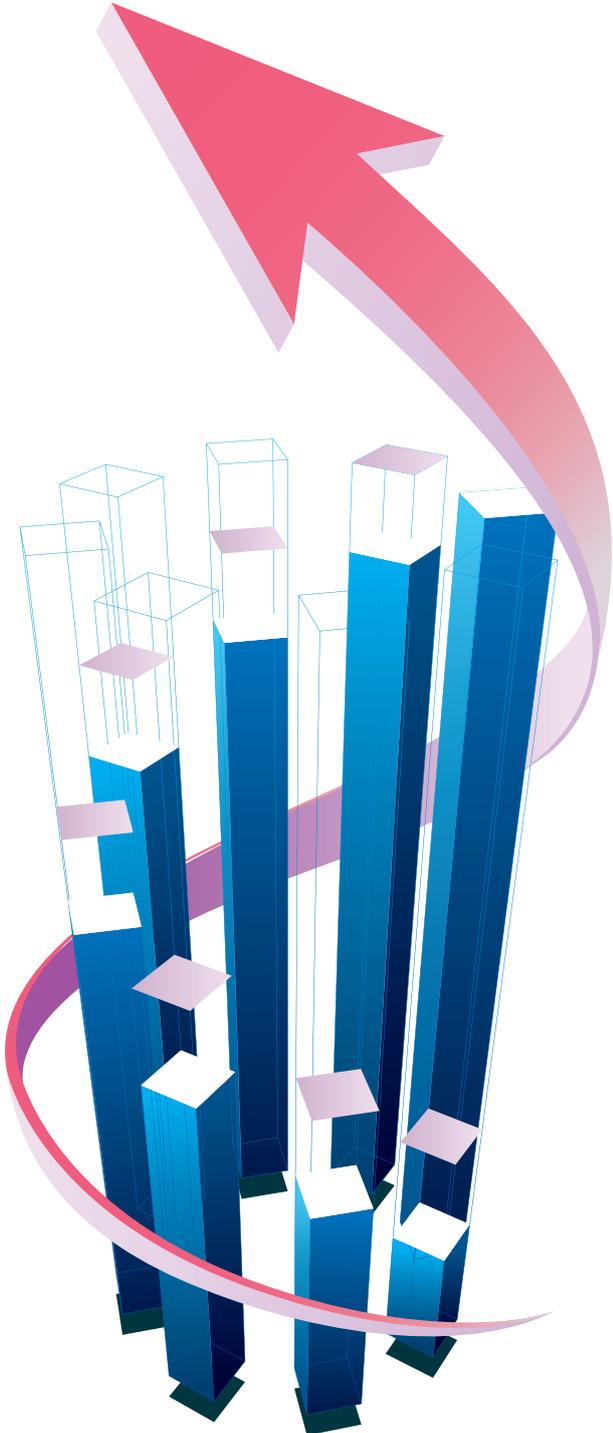


# Giving



## 6. Giving

**The data presented in this chapter are taken from the *Northern Ireland Giving Survey, 2010*. The survey was conducted in July 2010 and involved a total of 1,000 telephone interviews with a representative sample of the general public. Where it is appropriate direct comparisons have been made with previous research into charitable giving in Northern Ireland. Data are also presented from a survey undertaken on behalf of NICVA by Ipsos MORI in October 2011.**

Only a small number of donors (14%) indicated that they had decreased the amounts they gave over the last year; 84% had either increased or maintained their level of giving. This reinforces how important charitable giving is in Northern Ireland, even during tough economic times. 83% had made a donation in the previous four weeks, a figure in line with the 2008 survey where 84% of individuals had made a donation. This figure increases to 90% for individuals who had made a charitable donation in the previous 12 months.

A total of £220 million was made in donations to charity in Northern Ireland in 2010. At the individual level, the median donation per donor is £16.75 and £11.00 per head of population. The mean total donation in a four weekly period is £34.46 per donor and £28.59 per head of population.

In terms of addressing the question, 'who gives to charity?' the most likely groups

to give are females, people aged 39-49, those who are married or cohabiting, and individuals earning £250+ per week. With regard to the popularity of charitable causes, the top five most popular charitable causes are religious organisations, children and young people, medical research, health, and disaster relief.

