-led housing sector with data to influence for more community-led housing schemes.

##### Ground rents exemption for community-led housing

In June 2021 the government published a bill to ban ground rents and it included an exemption for community land trusts. The Nationwide Foundation has been supporting its grant-holder, the Community Land Trust Network, to raise awareness of this issue over the last five years, so this was a good outcome. The exemption will ensure community land trusts can work in partnership with housing associations to build affordable homes; keep them in community ownership; and generate a small income for the community.

#### **Other activities, achievements and outcomes in Backing Community-Led Housing**

##### Government support for the Right to Build Taskforce

There was a key outcome in the Nationwide Foundation's support of self and custom-build this year, as the government announced further support and funding for the Right to Build Task Force. This taskforce was funded from scratch by the Nationwide Foundation through Nacsba, with support beginning in 2017. The taskforce's value is still recognised and it is now sustainable without the Nationwide Foundation's support.

##### Exploring the barriers that black and minority ethnic communities face in the sector

New funding of £21,600 was awarded in 2021/22 to Leeds Community Homes to fund the delivery of a one-year project. Despite the recent expansion of the community-led housing sector, it has not extensively engaged with or been taken up by black and minority ethnic communities in the UK. This research will explore the barriers encountered by black and minority ethnic communities in developing community-led housing. Community-led housing may offer one solution to black and minority ethnic communities that are seeking both affordable and secure housing and the opportunity to influence and shape the planning,

development and allocation of housing. This research supports the Backing Community-Led Housing programme by aiming to make community-led housing solutions more available and accessible in England.

#### [Wessex Community Assets grant ended](#)

Wessex Community Assets' four-year grant to strengthen the support for community-led housing in Devon, Dorset and Somerset came to an end in 2021/22. The funding enabled Wessex Community Assets to work with local organisations in Torbay and Mendip to explore options for community-led housing to support the specific needs of people who are homeless. A focus of this grant was how to establish financial sustainability, and the outcome is that both areas are now operating a financial model to raise funds to purchase and refurbish properties that can be rented to people in housing need.

#### [New Economics Foundation grant ended](#)

The New Economics Foundation's three-year funding came to an end in 2021/22. The purpose of this work was to create the conditions in which surplus public land is better used to deliver affordable homes, including for community-led developments. A key part of the work has been the data research looking at sales of public land for affordable housing, which was previously unreported by government. The New Economics Foundation disseminated the innovative research methods to the public accounts committee. This resulted in the Department for Levelling Up, Housing and Communities commissioning Ordnance Survey to use this methodology to report on affordable and social housebuilding as part of the ongoing public land sale programme. The New Economics Foundation maintained dialogue with the Department of Levelling Up, Housing and Communities and influenced to secure an ongoing commitment for the data to be published on a yearly basis. This will ensure there is improved transparency and better access to public land for community-led groups.

#### [Long-term empty properties are brought into use for people in housing need](#)

The Nationwide Foundation had one remaining grant from phase one of Decent Affordable Homes. During 2021/22, this funded work ended. YMCA Glenrothes has converted empty properties into homes for seven families or 11 people sharing.

#### [Adding value](#)

There were three added value grants awarded for Backing Community-Led Housing grant-holders in 2021/22. Communities Housing Trust has been funded to attend the Scottish Chartered Institute of Housing conference to share learning and experience of delivering community-led housing in Scotland. Meanwhile, human resources support was provided to South of Scotland Community Housing, and East Midlands Community Land Trust received support for its outcomes monitoring and reporting.

## Transforming the Private Rented Sector

### Activities, achievements and outcomes

**The Transforming the Private Rented Sector programme wants to ensure the private rented sector provides homes for people in need which are more affordable, secure, accessible and better quality.**

With the government considering how it would bring forward a Renters' Reform Bill, the Nationwide Foundation invested much of its energies this year into influencing for changes to legislation on private renting. This once-in-a-generation opportunity to improve the rights and protection given to private tenants in England has a clear link with the Nationwide Foundation's long-term aim to strengthen the voice of renters. The focus was on ensuring that renters had better security of tenure and would know they could stay living in their homes for as long as they wanted or needed to; and also to ensure that the forthcoming changes to legislation would not lead to unintended consequences and would address other pressing issues in the sector, such as access to justice, safety, decency, and affordability.

#### Renters' Reform Coalition blueprint

The Nationwide Foundation helped create and fund the Renters' Reform Coalition to offer solutions for reform to the private rented sector. The Nationwide Foundation is an active member of the coalition, along with national housing and homelessness charities, renter unions, advice centres and thinktanks.

In March 2022, the coalition launched its blueprint for reform, which is a milestone in the national campaign to secure meaningful change to private renting. [Safe, Secure and Affordable Homes for All: A Renters' Blueprint for Reform](#) sets out solutions for reform shaped by the experiences of the renters that Renters' Reform Coalition members work with.

Following the launch in Parliament, which was attended by the minister for rough sleeping and homelessness, members of the coalition, including a representative from the Nationwide Foundation, were invited to speak to the minister at a specially convened roundtable.

#### Learning from the Scottish private rented sector

During 2021/22, research being carried out by Indigo House into the impact of changes to the Scottish private rented sector continued to gather evidence. This research, funded by the Nationwide Foundation, is being used both with Scottish Government and to help guide the Westminster government in its reforms. This year Indigo House focused on understanding the experiences of landlords and low-income tenants. As part of its effort to influence, Indigo House presented at the UK Collaborative Centre for Housing Evidence's Scottish Housing Policy Conference: A Fair, Flexible Future Rental Market, which took place in February 2022. The presentation, titled 'Getting the right balance – opinion from tenants and landlords,' was informed by the research that the Nationwide Foundation is funding.

#### Engaging with the Department for Levelling Up, Housing and Communities

The Nationwide Foundation has built up robust funded evidence on the private rented sector and used it during 2021/22 to influence changes to the system ahead of the Renters' Reform Bill White Paper. In the course of the Department for Levelling Up, Housing and Communities' evidence gathering in preparation for the white paper, this evidence was applied to demonstrate which changes would have the greatest positive impact.

#### No-DSS case, Shelter

Following on from the discrimination case in the previous financial year that set a powerful precedent to protect tenants from 'no DSS' discrimination, Shelter, which led the court action, was shortlisted for an award by the Sheila McKechnie Foundation in May 2021. The Nationwide Foundation had contributed towards the legal action by underwriting the costs. Among the successes of the campaign that the awards identified were:

- i. The Competition and Markets Authority updated guidance to state that any landlord or agent who untruthfully claims to have a DSS restrictive mortgage is acting unlawfully.
- ii. The prime minister confirmed that the government is working to tackle the problem and the housing minister stated that 'if the sector is unwilling to take action, the government will then explore all options to remove this practice'.

### Evidence on the make-up of the private rented sector

In June 2021, new research was published by the University of York's [Centre for Housing Policy](#) which was funded by the Nationwide Foundation. In [Property Supply to the Lower End of the English Private Rented Sector](#), questions are posed about how the lower end of the private rented sector can be sustained in light of research findings that landlords are indicating that they will be exiting the market. The research, carried out by Dr Julie Rugg, included assessing the impact of reduced investment in social housing, changes to the benefits system and the impact of landlords leaving the market.

The Nationwide Foundation had previously funded other research reports by the University of York into the private rented sector and this portfolio of work continues to have relevance and attract attention. The evidence was used in the roundtables with the Department of Levelling Up, Housing and Communities, and it also drew the attention of BBC Radio Four's You and Yours programme. The Nationwide Foundation facilitated an interview with Dr Julie Rugg, who spoke about the findings of this latest report.

### Tenants' voice projects

The Nationwide Foundation continued to fund seven tenant voice projects with the overall aim of strengthening the voice of tenants in debates on the private rented sector and housing. The projects are spread across England, Scotland and Northern Ireland, and each has a different model for engaging renters to support them to have a voice.

The projects have made solid progress on building awareness of renter rights with the tenants they have engaged and also of gathering evidence on issues affecting renters. Over the past year, many of the projects have moved into supporting tenants to advocate directly with local and national decision-makers, with some winning early political commitments. Highlights include:

- Citizens Advice held a roundtable with the Department for Levelling Up, Housing and Communities where a panel of renters shared their own experiences and thoughts on private renting reform.
- Renters' Voice in Northern Ireland successfully influenced for an extension of the emergency Notice to Quit legislation, and two tenants from the project gave evidence to the committee for communities in November 2021 on Northern Ireland's Private Tenancies Bill.
- In Manchester, Greater Manchester Tenants' Union won a commitment for renters to be involved in co-producing the mayor's Good Landlords Scheme.
- Renters from the Tenants United project (Bristol Fair Renting Campaign) gained a commitment from the Bristol mayor to improve private renting locally.

### Using evidence from place-based funding to influence change

Fair Housing Futures received an additional £73,714 of funding from the budget for phase three of the Decent Affordable Homes strategy. This was so that the evidence that has been created over the last four years can be used to influence changes to the private rented sector in Greater Manchester. Fair Housing Futures is a place-based collaborative programme to innovate and improve upon services and interventions in Greater Manchester's private rented sector housing, intent on finding system-wide solutions to transform renting for vulnerable tenants.

Fair Housing Futures mapped the private rented sector in Greater Manchester to identify the key problems in the region and awarded grant funding to five organisations via the Community Foundation of Lancashire and Merseyside to test innovative solutions to these problems. In this way, Fair Housing Futures is developing an evidence base, informed by tenant experience, of ways of addressing problems.

Over the remainder of the project, with this new funding, Fair Housing Futures' primary focus will be to convert this learning into lasting change in Greater Manchester by influencing for policy and practice changes in line with the recommendations coming out of the project.

## Future Plans

### Strategic focus

The Nationwide Foundation's strategic focus during 2022/23 will be on embedding and delivering phase three of the Decent Affordable Homes strategy. This will include:

- Delivery of pillars one and two of Decent Affordable Homes phase three, ensuring that funded projects from phase two continue to generate and use evidence to give these projects the best chance of success. These projects will receive both financial support and support from the Nationwide Foundation's other resources, such as its voice and name.
- Using learning from the funded projects to increase our knowledge and understanding of how systems change happens in the UK housing system and adapting our programme theories of change accordingly.
- Initiating the delivery of pillar three of phase three which is to map the housing system so that it is properly understood.
- Increasing and developing the Nationwide Foundation's influencing activity so that it is better able to contribute to making changes happen alongside its grant-holders.
- Increasing the Nationwide Foundation's understanding of how low-cost homes can be both environmentally friendly and genuinely affordable.

### Grant-making activities

The Nationwide Foundation's grant portfolio is made up of mainly multi-year grants that will be ongoing during 2022/23. Some of these projects will receive additional funding under phase three to take them to the next level of generating more evidence and using what has been discovered.

Work due to be undertaken or completed by grant-holders in 2022/23 includes:

- The Nationwide Foundation will be playing an active role as a member of the Renters' Reform Coalition to influence the **shape of the Renters' Reform Bill** so that there is better protection for vulnerable renters in the private rented sector.
- The Nationwide Foundation will be supporting dissemination of the latest **RentBetter research from Indigo House**, which examines the impact of recent changes to the private rented sector in Scotland. This dissemination activity aims to influence the Scottish government's consultation response and its next tenancy reform bill. The Nationwide Foundation will also be using the evidence to guide the government's changes to renting in England.
- The Nationwide Foundation will be supporting funded projects to strengthen their transition into **using the renter voice** they have built. This will involve ensuring renters contribute to public debates on housing so that there is more chance of their views being reflected in future change to policy and practice at a local and national level. This includes influencing forthcoming legislation in England, Scotland and Northern Ireland.
- Fair Housing Futures will be evaluating the five test and learn projects and the evidence will be used to begin **influencing policy and practice changes to private renting in Greater Manchester**.
- The Nationwide Foundation and co-funders Joseph Rowntree Foundation will be launching the Talking about Housing toolkit to provide the housing sector with frames proven to **shift public thinking on housing matters**. Once the toolkit is launched, the focus will be mobilisation so that key stakeholders understand and embrace the frames.
- The Wales Cooperative Centre, which is funded by the Nationwide Foundation, will be influencing to **increase the Welsh government's commitment to community-led housing**.

- Research by Leeds Community Homes will deliver recommendations for ways in which the community-led housing sector can support black and minority ethnic communities to create the affordable homes they want and need. The findings will be shared with sector representatives, funders and policy-makers at local, regional and national level, with the longer-term aim that more black and minority ethnic people access community-led housing.
- Town and Country Planning Association will be using its funding awarded under phase three of the strategy to build a cross-parliamentary network. This will **establish core support for the healthy homes principles campaign** from stakeholders who understand the critical links between housing and health. Town and Country Planning Association will also be working with local authorities to embed the healthy homes principles into local policy.

