



# 2018: A YEAR IN FUNDRAISING



# CONTENTS

Introduction	4
Individual Giving	6
Around the UK	8
Experience of Charities and Fundraising	10
Corporate Giving	12
Major Gifts and Philanthropy	14
Trusts and Foundations	16
Lotteries and Payroll Giving	18
Legacies	20
Events Fundraising	22
Gift Aid	24
Contactless and Technology	26

# INTRODUCTION



**Welcome to this,  
the first ever edition  
of IoF's Year in  
Fundraising.**

We are aiming to give you a quick overview of some of the key data relevant to the

fundraising community that has been published over the last year. There is more out there than we can fit in here, but I hope it gives an overall picture of fundraising around the UK, and provides some key reference data and insight. Do let us know if there is other key data you would like us to include in future years. And a big upfront thank you to all of the organisations and sources we signpost and reference.

2018 has seen charities once again tested in the political and media spotlight, with questions about the ethics and behaviours at the heart of many discussions with politicians, regulators, and trustee boards. The international safeguarding scandal understandably concerned governments and the public; charities have responded strongly, and donors themselves have proved incredibly loyal, showing the true depth of trust donors have in the causes they support.

We've also had the biggest changes to data protection regulation in years with GDPR coming into force in May. This rightly demanded a huge amount of focus in the fundraising community as charities not only put in place essential changes to get this right, but used this as an opportunity to really focus on the best way to engage and inspire their supporters and the wider general public.

This has of course all taken place against the backdrop of the political and economic uncertainty of Brexit, and the social and economic divides that lie beneath that turmoil. In this context, the continued generosity of the public, foundations and companies around the UK is surely something we should really celebrate.

But we cannot take that generosity for granted, nor should we. We need to retain our focus on inspiring our supporters, and providing the best possible experience for them. It means continuing to invest in innovative and creative

ways to engage new people and organisations in our causes.

And whilst being ambitious about raising more money for our causes year on year, we need to be realistic about what's achievable in the short term. We need to make sure we, and our CEOs and Trustees, understand the realities of the external environment. Now is perhaps the time to think longer term about what we really want to achieve, and how we want to get there. It is perhaps a time to really understand what motivates our supporters, what keeps them loyal to our causes, and what really inspires them to give.

That doesn't mean we shouldn't try to capture the public mood, excite and engage people in ever more creative campaigns - we clearly should. But we also need to ensure we invest appropriately in developing and nurturing those relationships that will pay dividends in the longer term.

We must also seek out and embrace more systemic opportunities. We know that our profession is not as equal, diverse or inclusive as it should be. We are committed to changing this. All the evidence shows more diverse fundraising teams will make better decisions, as well as lead to better engagement with the ever-growing diversity of the UK population.

We know excellent fundraising works, not just to bring in vital funds for our causes, but to engage people more widely in our causes. And while embracing the new, we absolutely have to remember the basics. Everything we do has to reflect the values of our causes. We need to continue to demonstrate our trustworthiness - telling donors what we will do with their support, thanking them for it and then reporting back to them on what they have achieved.

If we do all of the above, I am sure the fundraising community will go from strength to strength, continuing to raise those vital funds that enable charities around the UK to make the world a better place.

**Peter Lewis**  
**Chief Executive**  
**Institute of Fundraising**

# INDIVIDUAL GIVING

- 
- 1 CAF, UK Giving 2018: [www.cafonline.org/about-us/publications/2018-publications/uk-giving-report-2018](http://www.cafonline.org/about-us/publications/2018-publications/uk-giving-report-2018)
  - 2 Blackbaud and IoF, The Status of UK Fundraising – 2018 Benchmark Report: <https://www.institute-of-fundraising.org.uk/library/the-status-of-uk-fundraising-2018-benchmark-report/>
  - 3 Salesforce.org, Nonprofit Trends Report: <https://www.salesforce.org/nonprofit/nonprofit-trends-report-download/>
  - 4 IoF, Achieving Excellence in Public Fundraising: <https://www.institute-of-fundraising.org.uk/library/achieving-excellence-in-public-fundraising/>
  - 5 Blackbaud, The Next Generation of UK Giving: <http://hub.blackbaud.co.uk/npinsights/next-generation-of-uk-giving>

Total amount of donations from people increased to **£10.3 billion** from £9.7bn in 2016.<sup>1</sup>

A majority of charities rank individual giving as their greatest source of income.<sup>2</sup>

**No.1**

Proportion of total donation amount received by top 3 cause areas in 2017:

**19%**

Religious organisations

**12%**

Overseas aid and development

**8%**

Animal welfare; Medical research; Hospitals and hospices<sup>1</sup>

Demand for services continues to rise faster than donations:

**77%**

of non-profit leaders report an increase in demand for programmes and services.