Cash donations made in a place of worship continue to have a significant impact on the overall picture of giving; donations made in a place of worship account for 31.8% of the total financial yield, a decrease of 5.1% from 2008. The types of giving that generate the most revenues are cash at a place of worship, challenge events, other cash donations and direct debits. Excluding cash donations in a place of worship from the analysis, the average donation made is £25.35 and the median donation is £11.00.

35% of donors had used one of the various forms of planned giving in the four weeks covered by the survey. The reason most cited by respondents for using planned giving was that it made the donating process easier to manage. Face-to-face conversations with a charity representative and television campaigns appear from the findings of this survey to be the most likely communications from a charity to elicit a donation.

The average percentage of income people perceive charities to spend on fundraising is 28%. This is higher than the 20% that people, on average, believe is acceptable to spend on fundraising. Research by Intelligent Giving puts the actual average fundraising spending by the sector as between 12%

to 25% of income suggesting that the public are overestimating what charities spend on fundraising activities.

The average amount the public perceive charities spend on administration is 36%. This is much higher than respondents, on average, consider being an acceptable level. Intelligent Giving lists average charity spend on administration at approximately 12%, lower than the 19%, on average, that the public think is acceptable, and far below what they think is actually being spent.

The most common reasons for not making a donation were that people felt they couldn't afford it or that they didn't have the opportunity.

## Giving in Northern Ireland

The *Northern Ireland Giving Survey 2010* found that 90% of respondents had made a donation in the previous 12 months; a small drop of 1% since the same study was carried out in 2008. The 2010 survey found that 83% of respondents had made a donation in the last four weeks, and again this is line with the previous survey (84%). The UK Giving Survey 2010 found that the proportion of people giving had increased slightly over the last year.<sup>23</sup> The stability of these figures suggests that commitment to charitable giving in Northern Ireland has been sufficiently resilient to survive current economic difficulties.

**Table 6.1 Four weekly charitable donations**

		<b>Total Big Lottery Fund committed in Northern Ireland</b>	<b>% of total to voluntary and community sector</b>
Mean		34.46	28.59
Median		16.75	11.00
Minimum		0.15	0.15
Maximum		739.50	739.50
Quartiles	25	6.0	2.00
	50	16.75	11.00
	75	35.00	30.00

<sup>23</sup> NCVO/CAF.UK *Giving 2010: An overview of charitable giving in the UK, 2009/10*. December 2010.

As with surveys of individual giving in previous years, the 2010 findings make clear that cash donations in a place of worship continue to have a significant impact on the overall picture of giving in Northern Ireland. As Table 6.2 illustrates, when donations made in a place of worship are removed from the financial analysis, the mean and median four-weekly donations are significantly reduced. In fact, further analysis suggests that donations made in a place of worship account for 31.8% of the total financial yield. This represents a decrease of 5.1% in the share of cash donations made in a place of worship since 2008.

**Table 6.2 Four-weekly donations excluding place of worship**

	<b>Four weekly donations 2010 (excluding place of worship)</b>	<b>Four weekly donations 2010 (including place of worship)</b>
Mean	34.46	28.59
Median	16.75	11.00

As can be seen in Table 6.2, excluding charitable donations made in a place of worship from the analysis decreases the average donation by 26.4% to an average of £25.35.

### Distribution of giving

In the 2005 *Northern Ireland Giving Survey*, 64% of all donations amounted to less than £10 a month. This fell to 43% in 2008, and as Table 6.3 illustrates, this trend is continuing. In this year's survey only 39% of donors' four weekly donations were less than £10. Many factors could account for the year on year rise of donations above £10 and the general trend away from small amount philanthropic giving to larger donations. However, as planned giving is often characterised by larger gifts sent by cheque, credit/debit cards, standing orders/direct debits or money deducted directly from wages, it could be that the time spent by charities in attempting to attract their regular donors to formal planned giving options is beginning to have a real impact on donor behaviour. The mean for donations above £100.01 appears to be very high, but as mentioned above, the small number of donors in this in this category and the impact of large one off donations should be taken into account when drawing any conclusions.