### Future uncertainties

The Nationwide Foundation is mindful that the national and global context can affect our programmes. The following, in particular, have been identified as potentially impacting on our and our grant-holders' work in 2022/23:

- The **war in Ukraine** may continue to push up prices and affect the capacity and resources of the government and other public sector bodies.
- The **cost-of-living crisis** and global economic uncertainty may increase poverty and homelessness.
- Sharp rises in **inflation** and the cost of construction may affect the financing and affordability of community-led housing and other projects, as well as further reducing affordability for renters and home-buyers.
- The **Covid-19** pandemic is still a potential disruptor. The Nationwide Foundation is resilient, with all staff now mostly working from home, but grant-holders may be affected and government policy-making would likely slow should restrictions return.

The Nationwide Foundation will monitor these and other issues that arise and adapt accordingly.

## Structure, Governance & Management

### Governance

The Nationwide Foundation:

- Is a company limited by guarantee (no. 3451979) and a registered charity (no. 1065552) which operates in accordance with its Articles of Association and Revised Memorandum.
- Is governed by a board of up to 10 trustees which set the policies and strategy of the Foundation and approves large grants. During 2021/22 nine trustees served on the board.
- Has up to seven trustees who are appointed by the board, following open advertisement and interview, and up to three trustees who are appointed by Nationwide Building Society.
- Appoints trustees for up to three terms of three years, following the consideration and approval of the board. All trustees undergo an in-depth induction and are offered training as well as opportunities to attend meetings with funded organisations alongside Nationwide Foundation staff. The board typically meets four times a year, plus an annual strategic away day. In 2021/22 the board met virtually four times due to the ongoing Covid-19 situation.
- Has trustee committees and groups, to which it delegates various aspects of the Nationwide Foundation's work, with oversight and ratification of their decisions by the board:
  1. Finance and risk committee (comprising five trustees, the chief executive and accountant): in 2021/22 this committee advised on audit, risk oversight, budget and investments.
  2. Nominations and remunerations committee (comprising five trustees including the chair, vice-chair and at least one Society appointed trustee who is included in the quorum): during 2021/22 this committee managed the appointment of a new charity member trustee.
  3. Strategy steering group (comprising five trustees, the chief executive, head of programmes and communications, policy and public affairs manager): this group was established in 2019/20 to give input to the development of phase three of the Decent Affordable Homes strategy. It was discontinued following the approval of the strategy outline in June 2021.
- Reviews its application of the Charity Governance Code every three years. This last took place in September 2019. The Governance Code was refreshed in 2020 and the Nationwide Foundation reviewed its application of the two updated principles (integrity and equality, diversity and inclusion) in October 2021. Actions were agreed to improve the Foundation's application of both principles. The next full review is due to take place in 2022.
- Maintains a risk register to identify the major risks to which the Nationwide Foundation is exposed. During the year, the board reviewed the register. The major risk identified over the following 12 months was the loss of staff, partly due to being a small team and because of possible disruption relating to Covid-19 and uncertainty about strategic direction, due to the ongoing strategy review. Over three years the greatest risks were identified as loss of staff, reduced funding and projects failing to achieve outcomes.
- Undertakes an independent audit of its internal controls every two years. This last took place in 2019/20 and concluded that key controls worked, were efficient and built to last. Agreed actions for some improvements were implemented during 2020/21.
- Has a conflicts of interest policy for both trustees and staff and maintains a register of declarations that is regularly shared with the board. Trustees declare conflicts of interest at the start of each meeting and withdraw from decisions where there is a conflict. A code of conduct also exists for trustees.
- Reviews its governing document every three years. This last took place in 2019/20.

### Equality, diversity and inclusion

- Following a review of the updated Charity Governance Code principles, the Nationwide Foundation will be reviewing its equality, diversity and inclusion policy in 2022/23.

- Using the Governance Code's guidance, trustees will consider how equality, diversity and inclusion are important to the Nationwide Foundation in its particular context and in the delivery of its aims.

## Staff

- The staff implement the policies and strategies set by the board.
- The trustees have delegated responsibility to the chief executive to approve grants of up to £75k.
- All staff are employed by Nationwide Building Society and receive remuneration in accordance with their employment contract with the Society. The Foundation's Nominations and Remunerations Committee sets the chief executive's salary within the parameters of Nationwide Building Society's salary bands.

## Key relationships

- Nationwide Building Society is the Nationwide Foundation's main benefactor and supplier of in-kind support, including offices.
- The Nationwide Foundation is a member of the following networking and support organisations: Association of Charitable Foundations (ACF), Association of Chief Executives of Voluntary Organisations (ACEVO) and National Council of Voluntary Organisations (NCVO).

## Fundraising activity

The Nationwide Foundation had no fundraising activities requiring disclosure under S162A of the Charities Act 2011. Almost all the Nationwide Foundation's income comes from an annual donation from Nationwide Building Society and a funding agreement is in place which sets out the basis for the donation.

## Statement of trustees' responsibilities

The trustees (who are also directors of the Nationwide Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Disclosure of information to auditors

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and;
- that trustee has taken all steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Financial Review

### Income

Income for 2021/22 totalled £1,770,175 (2020/21: £2,282,589). This is primarily made up of an annual donation from Nationwide in 2021/22 of £1,700,000 (2020/21: £2,000,000). In addition to the annual donation, in 2021/22, the Society donated services to the Nationwide Foundation totalling £99,755 (2020/21: £95,782). This represents the provision of office space, technology, legal and accountancy support.

The Nationwide Foundation's principal source of income is an annual donation from Nationwide Building Society. The donation is received annually and is at least 0.25% of Nationwide's pre-tax statutory profit averaged over three years. Nationwide provides a three-year donation floor to provide the Foundation with a commitment that supports the Foundation to plan for the medium term. The floor can only be adjusted in specified extraordinary circumstances. Those extraordinary circumstances happened in 2020/21 due to the impact of Covid-19. Nationwide Building Society provided confirmation early in the year that it would not adjust the floor and the floor amount would be honoured.

### Expenditure

Expenditure for 2021/22 totalled £2,315,899 (2020/21: £1,905,175). The majority of the Nationwide Foundation's funds are used to award grants for charitable purposes, and to cover the costs of running the Nationwide Foundation. Grants are paid in instalments, and multi-year grants are released annually, subject to approval from the chief executive. Each grant is subject to monitoring to ensure satisfactory progress.

There was a reduction in expenditure in two areas during the year: support costs were lower, due mainly to pandemic-related travel restrictions; and grant expenditure was lower because the focus was on supporting and managing ongoing multi-year grants during the pandemic.

### Reserves policy

The trustees review the reserves policy annually and monitor the level of reserves throughout the year. Reserves held throughout 2021/22 were in-line with the reserves policy.

All the Nationwide Foundation's reserves are unrestricted and trustees have agreed how and why the funds should be designated as set out below:

Designated to	Purpose	Amount 2022/23
Contingency fund	<p>To hold sufficient funds to deal with an unexpected and significant event, such as the withdrawal of support from our main benefactor. This is comprised of:</p> <ul style="list-style-type: none"> <li>• running costs for up to three years to manage existing funding commitments and give trustees time to consider what action to take</li> <li>• costs of third-party expertise to assist the trustees in what may be complex circumstances.</li> </ul>	<p>This amount is determined annually following a review of a budget tailored to the specific circumstances of the Nationwide Foundation losing its income.</p> <p>Target - £550,000</p>

<b>Pledged fund</b>	To hold sufficient funds to meet all funding commitments to grants that have been awarded but not yet released.	This is determined by the amount that has been awarded in grants but not yet released.
<b>Allocated fund</b>	To hold the funds that have been allocated by the trustees to each funding programme, but not yet awarded as grants.  Funds from this designation are awarded over the duration of the funding programme, which is usually across multiple years.  The allocated fund may have sub-categories for different funding programmes.	This is determined by taking the agreed budget for funding programmes and deducting the funds that have been awarded to date.
<b>Programme related investment fund</b>	The value of programme related investment commitments.  These funds can only be realised by disposing of the investment in line with the terms of that investment.	Determined by the value of the programme related investments that have been awarded.

Note 16 of the accounts provides details of the amounts designated at 31 March 2022.

### Investment policy

The Nationwide Foundation's investment policy sets out the following objectives:

- to produce the best financial return within an acceptable level of risk
- to preserve the value of the Foundation's capital
- to hold sufficient levels of liquid funds to make grant payments, award new grants, cover running costs and any unanticipated cashflow requirements.

The investment policy identifies the Foundation's attitude to risk, which recognises that charitable activity is funded from the annual donation and the Foundation's activity is not reliant on income from investments. This is why preserving the value of its capital in real terms is an objective and minimal risks are taken. The policy specifies the criteria that must be applied when making different types of investments to manage the risks. This includes spreading the funds across different financial institutions that meet a set of requirements, such as minimum credit ratings and being based in the UK.

The trustees have considered the ethical standards that the Foundation wishes to meet through its investments and the following statement is included in the investment policy:

"The Nationwide Foundation is committed to ensuring that all investment decisions are made responsibly. The Foundation has a strong preference for an ethical investment portfolio that is consistent with the values and objectives of the Foundation."

In addition to broad ethical considerations that take into account the impact that the assets being invested in have on society, specific consideration will be given to investment in assets that directly relate to the strategy at the time. The Foundation will not invest in assets that are in conflict with the strategic objectives.

For example, while delivering the Decent Affordable Homes strategy, funds will not be invested in residential property that does not support the creation of decent, affordable homes.

The policy permits trustees to manage the Nationwide Foundation's investments up to an agreed amount. In 2021/22 this amount was £7.5m. The use of an investment manager is reviewed annually.

During 2021/22 the Nationwide Foundation started a comprehensive review of its investment policy to ensure that the policy allowed for the Foundation to make the best use of its assets. This review will be completed in 2022/23.

### Investments

The majority of funds are held in either fixed-term or instant access cash accounts on which interest is earned. Interest earned in 2021/22 totalled £9,549 (2020/21: £27,277).

In 2021/22 the Foundation held funds in CCLA's COIF Charities Ethical Investment Fund as it met the Foundation's risk requirements and ethical standards.

At 31 March 2022 the value of the investment was £694,444 (31 March 2021 £622,515), a gain of £71,929. The investment performance was strong throughout the year, despite the pandemic and Brexit-related economic uncertainty. The investment met the investment objectives set out above.

### Programme related investment policy

The policy on social investments adheres to the following guidance from the Charity Commission:

*“Programme related investments (also known as social investments) are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary motivation for making them is not financial but to further the objects of the funding charity.”*

During the year:

- No new programme-related investments were made during the year
- Repayments were received from existing social investments (£7,584 from Community Land Trust Fund II and £2,730 from Communities Housing Trust – previously HSCHT)
- Interest earned during 2021/22: £2,625 (2020/21: £2,476).

### Financial outlook

The Nationwide Foundation has a minimum donation committed from Nationwide for 2022 and 2023 which, due to pre-pandemic wider market conditions, is slightly less than 2021/22. The Nationwide Foundation has planned for this reduction in income by designating surplus funds in previous years to a future fund in order to smooth the reduction in income and maintain charitable activity as far as possible.

The longer-term economic outlook remains uncertain as the UK economy recovers from the impact of Covid-19 and Brexit. This uncertainty may lead to a reduction of the minimum donation commitment for the 2023/24 donation. The Nationwide Foundation's trustees monitor this throughout the year and are prepared to be responsive and flexible to any changes.

### Guarantees

The guarantor members of the charity, who are also the trustees, guarantee an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 9 (2020/21: 9). The members are only entitled to voting rights and do not have a beneficial interest in the charity.

### Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

**Approval**

The trustees have agreed these financial statements which have taken advantage of the small companies exemptions provided by section 415a of the Companies Act 2006.

Approved by the board of trustees on 15 September 2022 and signed on behalf of the board of trustees by the chair and another trustee:

Chair .....

Saphié Ashtiany

Trustee.....

