

The Real State of

Philanthropy in the UK

What to Expect

1. Giving in the UK
2. Types of Foundations in the UK
3. Trends



Key Findings

The gap of giving between men and women is growing, with men giving less and women giving more.

The priorities of the younger generation to the older generation are very different when choosing which cause to give to.

Online giving via a mobile device has increased by 12% in the last 4-years.

The UK came 11th in the 2017 World Giving Index

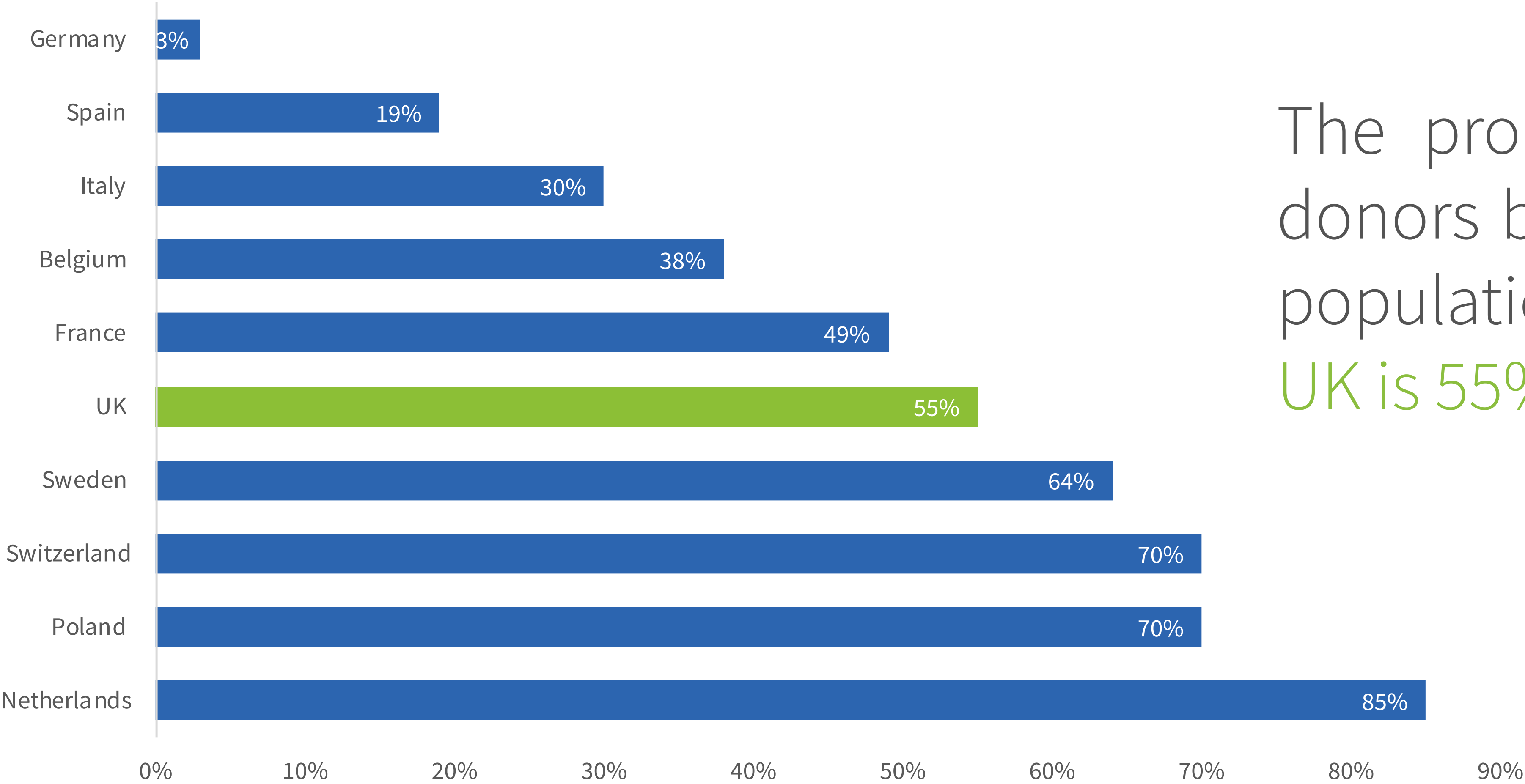


GIVING IN THE UK





Proportion of donors by national population



The proportion of donors by national population in the UK is 55%



The History of Giving in the UK

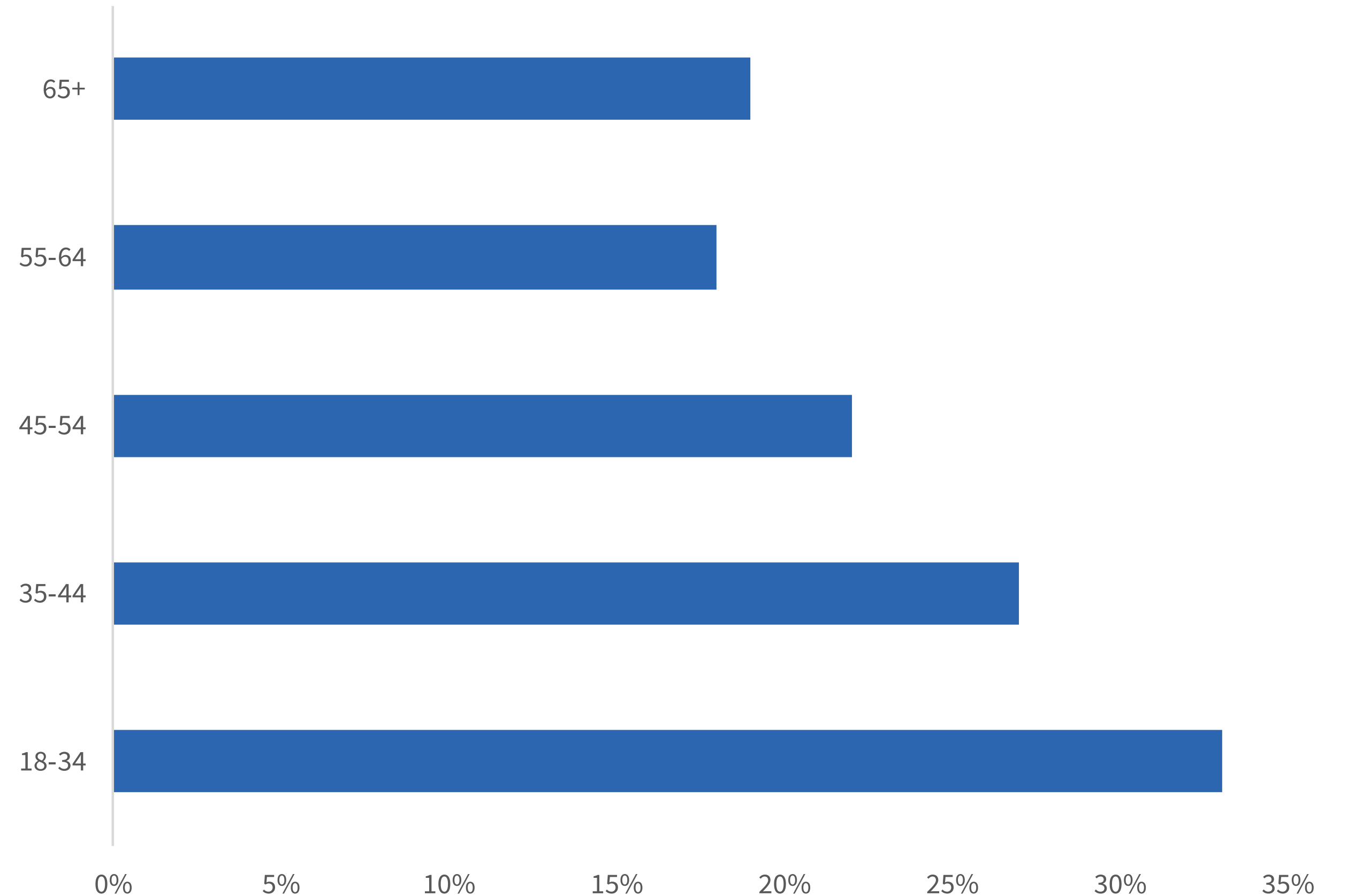
- 1500** – Renaissance merchants transformed charitable giving by creating the first charitable trusts.
- 1600** – The Government creates the first national welfare scheme, the Poor Law
- 1700** – The first company millionaires start giving via subscription
- 1800** – The age of scepticism about Philanthropy
- 1900** – The government steps in once again to fund welfare through higher taxation.
- 2000** – The rise in entrepreneurs stimulates international giving on an unprecedented scale





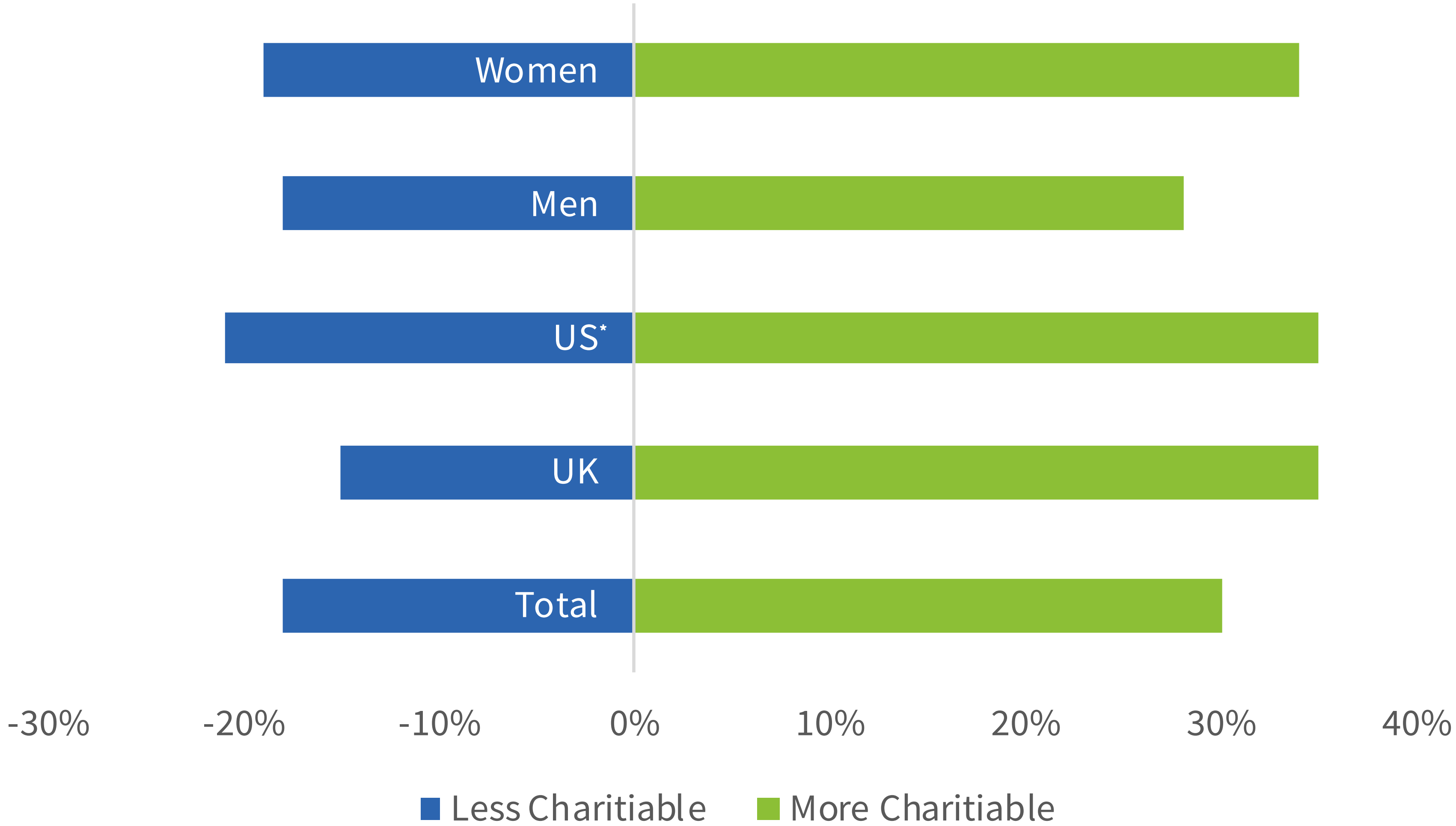
Percentage who agree that they have felt a growing **responsibility** to **share their wealth**

Whether this is an impact of their upbringing, seeing their parents giving and feeling the need to do their part. A **third of the new generation** of potential philanthropist believe it is their **responsibility to give back** to society.



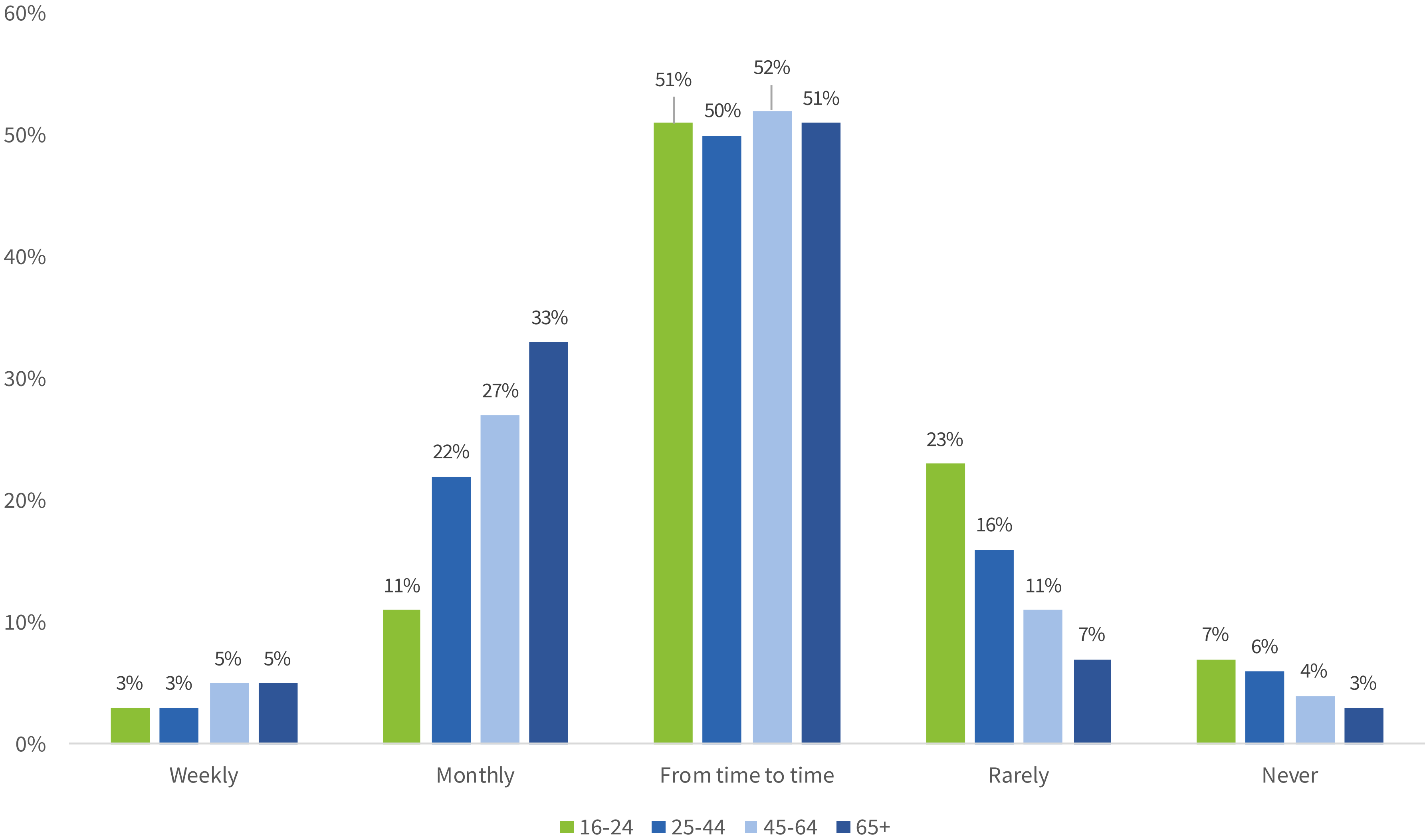


Do you believe your **children** will be more inclined towards **charitable giving than yourself?**



