



UK GIVING AND COVID-19

A SPECIAL REPORT

October 2020

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FOREWORD

There has never been a time in living memory when we have collectively been more aware of the value of charity in our lives.

Each year, CAF provides unique research and insights into how people in the UK give to charity, how much they donate and the causes they choose to support. We do this work in order to contribute to our national conversation around giving, to inform Government, policy-makers across civil society and colleagues working in front line charities.

But we also produce this work in order to celebrate the generosity of the British people, to perhaps remind ourselves that despite the darkest of times, there is a thirst to help when we are able to do so.

This UK Giving special Covid-19 report highlights that generosity during the first half of 2020. And it gives us all cause for hope at a time when, for many, it is in perilous short supply. These pages detail levels of giving to charity during the height of the UK's lockdown in the spring of 2020 that we would normally see in the peak fundraising months of November and December. It also reveals that despite considerable worry over their own household finances and growing job uncertainty, those who could afford to give that little bit more have done so.

This work also helps us to better understand and respond to the emergency now facing the thousands of charities that rely heavily on all of those wonderful community fundraising events that happen every year, from the village fetes with a prize draw for the local animal shelter to the Great North Run that raised £25 million for charities in 2019 and was cancelled this year, or the money raised from a shuttered charity shop on the High Street. Even with the levels of generosity that we have seen in recent months, those vital funds cannot be replenished and many of the charities that rely on them are struggling to survive.

It is also our sincere hope that the giving detailed here serves as inspiration and reminds us of what is possible when people come together to support the causes closest to their hearts. These pages are not, of course, about the charities themselves – they are about the people that they help – and the fellow citizens who are prepared to voluntarily part with their money in order to care for their neighbours, be they living in the next street, the next county or across the world.



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Chief Executive, Charities Aid Foundation

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INTRODUCTION

CAF's UK Giving research is the largest study of giving behaviour in the UK, interviewing a representative sample of the public each month with the goal of assisting charities, Government and wider society to better understand the UK's giving landscape. This special report is based on research conducted between Jan and Aug 2020 (c. 9,000 interviews) with longer term trend analysis using monthly data collected since May 2016.

Other CAF research is available free by subscribing to our research at: www.cafonline.org/about-us/research. We hope you find this report both topical and useful – if you do have any questions, comments or suggestions, please contact the CAF Research team at research@cafonline.org

About CAF

We help people and businesses support the causes they care about, and for charities, we provide simple and straightforward day-to-day banking and fundraising services, freeing them up to concentrate on the real work of making a difference. We also understand and influence the wider environment for charities and civil society across the UK and beyond via our research, policy and campaigns work.





KEY FINDINGS

- So far in 2020, the overall proportion of people who donated money to charity has remained broadly in line with previous years, despite the Covid-19 crisis.
- Between January and June 2020, the public donated a total of £5.4 billion to charity – an increase of £800 million compared to the same period in 2019.
- There was a large increase in the number of people donating or sponsoring to the cause ‘hospitals and hospices’ during the height of the pandemic’s first wave, whilst up to a fifth of people specifically reported donating to charities which support the NHS.
- There was a significant decline in the amount of money donated to ‘medical research’ between January and June 2020. This cause, which often attracts donations via fundraising events, such as the London Marathon and coffee mornings, lost out on up to £174 million during the first half of the year.
- As opportunities to fundraise through face to face interactions have declined, there has been a large and sustained increase in cashless giving since March.
- Trust in charities, which increased during 2019, has increased even further since March 2020. The improvement is seen across different age groups and social grades.



