

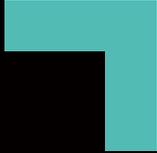
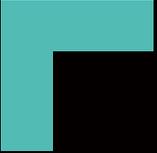
Rothesay

Foundation

A close-up photograph of a bumblebee on a flower, with its head and wings visible. The image is centered within a large white circle that has a thick border. The background of the entire page is a dark red gradient.

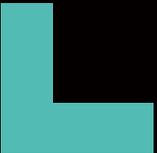
we care

Trustees' Report 2021



Our purpose

Helping to secure
and improve the
quality of life for
older people.





Trustee's report

Chairman's report	01
Mission	02
The Challenge	04
Achievements and performance	05
Charity partners	06
Financial review	07
Reserves policy	11
Key risks and uncertainties	11
Looking forwards	12
Structure and governance	12
Board of Trustees	13
	14



Helping to secure and improve
the quality of life for older people

Ray King
Chairman, Rothesay Foundation



Chairman's report

I am pleased to say that the Rothesay Foundation has made good progress throughout the year, despite the ongoing challenges presented by the COVID-19 pandemic. We have supported a number of charities who have been heavily impacted by the pandemic and we also partnered with Age UK Lambeth and Iceland Foods to launch our 'Lambeth Winter Cheer' campaign, designed to help those older people living in the greatest need in the London borough of Lambeth.

We are pleased with the results of the campaign – which provided pensioners who were solely reliant on the State Pension or benefits with a £30 voucher to help them celebrate over the Christmas period – particularly that it has helped Age UK in Lambeth to make contact with many local people who are in need of the services they provide.

We are very conscious of the cost of living crisis that continues to grow aggressively, particularly driven by greatly increased energy prices and global supply shortages. Accordingly, we plan to significantly expand the roll out of the 'Lambeth Winter Cheer' partnership to a number of other areas in the UK which the Foundation has identified as having high levels of older people living in material deprivation. We are excited about the potential of this local-first approach to create innovative partnerships across the private and charitable sectors which can be mobilised at scale across the country.

We have learnt over the past year that to have the most long-term, positive impact we need to not only provide financial aid to those in need but also to help those organisations dedicated to tackling pensioner poverty to operate as effectively as possible. For this reason, we are increasing the amount of Rothesay staff who will support the Foundation, bringing expertise across operations, digital technology and policymaking. With this team in place, we have the ability to support our charity partners to build and improve their own capabilities for the long term, whether this be their resourcing, internal processes or digital infrastructure. We also know that to achieve positive impact at real scale, we need to raise awareness of the high levels of pensioner poverty in the UK, which is only likely to get worse with the current cost of living crisis, and to help foster greater national debate on how this can be tackled. Through conversations with national media publications who share the Foundation's concerns, we are optimistic that this can be achieved and we look forward to forging new partnerships in this space soon.

Finally, I would like to take this opportunity to give my thanks and warm wishes to our former Chief Executive, Anthony Walters, who left the Foundation in the second half of the year. Anthony's contribution in setting up the Foundation's success has been enormous and he departs having had a real impact on the organisations we have partnered with.

With best wishes,



Ray King
Chairman, Rothesay Foundation
11 May 2022



Mission

The Rothesay Foundation was established in 2019 by Rothesay, the UK's largest pensions insurance specialist. The Foundation was approved as a charity in 2020.

Rothesay is a purpose-built business, dedicated to protecting people's pensions. From its very first day, Rothesay has had a clear purpose: securing the future for every one of its policyholders.

The work of the Rothesay Foundation is rooted in this purpose. The Foundation's mission is to help secure and improve the quality of life for older people in need in the UK, enabling them to live their lives in a happy, safe and fulfilling way. In order to achieve this, the Foundation focuses on tackling material deprivation in the pension-age population in the UK, defined across four key areas:

- **Housing** – ensuring older people have a warm, comfortable home with working facilities.
- **Social** – helping older people to be able to have social interactions, such as travelling to see friends or family.
- **Finance** – supporting older people to pay their bills or unexpected costs, such as replacing essentials.
- **Basic** – providing essential services such as three healthy meals a day, access to a telephone or suitable clothing.