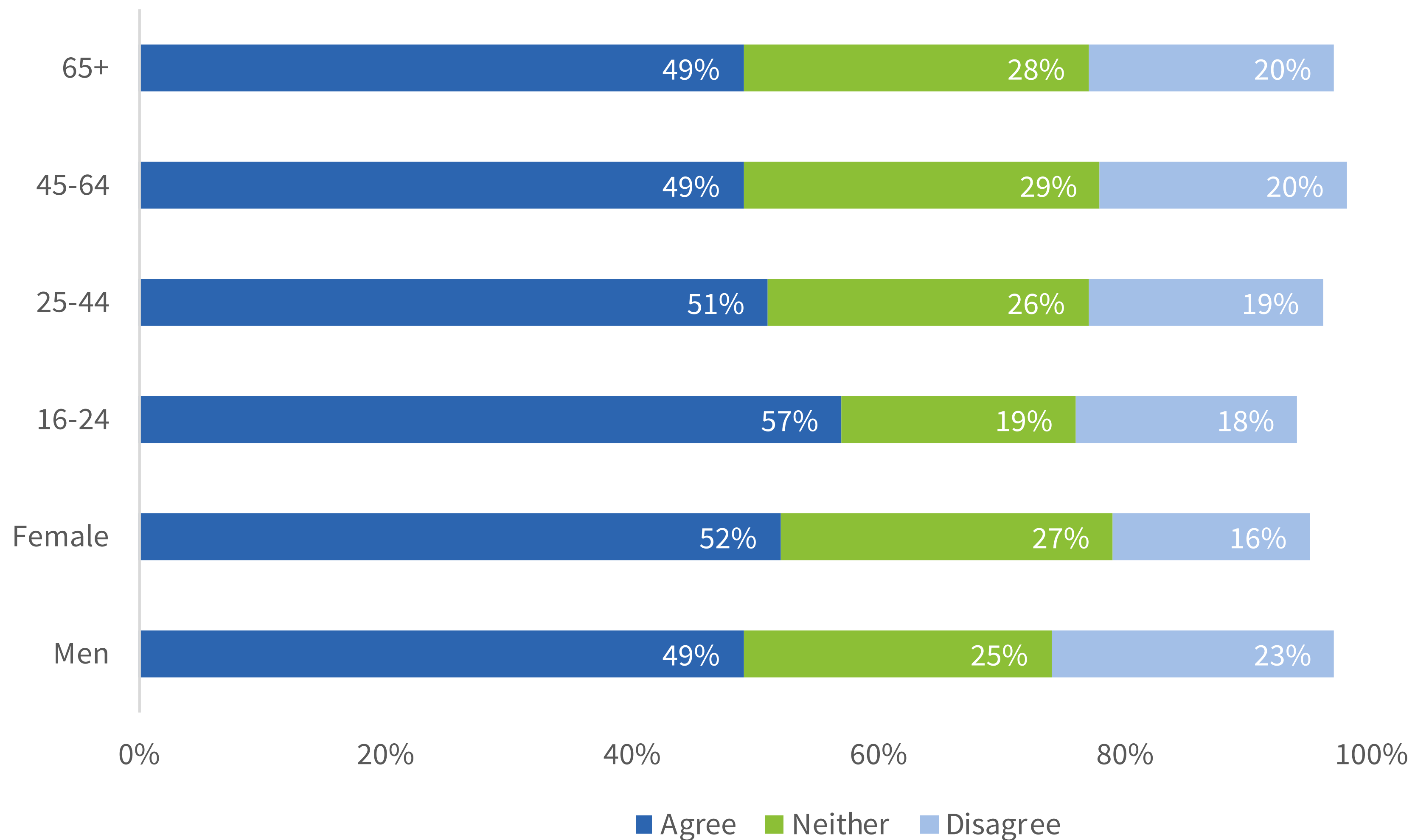


Which of the following best describes how often you give to charity?



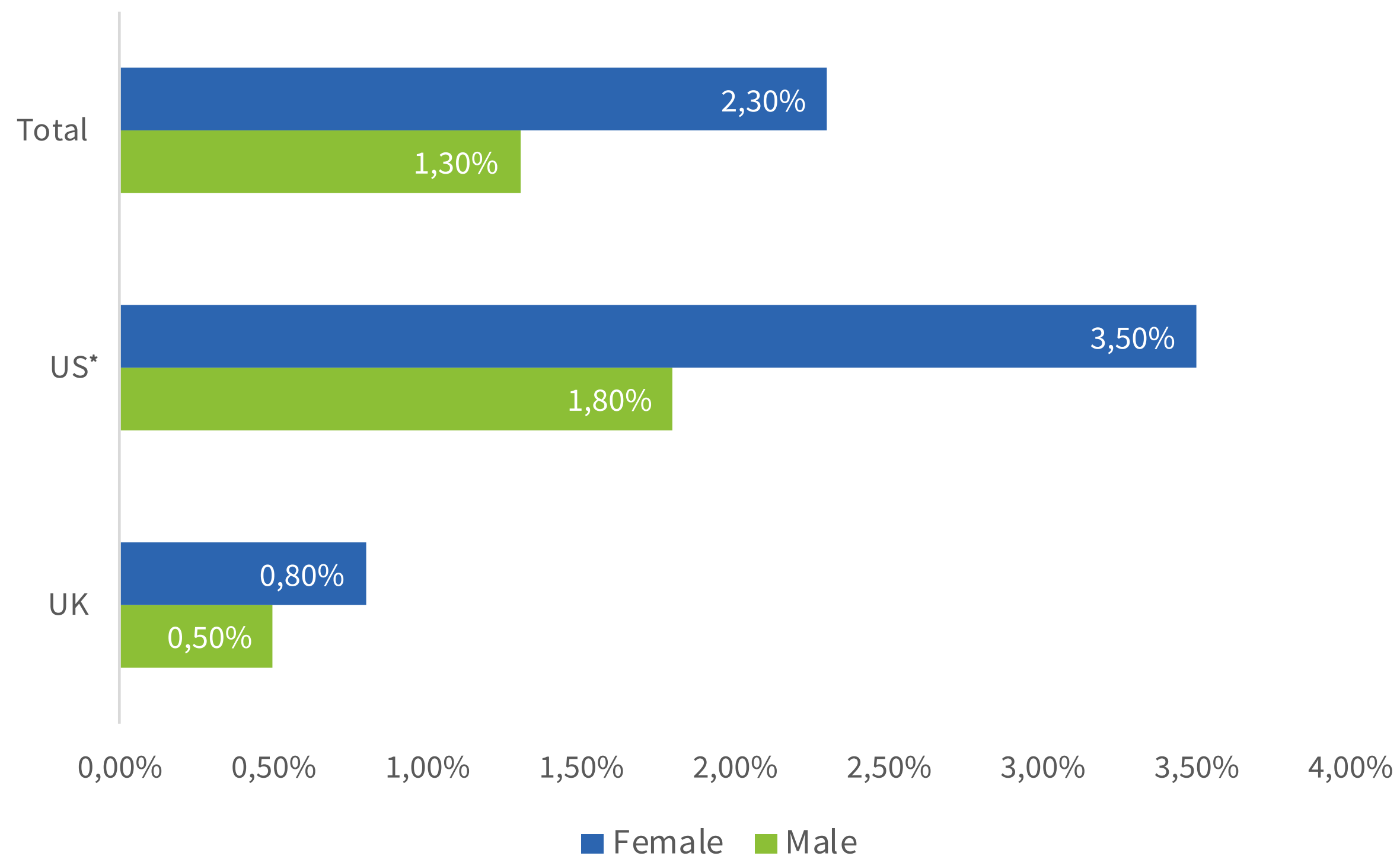


To what extent, if at all, do you **agree or disagree** that most charities are trustworthy?