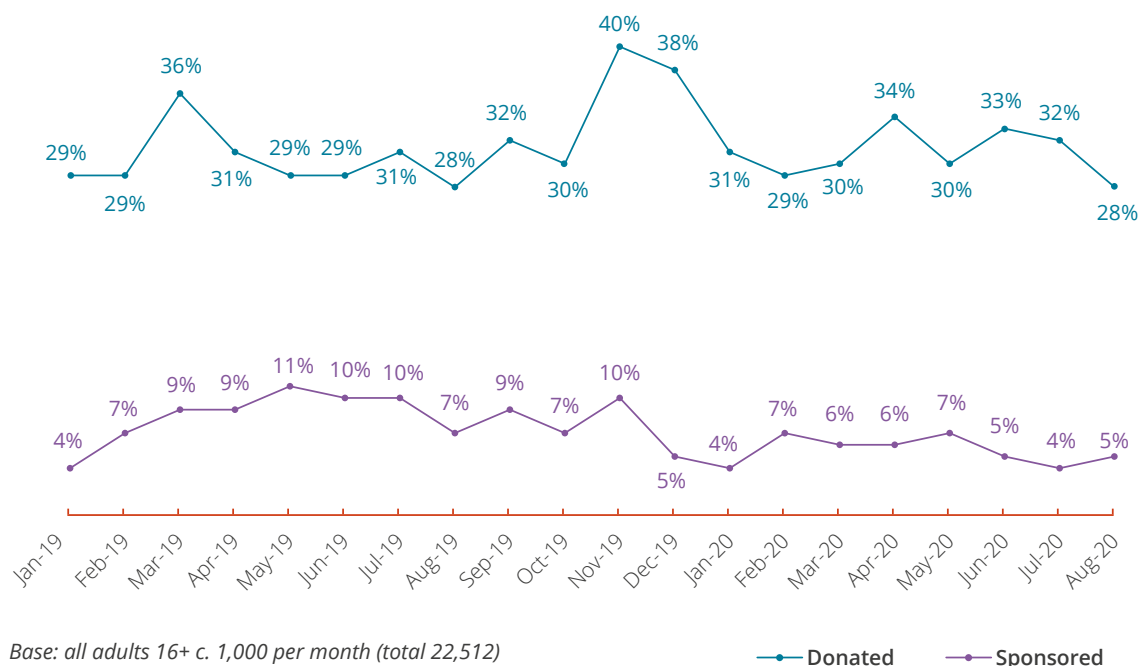
COVID-19: THE IMPACT SO FAR ON DONATION TRENDS

Donation levels held up during the pandemic, but sponsorship levels remain depressed

The overall proportion of people who donated money has remained within normal levels throughout 2020, including at the height of the pandemic. The latest data, collected in August, shows that 28% of people had made a donation to charity in the four weeks prior to being interviewed – similar to levels reported in the month of August during previous years.

However, sponsorship levels remain depressed with only 5% of people sponsoring someone in August, around half of normal levels for the time of year.

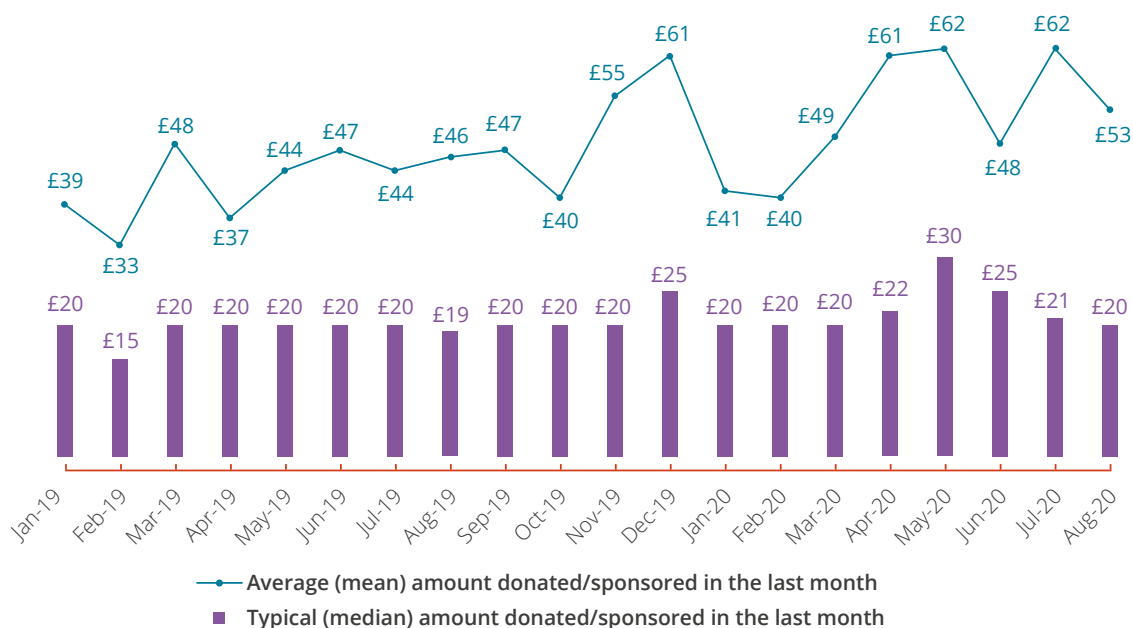
Figure 1: Which, if any, of the following have you done in the last four weeks?
(Donated money to charity, sponsored someone for a charity)