The Foundation partners with charities and other organisations to make this possible. It takes an 'active funding' approach to its partnerships, providing financial donations along with:

- **Expertise** – our understanding of scaling organisation and programme delivery.
- **Data & technology** – to help our partners have the most up-to-date technology so that they can effectively manage their data and reach more people in need, more efficiently and with a wider range of services.
- **Awareness & research** – so that the issue of pension-age poverty in the UK is better understood.
- **Measurement** – to ensure the Foundation's funding is having the highest amount of positive impact possible.

The Challenge

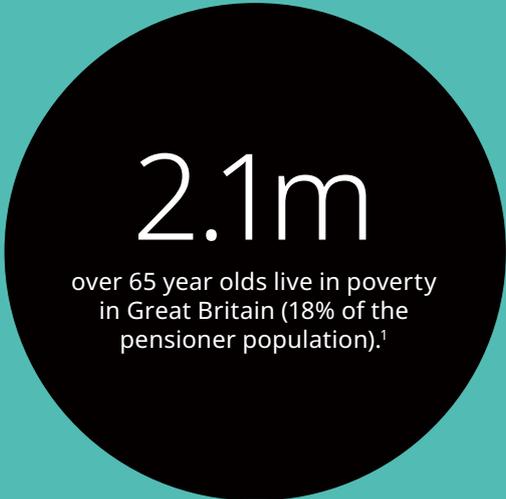
Understanding the poverty crisis among UK pensioners.

In 2030, 19.6 million people in the UK will be aged 60 and older, an increase of 24% from 2018. According to the UK Office for National Statistics, one in five people (21.8%) in 2030 will be 65+ years, 6.8% will be 75+ and 3.2% 85+.

Within the context of an increasingly ageing population, the UK is also seeing growing numbers of older people living in poverty. The Government's households below average income statistics show that 2.1 million pensioners are living in poverty after housing costs, almost a fifth of the entire UK pensioner population. This number has grown from the previous year by 200,000 more people, the largest number of pensioners living in poverty in more than 15 years.

With rising costs of living being experienced across the UK, the number of pensioners living in poverty is likely to continue to increase with the health and well being of older people further impacted.

Helping to secure and improve the quality of life for the UK's older generation has never been more important. To do so will require long-term smart thinking supported by new types of partnerships and systems of support.



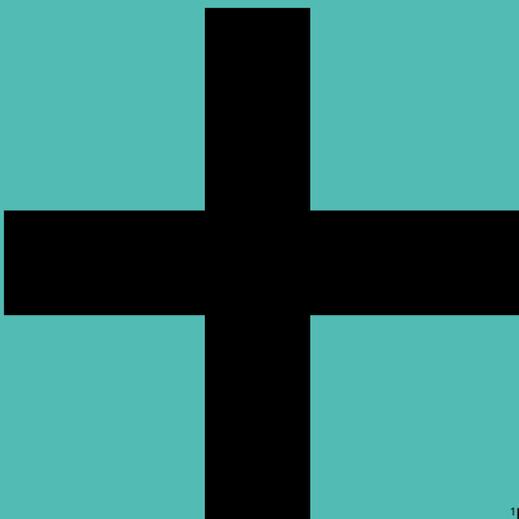
2.1m

over 65 year olds live in poverty in Great Britain (18% of the pensioner population).¹



200,000

more pensioners were living in poverty in 2019/20, compared to the year before, the highest number in 15 years.



¹Households below average income: for financial year ending 1995 to 2020, DWP, 2021.

Achievements and performance

Following an extensive analysis of over 3,000 UK charities and foundations which have a focus on supporting the elderly, the Rothesay Foundation produced a shortlist of organisations to which we believed we could provide the most valuable support.