Sarah Mitchell

## Trustees/Directors

Terrie Alafat ◊

Saphié Ashtiany (chair) ∞

Antonia Bance ∞

Sara Bennison † ∞ (resigned xxxxxx)

Rob Collins † ◊

Gill Leng ◊

Judith McNeill

Sarah Mitchell (vice-chair) ◊ ∞

Usha Prashar † ∞

Christopher (Kit) Beazley ◊ (appointed 24 April 2022)

Rachael Sinclair (appointed 15 August 2022) †

Anya Martin (observer - not a director. Observership ended July 2022)

† Appointed by Nationwide Building Society

◊ Member of the Finance and Risk Committee

∞ Member of the Nominations and Remunerations Committee

**Chief Executive:** Leigh Pearce

**Company Secretary:** NBS CoSec Limited

**Accountant:** Daisy Pittams

**Auditors:** Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, Berkshire, RG1 1PL

**Bankers:** CAF Bank, 25 Kings Hill, West Malling, Kent, ME19 4JQ

**Investment managers:** CCLA Investment Management Limited and CCLA Fund Managers Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

**Solicitors:** Bates Wells Braithwaite, 10 Queen Street Place, London, EC4R 1BE

Registered charity no. 1065552 Registered company no. 3451979

Registered office address: Nationwide House, Pipers Way, Swindon, SN38 1NW

## **Independent Auditor's Report to the Members of The Nationwide Foundation**

### **Opinion**

We have audited the financial statements of The Nationwide Foundation ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were Charity Commission regulations, taxation legislation, employment legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within timing of recognition of income, the application of grant expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for bias, reviewing the grant recognition calculations and supporting documentation, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



#### **Alastair Lyon**

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 26 September 2022

**THE NATIONWIDE FOUNDATION  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Notes	2022 £	2021 £
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	2	1,770,175	2,159,530
Income from investments	3	9,549	27,277
Other incoming resources	4	99,755	95,782
<b>Total income and endowments</b>		<b>1,879,479</b>	<b>2,282,589</b>
<b>EXPENDITURE ON:</b>			
Charitable activities	5	(2,315,899)	(1,905,175)
<b>Total expenditure</b>		<b>(2,315,899)</b>	<b>(1,905,175)</b>
Net gains on fixed asset investments		73,614	119,990
Gains/(losses) from movements in foreign exchange		9,130	(9,162)
<b>Net (expense)/income and net movement in funds</b>		<b>(353,676)</b>	<b>488,242</b>
Fund balances brought forward		4,228,618	3,740,376
<b>Fund balances carried forward</b>	16	<b>3,874,942</b>	<b>4,228,618</b>

The notes on pages 4 to 13 form part of these financial statements.

All income is unrestricted. All amounts relate to continuing operations.

There were no recognised gains or losses other than the net income for the year in the Statement of Financial Activities (2021: £nil).

**THE NATIONWIDE FOUNDATION**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2022**  
**COMPANY REGISTERED NUMBER: 3451979**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Programme related investments	10	230,727	251,746
Investment	11	694,444	622,515
<b>TOTAL FIXED ASSETS</b>		<b>925,171</b>	874,261
<b>CURRENT ASSETS</b>			
Programme related investments	10	14,810	2,065
Debtors	12	10,251	14,208
Fixed term deposits		1,100,000	2,000,000
Cash at bank		2,493,981	2,112,280
<b>TOTAL CURRENT ASSETS</b>		<b>3,619,042</b>	4,128,553
<b>CURRENT LIABILITIES</b>			
Creditors	13	(669,271)	(774,196)
<b>NET CURRENT ASSETS</b>		<b>2,949,771</b>	3,354,357
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>3,874,942</b>	4,228,618
<b>NET ASSETS</b>	14	<b>3,874,942</b>	4,228,618
<b>UNRESTRICTED FUNDS OF THE CHARITY</b>			
Designated funds	16	3,874,942	4,228,618
<b>TOTAL FUNDS</b>		<b>3,874,942</b>	4,228,618

The notes on pages 29 to 37 form part of these financial statements.

The financial statements were approved by the board of Trustees on 15 September 2022 and signed on behalf of the board of trustees by the chair and another trustee

}
  
} Chair - Saphié Ashtiany
  
}

}
  
} Trustee - Sarah Mitchell
  
}

**THE NATIONWIDE FOUNDATION  
CASH FLOW STATEMENT  
AS AT 31 MARCH 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net movement of funds per statement of financial activities	(353,676)	488,242
<b>Adjustments for:</b>		
Interest from investments	(9,549)	(27,277)
Decrease in debtors	3,957	26,911
Decrease in creditors	(96,648)	(755,287)
Gains on fixed asset investments	(73,614)	(119,990)
(Gains)/losses from movements in foreign exchange	(9,130)	9,162
<b>Net cash used in operating activities</b>	<b>(538,660)</b>	<b>(378,239)</b>
<b>Cash flows from investing activities</b>		
Fixed term deposits redeemed	2,000,000	3,000,000
Fixed term deposits issued	(1,100,000)	(2,000,000)
Interest from investments	9,549	27,277
Receipts from programme related investments	9,959	56,392
<b>Net cash generated from investing activities</b>	<b>919,508</b>	<b>1,083,669</b>
Effect of exchange rate changes on cash and cash equivalents	853	(9,162)
<b>Increase in cash and cash equivalents in the year</b>	<b>381,701</b>	<b>696,268</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,112,280</b>	<b>1,416,012</b>
<b>Total cash and cash equivalents at the end of the year</b>	<b>2,493,981</b>	<b>2,112,280</b>

Cash and cash equivalents comprises cash at bank.

**THE NATIONWIDE FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. Accounting policies**

**Charity information**

The Nationwide Foundation is a company limited by guarantee (registered number 3451979), which is incorporated in the UK. The address of the registered office is Nationwide House, Pipers Way, Swindon, SN38 1NW.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019), applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Nationwide Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Going concern**

The Nationwide Foundation has cash resources and has no requirement for external funding. The Trustees have a reasonable expectation that the Nationwide Foundation has adequate resources to continue in operational existence for the foreseeable future, and for the year ended 31 March 2022 have considered in this assessment the war in Ukraine, ongoing Covid-19 impacts and the developing cost of living crisis. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

**Significant judgements and estimates**

The management consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

**Accounting policies**

The following accounting policies have been applied consistently in the preparation of the financial statements.

**(i) Income**

Both donation income and interest income are credited to the Statement of Financial Activities when a receipt is probable, there is evidence of entitlement and it can be measured reliably.

**(ii) Grants**

Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions are pledged and provided for in the designated fund.

**(iii) Programme related investments**

Programme related investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Programme related investments are held at cost as the Foundation is unable to obtain a reliable estimate of fair value.

## 1. Accounting policies (continued)

### (iv) Donated goods and services

Donated goods and services represent Nationwide Building Society specialist staff services and accommodation costs which have not been directly charged to the Foundation.

### (v) Allocation of expenditure

Staff costs have been apportioned on the basis of the approximate time allocated by the Chief Executive and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as the staff costs. The allocation methodology is reviewed annually to ensure that it is still appropriate.

### (vi) Designated funds

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of such designated funds is set out in the notes to the financial statements.

### (vii) Irrecoverable VAT

Irrecoverable VAT is charged to the Statement of Financial Activities.

### (viii) Cash flow statement

A cash flow statement has been prepared under FRS 102. Cash and cash equivalents represent cash in hand and notice deposits of less than 30 days.

### (ix) Pension costs

The officers of the Foundation are part of Nationwide Group pension arrangements. The only pension costs to the Foundation are the employer's pension scheme contributions which are re-charged to the Foundation. Pension scheme liabilities are borne by the Society.

### (x) Debtors

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### (xi) Creditors

Creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### (xii) Financial instruments

The Nationwide Foundation holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 15 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments, debtor balances excluding prepayments, cash and cash equivalents, and financial liabilities referring to all creditor balances excluding deferred income.

## 1. Accounting policies (continued)

### (xiii) Fixed asset investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

### (xiv) Gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Gains and losses are calculated as the difference between the market value at the balance sheet date and opening market value (or purchase value if the date is later).

### (xv) Foreign currency translation

Foreign currency transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the retranslation are recognised in the statement of financial activities.

## 2. Donations and legacies

	2022 £	2021 £
Nationwide Building Society	1,770,000	2,159,230
Other donations	175	300
<b>Total</b>	<b>1,770,175</b>	<b>2,159,530</b>

## 3. Income from investments

	2022 £	2021 £
Bank interest receivable	6,924	24,801
Interest from programme related investments	2,625	2,476
<b>Total</b>	<b>9,549</b>	<b>27,277</b>

## 4. Other incoming resources

	2022 £	2021 £
Donated services from Nationwide Building Society	99,755	95,782
<b>Total</b>	<b>99,755</b>	<b>95,782</b>

Donated services are analysed in note 5(b).

## 5. Analysis of total expenditure

2022	Decent Affordable Homes funding strategy	Governance costs	Total
Charitable activities by objective			
	£	£	£
Staff costs	366,857	33,312	400,169
Support costs	37,667	13,923	51,590
Grants	1,764,385	-	1,764,385
Donated services	91,127	8,628	99,755
<b>Total</b>	<b>2,260,036</b>	<b>55,863</b>	<b>2,315,899</b>

2021	Decent Affordable Homes funding strategy	Governance costs	Total
Charitable activities by objective			
	£	£	£
Staff costs	394,466	26,018	420,484
Support costs	57,098	11,399	68,497
Grants	1,320,412	-	1,320,412
Donated services	88,579	7,203	95,782
<b>Total</b>	<b>1,860,555</b>	<b>44,620</b>	<b>1,905,175</b>

For further analysis of staff costs see note 6.

	2022 £	2021 £
<b>(a) Analysis of support costs</b>		
Administration and IT	66,411	45,387
Learning and evaluation and system mapping	(14,821)	23,110
<b>Total</b>	<b>51,590</b>	<b>68,497</b>

	2022 £	2021 £
<b>(b) Donated services</b>		
Specialist staff services	33,755	29,782
Facility costs	66,000	66,000
<b>Total</b>	<b>99,755</b>	<b>95,782</b>

Donated services represent the cost of specialist staff services and accommodation which have not been directly charged to the Foundation by Nationwide Building Society. In addition, Nationwide Building Society provides the Foundation with other services such as IT support which cannot be readily quantified. IT costs for the maintenance of the Foundation's grants administration system are paid by the Foundation and are included in support costs.

	2022 £	2021 £
<b>(c) Analysis of governance costs</b>		
Staff costs	33,312	26,018
Trustees' expenses	165	-
Audit costs (inclusive of irrecoverable VAT)	13,758	11,399
Donated services	8,628	7,203
<b>Total</b>	<b>55,863</b>	<b>44,620</b>

## 6. Staff costs

The officers of the Foundation are employed by Nationwide Building Society and assigned to the Foundation for the duration of their employment under the terms of the Framework Agreement between the Society and the Foundation.

The amounts charged as direct staff costs comprised:

	2022 £	2021 £
Salaries	285,581	310,883
Social security	31,686	33,087
Pension contributions	82,902	76,514
<b>Total staff costs</b>	<b>400,169</b>	<b>420,484</b>

The average number of persons employed by the Society who acted as officers of the Foundation was 8 (2021: 8). The number of employees of the Society who acted as an officer of the Foundation receiving emoluments of over £60,000 and less than £70,000 was 1 (2021: nil) and emoluments of over £70,000 and less than £80,000 was nil (2021: 1). All staff receive emoluments, including benefits in kind, in accordance with Nationwide Building Society employment policies. For details of pensions costs see note 1(ix).

The average number of employees during the year comprises the following:

	2022	2021
Decent Affordable Homes funding strategy	7	7
Governance	1	1
<b>Total</b>	<b>8</b>	<b>8</b>

## 7. Net income resources for the year

Net income for the year is stated after charging:

	2022 £	2021 £
Trustees' expenses	165	-
Auditors' remuneration:		
Audit services - current year	9,965	9,495

None of the trustees / directors received any emoluments in respect of services to the Foundation (2021: nil).

### Trustees' expenses

Trustees' expenses include amounts reimbursed to trustees for out-of-pocket expenses and amounts paid for by the Nationwide Foundation to third parties for costs such as travel, accommodation, subsistence and training. During the year, 1 trustee (2021: none) received reimbursements of personal travel and subsistence expenditure amounting to £165 (2021: nil).

## 8. Grants payable

The Nationwide Foundation committed to the following grants during the year in relation to its Decent Affordable Homes strategy.

All grants are made to institutions.

