Charity Donations Up 95% over the Past Decade

Charity giving in the UK has nearly doubled over the past decade, according to new research by Halifax. Donations in the UK - that have been subject to Gift Aid¹ – have risen by 95% in real terms (i.e. after allowing for inflation) over the past decade from £2.0 billion in 2000/01 to £3.8 billion in 2010/11.

Charity donations grew strongly over the first half of the decade, rising by 60% (£1.2 billion) between 2000/01 and 2005/06. Since then growth has slowed significantly, rising by 21% between 2005/06 and 2010/11. Over the past year, charity donations have increased by 2.1%, less than a third of the average annual rise over the past decade (7.0%).

UK donors give an average of £223 a year to charity
The average amount given per donor via Gift Aid stood at £223 in 2010/11, a fall of 11% from the peak of £252 in 2008/09, following an increase of 93% between 2000/01 and 2008/09. Overall, the average donation has risen by 71% over the last ten years from £130 in 2000/01. The discrepancy between the increase in total giving and the decline in the amount donated per person in recent years is explained by a rise in the number of people giving.

Retirees are giving more to charity
Two in every three (67%) respondents aged 65 and over gave to charity over the last month, more than any other age group. In contrast, just over a third of those aged between 18 and 34 engaged in charitable giving.

Cash collecting still king among charity givers
Giving cash to official collectors is the most popular way of giving to charity with more than two in every five respondents (42%) donating to charity in this way. This compares to less than a third who gave through direct debits (29%). 37% of respondents donated via sponsorship or by purchasing something.

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Regionally, respondents in Yorkshire and Humberside are the most likely to give to official collectors (53%) whilst those in London are the least likely (32%) to do so. The greatest proportion of people donating monthly through direct debit and standing order are in Wales (35%), whilst those in Scotland and the West Midlands (25%) are the least likely to give in this way.

The number of people giving through a payroll scheme has risen by over a quarter (29%) over the past decade from 560,000 in 2000/01 to 720,000 in 2010/11. The use of Gift Aid has also increased markedly over the past decade. The repayment of tax through Gift Aid has risen three-fold over the past decade from £222 million in 2000/01 to £962 million in 2010/11. Gift Aid currently accounts for 87% of the total tax repaid to charities, compared to just over a third (34%) in 2000/01.

**Personal connections is the biggest driver behind charity giving**
A personal connection to a charity acts as the greatest prompt for people to donate financially, with 51% of respondents stating this as an incentive for them to give. A third of people would give to charity as a way of ‘giving something back’, whilst 24% would give in response to being approached by a charity representative or seeing an appeal on TV. Men are three times more likely than women to give to charity because of a celebrity endorsement.

**National health charities are most popular among UK donors**
One in three (34%) respondents said that they give to a national health charity such as Cancer Research, more than any of the other charity types. National children's charities including Save the Children (24%) also provided popular among respondents. In contrast, giving to international charities appears a little further down the list with just 1 in 10 respondents giving to an international animal welfare charity and under a fifth (19%) donating to an international humanitarian charity.

Anthony Warrington, director of current accounts, Halifax said:
"The increase in charity giving over the past decade has been significant and partly reflects the growth in personal wealth over the period. Charitable giving has also proved relatively resilient during the economic downturn with more people giving to good causes despite a fall in the average amount given per person."

"The research indicates, however, that charity donations are likely to be susceptible to an adverse change in household finances. 72% of people would stop donating financially to charity if they felt that they could no longer afford it and two in five people who currently donate would not be willing to give up anything to maintain their charity donations."