Much of this support has focused on helping those charities which have been doing important work but were in urgent need of funds due to the COVID-19 pandemic, either because the costs of delivering their services had significantly risen or their usual funding structures were impacted.

During the year, the Foundation has also engaged extensively with a range of charities and other organisations to understand how we could best partner with them to help older people living in material deprivation. We found that, beyond funding, organisations could also benefit from support in coordinating their work with other charities or local service providers. They also needed help in raising awareness of the need for the support they provide, along with improved technology to more effectively deliver their services and measure their impact.

In order to better understand where the Foundation could have the most impact, we launched a pilot campaign in the London borough of Lambeth called 'Lambeth Winter Cheer'. Partnering with Iceland Foods and Age UK Lambeth, the campaign was designed to support the 8,000 older people the Foundation had identified as living in poverty in the Lambeth area over the festive period.

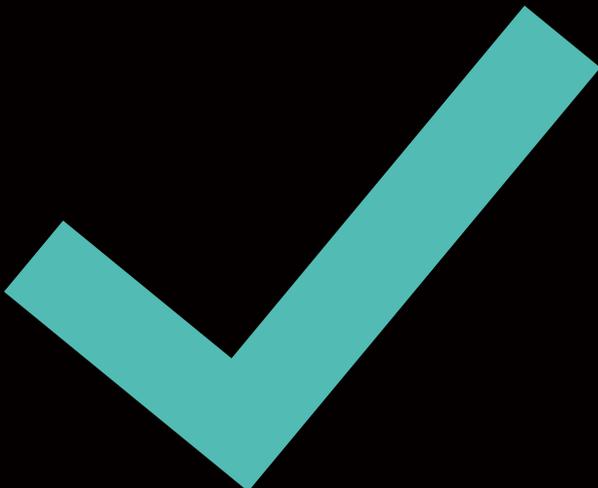
The campaign ran throughout the whole of December 2021 and in to January 2022, providing eligible residents with a £30 Iceland gift voucher to spend in one of seven local Iceland stores. Age UK Lambeth provided a telephone hotline so that older people who relied purely on a State Pension or benefits could call them and then be sent a voucher, helping to make it easier for them to celebrate over the Christmas period.

In total, the Lambeth Winter Cheer campaign helped 2,017 older people living in deprivation in Lambeth. Importantly, it also increased the number of people aware of Age UK's local Lambeth branch, and the support services it offers, by over two thirds.

As the cost of living crisis in the UK continues to grow, the Foundation plans to increase its activity to tackle pensioner poverty in the following ways:

- Significantly expanding the roll out of the 'Lambeth Winter Cheer' partnership to a number of other areas in the UK which the Foundation has identified as having high levels of older people living in material deprivation.
- Increasing the number of charity partners we work with, helping them to operate as effectively as possible. This includes helping them to improve their own capabilities for the long term, such as their resourcing, internal processes and digital infrastructure.
- Providing our charity partners with access to Rothesay's commercial expertise, where appropriate. Currently, this includes providing partners with access to our data management tools and training.
- Launching a partnership with a national media publication to raise awareness of the high levels of pensioner poverty in the UK and to help foster greater national debate on how this can be tackled.
- Significantly increasing this year's total donation amount to our partners as compared to last year's in line with our five-year plan.

To achieve this level of activity, we are increasing the amount of Rothesay staff who will support the Foundation, bringing expertise across operations, digital technology and policymaking.