	2022	2021
	£	£
<b>DECENT AFFORDABLE HOMES FUNDING STRATEGY</b>		
Affordable Housing Commission	10,000	63,139
Citizens Advice	45,888	43,779
Communities Housing Trust (previously HSCHT)	43,226	90,000
COVID-19 support fund	310,317	69,493
Decent Affordable Homes - Added Value	5,989	10,231
Shelter (DSS discrimination case)	1,700	2,124
East Midlands Community Led Housing	24,777	35,500
Fair Housing Futures	127,305	48,449
Housing Justice	93,715	43,680
Frameworks	83,399	-
Greater Manchester Tenants Union (previously Tenants Union)	-	25,338
Homeless Link	45,000	45,000
Indigo House	127,381	1,000
Leeds Community Housing	21,600	-
Living Rent	5,000	28,415
National Community Land Trust Network	75,000	24,100
National Housing Federation	-	42,056
Networking and best practice for Tenants' Voice Programme	-	4,500
New Economics Foundation	-	62,468
Renters' Reform Coalition (previously Generation Rent)	93,844	83,156
Renters' Rights London	11,499	37,639
Renters' Voice NI (previously Housing Rights)	51,332	52,280
Shelter (tenant voice project, Bristol)	27,410	40,538
South of Scotland Community Housing Trust (previously Dumfries)	37,200	43,956
Town & Country Planning Association	259,110	23,356
University of Huddersfield	-	10,516
University of York	(48)	-
Wales Co-operative Centre	121,342	225,081
We Can Make	117,399	-
Wellbeing Support Programme	-	42,000
Wessex Community Assets Ltd	-	47,618
Zacchaeus 2000 Trust	25,000	75,000
<b>Total</b>	<b>1,764,385</b>	<b>1,320,412</b>

## 9. Taxation

Corporation tax payable for the year ended 31 March 2022 was £nil (2021: £nil).

## 10. Programme related investments

	2022 £	2021 £
<b>Non-current assets</b>		
Community Land Trust Fund II	26,461	42,375
Communities Housing Trust	54,266	59,371
Community Led Housing Fund	150,000	150,000
	<b>230,727</b>	<b>251,746</b>
<b>Current assets</b>		
Communities Housing Trust	2,730	-
Community Land Trust Fund I	3,750	2,065
Community Land Trust Fund II	8,330	-
	<b>14,810</b>	<b>2,065</b>
<b>Total programme related investments at 31 March</b>	<b>245,537</b>	<b>253,811</b>

The Foundation has four ongoing programme related investments:

- Community Land Trust Fund I is due to be repaid during 2022-23.
- Community Land Trust Fund II is due to be repaid during 2022-23.
- Community Led Housing Fund is due to be repaid during 2025-27.
- Communities Housing Trust is due to be repaid over the next 15 years.

## 11. Fixed asset investment

	2022 £	2021 £
Balance at 1 April	622,515	502,525
Revaluations	71,929	119,990
<b>Balance at 31 March</b>	<b>694,444</b>	<b>622,515</b>

The fixed asset investment comprises funds held in CCLA's COIF Charities Ethical Investment Fund.

## 12. Debtors

	2022 £	2021 £
Accrued interest	739	7,201
Prepayments	9,512	7,007
<b>Total</b>	<b>10,251</b>	<b>14,208</b>

**13. Creditors**

	2022	2021
	£	£
<b>Amounts falling due within one year</b>		
Grants payable	509,548	587,865
Programme related investment commitments	100,000	100,000
Other creditors	33,120	35,824
Accruals	26,603	50,507
<b>Total</b>	<b>669,271</b>	<b>774,196</b>

**14. Analysis of net assets between funds**

	Designated Fund	
	2022	2021
	£	£
Fixed assets	925,171	874,261
Current assets	3,619,042	4,128,553
Current liabilities	(669,271)	(774,196)
<b>Total</b>	<b>3,874,942</b>	<b>4,228,618</b>

**15. Financial instruments**

	2022	2021
	£	£
Financial assets measured at amortised cost	3,594,720	4,119,481
Financial assets measured at fair value	694,444	622,515
Financial liabilities measured at amortised cost	(669,271)	(774,196)

Financial assets measured at amortised cost comprise all cash and cash equivalents and debtor balances excluding prepayments.

Financial assets measured at fair value comprises a fixed asset investment.

Financial liabilities measured at amortised cost comprise all creditor balances excluding deferred income.

## 16. Designated funds

The designated funds, represented below, are allocated as per the reserves policy described in the trustees' report and as per note 1(vi).

2021/2022	As at 1 April 2021	Incoming resources	Resources expensed	Transferred	Gains and losses	As at 31 March 2022
Decent Affordable Homes strategy:						
Future funds	1,017,858	1,779,724	-	(2,880,326)	82,744	-
Allocated:						
Phase 2	284,691	-	(308,176)	104,090	-	80,605
Covid-support fund	655,507	-	(320,662)	(110,000)	-	224,845
Phase 3	-	-	(134,828)	2,093,473	-	1,958,645
Pledged	1,466,751	-	(1,000,719)	349,278	-	815,310
Programme related investment	253,811	-	-	(8,274)	-	245,537
Learning & evaluation	-	14,821	-	(14,821)	-	-
Running costs	-	-	(466,580)	466,580	-	-
Other designated funds:						
Contingency fund	550,000	-	-	-	-	550,000
<b>Total</b>	<b>4,228,618</b>	<b>1,794,545</b>	<b>(2,230,965)</b>	<b>-</b>	<b>82,744</b>	<b>3,874,942</b>

2020/2021	As at 1 April 2020	Incoming resources	Resources expensed	Transferred	Gains and losses	As at 31 March 2021
Decent Affordable Homes strategy:						
Future funds	547,982	2,186,807	-	(1,827,759)	110,828	1,017,858
Allocated:						
Phase 2	-	4,851	(344,358)	624,198	-	284,691
Covid-support fund	-	-	(69,493)	725,000	-	655,507
Pledged	2,320,475	(4,851)	(906,561)	57,688	-	1,466,751
Programme related investment	310,203	-	-	(56,392)	-	253,811
Learning & evaluation	11,716	-	(23,110)	11,394	-	-
Running costs	-	-	(465,871)	465,871	-	-
Other designated funds:						
Contingency fund	550,000	-	-	-	-	550,000
<b>Total</b>	<b>3,740,376</b>	<b>2,186,807</b>	<b>(1,809,393)</b>	<b>-</b>	<b>110,828</b>	<b>4,228,618</b>

Donated services from Nationwide Building Society are not included in the designated fund.

## **17. Related parties**

The Nationwide Foundation is an independent charity, set up and funded by Nationwide Building Society (“the Society”). A legal contract called the Framework Agreement sets out the working relationship between the Society and the Nationwide Foundation and encompasses the provision of funds and donated services including office space, technology and other support. All financial donations and donated services are disclosed in the financial statements. The Society can appoint three of ten trustees. In the opinion of the board, there is no ultimate controlling party of the Nationwide Foundation.

All staff and trustees are asked annually to record any conflicts of loyalty or interest and to declare them at the start of each board and committee meeting. During the year ended 31 March 2020, one related party transaction was registered: One trustee (Saphié Ashtiany), was also a trustee of the Joseph Rowntree Foundation (JRF). In 2019/20 the Nationwide Foundation agreed to jointly fund the Frameworks Institute with JRF. The trustee was not involved any decisions relating to the grant paid.

Total aggregate compensation paid to key management personnel (the Chief Executive) amounts to £85,266 (2021: £92,958).

## **18. Post balance sheet events**

In June 2022, a donation of £2,405,000 was received from the Nationwide Building Society. These funds were designated for the Decent Affordable Homes Strategy as per the reserves policy in the trustees’ report.

**THE NATIONWIDE FOUNDATION**

England & Wales - Charity number 1065552

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# Accounts

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Annual Report and  
Financial Statements

Year ended 31 March 2021

Registered Company: 3451979

Registered Charity: 1065552

# The Nationwide Foundation's trustees' report for the year ending 31 March 2021

## About the Nationwide Foundation

The Nationwide Foundation is an independent charity that seeks to improve the lives of people in need by funding charitable causes and influencing change. At its heart, the Nationwide Foundation seeks to tackle the root causes of social problems that lead to disadvantage, poverty, and inequality. Key to the Nationwide Foundation's approach is creating a legacy, so that fewer people experience negative social outcomes in the future, because of timely and innovative intervention today.

The Nationwide Foundation's ambition is to contribute to meaningful, long-term, and lasting systems change. This change takes time, and the Nationwide Foundation uses a theory of change to guide its work. It has a team of staff and trustees who are committed to and passionate about delivering systems change. The Nationwide Foundation engages carefully with the right experts, academics, policymakers and frontline staff to ensure it has the knowledge and expertise to make a real difference.

The Nationwide Foundation was established by Nationwide Building Society in 1997 as a fully independent charitable foundation.

## Charitable objects

Established in 1997, the Nationwide Foundation is a registered charity supported by, but independent of, Nationwide Building Society. The Nationwide Foundation was established with the objects:

*"To promote such purposes being exclusively charitable according to the law of England and Wales as the trustees shall from time to time determine. In carrying out the objects the Foundation may make and receive donations."*

## Decent Affordable Homes strategy overview

The failure of the housing system, characterised by the desperate lack of decent, affordable homes, is one of the most pressing social problems facing the UK today. Poor quality, unaffordable housing causes serious harm to individuals, families and wider communities.

As a charity that helps to create positive and lasting changes to tackle disadvantage in the UK, the Nationwide Foundation believes that everyone should have access to a decent home that they can afford. The Nationwide Foundation uses its knowledge, leverage and funding of others to influence changes to the housing system and achieve its aim of increasing the availability of decent affordable homes for people in need.

The Nationwide Foundation is committed to its Decent Affordable Homes strategy, which started in 2013 and will run until at least 2031. This is in recognition of the severity of the housing crisis and the significant changes needed to help create a modern housing system that works for everyone.

## The year in context

The year ending 31 March 2021, as for many across the world, was a year that brought change and challenge to the Nationwide Foundation and its grant-holders. The Covid-19 pandemic (the pandemic) altered the Nationwide Foundation's ways of working and required a nimble and timely response, both internally and in its work related to the UK's housing system.

Internally, the Nationwide Foundation responded quickly to the changing circumstances by adopting new systems, adapting to home working, and ensuring that the day-to-day functions of the charity still took place. It also responded by providing funding and support in a range of ways to its grant-holders, ensuring that they were able to use their funding flexibly.

The pandemic also brought about change and continued uncertainty in the UK's housing system. With little warning, the system had to adapt and manage widespread mortgage payment holidays, a temporary shut-down of the buying and selling of homes and the instigation and extension of temporary bans on evictions from owner-occupied and rented accommodation.

Further detail of the challenges experienced as well as the measures put in place is contained in this report.

## Summary of the year

In 2020/21 Phase Two of the Nationwide Foundation's Decent Affordable Homes strategy entered its fifth year and continued at pace, despite the ever-changing situation presented by the pandemic.

During the year, pandemic-related funding was put in place, as well as the provision of funding for new projects and to support projects already in existence.

A new way of prioritising the Nationwide Foundation's efforts was also adopted, with four key priority areas identified and assessed on a regular basis. Throughout the financial year 2020/21, the adopted priorities were:

- The renewal of the Community Housing Fund
- Influencing activities to ensure that proposed planning reforms underpin both healthy homes principles and affordability
- Influencing the upcoming Renters' Reform Bill
- Securing improved and more sustainable funding for social housing.

This system of assessing work against key priorities ensured that the work of the Nationwide Foundation remained focussed on the areas where its money and influence was most needed and most likely to lead to significant change in the housing system.

This year also saw the culmination of the evaluation by the Nationwide Foundation's independent learning partner, the Centre for Regional Economic and Social Research at Sheffield Hallam University.

Finally, the Nationwide Foundation continued its strategic review, with consideration given to the next stage of the Decent Affordable Homes strategy.

## Strategic review

A review of the Decent Affordable Homes strategy has been ongoing to consider how Phase Two of the strategy would evolve into Phase Three. The review started in 2019/20 and ran throughout 2020/21, pausing mid-year to address the immediate impact of the pandemic and to take time to understand its impact on housing.

The review has been carried out in accordance with guidance given by the Nationwide Foundation's board of trustees that Phase Three should include:

- Continuing to influence the long-term changes that are needed to make the housing system fit for purpose
- Using the learning and evidence from Decent Affordable Homes Phase Two as the foundation for the next stages of Decent Affordable Homes Phase Three
- Understanding what the Nationwide Foundation's key assets are - not just the provision of funding, but also the Nationwide Foundation's voice, networks and independence, and how these can be used for greatest impact.

As part of the strategic review, a scenario planning process, involving Nationwide Foundation staff members, trustees and external stakeholders took place in 2020/21 to identify versions of the future to help with planning in such uncertain times.

Key to the strategy review was understanding how to build on the work that had started in Phase Two to continue to make progress towards the long-term objectives of the Decent Affordable Homes strategy. Consideration was also given to the Nationwide Foundation's long-term objectives and how the work carried out in Phase Two could be built on to make greater progress towards those long-term objectives.

### **Grant-making activity**

2020/21 saw the Nationwide Foundation award funding and support to new and existing projects in receipt of multi-year grants (from both Phase One and Phase Two). Funding was granted to all three programmes under Decent Affordable Homes Phase Two during 2020/21.