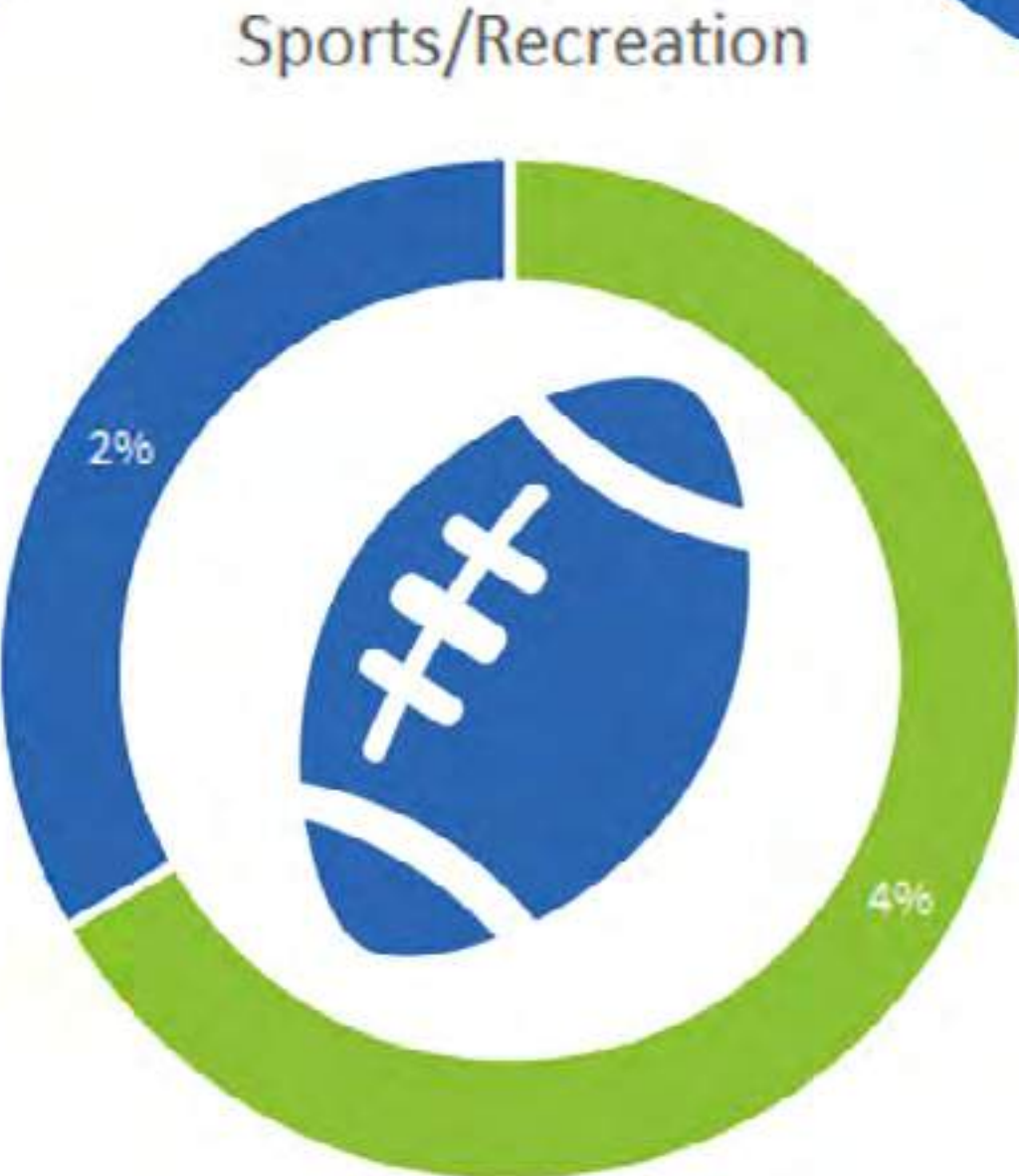
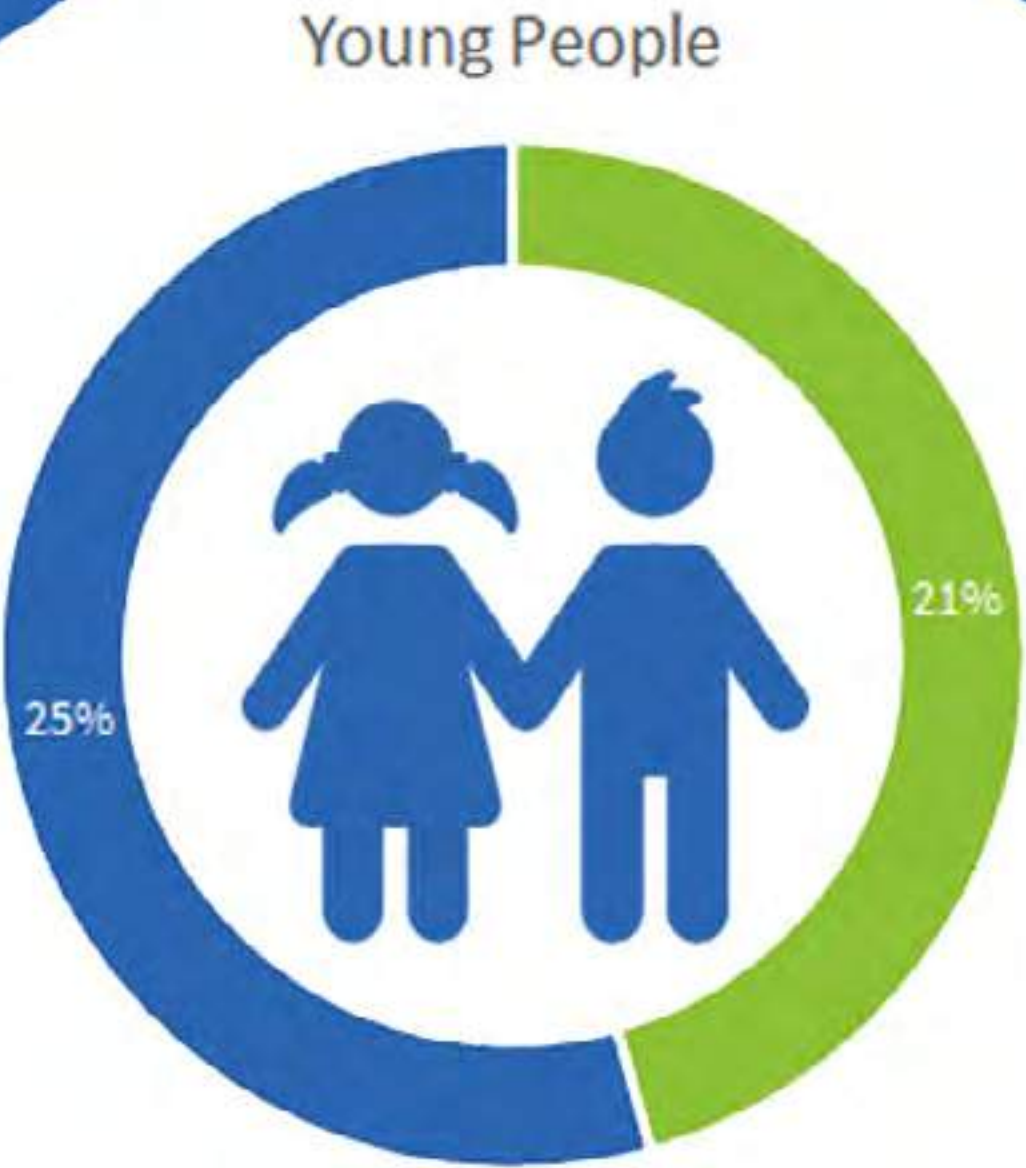
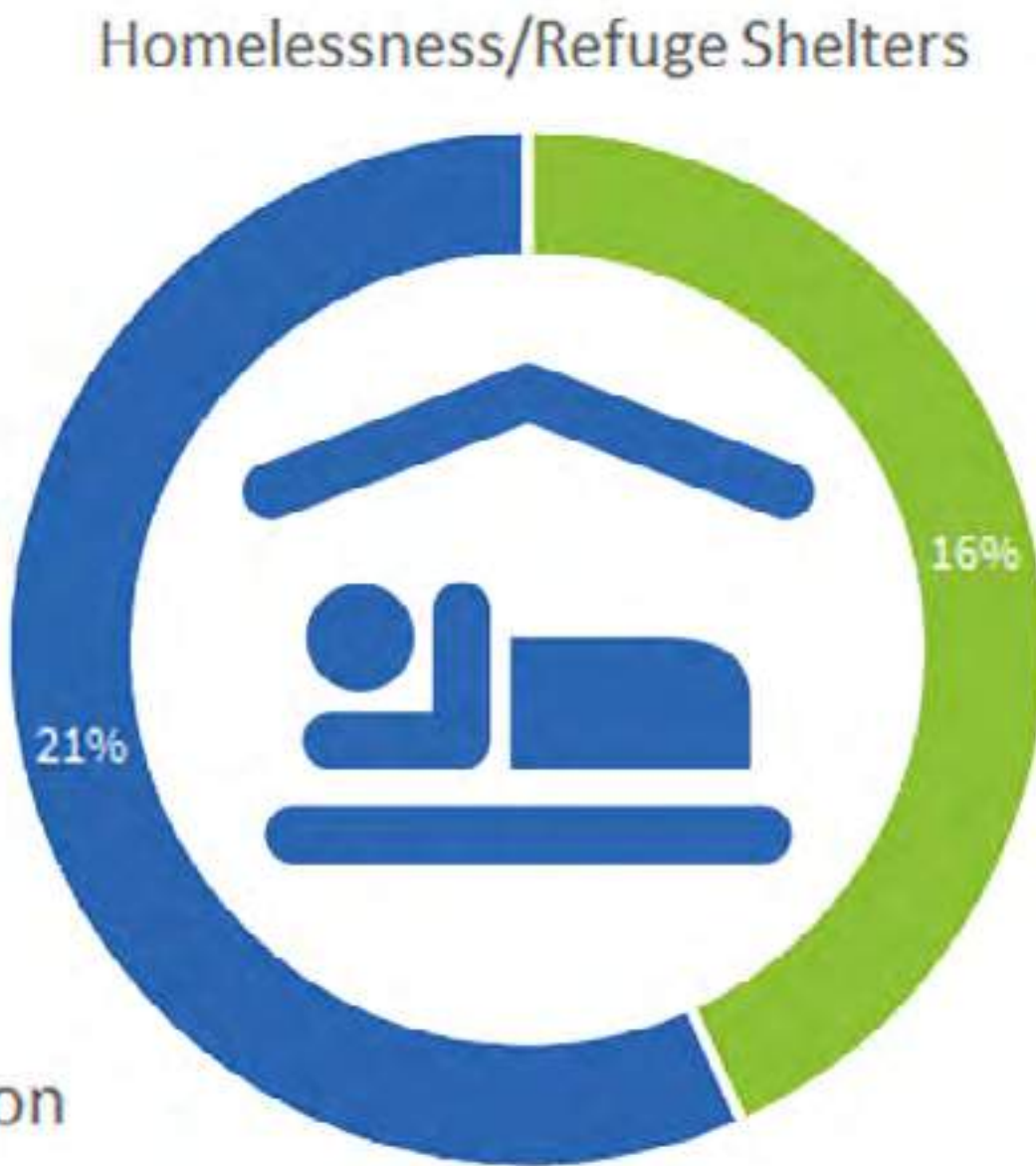
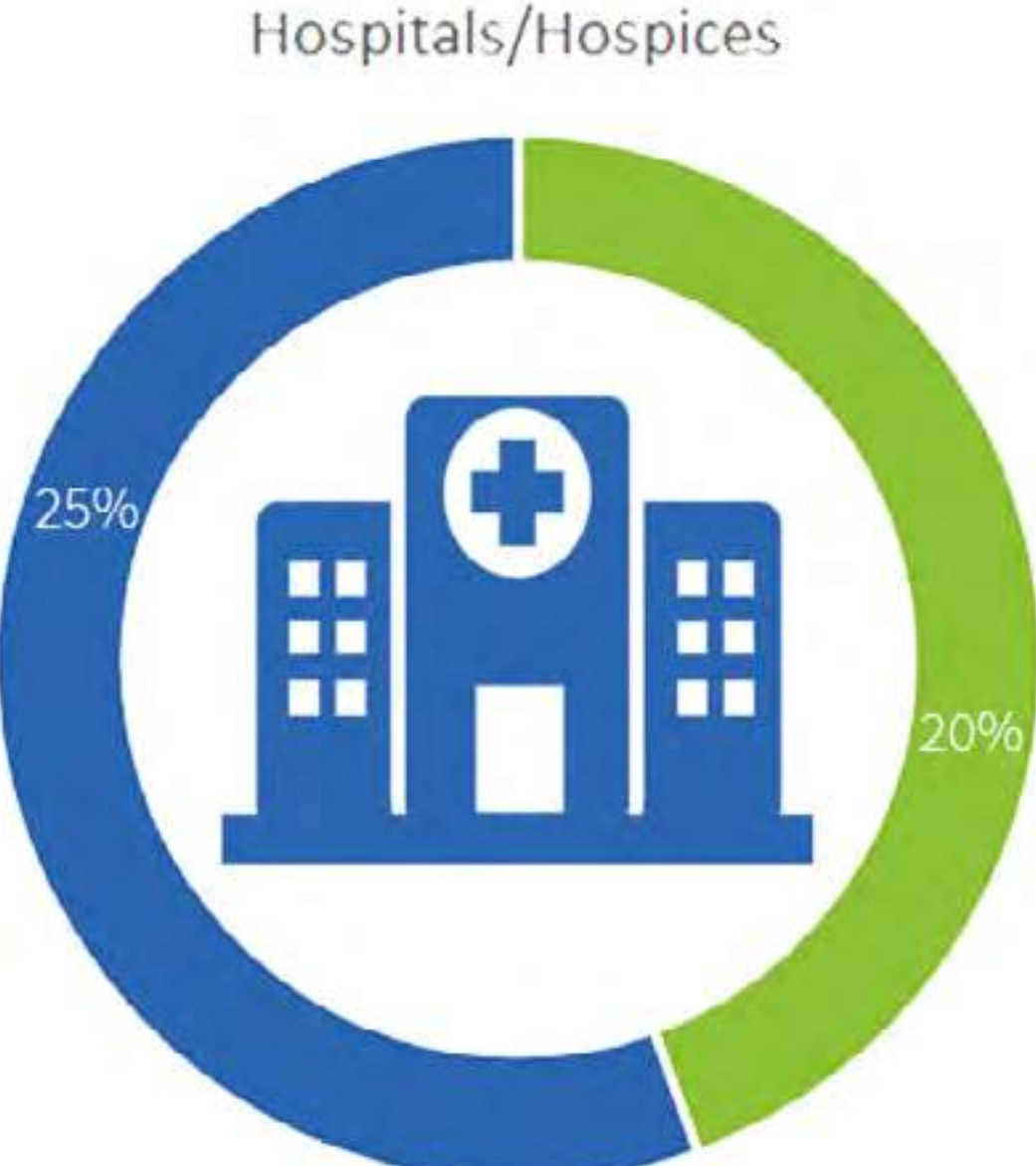
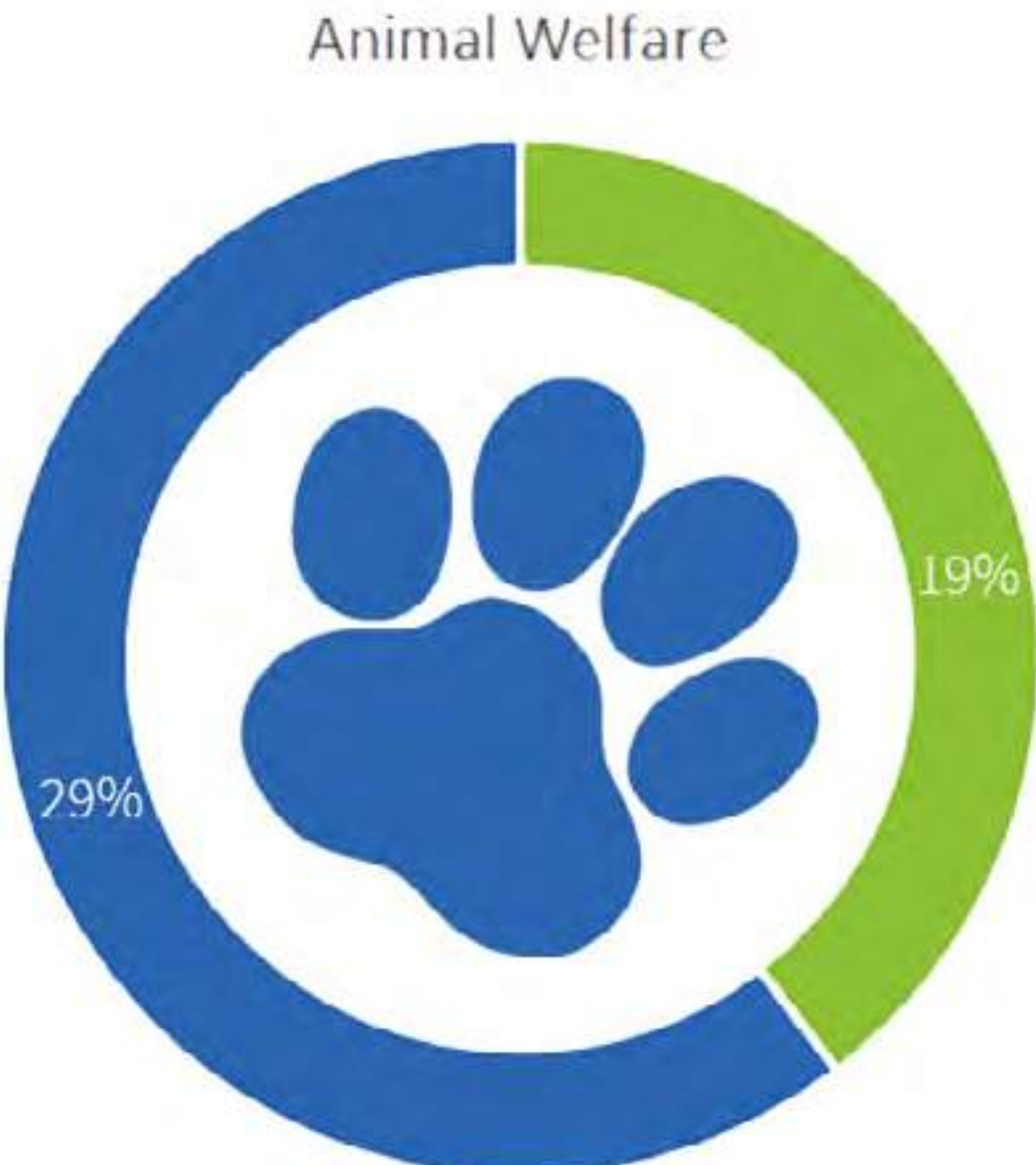
What proportion of **your investable assets** do you donate to **charity each year?**



The gap between the amount men and women donate to charity each year is slowly growing, with **men giving less and women giving more**. This isn't the only difference, according to Donna Hall, CEO of the Women Donors Network in the US, she says that women are more likely to work together to achieve their goals and solve issues. Whereas men are more likely to work on their own to make individual decisions. They also **differ in the causes** they give to...