Donation amounts increased in the first half of 2020

The average donation increased significantly above normal levels during the first half of 2020, and remains elevated at levels more typically seen at Christmas time when donation amounts usually peak. A small number of very large donations can significantly impact the mean average, so it is worth noting that the median average monthly donation (which represents the more 'typical' amount given) also increased to as much as £30 in May 2020, by far the highest recorded monthly median to date and significantly higher than the long term average of £20.

Figure 2: Amount given by donation or sponsorship



Base: all adults 16+ c. 300 per month (total 6,665)

Overall, since May one in 20 people (5%) have told us that they have already donated more because of the virus ¹, whilst a further one in five (19%) intend to do so.

Typical numbers of donors making larger than usual donations means that a total of £5.4 billion was donated by the public in the first six months of the year – an increase of £800 million compared to the same period in 2019.



Support grew for causes linked to the crisis

Since April, we have asked the public about any changes to their giving habits which have come about as a direct result of the pandemic. Just over one in ten (11%) people said that they have given to new or different causes because of the virus, and around one in six (17%) reported donating to charities which support the NHS. Both of these changes in habit were particularly true for women, those in social grades AB, and regular donors (people who give weekly or monthly).

¹ It was left open to respondent interpretation as to whether this meant giving more often, giving larger amounts, or some combination of the two.

One in 20 (5%) people have cancelled a regular donation due to concerns about their own financial situation, an action which was more likely to be taken by young people than by older people (6% of 16-24 year olds vs. 3% of those aged 65+).

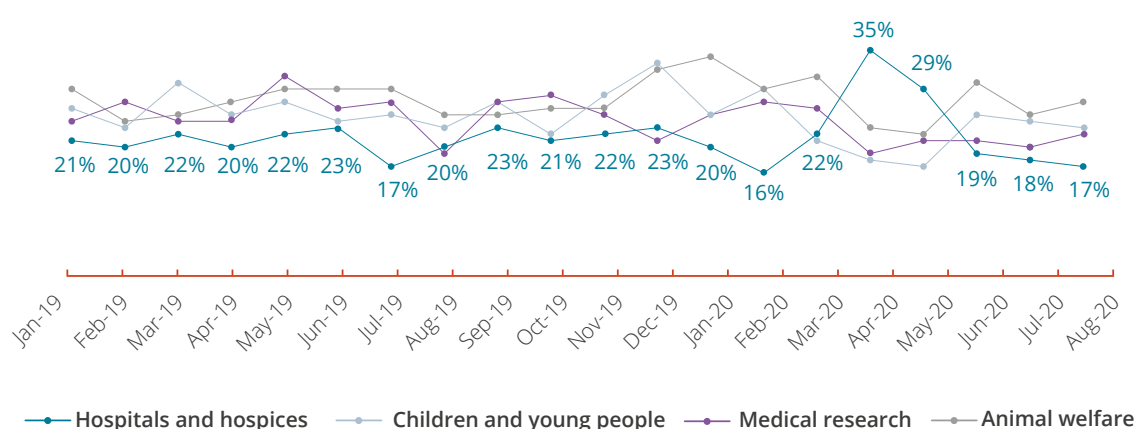
At the height of the pandemic there was a large increase in the proportion of donors giving to 2019's fourth most popular cause, 'hospitals and hospices'. Activity appeared to briefly detract from giving to other causes such as children or young people, and medical research. In fact, the average number of causes supported in May was slightly lower than generally found during the month of May in previous years. Although this is not a statistically significant result, it suggests there may have been some concentration of charitable giving on a smaller number of causes.

KEY FINDING

There was a large increase in people giving to **hospitals and hospices** during the first wave



Figure 3: Which of the following causes have you given to in the last four weeks?