Some additional work was carried out in relation to the few remaining multi-year projects from Decent Affordable Homes Phase One, though this work is now naturally drawing to a close.

Grants were also awarded from a newly established fund to support existing grant-holders through the pandemic.

### **Learning and evaluation**

One of the Nationwide Foundation's core values is continuous learning. The Nationwide Foundation diligently monitors the progress that is being made towards achieving its programme outcomes; what it can learn from the activities it funds; and how it can use and share the learning to inform greater progress towards the outcomes.

The Nationwide Foundation also recognises that much of what is funded is emergent and innovative, and therefore believes that learning and adapting in real time provides the best opportunities to achieve the desired outcomes. The Nationwide Foundation supports grant-holders to adapt their plans as they discover what is working well and what is not, as well as being reflective and responsive to changes that it needs to make to its own plans. This has rarely been truer than during 2020/21, when adaptation and working with change was the order of the day for the Nationwide Foundation and each of its grant-holders.

### **Learning and evaluation partner**

Sheffield Hallam University's Centre for Regional Economic and Social Research was appointed during 2018/19 as the Nationwide Foundation's learning and evaluation partner to assess:

- 1) the Nationwide Foundation's effectiveness in delivering its interim and programme outcomes
- 2) the effectiveness of the Nationwide Foundation's approach as a funder
- 3) its wider impact on the housing system.

Sheffield Hallam University delivered its final evaluation report in March 2021. The report was welcomed by the Nationwide Foundation as a robust and considered insight into Decent Affordable Homes Phase Two. This report drew on data and extensive interviews and surveys of both the Nationwide Foundation's staff, its grant-holders and its wider group of external stakeholders.

Throughout this annual report, findings from Sheffield Hallam University will be used to add detail about the Nationwide Foundation's activities and achievements throughout the year.

### **Public benefit**

Having somewhere safe and secure to live is a basic necessity, yet the lack of decent, affordable housing is one of the most pressing social problems facing the UK today, causing harm to the health of individuals, families, their communities and society at large.

The UK is facing a long-term housing crisis: homeownership is increasingly unaffordable; there is a severe shortage of social housing; and the options available in the private rented sector are too often unaffordable and of poor quality. The high cost of housing in many areas is a direct cause of poverty, with poor housing exacerbating the impact of poverty and narrowing or even blocking the pathways people have available to improve their health, employment, education and family life.

The Nationwide Foundation's trustees understand that the conditions, stability and cost of housing have far-reaching impacts on the quality of people's lives. What is more, those who are vulnerable are most deeply affected by the damaging impacts of poor housing, while at the same time being those with the least resources available to proactively change the housing system.

The Nationwide Foundation's Decent Affordable Homes strategy aims to tackle the root causes of those negative impacts by creating the conditions for increasing the availability of good quality and affordable homes for all who need them, for as long as they need them.

The Nationwide Foundation's trustees refer to the Charity Commission's guidance on public benefit when reviewing the Nationwide Foundation's aims and objectives, in planning future activities, setting grant-making policy and making funding decisions.

### Grant-making policy

The Nationwide Foundation's trustees and staff are committed to robust, transparent governance and grant-making policy.

The trustees of the Nationwide Foundation are committed to:

- ensuring that the Nationwide Foundation's funds are deployed for maximum benefit
- developing its funding programmes by incorporating research and learning.

The Nationwide Foundation:

- seeks to fund work that addresses the root causes of social issues
- identifies specific funding criteria to make best use of the funds available; this is based on research, evaluations of previous work and stakeholder engagement
- awards funding to organisations delivering work in the UK.

The Nationwide Foundation is a Living Wage Friendly Funder and is committed to ensuring that fair wages are paid, as a simple step that contributes to tackling poverty and disadvantage.

## Response to the Covid-19 pandemic

The pandemic had a range of impacts on the Nationwide Foundation, the grant-holders, the housing sector that the Foundation works within and the United Kingdom more widely. Throughout the pandemic the Nationwide Foundation sought to understand how its staff, grant-holders and the housing sector at large would be impacted and how it could provide support over and above existing pledges.

### Arrangements for staff

The Nationwide Foundation has been fortunate, in that all staff have been able to switch to home working without any long-term disruption and Nationwide Building Society provided the technology required for remote working through in-kind donations.

All processes were reviewed to ensure they were fit for purpose while working remotely, and remaining manual processes were automated. This was an improvement in efficiency that will be permanent.

To address the challenge of staying connected in the workplace, the team stayed in touch through formal and informal virtual meetings and gatherings. In addition, staff wellbeing was regularly discussed, collectively and individually, and steps taken to adapt for individual circumstances.

Future working arrangements will provide choice and flexibility.

### **Arrangements for trustees**

All trustee meetings took place virtually in 2020/21 and all trustees were able to fully engage at remote meetings. Sign-off processes outside of meetings were automated, in line with the boundaries of the governing documents.

### **Support for grant-holders**

At the outset of the pandemic, the Nationwide Foundation was quick to reassure all grant-holders that their funding was secure and that it could be used flexibly. This allowed them to be responsive within their organisations and communities.

To offer further security as the pandemic progressed and became a longer-term encumbrance, the Nationwide Foundation set aside 25% of its anticipated grant-making budget for 2020/21 so that additional funding could be provided to existing grant-holders. An initial fund of £325,000 was boosted by an additional £400,000 in March 2021 in recognition of the ongoing impact that the pandemic was having on grant-holders.

This funding has allowed the Nationwide Foundation to:

- extend projects, initially by up to three months
- lift restrictions on funding of staffing costs for three months
- cover unforeseen project-related costs
- provide additional support to help projects adapt and survive e.g. technological costs incurred because of the pandemic
- set aside funds to help grant-holders recover from the delays and other impacts of the pandemic in the coming year.

Sheffield Hallam University surveyed grant-holders as part of its wider assessment of the Nationwide Foundation's activities. The survey results found that the response from the Nationwide Foundation was seen in a positive light from grant-holders and compared well with other charitable funders.

### **Understanding the wider housing sector**

The UK's housing sector has undergone significant changes to policy, supply, demand and need during 2020/21. Of utmost importance throughout 2020/21 has been building an understanding of those changes to inform both the Nationwide Foundation's immediate response and its plans for the future of the Decent Affordable Homes strategy.

## Decent Affordable Homes Phase Two

A summary of Decent Affordable Homes Phase Two, which began in 2016 and was ongoing throughout 2020/21, is shown below.

Decent Affordable Homes Phase Two	
<b>Our vision is</b>	for everyone in the UK to have access to a decent home that they can afford
<b>Our aim is</b>	to increase the availability of decent, affordable homes for people in housing need
<b>Our charitable focus is</b>	on solutions that reach people who are, or are at risk of being, in need
<b>Our commitment is</b>	long term (10 years)
<b>Our strategic approach is</b>	to influence changes to the housing system by supporting, testing and evidencing solutions for increasing the availability of decent, affordable homes for people in housing need
<b>To do this we will</b>	<p>use all of our resources to</p> <ul style="list-style-type: none"> <li>• support new ideas for solutions</li> <li>• support practical experience to learn what works on the ground</li> <li>• connect those with knowledge to those with power to make change happen at scale</li> <li>• collaborate and engage with others</li> </ul>

Our programmes are	Nurturing Ideas to Change the Housing System	Backing Community-Led Housing	Transforming the Private Rented Sector
<b>The change we want to see (our outcomes)</b>	Ideas for protecting and creating decent, affordable homes flourish and result in changes that lead to an increased number of homes for people in need	Community-led housing delivers an increased number of homes for people in need	The private rented sector provides homes for people in need, which are more affordable, secure, accessible and better quality
<b>To make the changes we want to see happen, our funding focusses on</b>	<p>Generating more ideas on how to protect and increase the supply of decent affordable homes</p> <p>Having an improved understanding of which ideas have the potential to create change</p> <p>Changing policy and practice to support the implementation of ideas</p>	<p>Ensuring there is better access to information, support, advice and technical expertise that is needed to progress a scheme</p> <p>Increasing the availability of suitable and affordable finance at every stage</p> <p>Increasing access to land and properties currently not used as homes</p>	<p>Ensuring there is more robust evidence of the solutions to address the issues of cost, quality, security and access in the private rented sector is available and used to inform policy and practice</p> <p>Making sure tenants have a stronger voice in the debates on the private rented sector and housing</p>

# Activities and Achievements

## Grant-making

In the year 2020/21, the Nationwide Foundation awarded £1,320,412 in grant funding for charitable work that aligned with the objectives of Decent Affordable Homes Phase Two. This included the funding of new projects, the release of funds for multi-year grants and additional funding to existing grant-holders.

## Influencing change

It is the Nationwide Foundation's belief that wholesale change is required across the UK housing system. This change will mean that effective and long-lasting improvements can happen to reduce the harm that poor quality and unaffordable housing causes and perpetuates. The Nationwide Foundation influences for positive change in two ways; indirectly, by funding others that share the Nationwide Foundation's vision, partnering with grant-holders to disseminate and amplify their evidence and learning; and directly, through its own activities.

Since the beginning of Phase Two of the Decent Affordable Homes strategy, the Nationwide Foundation has been developing and expanding its influencing activities across all three of its programmes to bring about changes to the housing system. It has increased its visibility and has had more influence in UK housing policy in comparison to Phase One of the strategy. This work is done in partnership with grant-holders.

During 2020/21, the Nationwide Foundation undertook significant engagement with external stakeholders to raise awareness of its work and to call for important and much-needed change.

These stakeholders have included but are not limited to:

- parliamentarians and civil servants
- housing experts and charities
- journalists and opinion-formers.

The majority of the Nationwide Foundation's influencing work was related to the four key priority areas identified during the year (noted in the summary of the year section). In each of these areas, the Nationwide Foundation worked both independently and with others to reach those making decisions.

While the result of this work has varied, by engaging in this work the Nationwide Foundation has developed important relationships with colleagues across the housing sector which position it well for the future. This is reflected by the final report from the Nationwide Foundation's independent learning partner, the Centre for Regional Economic and Social Research at Sheffield Hallam University, which stated, *"the Foundation has increased its attention on maintaining a strong network of stakeholders and other influencers and keeping them informed. The Foundation is generally seen as an "ally" in a number of important areas, and this position – which stops short of out-and-out campaigning – is seen as politically savvy."*

## Activities and achievements: Phase Two

### Nurturing Ideas to Change the Housing System

#### Activities and achievements

##### **The Healthy Homes Act, Town and Country Planning Association (TCPA)**

The Healthy Homes Act is proposed legislation that would ensure that all new homes meet standards that underpin good health. In 2020/21 TCPA began to secure support from parliamentarians for the Act and its 11 principles through roundtables (arranged in partnership with the Nationwide Foundation) and meetings with the right stakeholders. This led to the start of the legislative process via an Early Day Motion, as well as local authorities working on how they can apply the principles.

In support of the priority to influence positive changes through planning reform, the Nationwide Foundation provided funding to TCPA to respond to the government's planning reform consultation, incorporating evidence to demonstrate the importance of applying the Healthy Homes Act's principles within any new planning framework.

##### **Affordable Housing Commission, The Smith Institute**

The work of the Affordable Housing Commission continued to keep affordability in the minds of policymakers and also supported the Nationwide Foundation's priority to positively influence changes to the government's planning reforms. Specifically, it published a survey of social landlords' views of the impact that planning reforms could have on the delivery of affordable homes. This was launched at an event hosted by the Nationwide Foundation, the Affordable Housing Commission and the Chartered Institute for Housing. It was attended by key stakeholders, including senior members of the planning team at the Ministry for Housing, Communities and Local Government (MHCLG). The work of the Affordable Housing Commission is of great importance to the Nationwide Foundation, as it provides evidence and recommendations that have the power to change the housing system for the better in the long-term.

##### **We Can Make, Knowle West Media Centre**

We Can Make seeks to test a model for building innovative new-build affordable homes in Bristol, which could be replicated in post-war housing estates across the UK. During 2020/21 it made significant progress towards proving that its proposed model of housing delivery can work, with building work about to begin on its first two homes.

The project has established a new way of working with local authorities to amend design codes and allow planning permission to be more easily granted. It has also effectively engaged the community and local economy in the build process.

#### Learning and evaluation

The overall learning from the independent evaluation by Sheffield Hallam University was that the Nurturing Ideas to Change the Housing System programme has: *'been successful in generating a significant body of new ideas and support for an information base that will benefit the housing and related sectors for years to come.'*

### Backing Community-Led Housing

#### Activities and achievements

##### **Community Housing Fund, National Community Land Trust Network**

The Nationwide Foundation worked in partnership with the National Community Land Trust Network to campaign for the government to renew the Community Housing Fund, which ended in March 2020. This work links directly to the Nationwide Foundation's strategic aim, that community-led housing should have access to sustainable and affordable finance at every stage so that it can be a greater force as a deliverer of decent affordable homes into the future.