**43%**

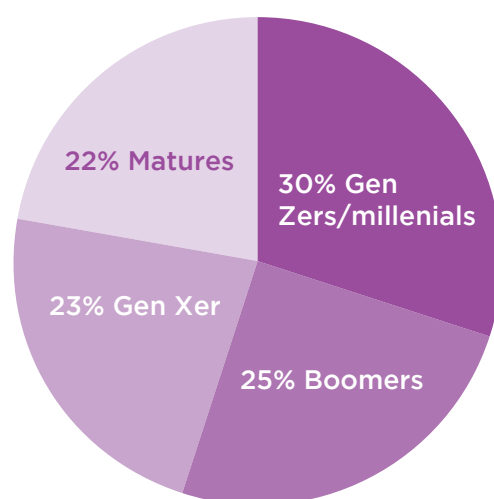
report an increase in donation volume.<sup>3</sup>

**864,500**



people from around the UK set up a direct debit to charity in 2017/18 following a conversation with a public fundraiser.<sup>4</sup>

Of reported total giving, younger generations say they give more than older age groups.<sup>5</sup>



# AROUND THE UK

- 
- 1 NICVA, State of the Sector: <http://www.nicva.org/stateofthesector/giving>
  - 2 NCVO, UK Civil Society Almanac 2018: <https://data.ncvo.org.uk/category/almanac/voluntary-sector/introduction/>
  - 3 CAF, Scotland Giving 2018: <https://www.cafonline.org/about-us/publications/2018-publications/scotland-giving-2018>
  - 4 WCVA, Third Sector Data Hub: <https://www.wcva.org.uk/what-we-do/the-third-sector-data-hub>



## NORTHERN IRELAND

The average mean donation was £22.20 (in 2016), and income overall from the general public was £53m (2014/15).<sup>1</sup>

**6,126**

Voluntary organisations in Northern Ireland

**£617.8m** total annual income<sup>2</sup>

## WALES

35% of the income for Welsh charities in 2015/16 came from public giving, with an estimated £130.5m in donations from individuals and another £26.5m in legacies.<sup>4</sup>

**7,013** voluntary organisations in Wales

**£1.2bn** total annual income<sup>2</sup>

## SCOTLAND

Gave an estimated £1.2 billion to charity in 2017, a large increase from the estimated £813 million donated in 2016.

Scotland accounts for 11.8% of all UK charitable donations, while representing 8.4% of the UK's population.<sup>3</sup>

**19,357**

voluntary organisations in Scotland

**£3.9bn**

total annual income<sup>2</sup>

## ENGLAND

**133,505** charities in England

**£19.6bn** voluntary income

**£42bn** total annual income<sup>2</sup>



## ACROSS THE UK

- The UK voluntary sector workforce has increased by 4% since June 2016.
- **880,556** people worked in the voluntary sector in June 2017.
- **11.9 million** people formally volunteered once a month in 2016/17.<sup>2</sup>

# EXPERIENCE OF CHARITIES AND FUNDRAISING

- 
- 1 CAF, UK Giving 2018: <https://www.cafonline.org/about-us/publications/2018-publications/uk-giving-report-2018>
  - 2 Charity Commission, Trust in Charities 2018: <https://www.gov.uk/government/publications/trust-in-charities-2018>
  - 3 NfpSynergy, Trust in Charities 2017: <https://nfpsynergy.net/free-report/trust-charities-2017>
  - 4 IoF, Improving the Donor Experience: <https://www.institute-of-fundraising.org.uk/guidance/research/improving-the-donor-experience/>
  - 5 YouGov, Love Charity Research 2018 – Shaping the future of fundraising: <https://lovecharity2018.com/>
  - 6 IoF, Insights into Charity Fundraising: <https://www.institute-of-fundraising.org.uk/library/insights-into-charity-fundraising-final-report/>



Half the UK population (51%) believe that charities are trustworthy.<sup>1</sup>



Trust in charities has not fallen relative to other sectors. In fact, it has moved up one 'rank' since 2016.<sup>2</sup>

70%  
VS  
40%

People who support charities report higher levels of trust than those who don't.<sup>3</sup>



58% of people believe that charities play an essential or an important role in society today.<sup>2</sup>

## DONOR EXPERIENCE



74%

of charities said that building great donor experiences with the aim of satisfying donors is the bedrock of their fundraising and communications.<sup>4</sup>



45% of people trusted charities more knowing that they are regulated.<sup>2</sup>



58% of British public love at least one charity.<sup>5</sup>



77% of Britons plan to give the same or more to good causes despite media coverage of bad practice.<sup>3</sup>

## POSITIVE IMPACT OF FUNDRAISING:

63% of people take additional positive actions as a result of donating to charity.