**Table 6.3**      **Distribution of giving**

	<b>% of Donors (2008)</b>	<b>% of Donors (2010)</b>	<b>Mean Donation 2010 (£)</b>
1p - £1.00	3	5	0.95
£1.01 - £2	8	6	1.97
£2.01 - £5	15	11	4.04
£5.01 - £10	17	17	8.10
£10.1 - £20	20	19	15.65
£20.0 - £50	28	26	32.39
£50.1 – £100	7	9	69.15
£100.0+	3	7	210.19

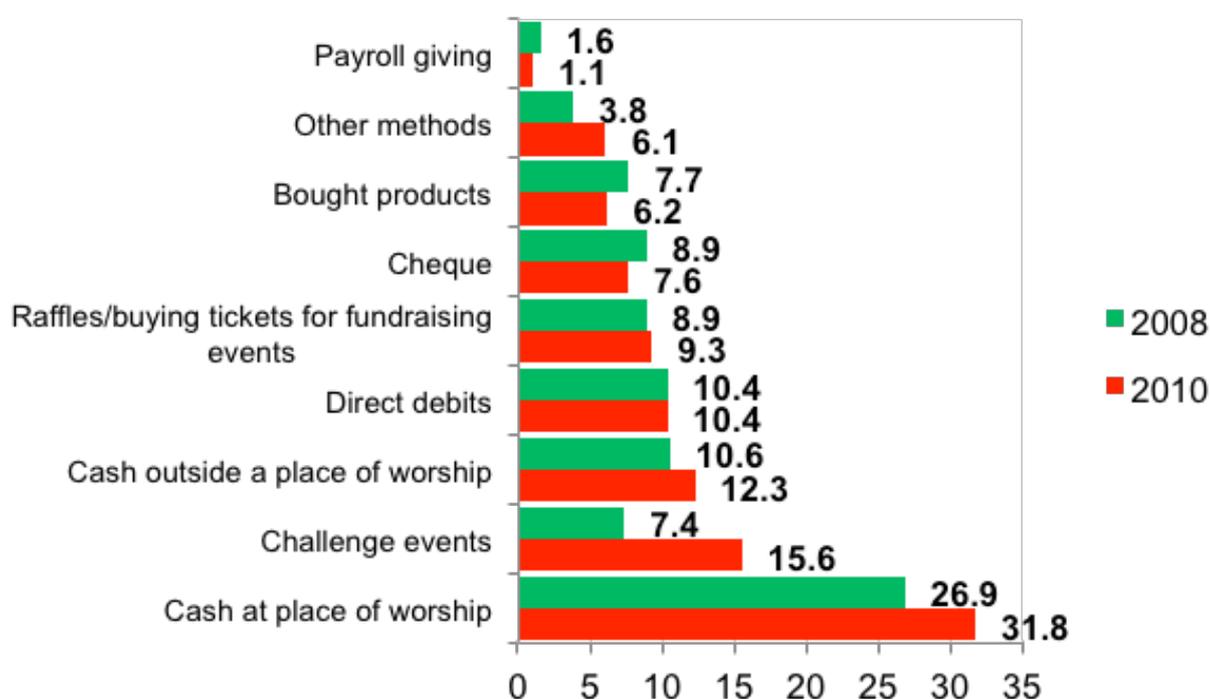
## Methods of giving

### Popularity of various forms of giving in Northern Ireland

The *Northern Ireland Giving Survey 2010* analysed the various methods of making a charitable donation and found that 83% of individuals had made a charitable donation in the four-weekly period covered by the survey. The results of this survey suggest that there has been little change in the methods used by donors to give to charity since the 2008 survey<sup>24</sup>. The popularity of the different methods of giving in terms of the share of the financial yield is outlined in Figure 6.1.

<sup>24</sup> For an overview of previous Individual Giving report, see *State of the Sector V*, NICVA, 2009.