Research part-funded by the Nationwide Foundation showed that for every £1 of public money invested, £2.70 is returned in benefit across the following decade. This research was shared with MPs, MHCLG and HM Treasury, to prove the impact of the Community Housing Fund. The Nationwide Foundation welcomed the news in February 2021 that £4m would be allocated for a renewed fund.

##### **Communities Creating Homes, Wales Cooperative Centre**

In November 2020, *Living in Co-operative or Community-Led Housing during Covid-19* was published, providing important evidence of the benefits of community-led housing during the pandemic, including on matters of practical help and emotional support. A well-attended virtual launch was held for this research, and work has been ongoing throughout the year to influence the policies of various political parties ahead of elections to the Welsh Parliament in May 2021.

#### Learning and evaluation

The overall learning from the independent review by Sheffield Hallam University was that the Backing Community-Led Housing programme: *'represents a significant and long-standing investment and one which the Foundation can claim to occupy a leading space in.'*

## Transforming the Private Rented Sector

### Activities and achievements

#### Renters' Reform Coalition

The priority under this programme was to influence the Renters' Reform Bill. This led to the Nationwide Foundation helping create and fund the Renters' Reform Coalition, a clear link with its long-term aim to strengthen the voice of renters. The coalition seeks to influence the Bill to ensure that it improves the experience of renting. Alongside abolishing 'no-fault' evictions under Section 21, the coalition supports more transformative measures regarding justice, safety, stability, and affordability.

#### No-DSS case, Shelter

During 2020/21 the Nationwide Foundation supported a discrimination case being brought by Shelter, where a private renter had been refused a tenancy by a letting agent on the basis that she was in receipt of housing benefit. The Nationwide Foundation's funding underwrote possible costs, allowing the court case to go ahead. In the final ruling, the judge declared that the actions of the letting agent were unlawful, setting a powerful precedent to protect tenants from 'no DSS' discrimination.

#### Living in poor conditions through Covid-19 research, University of Huddersfield and the Northern Housing Consortium

The Nationwide Foundation co-funded research that looked at the experiences of people living in poor quality accommodation in the north of England during the pandemic. Key findings were: a deterioration in property standards because repairs could not be carried out; serious problems with overcrowding; and communication issues with letting agents or landlords. This research was used to raise awareness of these issues with relevant parliamentarians. Importantly, the research added to the evidence base for solutions to address quality problems within the private rented sector.

#### Rent Better, Indigo House

Rent Better reported its baseline findings into tenancy changes brought forward by the Scottish government in 2016 and 2017. The research seeks to understand how tenancy reforms in Scotland have altered the sector and how changes might be brought forward for the rest of the UK. The findings were shared with both the Scottish government and MHCLG with the intention that these findings can be used to inform the Renters' Reform Bill. This work directly aligns with the strategic purpose of this funding, which is to provide robust evidence to inform policy changes for private renters.

### Learning and evaluation

The overall learning from the independent review by Sheffield Hallam was that the Transforming the Private Rented Sector programme is: *'amassing an extremely powerful evidence base and... is providing a very strong platform for influence. Arguably [the programme] has brought the Foundation significant visibility in recent years and some of its biggest influencing successes – as well as demonstrating the value in flexibly responding to new opportunities within areas identified as priorities within the strategy.'*

## Activities and achievements: Phase One (2013-16)

The Decent Affordable Homes Phase One strategy ended in 2016, so no new funding was awarded in 2020/21, however one multi-year grant was ongoing in the year.

### Outcome: Long-term empty properties are brought into use as homes for people in need

At the end of 2020/21, **YMCA Glenrothes** was the only project that remained active under this strategic outcome. It is continuing its work to purchase empty homes and convert them into secure accommodation for vulnerable people. In many cases new tenants will have had previous contact with YMCA Glenrothes.

# Future Plans

## The ongoing impacts of the Covid-19 pandemic

The Nationwide Foundation will continue to increase its understanding of the impact of the pandemic on its staff, grant-holders and the wider sector, and adapt its approach appropriately.

## Strategic review

The review of the strategy will complete in 2021/22, and the shape of Phase Three of the strategy will be agreed by the board in the first half of the year. Phase Three of the strategy will be an evolution of Phase Two, building on the learning and value of the funded work.

## Grant-making activities

The Nationwide Foundation's grant portfolio is made up of mainly multi-year grants that will be ongoing during 2021/22 and the Nationwide Foundation will continue to work with these existing grant-holders.

Work due to be undertaken or completed in 2021/22 includes:

- Supporting the Town and Country Planning Association to progress the **Healthy Homes Act**
- Engaging with the government's proposed **planning reforms**, including the expansion of permitted development rights
- Amplifying the messages and policy recommendations of the **Affordable Housing Commission**, particularly the call for an adopted measure of affordability and the need for a long-term cross-party housing strategy
- Being actively involved in how the new £4m **Community Housing Fund** is spent, along with supporting the campaign for a longer-term funding settlement for community-led housing
- Supporting the **Renters' Reform Coalition** to influence the shape of the Renters' Reform Bill so that there is better protection to vulnerable people in the private rented sector
- Launching work by the **Centre for Housing Policy at the University of York** that considers if the lower end of the private rented sector is effective and sustainable at providing homes to its tenants
- Continuing the **Talking about Housing** project, including the dissemination of framing suggestions related to social housing, revealing how the UK public thinks and makes assumptions about housing, and assisting in the designing and testing of frames which will help shift public thinking.

The activities of Phase Two have amassed a powerful evidence base and the emphasis of Phase Three will be to share, amplify and use that learning. This is likely to lead to fewer new grants which reflects the maturity of the strategy, as well as an expected reduction in income.

## Learning and evaluation

The Nationwide Foundation remains committed to continuous learning to inform its work. This commitment will continue to be an important part of the structure of Phase Three.

# Structure, Governance & Management

## Governance

The Nationwide Foundation:

- Is a company limited by guarantee (no. 3451979) and a registered charity (no. 1065552) which operates in accordance with its Articles of Association and Revised Memorandum.
- Is governed by a board of up to 10 trustees which set the policies and strategy of the Foundation and approves large grants. During 2020/21 nine trustees served on the board.
- Has seven trustees who are appointed by the board, following open advertisement and interview, and three trustees who are appointed by Nationwide Building Society.
- Appoints trustees for up to three, three-year terms following the consideration and approval of the board. All trustees undergo an in-depth induction and are offered training as well as opportunities to attend meetings with grant-holders alongside Nationwide Foundation staff. The board typically meets four times a year, plus an annual strategic away day.
- Has three trustee advisory committees and groups, to which it delegates various aspects of the Nationwide Foundation's work, with oversight and ratification of their decisions by the board:
  1. Finance and Risk Committee (comprising four trustees, the chief executive and accountant): in 2020/21 this committee advised on the audit, risk oversight, budget and investments.
  2. Nominations and Remunerations Committee (comprising five trustees including the chair, vice-chair and at least one Society appointed trustee who is included in the quorum): during 2020/21 this committee considered the timing of appointing a tenth trustee. This will take place in 2021/22.
  3. Strategy Steering Group (comprising five trustees, the chief executive, head of programmes and communications, policy and public affairs manager): this group was established in 2019/20 to consider the development of Phase Three of the Decent Affordable Homes Strategy. The working group will exist for the duration of the strategy review and initial implementation.
- Reviews its application of the Charity Governance Code every three years. This last took place in 2019/20 concluding that the Nationwide Foundation fully applies most of the recommended practices and its approach is in keeping with the spirit of the Code. Actions are in place to make improvements to a small number of partially applied recommended practices in relation to diversity. A new version of the Governance Code was published in 2020 and the Nationwide Foundation's practices will be reviewed against those changes ahead of the three-yearly review.
- Maintains a risk register to identify the major risks to which the Nationwide Foundation is exposed. During the year, the board reviewed the register. Major risks identified over 12 months were the loss of staff and uncertainty about strategic direction (due to the strategy review not being completed). Over three years the greatest risks were identified as reduced funding and projects failing to achieve outcomes.
- Undertakes an independent audit of its internal controls every two years. This last took place in 2019/20 and concluded that key controls worked, were efficient and built to last. Agreed actions for some improvements were completed during 2020/21.
- Has a conflicts of interest policy for both trustees and staff and maintains a register of declarations that is regularly shared with the board. Trustees declare conflicts of interest at the start of each meeting and withdraw from decisions where there is a conflict. A code of conduct also exists for trustees.
- Reviews its governing document every three years. This last took place in 2019/20.

## Staff

- The staff implement the policies and strategies set by the board.
- The trustees have delegated responsibility to the chief executive to approve grants of up to £75k.
- All staff are employed by Nationwide Building Society and receive remuneration in accordance with their employment contract with the Society. The Foundation's Nominations and Remunerations Committee sets the chief executive's salary within the parameters of Nationwide Building Society's salary bands.

## Key relationships

- Nationwide Building Society is the Nationwide Foundation's main benefactor and supplier of in-kind support, including office space and equipment.
- The Nationwide Foundation is a member of the following networking and support organisations: Association of Charitable Foundations (ACF), Association of Chief Executives of Voluntary Organisations (ACEVO) and National Council of Voluntary Organisations (NCVO).

## Fundraising activity

The Nationwide Foundation had no fundraising activities requiring disclosure under S162A of the Charities Act 2011. Almost all the Nationwide Foundation's income comes from an annual donation from Nationwide Building Society and a funding agreement is in place which sets out the basis for the donation.

## Statement of trustees' responsibilities

The trustees (who are also directors of the Nationwide Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Disclosure of information to auditors

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has taken all steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Financial Review

## Income

Income for 2020/21 totalled £2,282,589 (2019/20: £2,571,230). This is primarily made up of an annual donation from Nationwide in 2020/21 of £2,000,000 (2019/20: £2,400,000). In addition to the annual donation, in 2020/21, the Society made a one-off donation of £159,530 and donated services to the Nationwide Foundation totalling £95,782 (2019/20: £113,477). This represents the provision of office space, technology, legal and accountancy support.

The Nationwide Foundation's principal source of income is an annual donation from Nationwide Building Society. The donation is received annually and is at least 0.25% of Nationwide's pre-tax statutory profit averaged over three years. Nationwide provides a three-year donation floor to provide the Foundation with a commitment that supports the Foundation to plan for the medium-term. The floor can only be adjusted in specified extraordinary circumstances. Those extraordinary circumstances occurred in 2020/21 due to the impact of the pandemic. Nationwide Building Society provided confirmation early in the year that the donation floor would be honoured.

## Expenditure

Expenditure for 2020/21 totalled £1,905,175 (2019/20: £3,465,235). The majority of the Nationwide Foundation's funds are used to award grants for charitable purposes, and to cover the costs of running the Nationwide Foundation. Grants are paid in instalments, and multi-year grants are released annually, subject to approval from the Chief Executive. Each grant is subject to monitoring to ensure satisfactory progress.

There was a reduction in expenditure in two areas during the year: support costs were lower due mainly to pandemic related travel restrictions, and grant expenditure was lower because the focus was on supporting and managing ongoing multi-year grants during the pandemic.

## Reserves policy

The trustees review the reserves policy annually and monitor the level of reserves throughout the year. All the Nationwide Foundation's reserves are unrestricted and trustees set out how and why the funds should be designated as set out below:

Purpose for designation of funds	Amount designated at 31 March 2021	Explanatory notes
Phase 2: pledged	£1,466,751	These funds represent the total amount that has been pledged to fund multi-year grants. The funds will be recognised as expenditure in future years subject to the completion of a requirement attached to the grant, such as an annual report.
Phase 2: uncommitted	£284,691	These funds represent the amount that the board has allocated to Decent Affordable Homes Phase Two, but which have not yet been awarded. This amount is expected to be committed in full to new grants during 2021/22.
Phase 2: Covid-19 support fund	£655,507	During the year grants were awarded from a fund totalling £725k established to support existing grant-holders during the pandemic. The designated amount represents the value that had not yet been awarded at year end. Initially a fund of £325k, in June 2021, trustees added a further £400k to provide longer term support to grant-holders because of the effects of the pandemic. Funds are expected to be fully committed in 2021/22. Any monies not committed will return to the Future Fund.