43% have changed their behaviour or felt better or more positive as a result of donating in the past.

74% of those who have given to charity rated their last donation experience as good or very good.<sup>6</sup>

# CORPORATE GIVING

- 
- 1 NCVO, Civil Society Almanac 2018, <https://data.ncvo.org.uk/almanac18/>
  - 2 CAF, Corporate Giving by the FTSE 100: <https://www.cafonline.org/about-us/publications/2018-publications/corporate-giving-by-the-ftse-100>
  - 3 NPC, Building more impactful corporate-charity partnerships: <https://www.thinknpc.org/resource-hub/building-more-impactful-corporate-charity-partnerships/>
  - 4 More Partnership, From Transactional to Transformative: The Future of Corporate Partnerships: <https://www.morepartnership.com/library.html>

# Corporate sponsorship was worth **£361.9 million** in 2015/16.<sup>1</sup>

Overall combined % of pre-tax profit donated has increased due to a handful of companies giving more

**UP TO 2.4%** in 2016 since 2009 

Total donations by the FTSE 100

**DOWN TO £1.9bn** in 2016 

Pharmaceutical, basic materials and healthcare companies lead charitable giving

**ACCOUNTING FOR 55%** of donations in 2016<sup>2</sup>



**Almost two thirds (61%)** of FTSE 100 companies belong to consumer services, industrials or financials, but these companies account for only 27% of all donations.<sup>2</sup>



**Donations and gifts in kind from the corporate sector were worth over**

**£1bn** in 2015/16.<sup>1</sup>



**41% of charities** expect to be partnering more with private sector organisations over the next three years.<sup>3</sup>



**There has been a 13% increase** in the number of NGOs investing in or securing resources from partnerships in the £5m to £10m value range.<sup>5</sup>



**70%** of donations made by corporates to charities are under £5,000.<sup>3</sup>

# MAJOR GIFTS AND PHILANTHROPY

- 
- 1 Sunday Times and CAF, Giving List 2018: <https://www.cafonline.org/my-personal-giving/long-term-giving/sunday-times-giving-list-2018>
  - 2 nfpSynergy, Major Donor Giving Research Report An updated synthesis of research into major donors and philanthropic giving: <https://nfpsynergy.net/free-report/major-donor-giving-research-report-updated-synthesis-research-major-donors-and#downloads>
  - 3 Coutts, Million Pound Donors Report 2017: <https://www.coutts.com/insight-articles/news/2017/million-pound-donors-report-2017.html>

# Britain's wealthiest gave around **£3.207 billion** to charitable causes in 2017.<sup>1</sup>



## £15bn

in large gifts over £1 million has been donated in the UK over the past decade.<sup>3</sup>

**913** different organisations received at least one 'million-pound donation' during the 10 years.<sup>3</sup>

**62%** increase in the number of organisations benefiting from giving at this level (from the years 2007 to 2016).<sup>3</sup>

**355** separate donations worth £1m or more were given in 2017 to 267 organisations (up from 298 donations in 2014).<sup>3</sup>

Of major donors that stopped supporting some causes:

**72%** had found new causes.

**48%** felt the charity no longer needed their support.

**24%** were not satisfied with how the charity used their donation.

**14%** felt the organisation did not communicate appropriately.<sup>2</sup>

## REASONS FOR MAJOR DONORS DECIDING WHICH REQUESTS TO CONSIDER:

**74%** 'feeling that my money will make a difference'.

**74%** 'being already interested in the cause'.

**73%** 'if it fits with my predetermined giving objectives'.

**69%** 'being asked by someone I know and respect'.<sup>2</sup>

# TRUSTS AND FOUNDATIONS

- 
- 1 Association of Charitable Foundations, Giving Trends: <https://www.acf.org.uk/policy-practice/research-publications/foundation-giving-trends-2018>
  - 2 Coutts, Million Pound Donors Report 2017: <https://www.coutts.com/insight-articles/news/2017/million-pound-donors-report-2017.html>




Total grant-making through different kinds of charitable foundations has been estimated at **£6.5 billion.**<sup>1</sup>

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**£3.3 billion** in grant-making was awarded by the Top 300 grant-makers in 2016/17 – a new high point.<sup>1</sup>

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 There were big increases by a few larger foundations due to substantial real growth of 10.9% in grants.<sup>1</sup>