**Figure 6.1 Financial share for each methods 2008 and 2010 (%)**



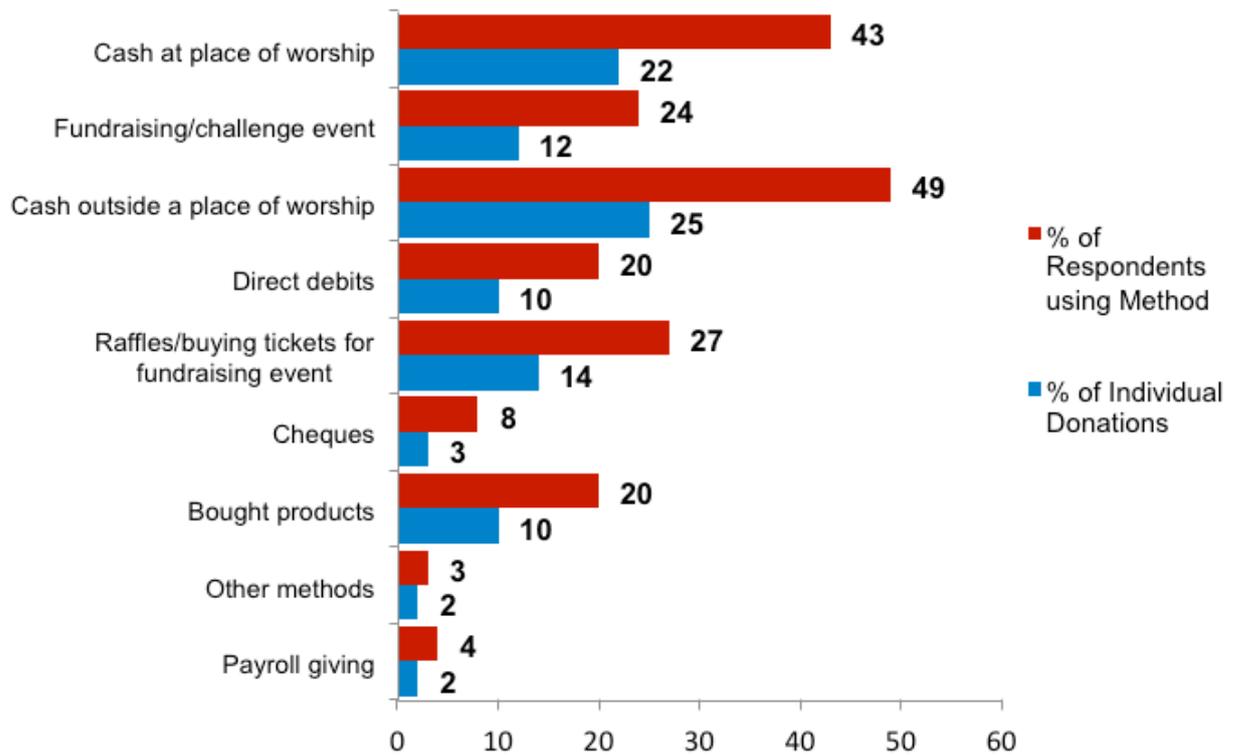
As Figure 6.1 shows, as a share of the total yield, the most popular forms of giving are cash at a place of worship, challenge events and other cash donations. The use of cheques by individual donors has fallen by 5% to 8% (see Figure 6.2), yet despite this fall, donations by cheque still contributed some 7.6% of the total yield recorded in this survey. Therefore, the concern expressed within the sector at large that there has been insufficient consultation on the Payments Council proposals to abolish the use of cheques by 2018, and warnings from groups such as the Institute of Fundraising that this development could have potentially disastrous effects on many charities income may indeed be well founded<sup>25</sup>. As the Institute's 'Save our Cheques' campaign makes clear, there are many charities, in particular those who rely heavily on an older supporter base, that receive more than 70% of their income by cheque.

The most popular form of giving in Northern Ireland continues to be philanthropic giving, ie cash donations, either within a place of worship or elsewhere. As Figure 6.2 shows, in terms of the number of respondents who had used a particular form of giving in the four-weekly period covered by the survey, cash donations outside a place a of worship continue to be

<sup>25</sup> <http://www.institute-of-fundraising.org.uk/policy-and-campaigns/campaigns/save-our-cheque/>

the most popular. But yet again, as we can see from Figure 6.2, there are a relatively high number of individuals making a donation at a place of worship. Therefore, the results of this survey chime with previous research findings in that there is a persistent strength in faith-based giving, providing constant evidence that social networks are powerful contexts for motivating giving<sup>26</sup>.