Programme related investments	£253,811	Funds that have been awarded as programme related investments. For a full breakdown see note 10 to the financial statements.
Future fund	£1,017,858	Due to the expected reduction in income over the next three years, funds are set aside to top up the funds available for future grant-making to help to maintain the level of charitable activity as much as possible.
Contingency fund	£550,000	Ensures that, should there be an unexpected event, such as the withdrawal of support from its main benefactor, sufficient funds are available to manage all current funding commitments and allows the trustees time to consider what action should be taken. The trustees annually review the level of contingency funds required to continue functioning for up to three years after any withdrawal of funding.
<b>Total designated funds:</b>	<b>£ 4,228,618</b>	

## Investment policy

The Nationwide Foundation's investment policy sets out following objectives:

- To produce the best financial return within an acceptable level of risk
- To preserve the real value of the capital
- To hold sufficient levels of liquid funds to make grant payments, award new grants, cover running costs and any unanticipated cash flow requirements.

The investment policy identifies the Foundation's attitude to risk which recognises that charitable activity is funded from the annual donation and the Foundation's activity is not reliant on income from investments. This is why preserving the value of the capital in real terms is an objective and minimal risks are taken. The policy specifies criteria that must be applied when making different types of investments to manage the risks. This includes spreading the funds across different financial institutions that meet a set of requirements, such as minimum credit ratings and being based in the UK.

The trustees have considered the ethical standards it wishes to meet through its investments and the following statement is included in the investment policy:

"The Nationwide Foundation is committed to ensuring that all investment decisions are made responsibly. The Foundation has a strong preference for an ethical investment portfolio that is consistent with the values and objectives of the Foundation."

In addition to the broad ethical considerations that take into account the impact that the assets being invested in have on society, specific consideration will be given to investment in assets that directly relate to the strategy at the time. The Foundation will not invest in assets that are in conflict with the strategic objectives.

The policy permits trustees to manage the Nationwide Foundation's investments up to an agreed amount. In 2020/21 this amount was £7.5m.

The investment policy is reviewed annually by the Finance and Risk Committee. Changes are agreed by the board.

## Investments

The majority of funds are held in either fixed-term or instant access cash accounts on which interest is earned. Interest earned in 2020/21 totalled £27,277 (2019/20: £56,828).

In 2020/21 the Foundation held fund in CCLA's COIF Charities Ethical Investment Fund as it met the Foundation's risk requirements and ethical standards.

At 31 March 2021 the value of the investment was £622,515 (31 March 2020 £502,525) a gain of £119,990. The investment performance was strong throughout the year despite the pandemic and Brexit related economic uncertainty. The investment met the investment objectives set out above.

A review of the investment manager is carried out annually to assess the performance of the investment and the services of the manager.

### Programme related investment policy

The policy on social investments adheres to the following guidance from the Charity Commission:

*“Programme related investments (also known as social investments) are made directly in pursuit of the organisation’s charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary motivation for making them is not financial but to further the objects of the funding charity.”*

During the year:

- No new programme related investments were made
- Repayments were received from existing social investments (£33,869 from Community Land Trust Fund II and £2,524 from Communities Housing Trust – previously HSCHT)
- One PRI of £20,000 to Wessex Community Assets was returned undrawn
- Interest earned during 2020/21: £2,476 (2019/20: £2,573).

### Financial outlook

The Nationwide Foundation has a minimum donation committed from Nationwide for 2022 and 2023 which, due to pre-pandemic wider market conditions, is slightly less than 2020/21. The Nationwide Foundation had planned for this reduction in income by designating surplus funds in previous years to a future fund in order to smooth the reduction in income and maintain charitable activity as far as possible.

The longer-term economic outlook remains highly uncertain as the UK economy recovers from the impact of the pandemic and adapts to Brexit. The Nationwide Foundation’s trustees have considered how this uncertainty might impact future income. The trustees plan the budget carefully to ensure that a range of scenarios can be managed with minimal detriment to the Foundation’s charitable activities.

### Guarantees

The guarantor members of the charity, who are also the trustees, guarantee an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 9 (2019/20: 10). The members are only entitled to voting rights and do not have a beneficial interest in the charity.

### Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

### Approval

The trustees have agreed these financial statements which have taken advantage of the small companies exemption provided by section 415a of the Companies Act 2006.

Approved by the board of trustees on 16 September 2021 and signed on behalf of the board of trustees by the chair and another trustee:

Chair .....

Saphié Ashtiany

Trustee.....

Sarah Mitchell

## Trustees/Directors

**Terrie Alafat** ◊

**Saphié Ashtiany (chair)** ∞

**Antonia Bance** ∞

**Sara Bennison** † ∞

**Rob Collins** † ◊ (appointed 1 January 2021)

**Gill Leng** ◊

**Judith McNeill**

**Sarah Mitchell (vice-chair)** ◊ ∞

**Usha Prashar** † ∞ (appointed 7 September 2020)

**Tony Prestedge** † (retired 24 August 2020)

**John Taylor** ◊ (retired 10 September 2020)

**Ian Williams** † ◊ (retired 31 December 2020)

† Appointed by Nationwide Building Society

◊ Member of the Finance and Risk Committee

∞ Member of the Nominations and Remunerations Committee

**Chief Executive:** Leigh Pearce

**Company Secretary:** NBS CoSec Limited

**Accountant:** Oliver Robinson

**Auditors:** Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, Berkshire, RG1 1PL

**Bankers:** CAF Bank, 25 Kings Hill, West Malling, Kent, ME19 4JQ

**Investment managers:** CCLA Investment Management Limited and CCLA Fund Managers Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

**Solicitors:** Bates Wells Braithwaite, 10 Queen Street Place, London, EC4R 1BE

Registered charity no. 1065552 Registered company no. 3451979

Registered office address: Nationwide House, Pipers Way, Swindon, SN38 1NW

## **Independent Auditor's Report to the Members of The Nationwide Foundation**

### **Opinion**

We have audited the financial statements of The Nationwide Foundation ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within

the charitable company for fraud. The laws and regulations we considered in this context were Charity Commission regulations, taxation legislation, employment legislation and General Data Protection Regulation (GDPR).

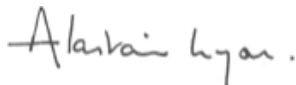
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within timing of recognition of income, the application of grant expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for bias, reviewing the grant recognition calculations and supporting documentation, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



#### **Alastair Lyon**

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 8 October 2021

**THE NATIONWIDE FOUNDATION  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Notes	2021 £	2020 £
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	2	2,159,530	2,400,925
Income from investments	3	27,277	56,828
Other income	4	95,782	113,477
<b>Total income and endowments</b>		<b>2,282,589</b>	<b>2,571,230</b>
<b>EXPENDITURE ON:</b>			
Charitable activities	5	(1,905,175)	(3,465,235)
<b>Total expenditure</b>		<b>(1,905,175)</b>	<b>(3,465,235)</b>
Net gains/(losses) on fixed asset investments	11	119,990	(47,475)
Losses from movements in foreign exchange		(9,162)	-
<b>Net income/(expense) and net movement in funds</b>		<b>488,242</b>	<b>(941,480)</b>
Fund balances brought forward		3,740,376	4,681,856
<b>Fund balances carried forward</b>	16	<b>4,228,618</b>	<b>3,740,376</b>

The notes on pages 24 to 33 form part of these financial statements.

All income is unrestricted. All amounts relate to continuing operations.

There were no recognised gains or losses other than the net income for the year in the Statement of Financial Activities (2020: £nil).

THE NATIONWIDE FOUNDATION  
BALANCE SHEET  
AS AT 31 MARCH 2021  
COMPANY REGISTERED NUMBER: 3451979

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Programme related investments	10	251,746	308,138
Investments	11	622,515	502,525
<b>TOTAL FIXED ASSETS</b>		<b>874,261</b>	810,663
<b>CURRENT ASSETS</b>			
Programme related investments	10	2,065	2,065
Debtors	12	14,208	41,119
Fixed term deposits		2,000,000	3,000,000
Cash at bank		2,112,280	1,416,012
<b>TOTAL CURRENT ASSETS</b>		<b>4,128,553</b>	4,459,196
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	13	(774,196)	(1,521,222)
<b>NET CURRENT ASSETS</b>		<b>3,354,357</b>	2,937,974
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>4,228,618</b>	3,748,637
<b>NON-CURRENT LIABILITIES</b>			
Creditors: amounts falling due after one year	13	-	(8,261)
<b>NET ASSETS</b>	14	<b>4,228,618</b>	3,740,376
<b>UNRESTRICTED FUNDS OF THE CHARITY</b>			
Designated funds	16	4,228,618	3,740,376
<b>TOTAL FUNDS</b>		<b>4,228,618</b>	3,740,376

The notes on pages 24 to 33 form part of these financial statements.

The financial statements were approved by the board of Trustees on 16 September 2021 and signed on behalf of the board of trustees by the chair and another trustee

}
   
} Chair - Saphié Ashtiany
   
}

}
   
} Trustee - Sarah Mitchell
   
}

**THE NATIONWIDE FOUNDATION  
CASH FLOW STATEMENT  
AS AT 31 MARCH 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net movement of funds per statement of financial activities	488,242	(941,480)
<b>Adjustments for:</b>		
Interest from investments	(27,277)	(56,828)
Decrease/(increase) in debtors	26,911	(14,526)
(Decrease)/increase in creditors	(755,287)	435,752
(Gains)/losses on fixed asset investment	(119,990)	47,475
Losses from movements in foreign exchange	9,162	-
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(378,239)</b>	<b>(529,607)</b>
<b>Cash flows from investing activities</b>		
Fixed term deposits redeemed	3,000,000	3,300,000
Fixed term deposits issued	(2,000,000)	(1,000,000)
Interest from investments	27,277	56,828
Receipts/(payments) from programme related investments	56,392	(106,316)
Fixed asset investment issued	-	(550,000)
<b>Net cash inflow/(outflow) used in investing activities</b>	<b>1,083,669</b>	<b>1,700,512</b>
Effect of exchange rate changes on cash and cash equivalents	(9,162)	-
<b>Increase/(decrease) in cash and cash equivalents in the year</b>	<b>696,268</b>	<b>1,170,905</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,416,012</b>	<b>245,107</b>
<b>Total cash and cash equivalents at the end of the year</b>	<b>2,112,280</b>	<b>1,416,012</b>

Cash and cash equivalents comprises cash at bank.

**THE NATIONWIDE FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1. Accounting policies**

**Charity information**

The Charity is a company limited by guarantee (registered number 3451979), which is incorporated in the UK. The address of the registered office is Nationwide House, Pipers Way, Swindon, SN38 1NW.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019), applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Nationwide Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Going concern**

The charity has cash resources and has no requirement for external funding. The Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and for the year ended 31 March 2021 have considered the ongoing impacts of the pandemic. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

**Significant judgements and estimates**

The management consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

**Accounting policies**

The following accounting policies have been applied consistently in the preparation of the financial statements.

**(i) Income**

Both donation income and interest income are credited to the Statement of Financial Activities when a receipt is probable, there is evidence of entitlement and it can be measured reliably.

**(ii) Grants**

Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions are pledged and provided for in the designated fund.

**(iii) Programme related investments**

Programme related investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Programme related investments are held at cost as the Foundation is unable to obtain a reliable estimate of fair value.

**(iv) Donated goods and services**

Donated goods and services represent Nationwide Building Society specialist staff services and accommodation costs which have not been directly charged to the Foundation.

## Accounting policies (continued)

### (v) Allocation of expenditure

Staff costs have been apportioned on the basis of the approximate time allocated by the Chief Executive and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as the staff costs. The allocation methodology is reviewed annually to ensure that it is still appropriate.

### (vi) Designated funds

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of such designated funds are set out in the notes to the financial statements.

### (vii) Irrecoverable VAT

Irrecoverable VAT is charged to the Statement of Financial Activities.

### (viii) Cash flow statement

A cash flow statement has been prepared under FRS 102. Cash and cash equivalents represent cash in hand and notice deposits of less than 30 days.

### (ix) Pension costs

The officers of the Foundation are part of Nationwide Group pension arrangements. The only pension costs to the Foundation are the employers' pension scheme contributions which are re-charged to the Foundation. Pension scheme liabilities are borne by the Society.

### (x) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### (xi) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### (xii) Financial instruments

The charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 15 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments, debtor balances excluding prepayments, cash and cash equivalents, and financial liabilities referring to all creditor balances excluding deferred income.

### (xiii) Fixed asset investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

### (xiv) Gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Gains and losses are calculated as the difference between the market value at the balance sheet date and opening market value (or purchase value if the date is later).

## Accounting policies (continued)

### (xv) Foreign currency translation

Foreign currency transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the retranslation are recognised in the statement of financial activities.