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**Grant-making** comprised around **72% of all foundation spending in 2016/17** and has grown by almost one-third, or **£1 billion**, since 2012/13.<sup>1</sup>

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Total spending by the Top 300 foundations rose by 8.2% to **£4.5 billion.**<sup>1</sup>

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**63%** of foundations saw a real increase in grant-making last year. But 36% saw a real fall in the value of their grant-making.<sup>1</sup>

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Top 300 foundations spent 8% of their total expenditure on 'direct charitable expenditure' (i.e. their own programmes). This has varied little over the last 6 years.<sup>1</sup>

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Foundations were the top recipient of major donor funds by value over the 10-year period, with a total of **£5.16bn** (beating higher education by around **£365.5m**). Foundations were the primary recipient of donations from individuals, receiving almost half of these donations and 70% of their total value.<sup>2</sup>

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# LOTTERIES AND PAYROLL GIVING

- 
- 1 Gambling Commission, Industry statistics: <https://www.gamblingcommission.gov.uk/news-action-and-statistics/Statistics-and-research/Statistics/Industry-statistics.aspx>
  - 2 Association of Payroll Giving Organisations: <https://www.apgo.org.uk/payroll-giving-increases-by-3-5-million-in-2017-18/>



# £1.5 billion

in National Lottery contributions to good causes in 2017/18, a 1.5% increase on the previous year – £38bn has been raised for good causes since its launch in 1994.<sup>1</sup>

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# £296 million

was raised for good causes by society lotteries in 2017/18, a 15.7% increase on the previous year.<sup>1</sup>

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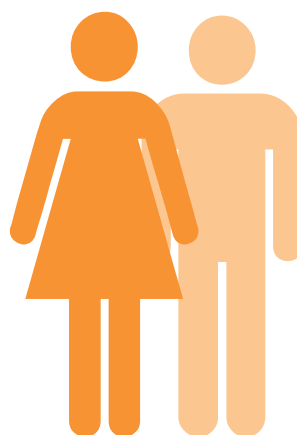
Donations raised via Payroll Giving have increased by **£3.5**

**million** compared to the previous financial year.<sup>2</sup>

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Over 1 million people give to charities through Payroll Giving.<sup>2</sup>



Donations by employees reached **£133 million** in 2017/18 compared to **£131**

million in 2016/17.

Employer matching increased from **£7 million** in 2016-17 to **£8.5 million** in the past financial year.<sup>2</sup>

# LEGACIES

- 
- 1 Smee & Ford, Legacy Trends 2018: <https://smeeandford.com/whitepaper/post?pitem=legacy-trends-2018>
  - 2 Legacy Foresight: <https://www.civilsociety.co.uk/news/legacy-income-stalls-in-last-six-months.html>
  - 3 Meg Abdy, in Civil Society <https://www.civilsociety.co.uk/voices/meg-abdy-key-facts-and-trends-in-today-s-legacy-market.html>
  - 4 Coop Legal Services: <https://www.co-operative.coop/media/news-releases/the-generous-generation-co-op-reveals-increase-in-the-value-of-legacies>



Legacy income is between

# £2.8-2.9 billion

an increase of £37.8 million on the previous year and the largest amount ever reported.<sup>1</sup>



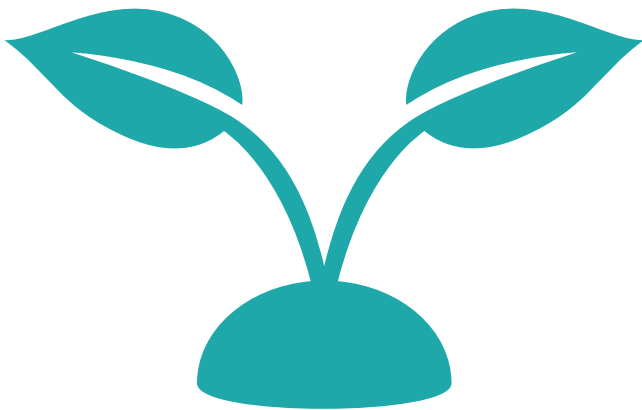
Legacy income for the year to the end of June 2018 increased by 4.5% on the previous year,

thanks largely to solid growth over the course of 2017.<sup>2</sup>



## 10,000

gifts are responsible for 8% of the whole sector's voluntary income.<sup>3</sup>



The legacy market is growing – 15.6% of the value of charitable estates (donor wealth) went to charities in 2017, up from 14.4% in 2012 and 12.2% in 2007.<sup>1</sup>

### The financial value of gifts being left to charity has increased by over 30% in the last 12 months.

While cancer charities remain at the top, animal charities are continuing to rise in popularity, receiving almost a quarter (23% of all legacy gifts). A tenth (11%) of legacy gifts have been pledged to local causes.<sup>4</sup>