**Figure 6.2 Giving methods (%)**



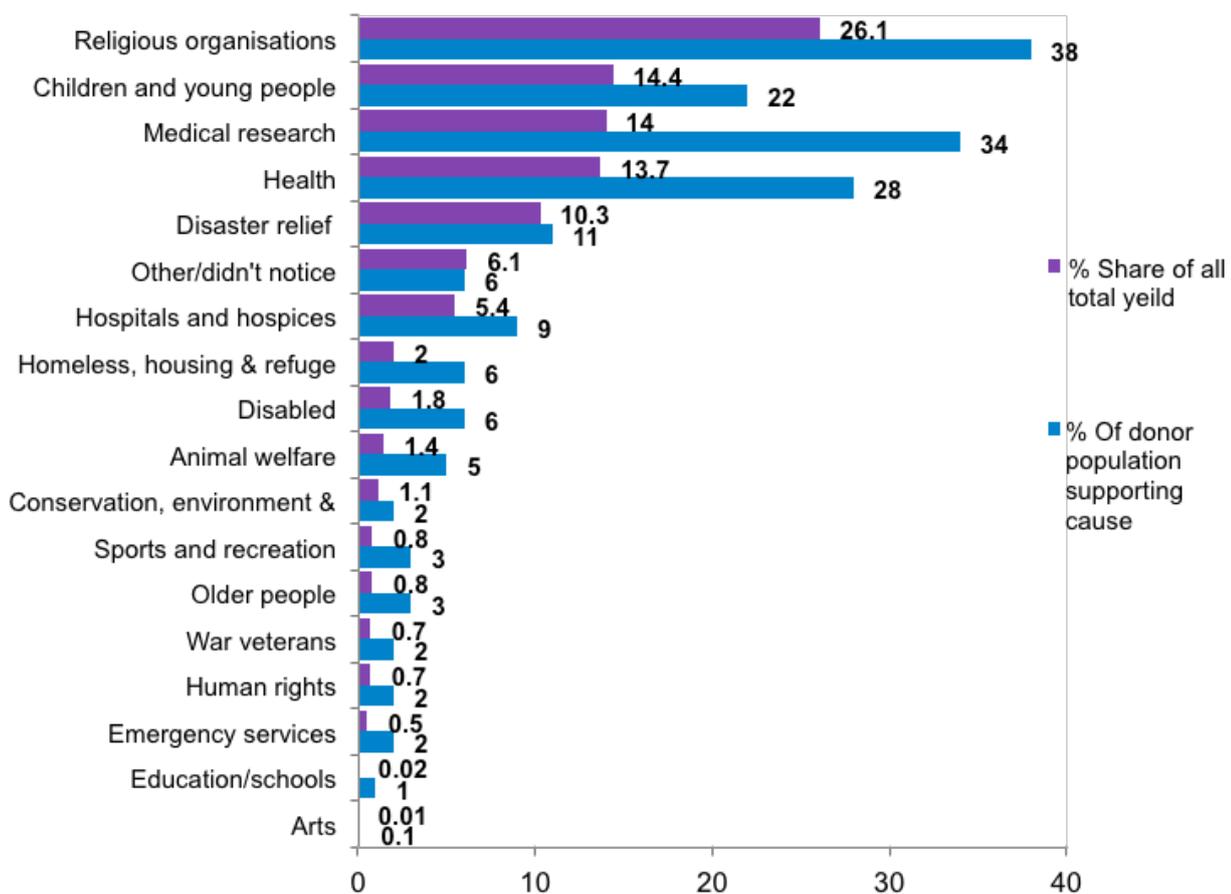
### Support for each cause

As can be seen in Figure 6.3, religious organisations remain the most popular charitable cause to which individuals make charitable donations, with the average monthly donation to religious organisations being £23.45. Steady growth has continued in the level of donations made to religious organisations, from 15.7% in 2005, to 20.4% in 2008 and now to 26.1% in 2010. This sustained growth in the financial share of religious donations reinforces the important impact that these donations have on the overall picture of giving in Northern

<sup>26</sup> Harrow, J. and Pharoah, C. Recession and charities; *the paradox of charitable opportunity?* ESRC Research Centre for Charitable Giving and Philanthropy, Cass Business School. 2008.

Ireland. Indeed there has been little change since 2005 and 2008 in the causes that people make donations to. The five most identifiably popular charities in terms of financial share in 2008, ie religious organisations, health, children and young people, medical research and disaster relief, continue to be the primary destination for donations made in Northern Ireland. This stability in the types of causes that people give to is commensurate with the findings of the UK Giving 2010 survey<sup>27</sup>, where, with the exception of a significant increase in the popularity of overseas causes, there has also been little change in the causes donors choose to support.