Who gives to what? Gender



■ Female
■ Male

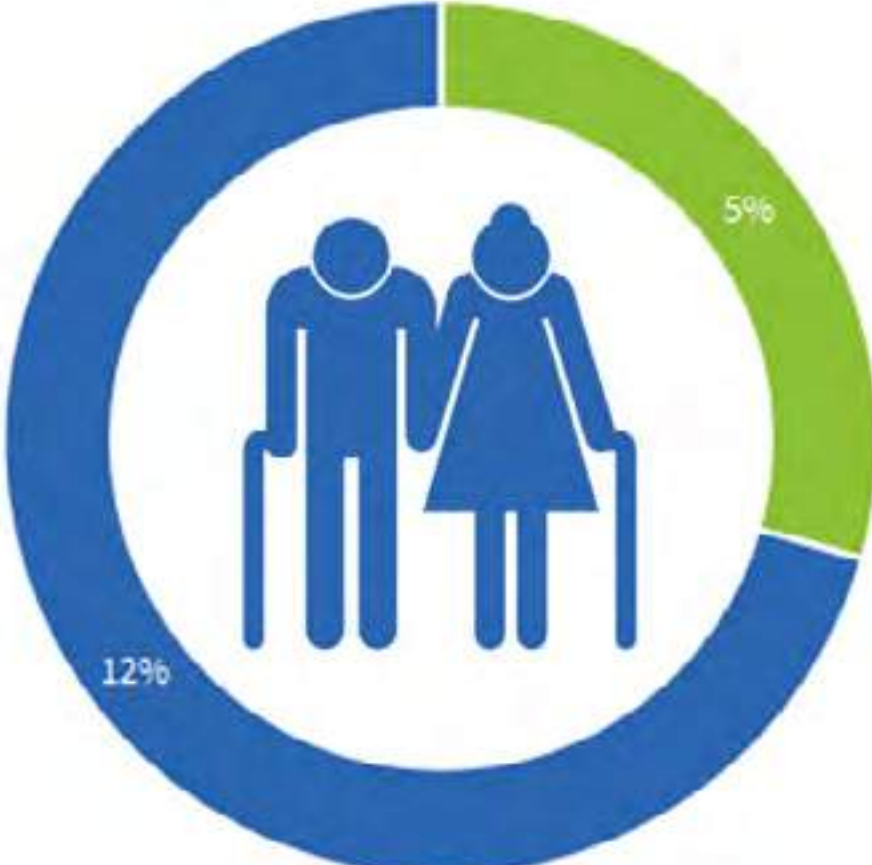


Who gives to what? Age

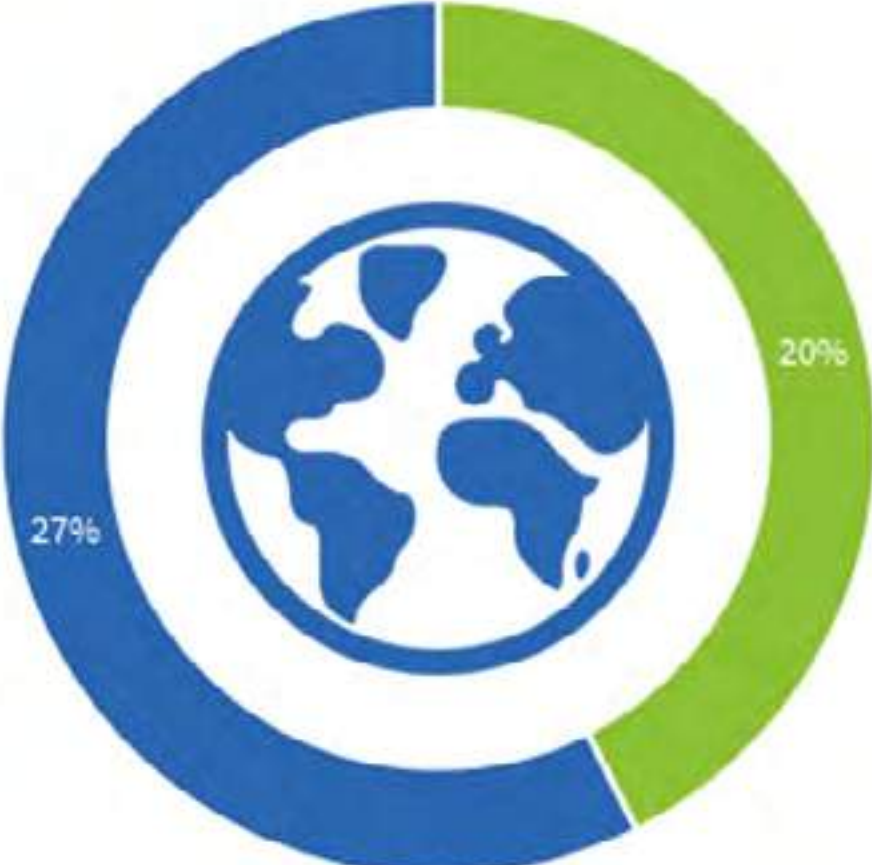
Religious Organisations



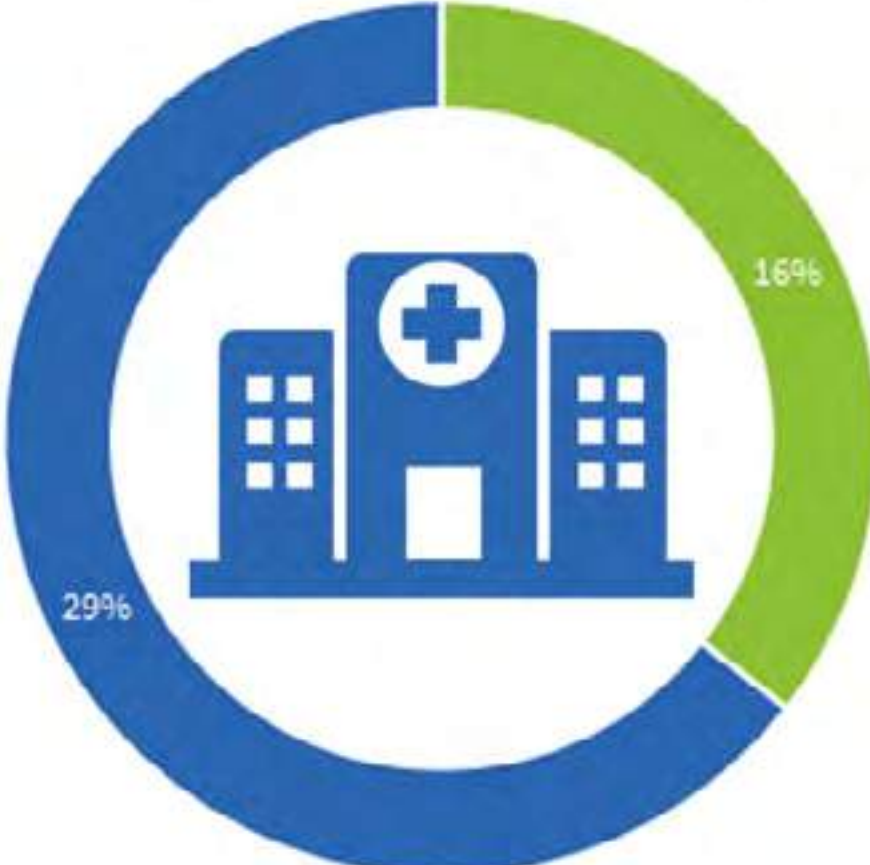
Elderly People



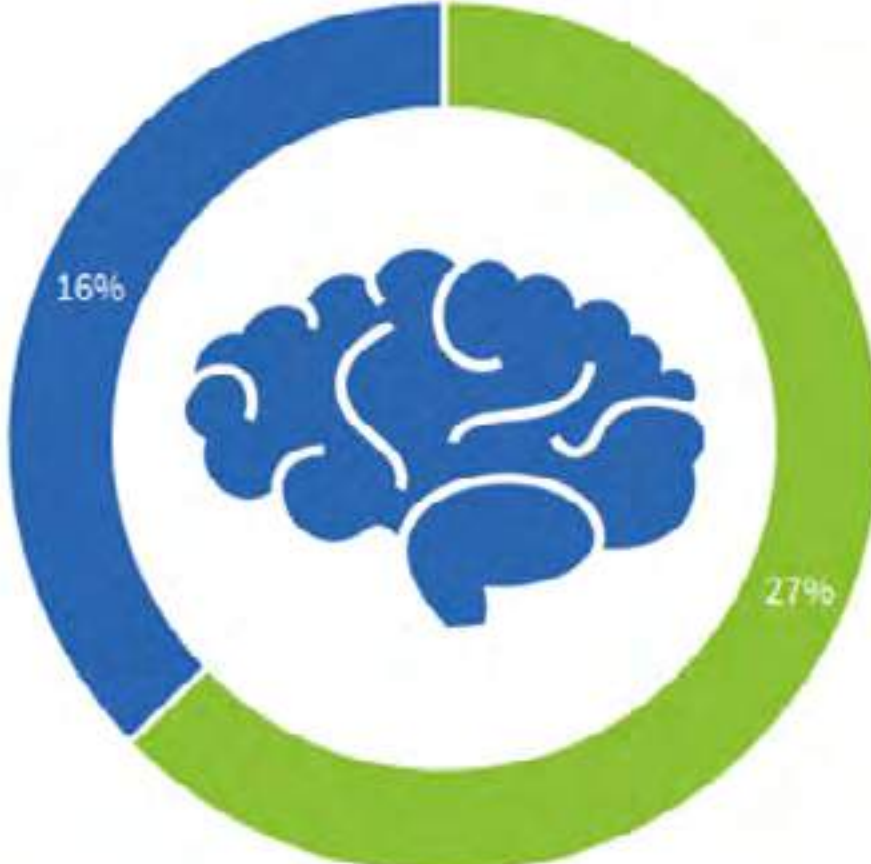
Overseas Aid



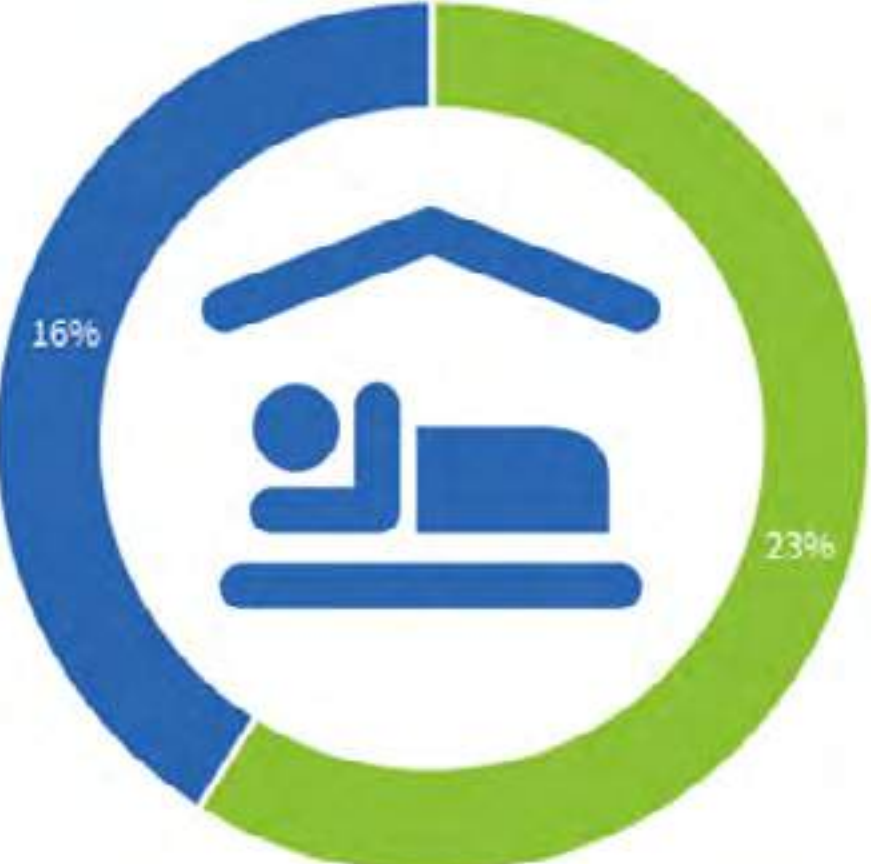
Hospitals/Hospices



Mental Health Care



Homelessness



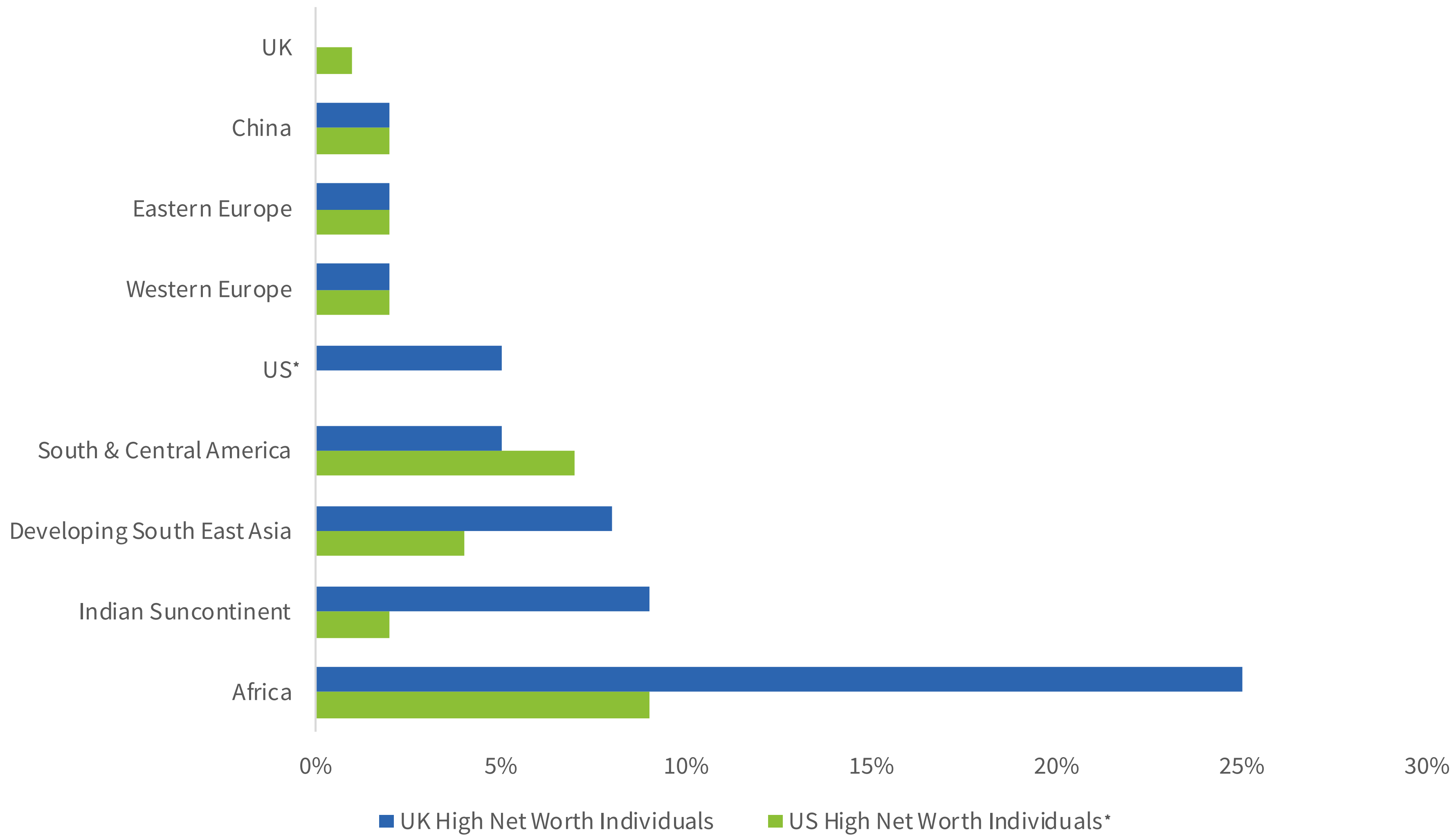
Educational institutions



Older Generation
Younger Generation



Which foreign countries or regions do you target with your philanthropic donations ?





*There are **fundamental differences** between the two tax regimes [in the UK & US]. In particular, in the US a donor may allocate capital to be given to a charity at some future date, continue to enjoy the income from the capital and get tax relief at the time of the commitment.. Such “planned giving” ... has a **major impact** on the **apparent level** of charitable giving.

In the UK the only way is to include a charitable bequest of legacy in one’s will. **Legacies reduce** inheritance tax, but the beneficiary charity cannot rely on them until the will is proved, a legacy is **not legally binding** and people can change their mind at the last minute.

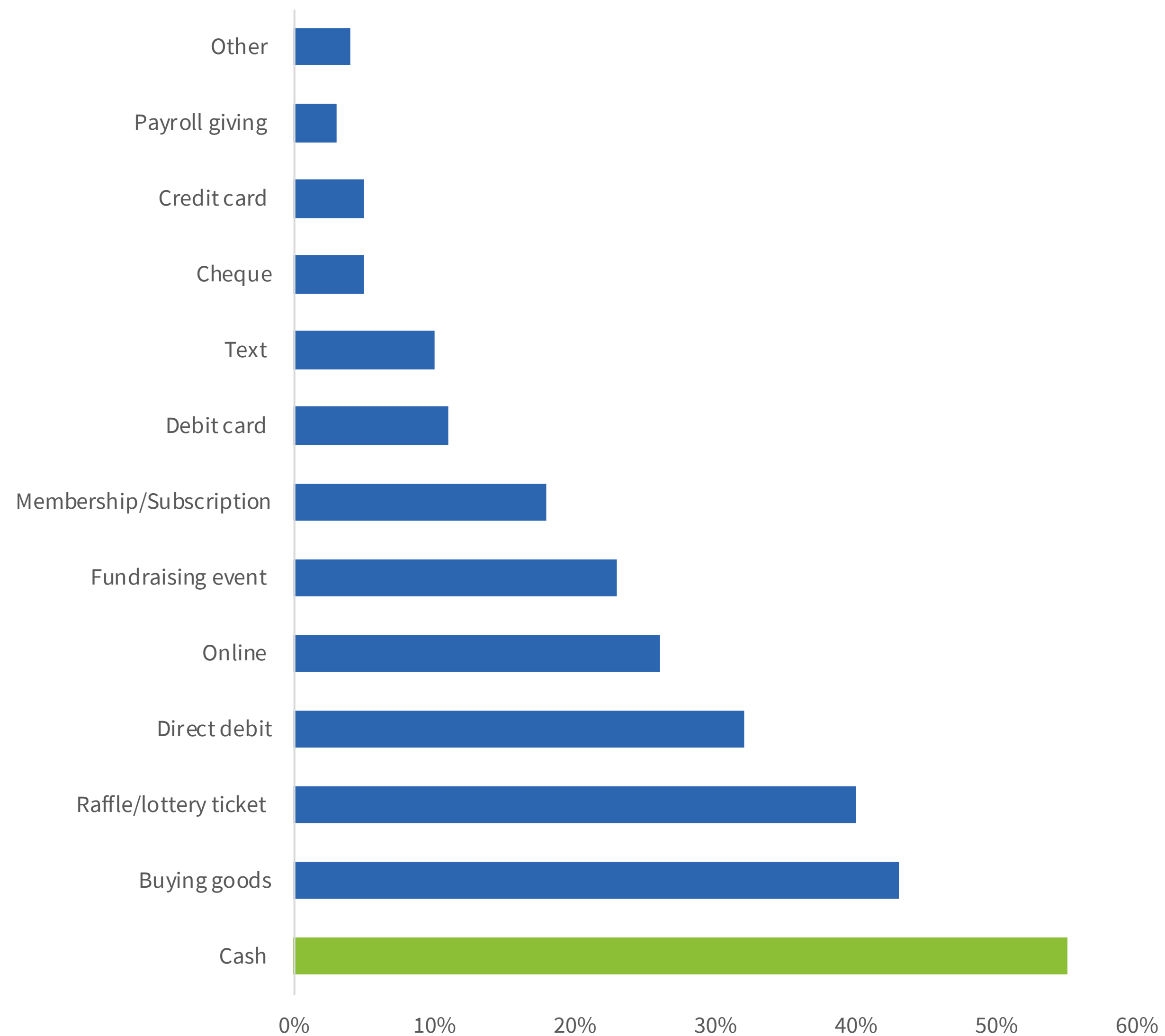


Theresa Lloyd
Founder/Director
The Philanthropy Advisory Service
London, UK



Cash is the most popular form of giving however this has decreased from 58% to 55% from 2016.

How do people give?





