

Cour des comptes



# THE FONDATION ABBÉ PIERRE

2015-2016 to 2019-2020  
fiscal years

Organisation funded by public charity

October 2022

# Executive Summary

## **The Fondation Abbé Pierre carries out its social mission to protect the poorly housed**

The “Fondation Abbé Pierre pour le logement des défavorisés” created in 1990, is a member of the Emmaüs movement which brings together the organisations affiliated to the Emmaüs France federation in France. Its links with the latter are organic and financial. They are a particular feature of the foundation landscape. It was previously audited by the Court of Accounts in 2006, without any major criticism.

The Abbé Pierre Foundation benefits from an unwavering reputation inherited from the fight led by its founder, a defender of the reception and housing of disadvantaged or desocialised persons. The foundation is dedicated to an ambitious stated purpose, as the issue of housing mobilises processes that are long and complex to implement.

Recognised as a public-interest organisation since 1992, the foundation has developed day care and boarding facilities whose financial arrangements, which take full advantage of public aid for housing, have become models. These arrangements have been taken over by non-profit organisations to provide, in conjunction with building organisations, reception and accommodation facilities which they then manage. The Fondation Abbé Pierre certifies structures that respect its charter for each type of accommodation and has thus created a network that it runs.

Initially designed to build and rehabilitate housing, the foundation’s programmes have gradually been extended to the fight against fuel poverty and unhealthy living conditions. Almost five hundred partners are responsible for construction and rehabilitation, and form a network maintained and run by the foundation’s nine regional agencies.

The Foundation has strengthened legal aid to defend the rights of persons to remain in housing and to live decently. It has included owners of run-down co-ownerships in difficulty (including in rural areas) in the scope of the population it supports, and has extended its scope of action, on the occasion of the SARS-Cov-2 health crisis, to access to hygiene, health and food.

The foundation’s actions give it a broad social role, at the crossroads of public policies (housing, health, social, etc.), for the benefit of housing disadvantaged persons.

## **It does not sufficiently exercise the internal audits necessary for its own protection**

In the name of its founder, the foundation sets out the principle of investing as much as possible in concrete actions falling under its social missions. However, insufficient attention to support functions and risk prevention weakens its governance. Furthermore, the foundation has shown a certain reluctance to take into account the warnings and recommendations reproduced year after year by the “Don en confiance (Donate with Confidence)” charter committee and by its auditor. Audits are insufficient, with the risk of placing the institution in an insecure situation. The foundation is a member of the Emmaüs France federation. The obligations attached to this membership sometimes place it in a delicate legal situation, with consequences that have not been sufficiently considered, whether it be the management of legacies, the joint collection organised with Emmaüs Solidarity or the aid granted to the Emmaüs France federation for living quarters for the companions.

Similarly, until recently, the Fondation Abbé Pierre had not taken stock of its responsibilities in terms of personal data protection, and was thus exposing itself to a breach of its obligations. Finally, it is only now becoming aware of the need to have a system for preventing and dealing with conflicts of interest.

Its search for innovative solutions led it at the end of 2014 to create, jointly with AG2R La Mondiale, a solidarity investment company, SOLIFAP. The foundation's intention was to have a company capable of providing, in addition to its property function, support for associations in project engineering and assistance in granting loans. While the foundation and its subsidiary should have full decision-making autonomy in relation to each other, it was found that the two entities were not fully separated. The analysis also reveals a practice of selling certain properties held by the foundation in high demand areas at a discount, to the benefit of this subsidiary, which is jointly owned with private investors. If this scheme is intended to provide a sufficient return to attract private capital to the corresponding operations, and thus to give leverage to the foundation's actions, such discounts must necessarily be strictly regulated and capped.

### **The foundation has stepped up its advocacy work**

Advocacy, including proposing amendments and denouncing the inadequacies of housing policies, is considered to be an integral part of the foundation's vocation, and it intends to develop this role beyond national borders within the European Union. One of the vehicles for this advocacy is the annual report on the state of poor housing (RML), which has a considerable audience. The proportion of resources devoted to this advocacy mission has increased significantly in recent years, which should be made clear to donors and could more generally encourage the foundation to reflect strategically on the weight it intends to give to operational action in any case.

Moreover, having become a key player in the housing of disadvantaged persons, the foundation submits legislative proposals to members of parliament without having, until 2021, requested its registration in the directory of interest representatives kept by the High Authority for Transparency in Public Life (HATVP).

## Summary of recommendations

1. Strengthening the necessary skills in internal control and risk management as well as in legal matters within the foundation by developing the specialist monitoring function.
2. Introducing, upon appointment, declarations of interest and a deferral mechanism for directors and candidates for directorships and defining the procedure for monitoring them.
3. Giving priority, in financial communications to donors, to the ratio of social missions, calculated so as to relate to the total amount of uses financed by public generosity, recorded in the income statement, the total amount of uses in social missions, financed by the same source.
4. Excluding from the ERC of the Fondation Abbé Pierre, in resources as well as in uses, the sums paid to the Emmaüs Solidarité association in accordance with the mandate given by the latter to the foundation, and which should be mentioned both in the calls for donations and in the prior declarations.
5. Updating the by-laws of the foundation to include the new fields of intervention.
6. Ensuring that the Foundation is completely separate from SOLIFAP, and monitoring the discounts granted by foundation when property is sold to it.