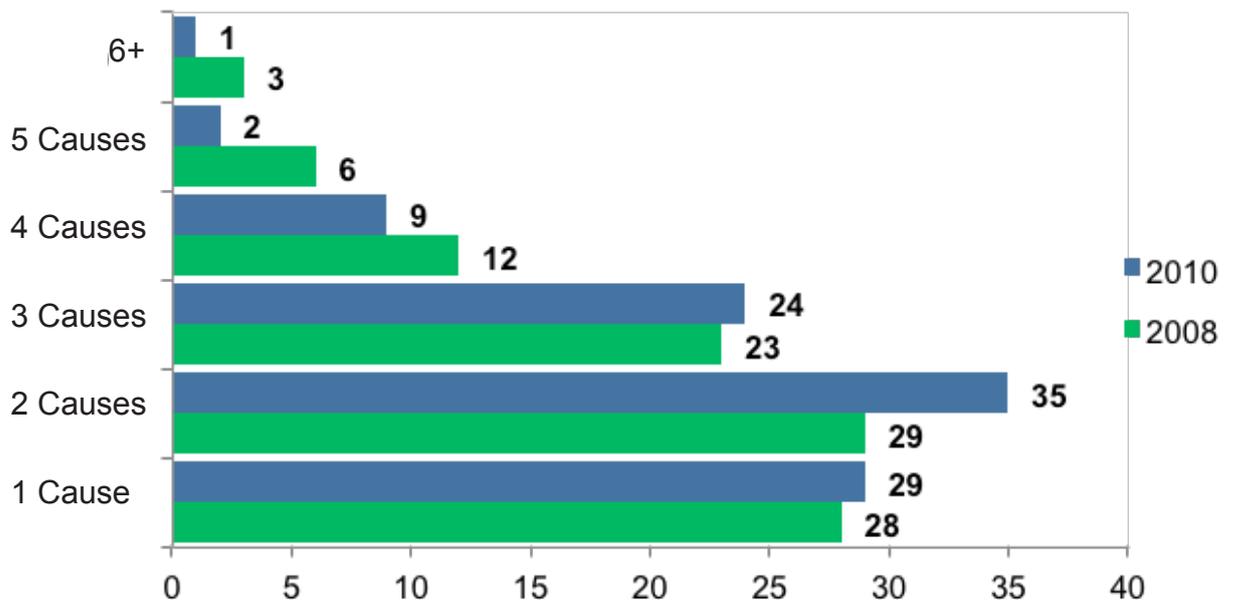
**Figure 6.3 Support for each cause (%)**



27 NCVO/CAF.UK Giving 2010: An overview of charitable giving in the UK, 2009/10. December 2010.

Children and young people, medical research and disaster relief also increased their financial share of donations in the 2010 survey (disaster relief significantly so, rising from 5.9% in 2008 to 10.3%), whilst health had a small (0.75%) decrease.<sup>28</sup> It is difficult to judge just how much of this consolidation of these five causes is due to donors prioritising their donations during the recession, yet as Figure 6.4 shows, donors do tend to give to a small number of charities (in 2010 only 12% give to more than three charities in any four week period).

**Figure 6.4 Number of causes donors give to**



As shown in later sections, the selection of a particular charitable cause is generally not random or driven solely by opportunity, but is instead directed by personal motivations. However, these findings appear to confirm research that suggests that donor motivations can remain constant, ie philanthropy is motivated by social and personal concerns rather than exclusively by economic factors.<sup>29</sup> As Table 6.4 shows, mean donations for some causes are particularly high, such as those for religious organisations and disaster relief, often due to the effect of large one-off donations or donor responses to high profile incidents. This is in line with UK wide figures which give mean donations to religious organisations and overseas aid as £33 and £24 respectively. Therefore, the median donation is a more reliable indicator.

<sup>28</sup> In the 2008 NI Giving Survey, Health Promotion and Physical/Mental health were two separate categories. This may explain the slight fall in total yield to this cause.

<sup>29</sup> Breeze and Morgan. Philanthropy in a recession: analysing donor behaviour in the light of UK media coverage. 2009.