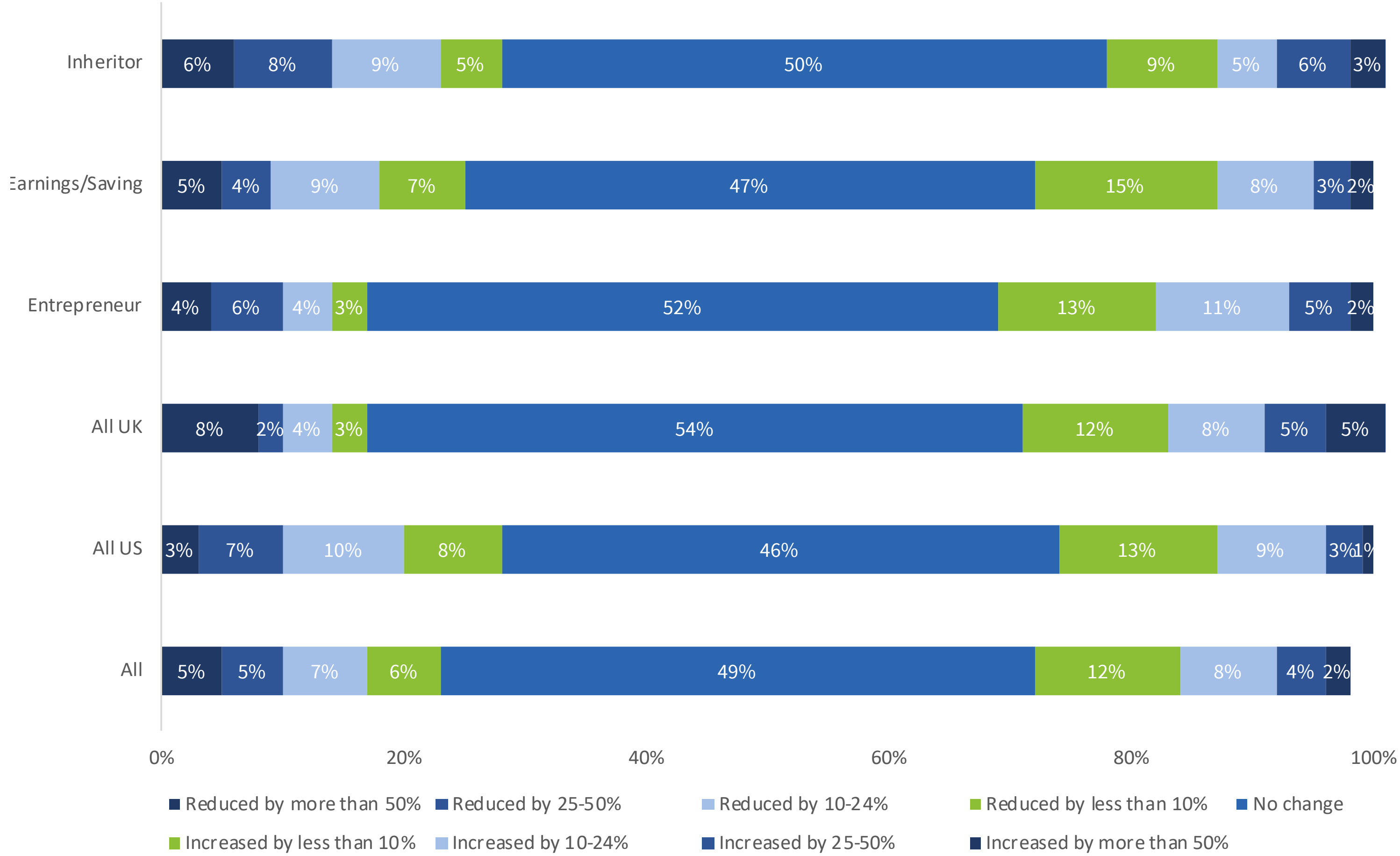
How people give is changing. The days of wealthy people just signing a cheque are disappearing. People want to see the **impact** of their philanthropic investment. An increasing number of foundations are concerned with mission-related investment – aligning their strategic goals and values with the focus and management of their endowments – sometimes in response to external pressures. **Social impact investment** is also growing, with a number of retail products coming on to the market. And giving circles of various kinds, including for women, are increasing in number.



Theresa Lloyd
Founder/Director
The Philanthropy Advisory Service
London, UK



How much money are you giving to charities compared to 18-months ago ?

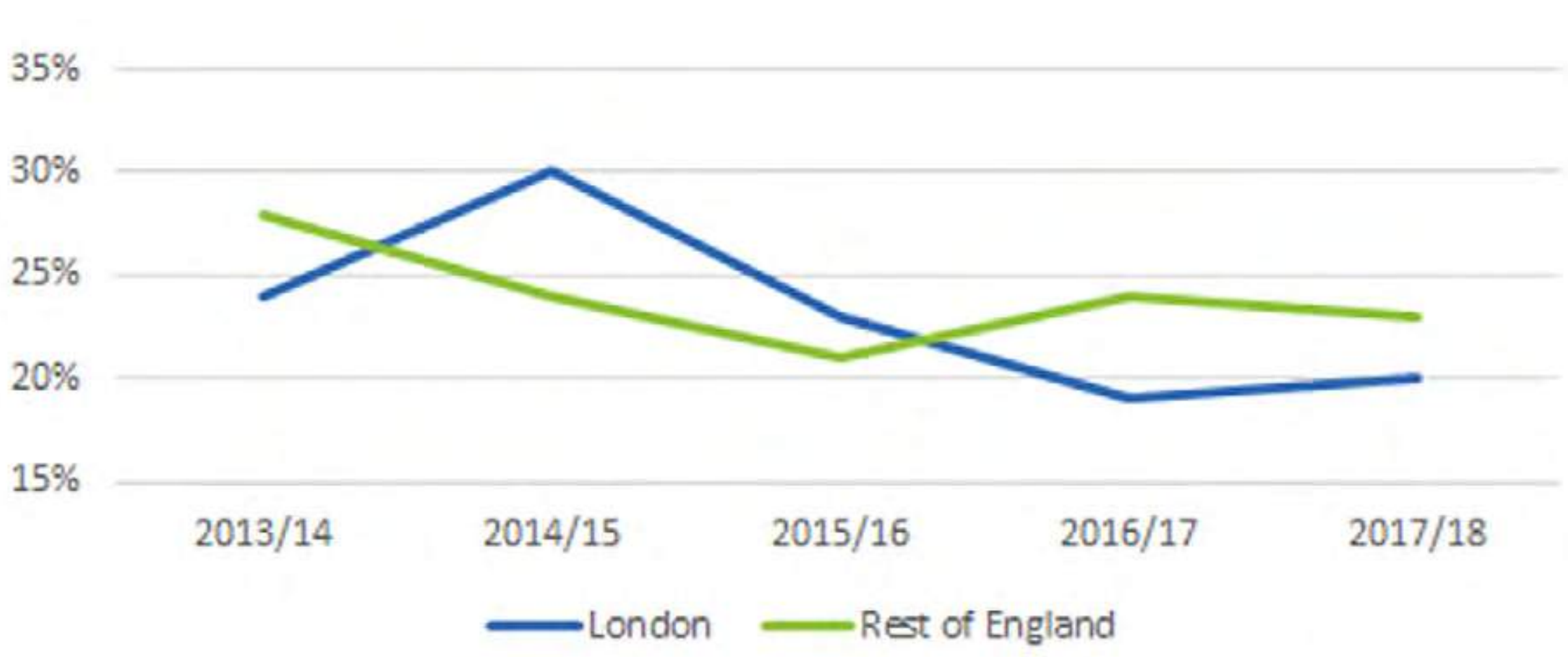


There hasn't been much change (54%) in the way people are giving, however a total of 30% increasing their giving and only 17% decreasing in the UK.

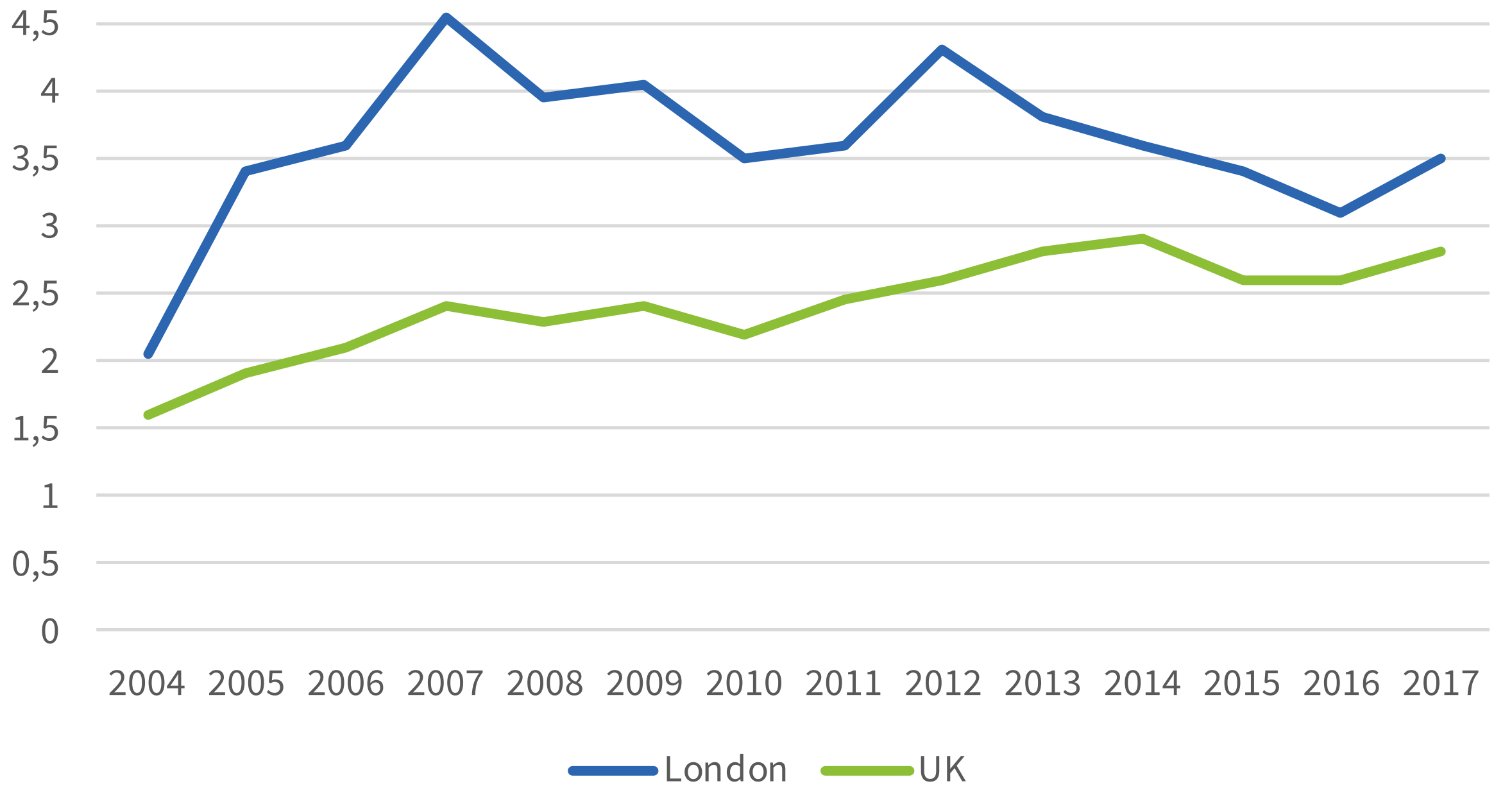


Giving in London

Proportion of individuals engaged in formal volunteering at least once a month by region



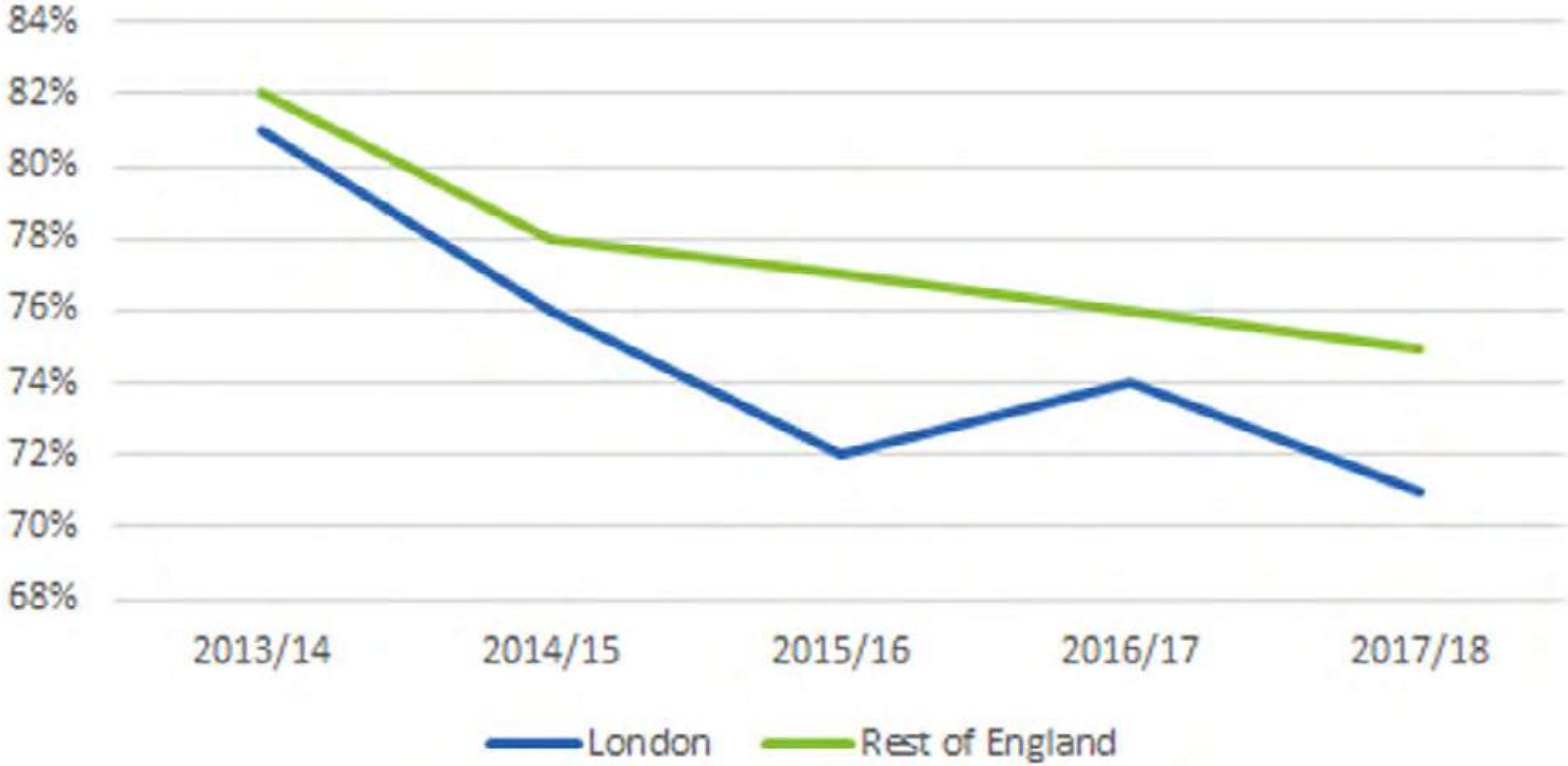
Weekly household expenditure on charitable donations, three year rolling average





Giving in London

Proportion of individuals who gave to charity in the last month by region

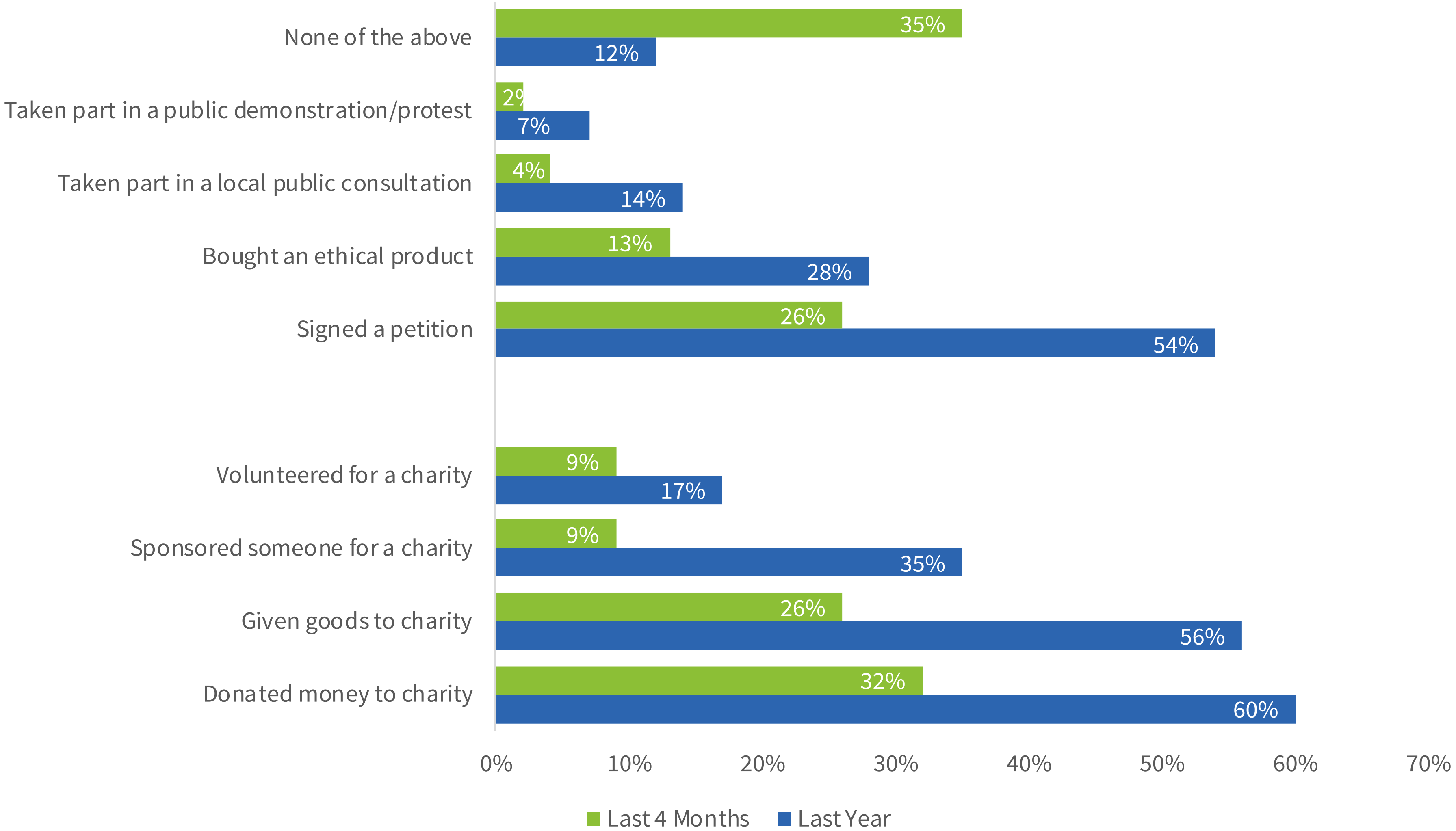


It is less common for Londoners to donate and volunteer regularly than for non Londoners. However, Londoners have given more money on average to charities. 10 years ago the average Londoner gave *twice the amount* to charity than the average UK person. Now the difference is *only 23%*

	Then	Now
London	£4.57	£3.43
UK	£2.30	£2.80



Which, if any, of the following have you done in the last year/four weeks ?