## 2. Donations and legacies

	2021	2020
	£	£
Nationwide Building Society	2,159,230	2,400,000
Other donations	300	925
<b>Total</b>	<b>2,159,530</b>	<b>2,400,925</b>

## 3. Income from investments

	2021	2020
	£	£
Bank interest receivable	24,801	54,255
Interest from programme related investments	2,476	2,573
<b>Total</b>	<b>27,277</b>	<b>56,828</b>

## 4. Other incoming resources

	2021	2020
	£	£
Donated services from Nationwide Building Society	95,782	113,477
<b>Total</b>	<b>95,782</b>	<b>113,477</b>

Donated services are analysed in note 5(b).

## 5. Analysis of total expenditure

2021	Decent Affordable Homes funding strategy	Governance costs	Total
	£	£	£
Charitable activities by objective			
Staff costs	394,466	26,018	420,484
Support costs	57,098	11,399	68,497
Grants	1,320,412	-	1,320,412
Donated services	88,579	7,203	95,782
<b>Total</b>	<b>1,860,555</b>	<b>44,620</b>	<b>1,905,175</b>

2020	Decent Affordable Homes funding strategy	Governance costs	Total
	£	£	£
Charitable activities by objective			
Staff costs	370,255	25,807	396,062
Support costs	188,684	13,522	202,206
Grants	2,753,490	-	2,753,490
Donated services	102,985	10,492	113,477
<b>Total</b>	<b>3,415,414</b>	<b>49,821</b>	<b>3,465,235</b>

For further analysis of staff costs see note 6.

## 5. Analysis of total expenditure (continued)

	2021 £	2020 £
<b>(a) Analysis of support costs</b>		
Administration and IT	45,387	52,222
Learning and evaluation	23,110	149,984
<b>Total</b>	<b>68,497</b>	<b>202,206</b>

	2021 £	2020 £
<b>(b) Donated services</b>		
Specialist staff services (note i)	29,782	47,477
Facility costs (note i)	66,000	66,000
<b>Total</b>	<b>95,782</b>	<b>113,477</b>

Note:

- i. Comparatives have been restated to reclassify £40,281 from 'Specialist staff costs' to 'Facility costs' to align with the current year presentation.

Donated services represent the cost of specialist staff services and accommodation which have not been directly charged to the Foundation by Nationwide Building Society. In addition, Nationwide Building Society provides the Foundation with other services such as IT support which cannot be readily quantified. IT costs for the maintenance of the Foundation's grants administration system are paid by the Foundation and are included in support costs.

	2021 £	2020 £
<b>(c) Analysis of governance costs</b>		
Staff costs	26,018	25,807
Trustees' expenses	-	828
Audit costs (inclusive of irrecoverable VAT)	11,399	11,289
Other administration costs	-	1,405
Donated services	7,203	10,492
<b>Total</b>	<b>44,620</b>	<b>49,821</b>

## 6. Staff costs

The officers of the Foundation are employed by Nationwide Building Society and assigned to the Foundation for the duration of their employment under the terms of the Framework Agreement between the Society and the Foundation.

The amounts charged as direct staff costs comprised:

	2021 £	2020 £
Salaries	310,883	292,649
Social security	33,087	31,617
Pension contributions	76,514	71,796
<b>Total staff costs</b>	<b>420,484</b>	<b>396,062</b>

## 6. Staff costs (continued)

The average number of persons employed by the Society who acted as officers of the Foundation was 8 (2020: 8). The number of employees of the Society who acted as an officer of the Foundation

receiving emoluments of over £70,000 and less than £80,000 was 1 (2020: 1). All staff receive emoluments, including benefits in kind, in accordance with Nationwide Building Society employment policies. For details of pensions costs see note 1(ix).

The average number of employees during the year was made up as follows:

	2021	2020
Decent Affordable Homes funding strategy	7	7
Governance	1	1
<b>Total</b>	<b>8</b>	<b>8</b>

During the year, the Foundation's employees have worked together on all the Foundation's charitable objectives.

## 7. Net income resources for the year

Net income for the year is stated after charging:

	2021	2020
	£	£
Trustees' expenses	-	828
Auditors' remuneration:		
Audit services - current year	9,495	9,220

None of the trustees / directors received any emoluments in respect of services to the Foundation (2020: nil).

### Trustees' expenses

Trustees' expenses include amounts reimbursed to trustees for out-of-pocket expenses and amounts paid for by the charity to third parties for costs such as travel, accommodation, subsistence and training. Trustees are reimbursed for travel expenses when claimed. During the year, because of travel restrictions, no trustees (2020: 5) received reimbursements of personal travel and subsistence expenditure (2020: amounting to £828).

## 8. Grants payable

The Nationwide Foundation committed to the following grants and received the following repayments during the year in relation to its Decent Affordable Homes strategy.

All grants are made to institutions.

	2021	2020
	£	£
<b>DECENT AFFORDABLE HOMES FUNDING STRATEGY</b>		
Affordable Housing Commission	63,139	32,120
Action with Communities in Rural England	-	(1,791)
Citizens Advice	43,779	87,557
Covid-19 support fund (note i)	69,493	1,897
Decent Affordable Homes - Added Value (note i)	10,231	37,771
Shelter	2,124	-
South of Scotland Community Housing Trust (previously Dumfries)	43,956	44,714

## 8. Grants payable (continued)

East Midlands Community Led Housing	35,500	52,500
Fair Housing Futures	48,449	113,559
Housing Justice	43,680	91,857
Frameworks Institute	-	122,669
Communities Housing Trust (previously HSCHT)	90,000	80,000
Homeless Link	45,000	-
National Housing Federation	42,056	-
Indigo House	1,000	125,277
Tenants Union	25,338	63,344
National Community Land Trust Network	24,100	91,768
National Custom and Self Build Association	-	34,500
Networking and best practice for Tenants' Voice Programme	4,500	1,267
New Economics Foundation	62,468	104,114
Generation Rent	83,156	-
Camden Federation of Private Tenants	37,639	62,732
Housing Rights	52,280	74,010
Living Rent	28,415	28,415
Shelter (Bristol)	40,538	32,052
Test & Learn Fund	-	666,000
The Smith Institute	-	134,875
Town & Country Planning Association	23,356	141,098
University of Huddersfield	10,516	-
University of York	-	204,434
Wales Co-operative Centre	225,081	(3,954)
Knowle West Media Centre	-	220,247
Wellbeing Support Programme	42,000	-
Wessex Community Assets Ltd	47,618	45,406
West Kensington Community Homes Ltd	-	28,000
Young Foundation	-	(12,948)
Zacchaeus 2000 Trust	75,000	50,000
<b>TOTAL GRANTS/(REPAYMENTS)</b>	<b>1,320,412</b>	<b>2,753,490</b>

Note:

- i. Comparatives have been restated to reclassify £1,897 from 'Decent Affordable Homes - Added Value' to 'Covid-19 Support Fund' to align with the current year presentation.

## 9. Taxation

Corporation tax payable for the year ended 31 March 2021 was £nil (2020: £nil).

## 10. Programme related investments

	2021 £	2020 £
<b>Non-current assets</b>		
Wessex Community Assets	-	20,000
Community Land Trust Fund II	42,375	76,243
Communities Housing Trust (previously HSCHT)	59,371	61,895
Community Led Housing Fund	150,000	150,000
	<b>251,746</b>	<b>308,138</b>
<b>Current assets</b>		
Community Land Trust Fund I	2,065	2,065
	<b>2,065</b>	<b>2,065</b>
<b>Total programme related investments at 31 March</b>	<b>253,811</b>	<b>310,203</b>

The Foundation has four ongoing programme related investments:

- Wessex Community Assets was returned undrawn during 2020-21
- Community Land Trust Fund I is due to be repaid during 2021-22
- Community Land Trust Fund II is due to be repaid during 2021-22
- Community Led Housing Fund is due to be repaid during 2025-27
- Communities Housing Trust is due to be repaid over the next 16 years

## 11. Fixed asset investment

	2021 £	2020 £
Balance at 1 April	502,525	-
Additions	-	550,000
Revaluations	119,990	(47,475)
<b>Balance at 31 March</b>	<b>622,515</b>	<b>502,525</b>

The fixed asset investment comprises a common investment fund.

## 12. Debtors

	2021 £	2020 £
Accrued interest	7,201	36,741
Prepayments	7,007	4,378
<b>Total</b>	<b>14,208</b>	<b>41,119</b>

### 13. Creditors

	2021 £	2020 £
<b>Amounts falling due within one year</b>		
Grants payable	587,865	1,223,338
Programme related investment commitments	100,000	183,541
Other creditors	35,824	36,061
Accruals	50,507	78,282
<b>Total</b>	<b>774,196</b>	<b>1,521,222</b>
<b>Amounts falling due after one year</b>		
Grants payable	-	8,261
<b>Total</b>	<b>-</b>	<b>8,261</b>

### 14. Analysis of net assets between funds

	Designated Fund	
	2021 £	2020 £
Fixed assets	874,261	810,663
Current assets	4,128,553	4,459,196
Current liabilities	(774,196)	(1,521,222)
Non-current liabilities	-	(8,261)
<b>Total</b>	<b>4,228,618</b>	<b>3,740,376</b>

### 15. Financial instruments

	2021 £	2020 £
Financial assets measured at amortised cost	4,119,481	4,452,753
Financial assets measured at fair value	622,515	502,525
Financial liabilities measured at amortised cost	774,196	1,529,483

Financial assets measured at amortised cost comprise all cash and cash equivalents and debtor balances excluding prepayments.

Financial assets measured at fair value comprises of a fixed asset investment.

Financial liabilities measured at amortised cost comprise all creditor balances excluding deferred income.

## 16. Designated funds

The designated funds, represented below, are allocated as per the reserves policy described in the Director's Report and as per note 1(vi).

2020/2021	As at 1 April 2020	Incoming resources	Resources expensed	Transferred	Gains and losses	As at 31 March 2021
Decent Affordable Homes strategy:						
Future funds	547,982	2,186,807	-	(1,827,759)	110,828	1,017,858
P2: Uncommitted	-	4,851	(344,358)	624,198	-	284,691
P2: Pledged	2,320,475	(4,851)	(906,561)	57,688	-	1,466,751
Covid-19 support fund	-	-	(69,493)	725,000	-	655,507
Programme related investment	310,203	-	-	(56,392)	-	253,811
P2: Learning & evaluation	11,716	-	(23,110)	11,394	-	-
Running costs	-	-	(465,871)	465,871	-	-
Other designated funds:						
Contingency fund	550,000	-	-	-	-	550,000
<b>Total</b>	<b>3,740,376</b>	<b>2,186,807</b>	<b>(1,809,393)</b>	<b>-</b>	<b>110,828</b>	<b>4,228,618</b>

2019/2020	As at 1 April 2019	Incoming resources	Resources expensed	Transferred	Gains and losses	As at 31 March 2020
Decent Affordable Homes strategy:						
Future funds	1,078,305	2,457,753	(2,753,490)	(187,111)	(47,475)	547,982
P2: Pledged	2,687,964	-	-	(367,489)	-	2,320,475
P2: Programme related investment	203,887	-	-	106,316	-	310,203
P2: Learning & evaluation	161,700	-	(149,984)	-	-	11,716
Running costs	-	-	(448,284)	448,284	-	-
Other designated funds:						
Contingency fund	550,000	-	-	-	-	550,000
<b>Total</b>	<b>4,681,856</b>	<b>2,457,753</b>	<b>(3,351,758)</b>	<b>-</b>	<b>(47,475)</b>	<b>3,740,376</b>

Donated services from the Nationwide Building Society are not included in the designated fund.

## **17. Related parties**

The Nationwide Foundation is an independent charity, set up and funded by Nationwide Building Society (“the Society”). A legal contract called the Framework Agreement sets out the working relationship between the Society and the Nationwide Foundation and encompasses the provision of funds and donated services including office space, technology and other support. All financial donations and donated services are disclosed in the financial statements. The Society can appoint three of ten trustees. In the opinion of the board, there is no ultimate controlling party of the Nationwide Foundation.

All staff and trustees are asked annually to record any conflicts of loyalty or interest and to declare them at the start of each board and committee meeting. For both the years ended 31 March 2020 and 31 March 2021, one related party transaction was registered: One trustee (Saphié Ashtiany), was also a trustee of the Joseph Rowntree Foundation (JRF). In 2019/20 the Nationwide Foundation agreed to jointly fund the Frameworks Institute with JRF with a multi-year grant. The trustee was not involved any decisions relating to the grant paid.

Total aggregate compensation paid to key management personnel (the Chief Executive) amounts to £92,958 (2020: £97,037).

## **18. Post balance sheet events**

In May 2021, a donation of £1,770,000 was received from the Nationwide Building Society. These funds were designated for the Decent Affordable Homes Strategy as per the reserves policy in the Annual Report.