# EVENTS FUNDRAISING

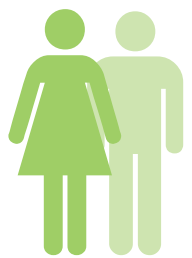
- 
- 1 IoF, Closing the Loop: <https://www.institute-of-fundraising.org.uk/library/closing-the-loop/>
  - 2 Civil Society: <https://www.civilsociety.co.uk/news/london-marathon-raised-a-record-63-7m-for-charity-in-2018.html>
  - 3 massive, The massive Top 25: <http://www.wearemassive.co.uk/insight/mass-participation-top-25-2/>



# 87%

of organisations have seen fundraising from events increase or stay the same, with charities reporting that sporting, corporate and community events produce the most income.<sup>1</sup>

For a quarter of organisations, events account for between 25-50% of overall annual income – for a third of charities, events account for between 15-25%.<sup>1</sup>



# 92%

of event participants would consider supporting the same

charity again. Over a quarter (26.1%) would consider giving donations related to one-off appeals and nearly 1 in 5 would consider volunteering or becoming a regular donor.

# 87.9%

of event participants said that they were thanked by the charity after the event.<sup>1</sup>



A record £63.7m was raised by runners at the London Marathon in 2018.<sup>2</sup>

## MASS FUNDRAISING



There has been a fall in income for only the second time in the history of the top 25 biggest

and most successful mass participation fundraising events. **The total income from established mass participation events fell by £4m to £135.5m in 2017.**

The product lifecycle of the event can be a factor for the fall – it typically affected those events around 24 to 27 years old – rather than a drop in appetite for mass participation.<sup>3</sup>

# GIFT AID





## Charities received **£1.26 billion** in Gift Aid in 2017/18.<sup>1</sup>

**1/3** of donations eligible for Gift Aid did not have it included – **a loss of £560m a year in potential extra funding.**<sup>1</sup>

**Donor awareness of Gift Aid is high, with 88% stating that they had heard of the scheme:**

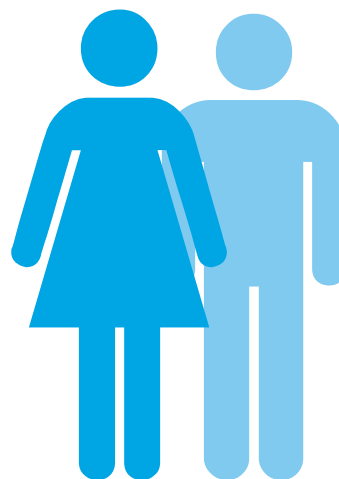


- 26%** have a 'good' understanding.
- 33%** have a 'fairly good' understanding.
- 30%** have a 'fairly poor' understanding.
- 11%** have a 'poor' understanding.<sup>1</sup>



**Higher-rate relief on Gift Aid and covenants for individuals in 2016/17 stayed flat at**

**£490m.** Individuals got £70m in reliefs on gifts of shares and property, also the same as in the previous year.<sup>1</sup>



**Of the individuals eligible to add Gift Aid to donation, only 12% always do so and 18% never do.**<sup>1</sup>

# CONTACTLESS AND TECHNOLOGY

- 
- 1 CAF, UK Giving 2018: <https://www.cafonline.org/about-us/publications/2018-publications/uk-giving-report-2018>
  - 2 Status of UK Fundraising – 2018 Benchmarking Report: <https://www.institute-of-fundraising.org.uk/library/the-status-of-uk-fundraising-2018-benchmark-report/>
  - 3 Salesforce, Nonprofit Trends Report: <https://www.salesforce.org/nonprofit/nonprofit-trends-report-download/>



**Of individuals who have donated to charity in the last 12 months 55% did so with cash, compared to 11% with debit card and 5% with credit card.<sup>1</sup>**

## CHARITIES USING TECHNOLOGY



**99%** have a website.



**83%** have online giving functionality.



**78%** are mobile responsive.



**26%** have member log-in functionality.<sup>2</sup>

## CONTACTLESS DONATING ON THE STREET

People's likelihood to donate to charity fundraisers in the street if they could use contactless payments:

**3%** much more likely.

**13%** a little more likely.

**40%** it would make no difference.

**8%** a little less likely.

**29%** much less likely.

**7%** don't know.<sup>1</sup>



**Only 42%** of charities are

completely or mostly confident that they have the adequate tech in place to grow their online/digital fundraising.<sup>3</sup>



## **2018: A YEAR IN FUNDRAISING**

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