TYPES OF FOUNDATIONS IN THE UK



England and Wales has five main types of Foundations, but this differs from Scotland and Northern Ireland, as they have separate legal systems.

Types of foundations in the UK

- Companies limited by guarantee (including community interest companies, or CICs)
- Unincorporated associations
- Trusts
- Registered societies (formerly known as industrial and provident societies), and
- Charitable incorporated organizations.



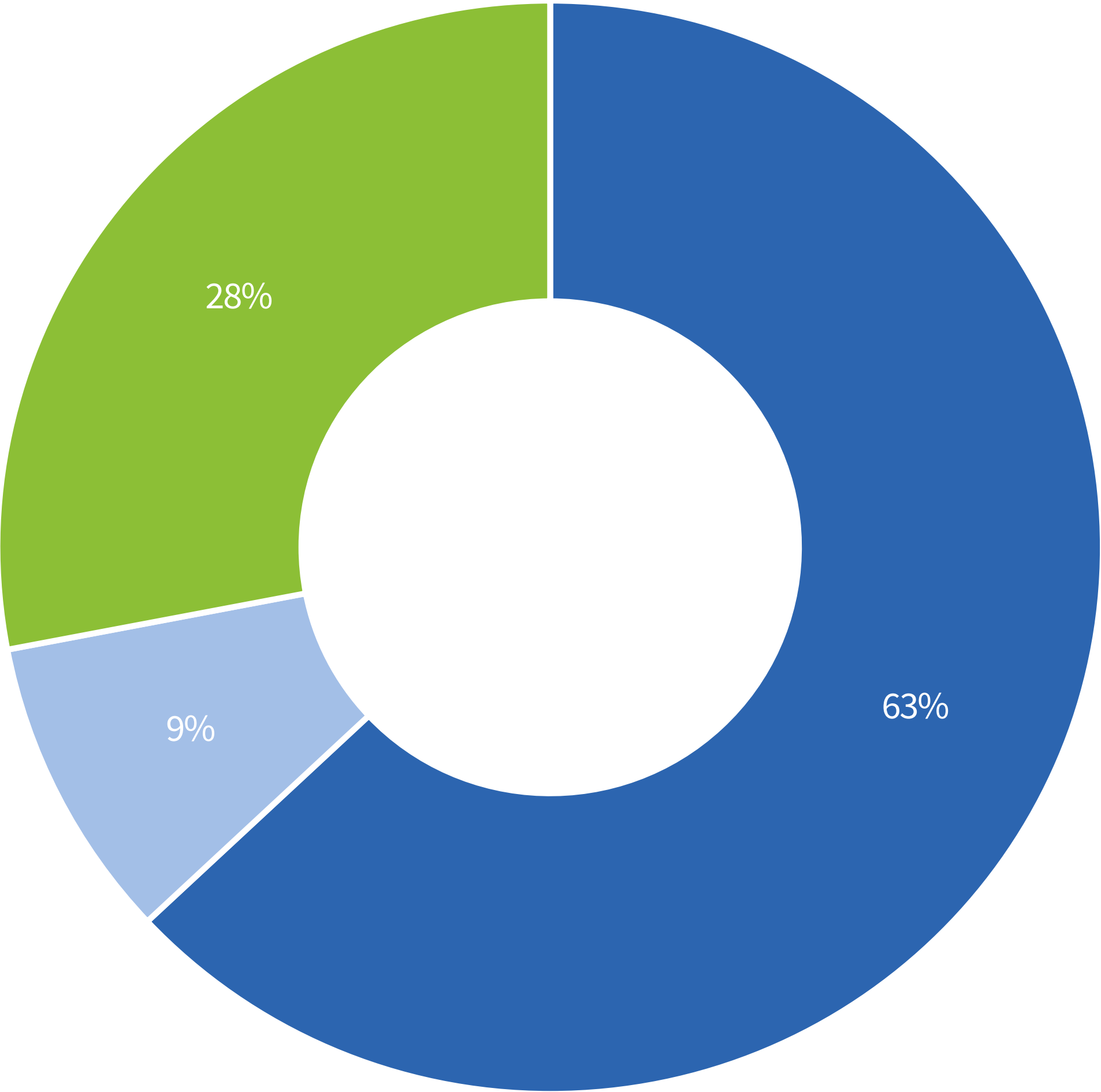
Top 10 foundations in the UK

1. Wellcome Trust - £711.7m
2. Children's Investment Fund Foundation - £148.9m
3. Leverhulme Trust - £107.2m
4. Comic Relief - £102.4m
5. Garfield Weston Foundation - £58.4m
6. BBC Children in Need Appeal - £53.7m
7. Westminster Foundation - £41.9m
8. Gatsby Charitable Foundation - £41.5m
9. Esmée Fairbairn Foundation - £34.8m
10. Lloyd's Register Foundation - £31.9m

The Westminster Foundation has risen to seventh in the rankings from 125 last year after a one-off gift of £40m for the Defence and National Rehabilitation Centre for armed forces personnel.



Top 300 foundation giving by type

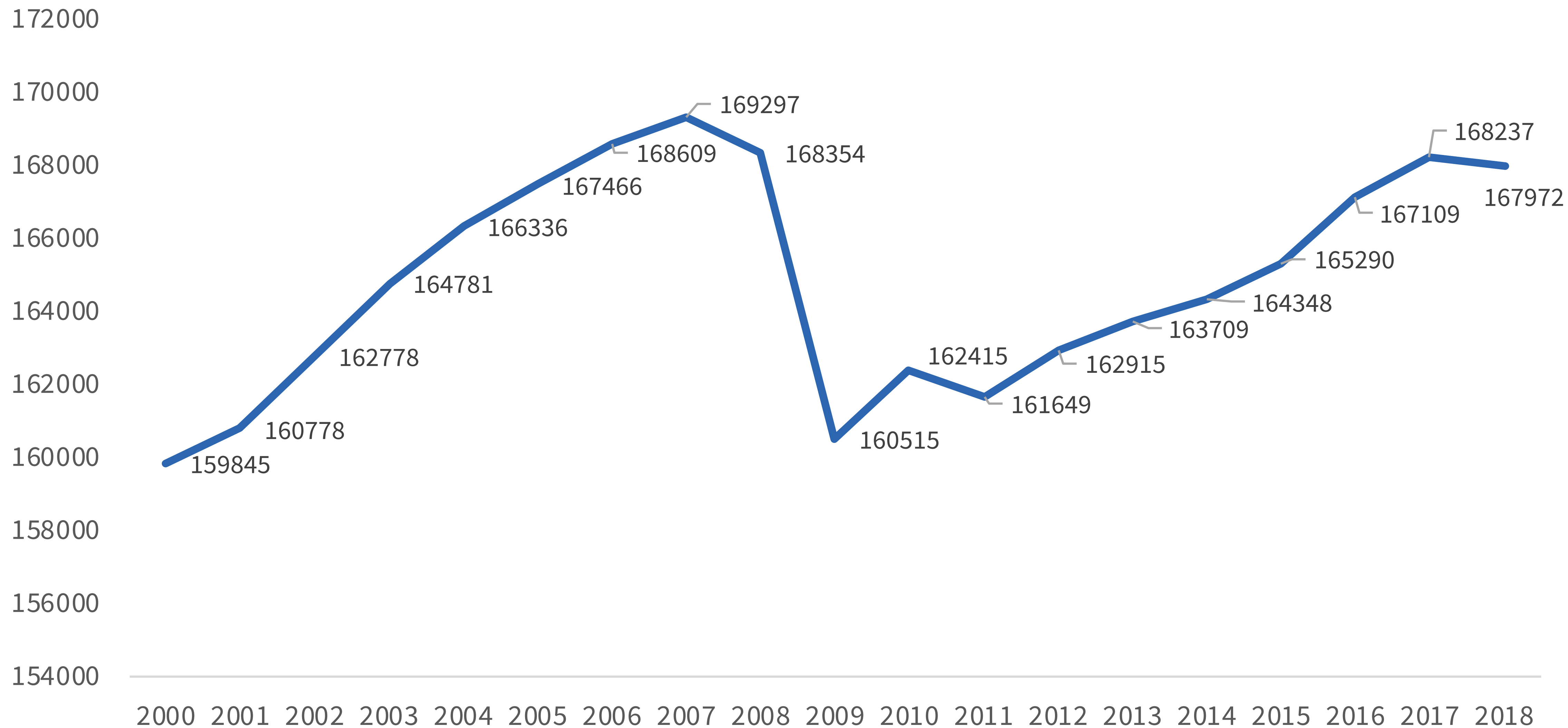


- Family foundations
- Corporate foundations
- Other Top 300

“‘Family foundation’ and ‘family trust’ are commonly-used convenience, but not technical terms for foundations funded principally by the [personal gift](#) of an individual donor, family business, or family member(s).”

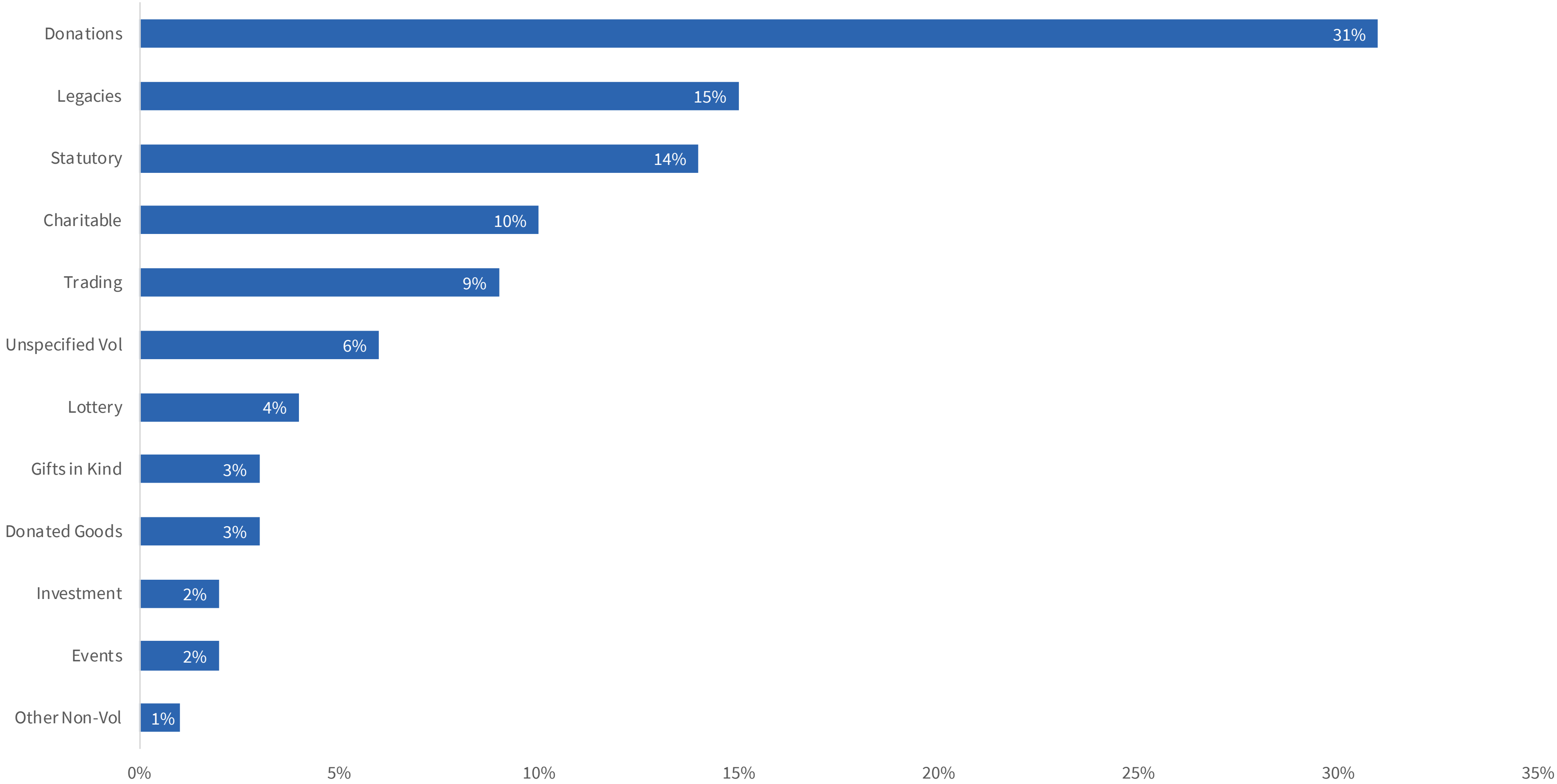


Number of charities in England and Wales from 2000 to 2018



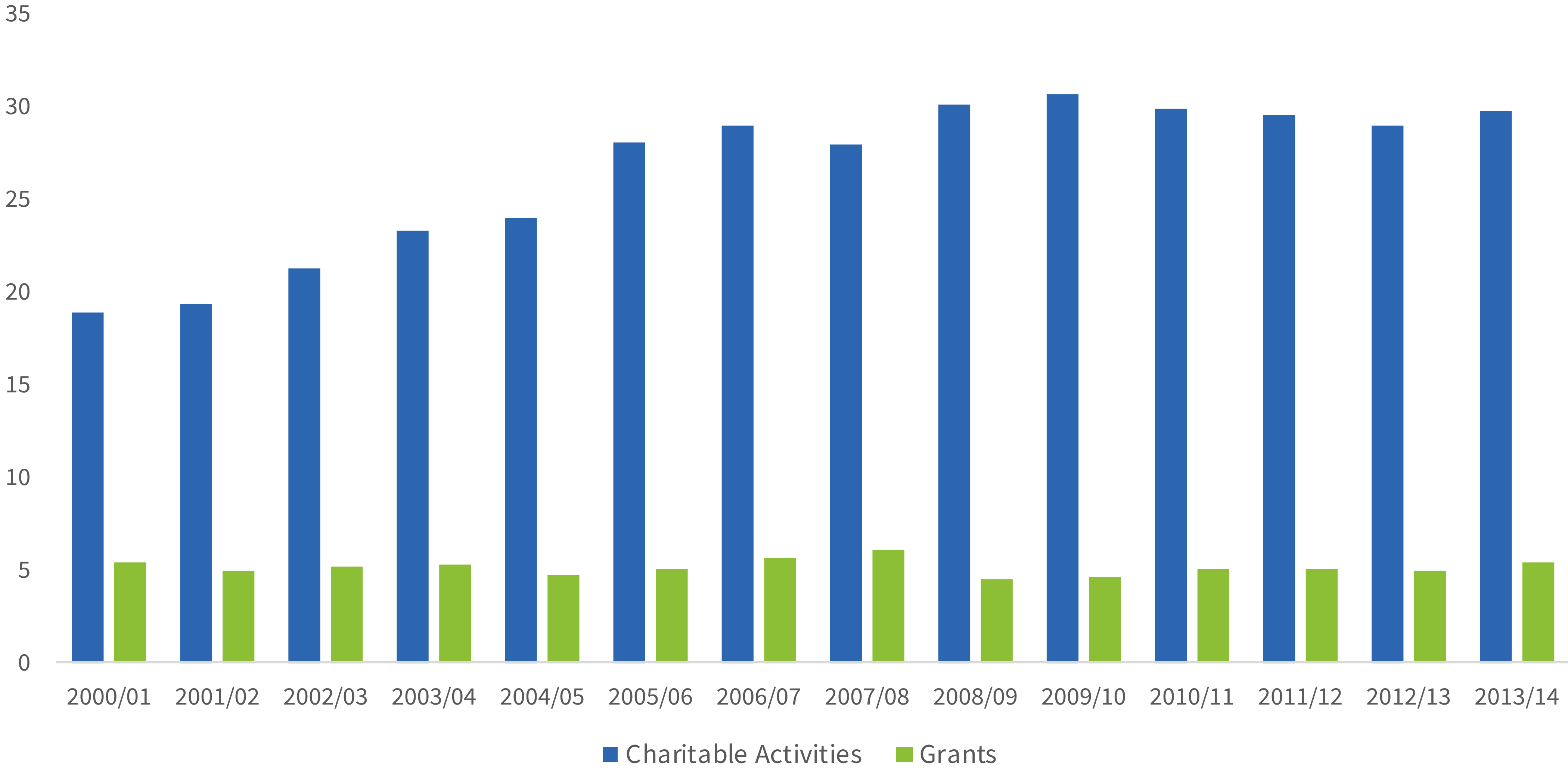


Percentage share of top 100 charities' total income by fundraising stream 2015/16