**Table 1: UK Real Charity donations via Gift Aid* 2000/01-2010/11**

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### Amounts Donated (net of basic rate income tax) £ bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Amounts Donated</th>
<th>% Change</th>
<th>Average Donation £</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-01</td>
<td>2.0</td>
<td></td>
<td>130</td>
<td></td>
</tr>
<tr>
<td>2001-02</td>
<td>2.2</td>
<td>9.4%</td>
<td>143</td>
<td>9.9%</td>
</tr>
<tr>
<td>2002-03</td>
<td>2.3</td>
<td>8.1%</td>
<td>154</td>
<td>7.5%</td>
</tr>
<tr>
<td>2003-04</td>
<td>2.6</td>
<td>12.5%</td>
<td>171</td>
<td>10.8%</td>
</tr>
<tr>
<td>2004-05</td>
<td>2.7</td>
<td>3.7%</td>
<td>172</td>
<td>0.7%</td>
</tr>
<tr>
<td>2005-06</td>
<td>3.2</td>
<td>16.3%</td>
<td>191</td>
<td>11.4%</td>
</tr>
<tr>
<td>2006-07</td>
<td>3.3</td>
<td>6.1%</td>
<td>216</td>
<td>12.8%</td>
</tr>
<tr>
<td>2007-08</td>
<td>3.5</td>
<td>4.1%</td>
<td>223</td>
<td>3.2%</td>
</tr>
<tr>
<td>2008-09</td>
<td>3.7</td>
<td>5.9%</td>
<td>252</td>
<td>13.1%</td>
</tr>
<tr>
<td>2009-10</td>
<td>3.8</td>
<td>1.7%</td>
<td>236</td>
<td>-6.2%</td>
</tr>
<tr>
<td>2010-11</td>
<td>3.8</td>
<td>2.1%</td>
<td>223</td>
<td>-5.5%</td>
</tr>
<tr>
<td><strong>10 year % change</strong></td>
<td><strong>95%</strong></td>
<td></td>
<td><strong>71%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Halifax, HMRC, ONS, UK Giving 2011.

* Monetary - or nominal - house price figures have been adjusted to allow for general price inflation by applying the retail price index (RPI).

**Editors notes:**

The review is compiled using a range of statistics, including the ONS and HMRC data and consumer research prepared on behalf of Halifax by ICM Research.

Data on UK donations, gift aid and payroll giving has been drawn from HMRC figures on charitable donations and tax relief ([http://www.hmrc.gov.uk/stats/charities/menu.htm](http://www.hmrc.gov.uk/stats/charities/menu.htm)). Donation figures have been adjusted to allow for inflation by applying the relevant Retail Price Index (RPI). Data for 2001/01 and 2001/02 have been estimated using average annual growth rates.

1Findings are based on data from the HM Revenue & Customs (HMRC), Office for National Statistics (ONS) and UK Giving Report (source:www.cafonline.org). All UK donation figures are expressed in real terms, i.e. after allowing for inflation (In 2011 prices). Data on UK donations only relate to donations that have been subject to Gift Aid. HMRC figures on donations have been calculated from the repayments of tax to charities and are net of basic rate income tax ([http://www.hmrc.gov.uk/stats/charities/table10-3.xls](http://www.hmrc.gov.uk/stats/charities/table10-3.xls)).

Average donations have been calculated using the HMRC data on charitable donations using ONS population data and figures from the 2011 UK Giving report on the proportion of people giving to charity: [https://www.cafonline.org/publications/2011-publications/uk-giving-2011.aspx](https://www.cafonline.org/publications/2011-publications/uk-giving-2011.aspx)

Figures pre-2004/05 has been estimated using the average proportion of people giving between 2004-05 and 2010-11.

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Consumer research has been prepared on behalf of Halifax by ICM Research. ICM interviewed a random sample of 2,006 adults aged 18+ in GB online between 8th - 10th June 2012. Surveys were conducted across the country and the results have been weighted to the profile of all adults. ICM is a member of the British Polling Council and abides by its rules.

“This report is prepared from information that we believe is collated with care, however, it is only intended to highlight issues and it is not intended to be comprehensive. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report. Any use of this report for an individual’s own or third party commercial purposes is done entirely at the risk of the person making such use and solely the responsibility of the person or persons making such reliance.” © Bank of Scotland plc all rights reserved 2012.

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