Charity partners



Lambeth Winter Cheer – partners

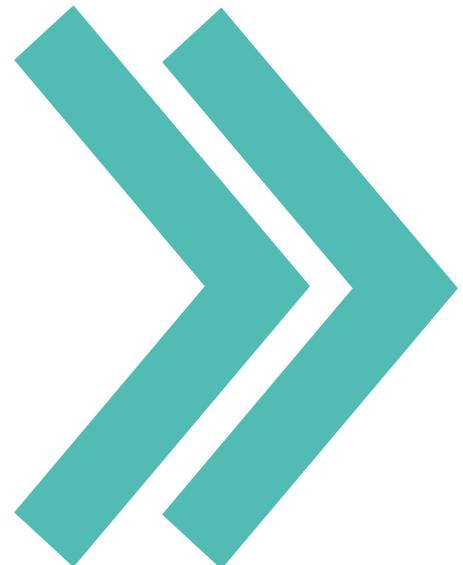


Age UK Lambeth is an independent local charity that has worked in the community to help older people, their families and carers for over 70 years. Their mission is to support older people in Lambeth to live enriched, productive and purposeful lives but challenging the stigma of ageing, reducing social isolation and ensuring they get the right support at the right time.

Iceland

Iceland is recognised as the UK's leader in frozen food and operates over 950 stores across the country, together with a multi-award-winning online shopping service. It prides itself on being a convenient and friendly place to do the family's weekly shop, as well as meet everyone's daily top-up shopping needs for fresh, chilled, frozen food and groceries. For more than 20 years Iceland has also offered a unique, free home delivery service for in-store purchases.

Always committed to doing the right thing for customers, communities and the environment, Iceland was a pioneer in removing artificial colours, flavours and non-essential preservatives from its own label food in the 1980s, and in banning genetically modified ingredients in the 1990s. In 2018 it committed to becoming the first major retailer, globally, to eliminate plastic packaging from all of its own label products by the end of 2023, and to remove palm oil as an ingredient from its own label range by the end of 2018.



Our partners & charities



The Rothesay Foundation is supporting Food Train with a £380,000 grant over two years from September 2020. These funds will facilitate expansion to the remaining 23 council districts of Scotland where Food Train is not currently operating, delivered by:

- A new team of four supported by the Food Train Head Office.
- A new digital platform that will facilitate the integration and management of Food Train's logistics and supply chain.

Today an estimated 10% of older people living in Scotland suffer from malnutrition and 4% need some form of ongoing care or support.

Since 1995, Food Train has been making daily life easier for older people, providing vital services to those who are no longer able to manage independently, through age, ill health, frailty or disability. Food Train makes hundreds of grocery deliveries every week, ensuring those most in need have access to fresh groceries. In 2021, they made 69,700 deliveries, sometimes seeing demand over 80% higher than pre-COVID-19.

The Rothesay Foundation will continue to support and learn from Food Train as they expand their shopping service model in Scotland and develop their new technology platform. These learnings will be applied across the Foundation's other charitable initiatives wherever possible.



£380,000

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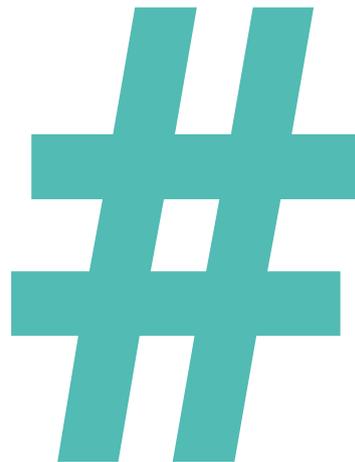


The Rothesay Foundation awarded an emergency one year grant of £250,000 (payable in two instalments) to enable GoodGym to deliver essential practical and social support to older and vulnerable people throughout the COVID-19 pandemic. The grant supports their network of 20,000 volunteers in 59 locations across the UK and enabled them to:

- Maintain deliveries during the outbreak.
- Protect key staff roles.
- Emerge strong as restrictions are lifted.
- Continue covering food costs for those unable to afford them.

The Rothesay Foundation funding allowed GoodGym to maintain their focus on supporting vulnerable older people by delivering food, prescriptions and other essential services. During the first national lockdown, volunteer members completed 16,985 'missions' including delivering food and prescriptions and providing hospital discharge support to older people. It has also allowed them to on-board and complete background checks for new members.

The Foundation will continue to work with GoodGym to understand and improve their delivery model, including how they might integrate a shopping/food delivery service into their technology platform.