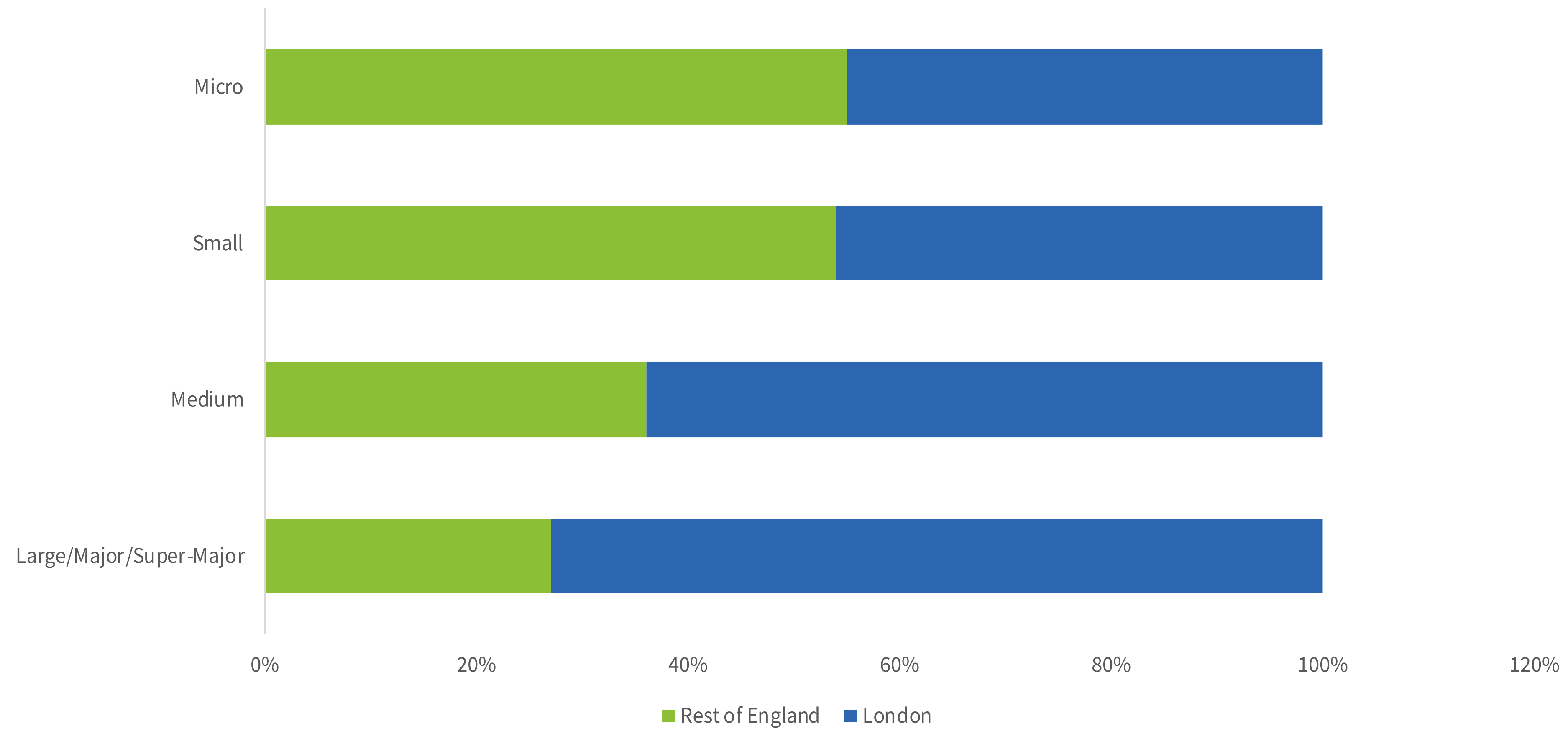


Total spending on charitable activities and grants





Proportion of charities by size in London and the Rest of England*



**" This is misleading. England is small and highly centralised. Most of the larger foundations are based in London but operate and make grants all over the UK." - Theresa Lloyd*

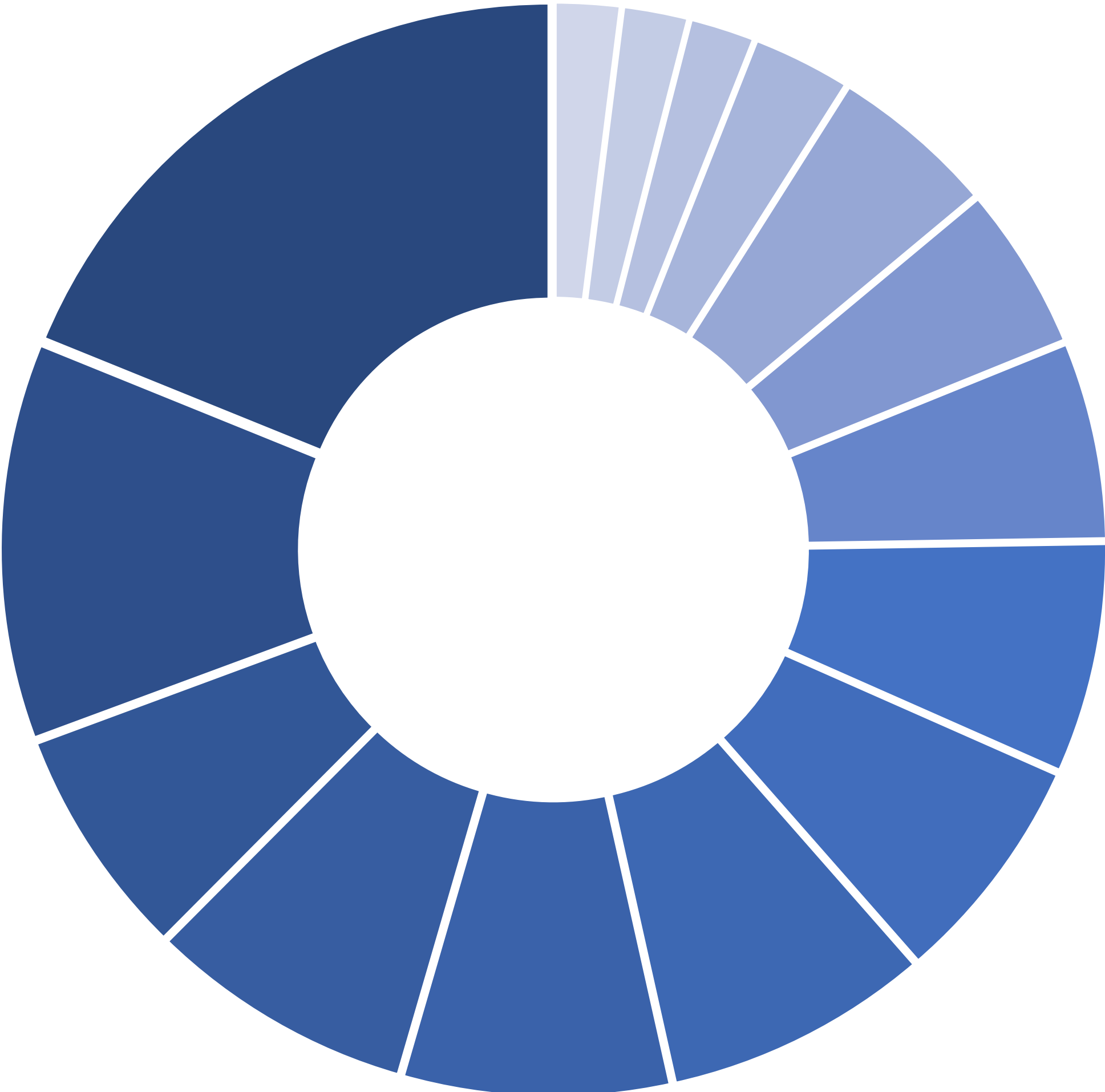


TRENDS





Amount received by each cause in 2017 proportion of total donation



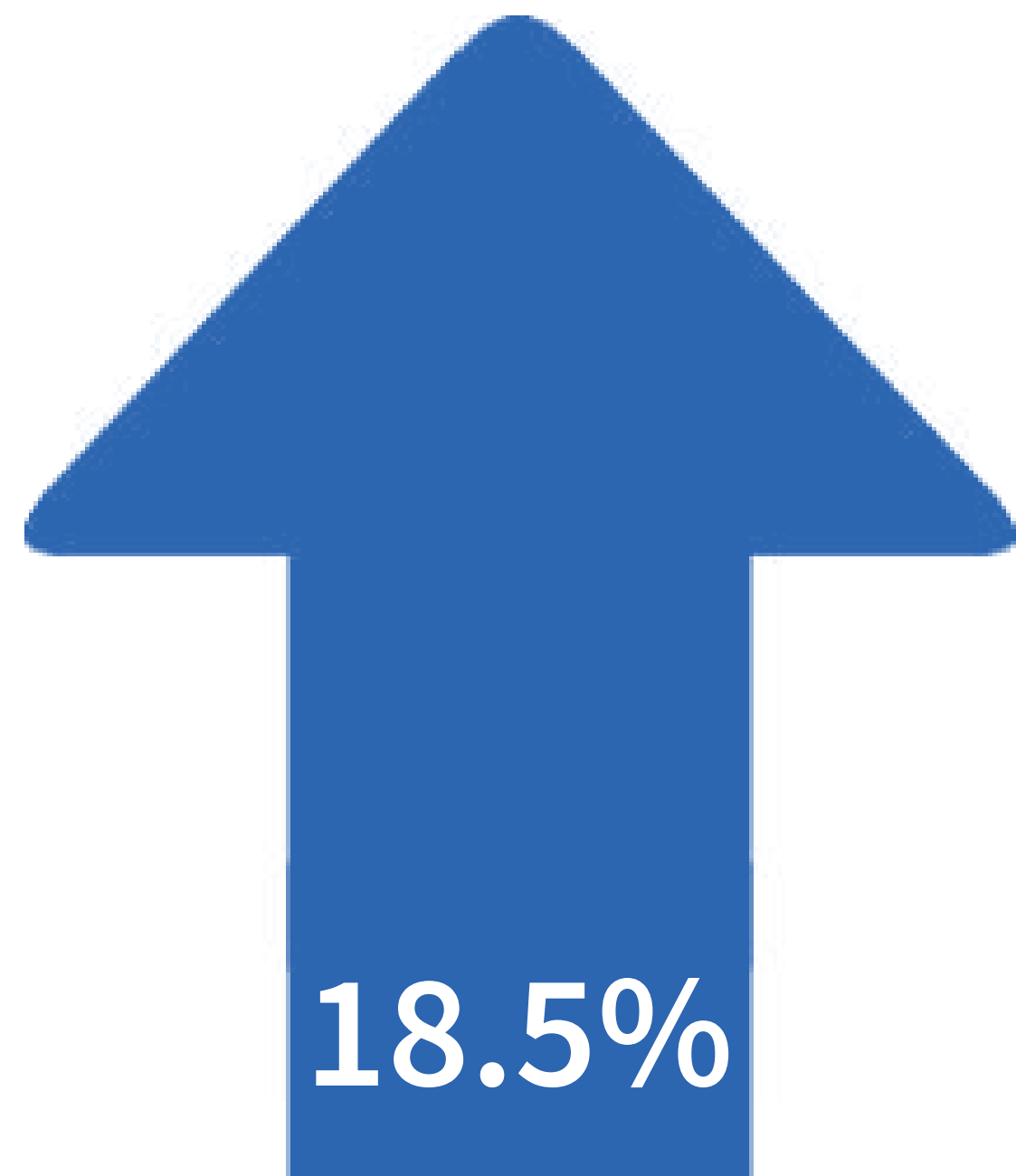
- 2% - Sports and Recreation
- 2% - Education
- 5% - Disabled People
- 6% - Physical & Mental Health Care
- 7% - Other
- 8% - Medical Research
- 7% - Children or Young People
- 19% - Religious Organisations
- 2% - Arts
- 3% - Elderly People
- 5% - Conservation, Environment, and Heritage
- 6% - Homelessness, Housing and Refuge Shelters
- 8% - Animal Welfare
- 8% - Hospitals & Hospices
- 12% - Overseas aid and Disaster Relief

There is not much change in the amount given to each sector from the year 2016 to 2017. With the biggest change in Education (decreased 2%) and Overseas aid and Disaster Relief (increased 2%).

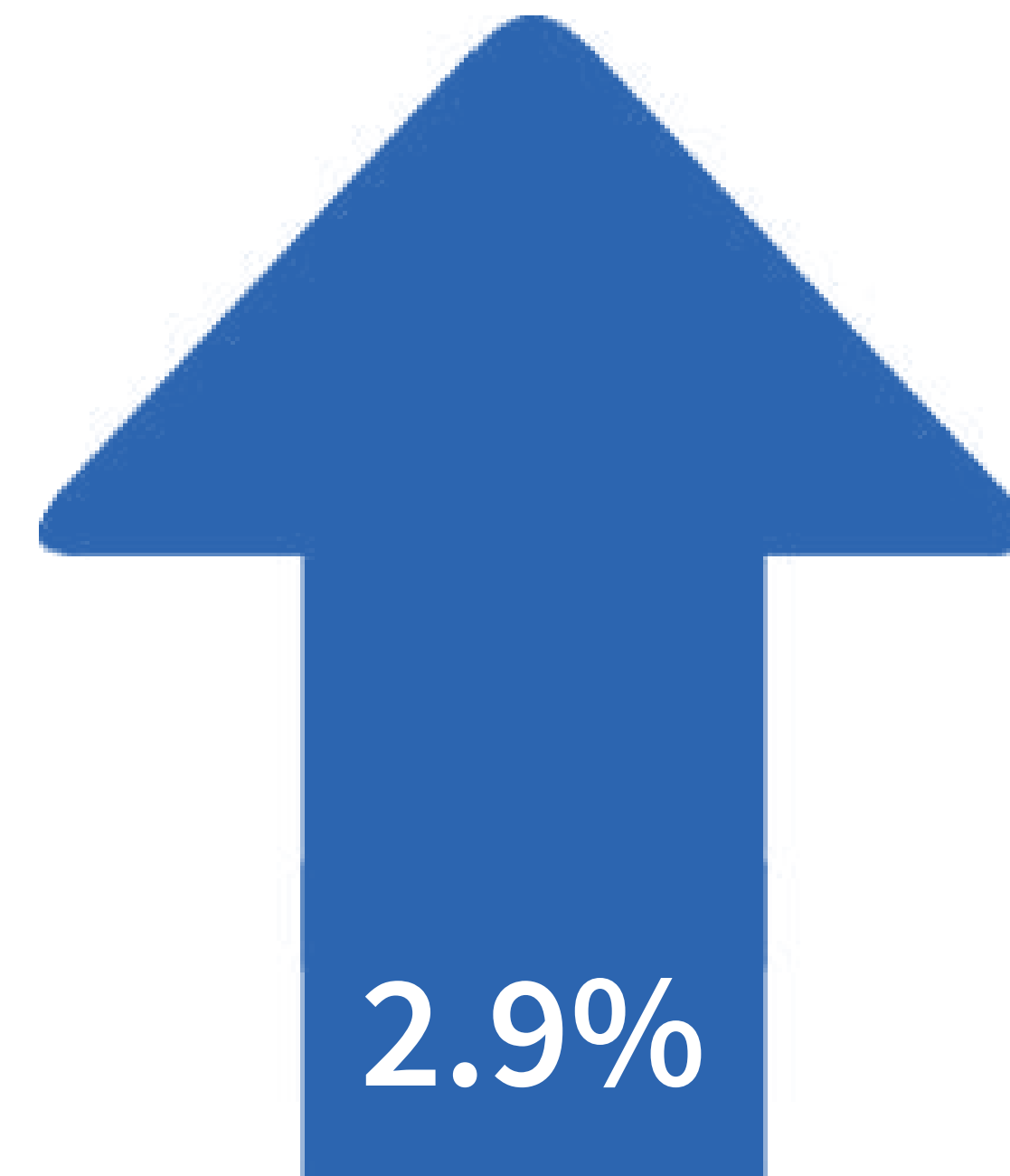


Online giving in the UK

Online giving in the UK
increased by 18.5%
in 2017.