With lockdown severely restricting many of the charity events which would normally attract sponsorship from the public, overall sponsorship levels have been lower than normal in 2020. However, the total donated through sponsorship increased slightly during the initial national lockdown (March to May) when compared to the same period in 2019². This was very much driven by fewer people sponsoring, but those who did sponsor giving significantly larger amounts than usual (£44 vs. £28 in 2019).

Around this time (during April and May 2020) there was a very large spike in sponsorship support of the cause 'hospitals and hospices'. This was during the same period that centenarian Captain Sir Tom Moore fundraised more than £32 million for NHS Charities Together by walking laps of his garden.

Sponsorship of other popular causes, notably children or young people, and medical research, increased slightly after many restrictions were lifted.

Further analysis was conducted to determine whether any particular cause areas had taken a larger than usual share of the total amount donated by the public in the first half of 2020. Despite a much higher than normal proportion of people supporting the cause 'hospitals and hospices' during April and May, its share of the total amount donated during the first half of the year was in line with

² Between March and May 2020 we estimate that £468 million was given in sponsorship donations compared to £435 million during the same period in 2019.

previous years at 8% of the total (compared to 10% during the first half of 2019, and 9% during the first half of 2018). Medical research, on the other hand, took just over half its normal share of all donations in the first half of 2020.

In previous years, 12% of all the money given through donations or sponsorship between January and June went to medical research. But between January and June 2020, with much fundraising activity halted by the lockdown, it took only 7% of the total. That equates to a loss of £174 million to this cause during just the first half of this year. Whilst CAF's other research with charities has shown that some have been able to move towards more online fundraising, nevertheless many charities will have suffered financially from such loss of income.

Cashless donations have increased substantially since the start of the year

The number of donors making cash donations – usually the country's most popular way of giving – saw a substantial drop off between March (34%) and April (13%) and remains at very low levels compared to previous years. At the same time, the number of donors giving via a website or app increased significantly over the same period (from 13% to 24%) and this remains at much higher levels than normal.

Research earlier on in the pandemic found that four in ten people (41%) said that they will avoid using cash wherever possible because of the coronavirus, and six in ten (60%) think it is more hygienic to use contactless debit or credit cards, rather than cash. Whilst there will likely always be a need for face to face fundraising events, it is possible that the crisis will have accelerated digitisation for some charities.

There were fewer opportunities for other forms of giving

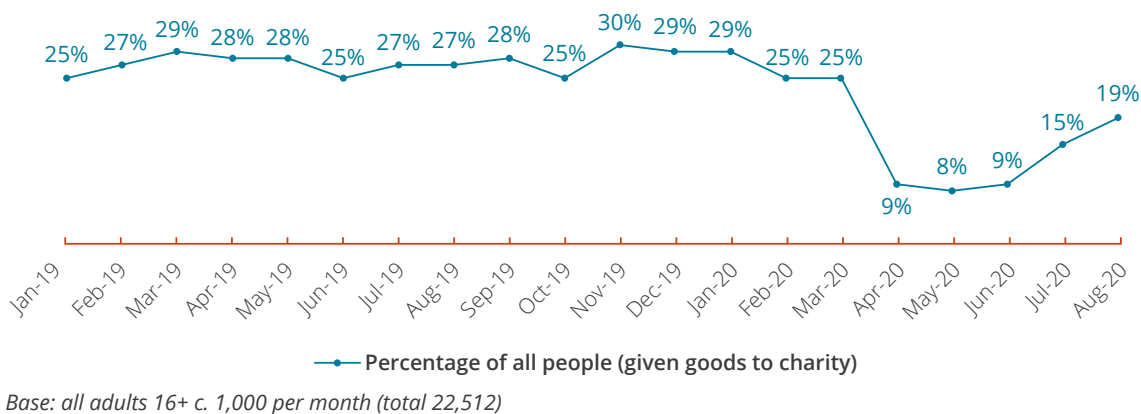
KEY FINDING

Six in ten think it's more hygienic to use **contactless cards**



One of the most popular ways to donate to charity in the UK is via the giving of goods. With charity shops closed and many charities not able to undertake their usual activities, there was a very marked reduction in this activity earlier in the year.