£250,000

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Financial review

The Foundation is funded from donations from the Rothesay Limited Group. Total income for the year consisted of donations and donated services of £257,000 (2020: £2,586,000). Expenditure in the year was £315,000 (2020: £323,000) which comprised the second year grants to the charities described on the previous page, Food Train £190,000 and GoodGym £125,000 (2020: Food Train £98,000, GoodGym £125,000 and SafeLives £100,000).

Reserves policy

At 31 December 2021 the Foundation had net assets of £1,862,000 (2020: £2,177,000). These are held as cash.

The Trustees do not have a formal reserves policy. The Foundation operates from donations from the Rothesay Limited Group and the Trustees will not commit their resources beyond the level of donations received. The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern due to the commitments made and support provided by the Rothesay Limited Group.



Key risks and uncertainties

Given the net assets of the Foundation and the support provided by the Rothesay Limited Group, there are no material risks and uncertainties in relation to the ongoing operation of the Foundation. The main risks therefore relate to the effectiveness of the charities to which grants are being made. This risk is managed by the Trustees through comprehensive analysis of the potential charity partners and active engagement once the Foundation has committed to providing grants.

Looking forwards

The Trustees will continue to develop the Foundation's 'active funding' approach, providing financial donations to the organisations it works with along with other types of non-financial support. Based on the learnings from the Lambeth 'Winter Cheer' campaign, the Trustees will also explore new ways in which the Foundation can bring together the charitable and commercial sectors to create innovative partnerships, while refining the 'Winter Cheer' operating model so that it is scalable at a national level.

The Trustees also plan to appoint further independent Trustees to bring complementary skills and experience for the Foundation.

Structure and governance

The Rothesay Foundation is a registered charity (number 1189490) and was incorporated (company number 12263987) on 15 October 2019. It is governed by its Memorandum and Articles of Association dated 15 October 2019 as amended by special resolutions dated 29 April 2020 and 20 May 2021. The Foundation operates with support from the Rothesay Limited Group.

The Trustees of the Foundation since 1 January 2021 and as at the date of this report are as follows:

- Ray King
- Professor Dame Carol Black
- Addy Loudiadis
- James Dickson

Further details on the current Board of Trustees can be found on the following page.

Board of Trustees



**RAYMOND (RAY)
KING**

CHAIRMAN OF
TRUSTEES

Ray King is a Non-Executive Director of Rothesay, having stepped down as Chairman in December 2017. Ray ended his executive career as Group CEO of Bupa, having previously been Finance Director. Earlier in his career he held senior management roles at Diageo/Guinness plc, Southern Water plc and ICI plc.



**PROFESSOR
DAME CAROL
BLACK**

Professor Dame Carol Black is currently Chair of the British Library, the Centre for Ageing Better, and Think Ahead, the Government's fast stream training programme for Mental Health Social Workers. She co-chairs NHS England/Improvement's Expert Advisory Group on Employee Health and Wellbeing. She is a member of RAND Europe's Council of Advisers, and of the Boards of the Institute for Employment Studies and UKActive. In 2022 she was appointed Independent Adviser to the Government on combatting misuse of drugs.



**ANTIGONE
(ADDY)
LOUDIADIS**

Addy Loudiadis is Rothesay's founder and Chief Executive Officer. Addy established Rothesay in 2007 as a business purpose-built to protect pensions. Addy was previously a partner of Goldman Sachs and served as the co-head of the Investment Banking Division in Europe. Before moving to investment banking, she was head of European Fixed Income Sales at Goldman Sachs. Addy sits on the Board of the Association of British Insurers.



**JAMES
DICKSON**

James Dickson is Rothesay's General Counsel. He joined Rothesay in 2009 and is responsible for the legal function and execution team. Prior to joining Rothesay, James was at Linklaters for 15 years (11 years as a Partner) specialising in structured finance.

Rothesay

Foundation

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