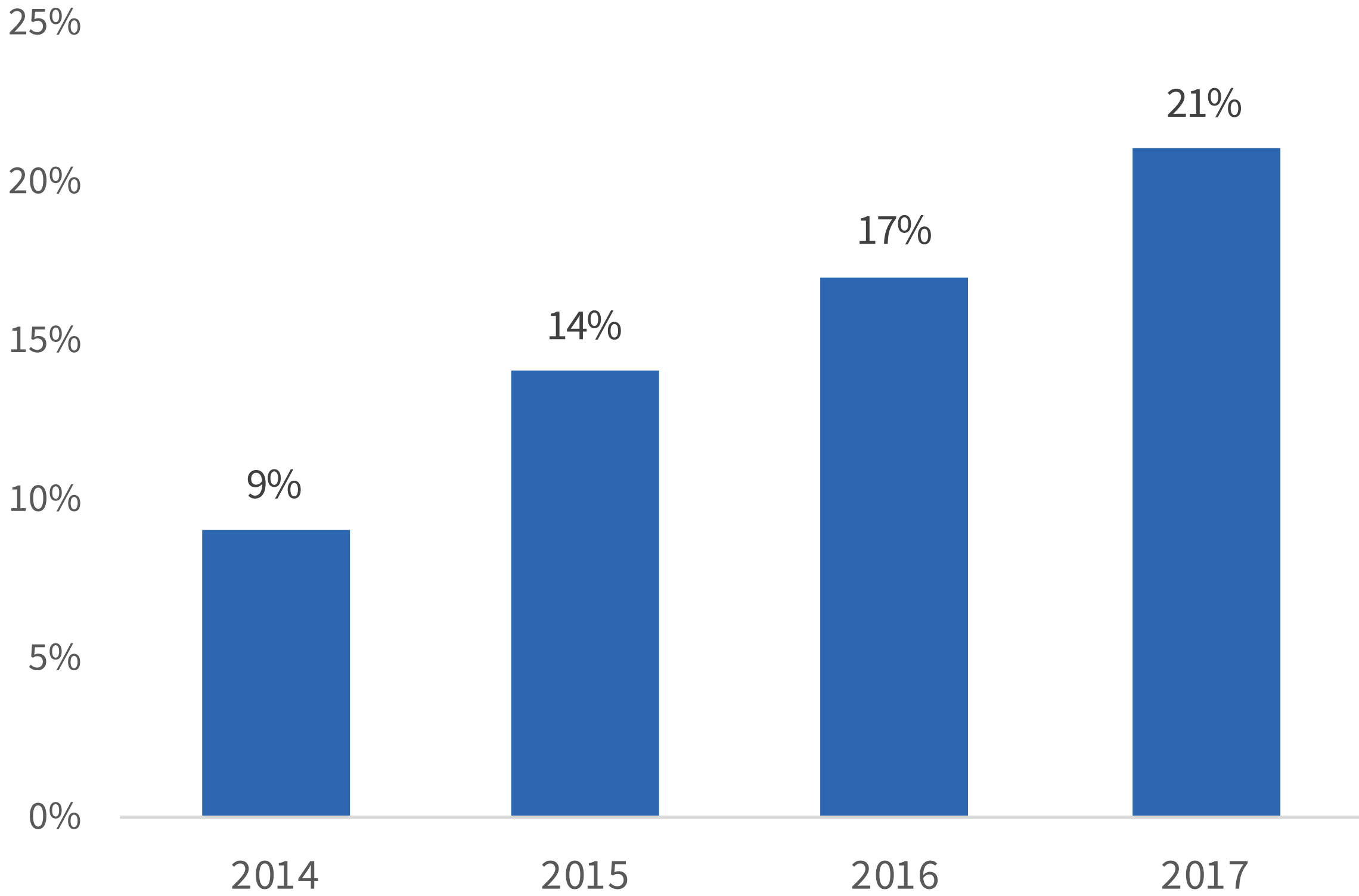


Overall giving in the UK
increased by 2.9%



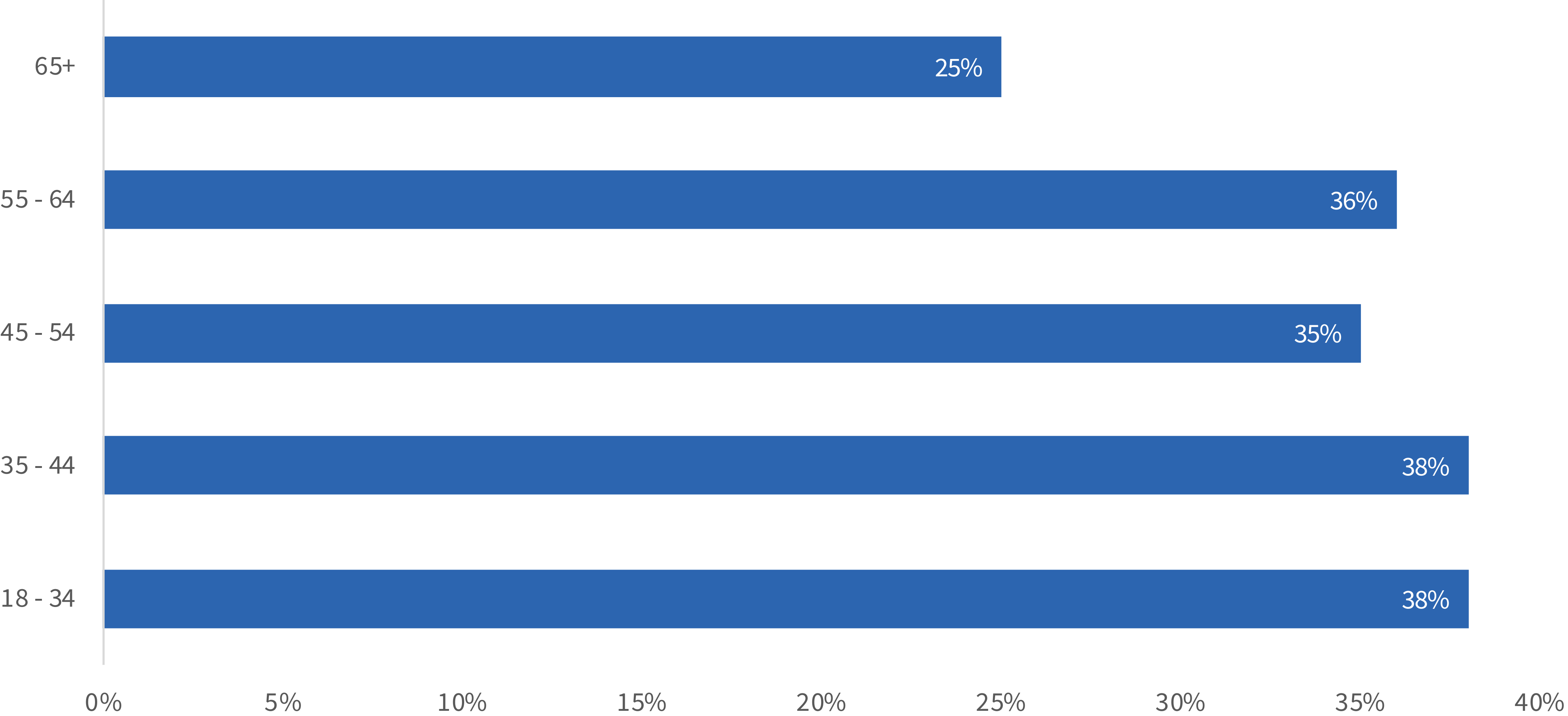


Percentage of online donations made on a mobile device





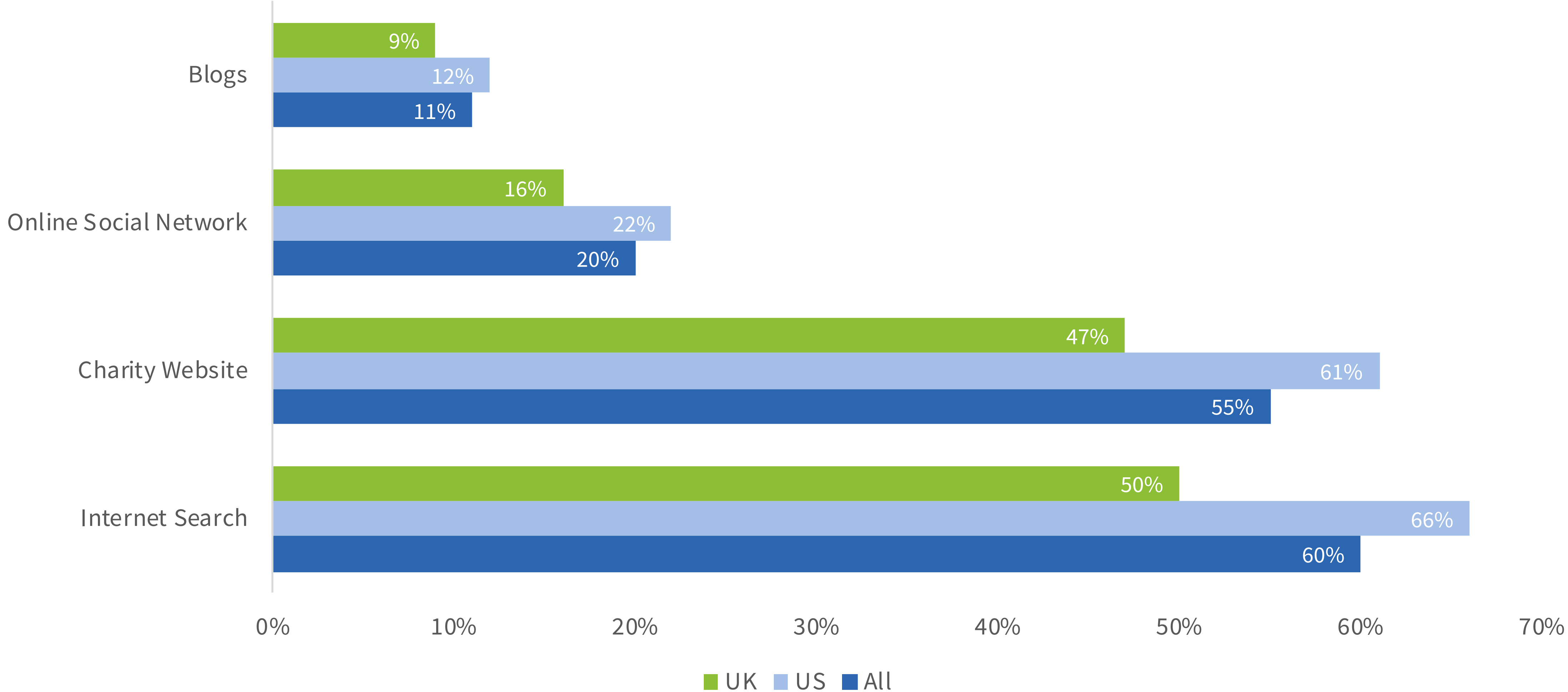
Percentage who agree that **online social networks** will play an increasingly **important role** in how people give to charity



Barclays Wealth, Tomorrows Philanthropist

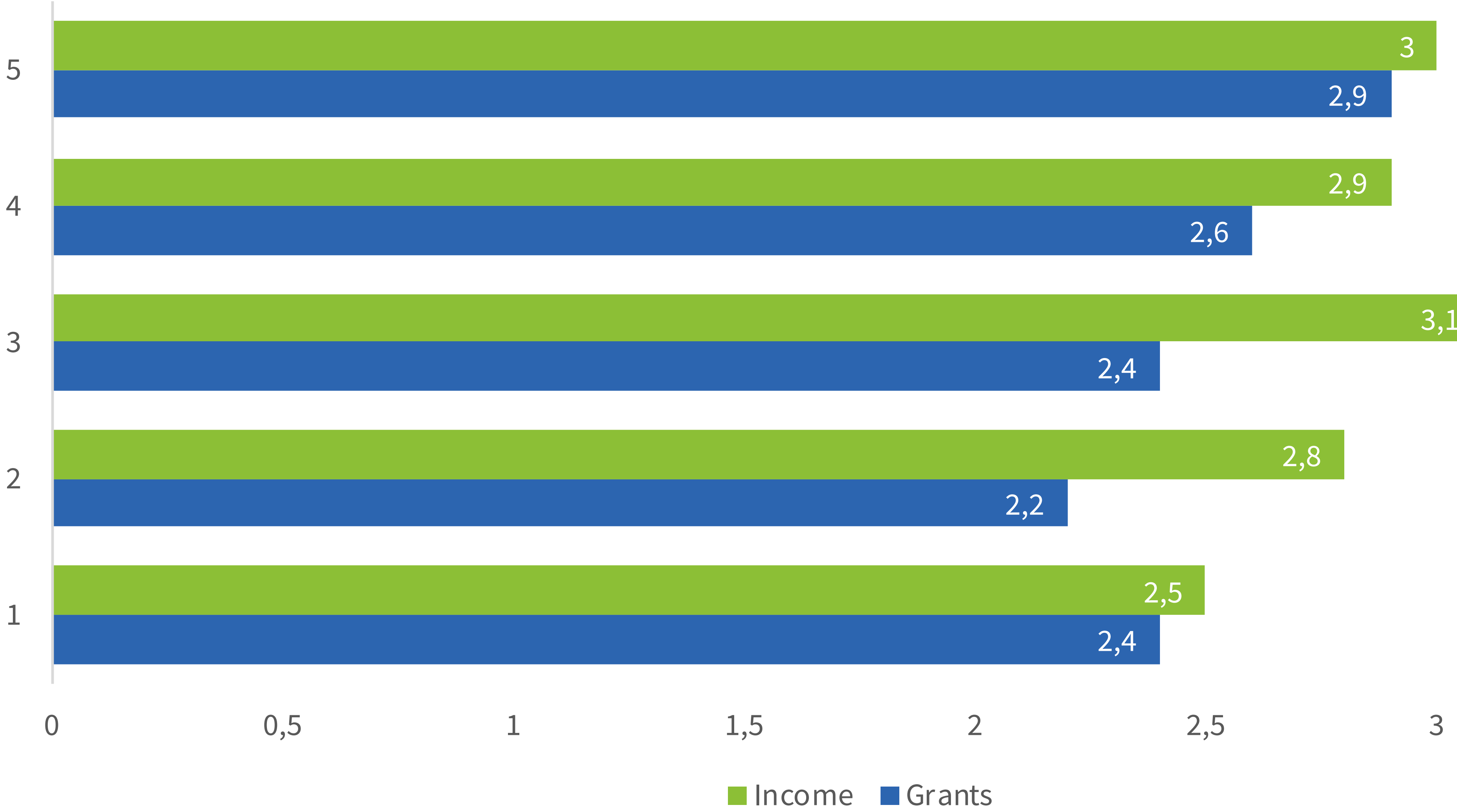


Percentage who frequently use **online resources** to **research charities**





Trends in grants and income (£ billion)





The UK came 11th in the 2017
World Giving Index



The UK came 7th when scores were
aggregated **over 5 years**

An aerial photograph of London, UK, featuring the River Thames, several bridges, and the St. Thomas' Hospital building in the foreground. The image is overlaid with a semi-transparent blue filter.

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