Figure 4: Which, if any, of the following have you done in the last four weeks?
(Given goods to charity)



In June, as the easing of lockdown measures began, three quarters of people (75%) reported that they were likely to donate to a charity shop in the coming weeks, and half (49%) said that they were likely to shop in charity shops in the coming weeks, possibly offering a lifeline to those charities that lost a source of income when they were forced to close. Figure 4 shows that since the early summer there has been some improvement in the giving of goods generally, although this way of giving still sits below normal levels.

Another important resource for charities is volunteers. Whilst there was widespread informal volunteering during the lockdown, formal volunteer numbers saw a significant drop as many activities were cancelled or postponed. The number of people who said they had volunteered for a charity dropped to 4% in June 2020 (compared to the 2019 average of 9%). Local lockdowns may continue to make formal volunteering difficult in the short-term.

Trust in charities increased

Trust in charities, which was already increasing slightly compared to previous years, has seen a further increase since March 2020. This higher level of trust has so far been sustained throughout the year – in August 56% of people agreed that most charities are trustworthy, compared to an average of 50% in 2019 and 48% in 2018. This is a broad trend seen across different demographics.

KEY FINDING

More than half think that charities are trustworthy





THE OUTLOOK FOR GIVING BEHAVIOURS





As restrictions were imposed, at each end of the social spectrum, people signalled their intention to change their giving behaviour. For example, the proportion of people in social grades AB who intended to donate less in the coming 12 months nearly doubled between February (6%) and March (11%) and a similar pattern is seen amongst those occupying social grades DE. At the same time, people across all social grades reported being worried about their household income because of the pandemic (58% overall in March).

In March, we also asked a separate question about intended giving behaviour in a shorter timescale – the next three months. This was framed specifically in the context of the virus, and garnered similar results to the 12-month question (14% expected to donate less). When asked why they were expecting to donate less, many respondents reported that they now had a reduced income, or even no income at all (fieldwork took place just before the Chancellor's announcement of a furlough scheme for the self-employed); some were in self-isolation due to age or ill health and didn't feel they could contribute; some were simply anxious for the future.

As levels of anxiety rose across the country early on in the crisis, it would seem that there was a general sense of 'battening down the hatches' when it came to charitable giving. However, so far this has not translated into actual behavioural change for the population as a whole and, encouragingly, by the end of April the sentiment had completely reversed – more people than usual reported that they intended to donate more in the next 12 months (12% vs. a long term average of 7%) and this figure is still slightly elevated.

Previous analysis conducted by CAF has suggested that charitable giving is broadly maintained even during major recessions such as the financial crash of 2008-2009 and the period of low growth that followed. Given the scale of GDP loss to the UK economy since the start of 2020, it would seem that this analysis has thus far held true – as reported on page 6, current reported levels of giving are, remarkably, normal for the time of year. However whilst this is true of the total population as an average, there has clearly been a cost to many charities and causes which will not have been able to benefit from the country's continued generosity.

Long term trends in key giving behaviours

	2016	2017	2018	2019
 Percentage who donated money in last four weeks	33%	32%	31%	32%
 Average monthly donation amount	£18 median	£20 median	£20 median	£20 median
	£40 mean	£44 mean	£45 mean	£46 mean
 Top cause areas	26% Medical research 25% Animal welfare 24% Children and young people	26% Medical research 24% Animal welfare 23% Children and young people 23% Hospitals and hospices 23% Overseas aid/disaster relief	26% Animal welfare 26% Children and young people 25% Medical research	27% Animal welfare 26% Children and young people 25% Medical research
 Most popular way of giving in last four weeks	45% Cash	42% Cash	41% Cash	39% Cash



METHOD

CAF has been producing the UK Giving report since 2004, and has been tracking giving in the UK for several decades. Over time, there have been a number of changes to how the study is conducted in terms of approach and questions asked.

During 2016 the UK Giving survey transitioned from a face to face survey of 1,000 responses each quarter, to an online survey of 1,000 responses each month. This monthly approach enables us to capture changes in behaviour and attitudes at a more granular level, including the well established spikes in charitable giving that occur around particular high-profile events or as a result of humanitarian disasters or specific appeals. In the context of this special report, it has allowed us to track the impact of the Covid-19 pandemic on charitable giving across the country.

This particular report is based on the responses of c. 9,000 people, whose responses were collected between January and August 2020. The sample is constructed in such a way that it is nationally representative of the UK in terms of respondents' sex, age, region/nation and social grade.

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