**Table 6.4 Mean donation to each cause**

<b>Cause</b>	<b>% of Donor pop. supporting cause</b>	<b>Mean donation</b>	<b>Median donation</b>
Religious organisations	38	23.45	10.00
Medical research	34	14.27	6.00
Health	28	16.68	7.00
Children	22	22.59	8.00
Disaster relief	11	32.88	10.50
Hospitals and hospices	9	20.42	10.00
Disabled	6	11.39	5.00
Homeless and housing	6	10.90	5.00
Animal welfare	5	9.95	7.00
Older people	3	9.29	5.50
Sport	3	9.08	5.00
Conservation	2	23.46	5.00
Emergency services	2	7.55	3.00
Human rights	2	10.11	10.00
War veterans	2	13.57	5.00
Schools and education	1	10.00	8.00
Arts	0.1	3.00	3.00

### Individual Giving survey update

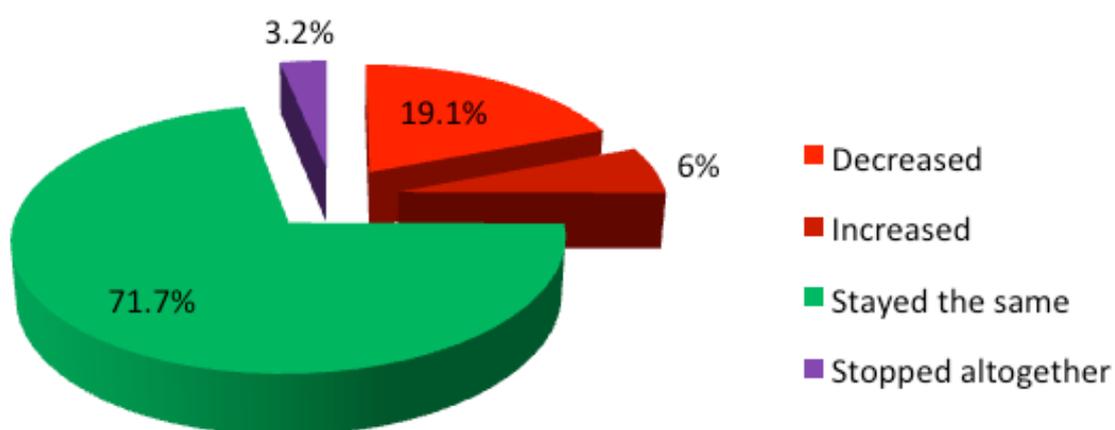
Given the fact that the economic difficulties have become deeper and more embedded since NICVA last carried out the Individual Giving survey, it was deemed necessary to undertake a follow-up survey in October 2011. On this occasion, 66% of respondents had given money to charity in some way over the last four weeks, a drop from 83% in the main Individual Giving survey. In this recent survey, respondents were asked about all donations, so on this

occasion donations at a place of worship have been included. When compared to the last survey, the average donation per donor has dropped significantly from a mean of £34.46 to £26.94, and from a median donation of £16.75 to £8.00. Of course, levels of giving should be considered in relative rather than in absolute terms, and contextualised within trends in income and other household expenditure. In this respect, average giving levels remain consistently strong given the current economic difficulties.

In the Individual Giving survey of July 2010 almost 59% of respondents had made a donation, such as bags of clothes or goods, to a charity shop; in our follow-up survey we found that this figure had fallen to 48%. This is an important finding in the context of recent media stories concerning the decline in public donations to charity shops.

In terms of legacy giving, the survey update found that there had been no change in the number of individuals who have included a legacy donation in their will (3% of respondents), yet 19% of individuals did indicate that they would be likely or quite likely to include a legacy donation in their will in the future. Where there has been a significant change since the main survey is in some aspects of individual giving habits, with 11% of respondents having made a donation to charity using the internet, whereas in July 2010 the number of people using this method was negligible.

**Figure 6.5 Have your donations decreased, increased, stayed the same or stopped altogether?**



Respondents were also asked if, in the current economic conditions, their donations to charity had decreased, increased, stayed the same or stopped altogether. The number of people whose donations have stayed the same has held steady at around 70%. However, the number of people who have increased their donations has decreased from 14% to 6%. The number of respondents who have decreased their donations to charity or stopped them altogether has also increased from 13% to 22%.

*State of the Sector VI* is the latest edition in the *State of the Sector* research programme. The previous *State of the Sector* reports have developed the only comprehensive picture of the scale and scope of the economic activities of the Northern Ireland voluntary and community sector. The publication of each *State of the Sector* report represents another step in the evolution of this type of statistical analysis and as such adds to the already broad and in depth knowledge of the sector, by examining many of the key issues currently affecting and shaping it.

*State of the Sector VI* provides high level statistics on the various types of resources available to the sector and the relationship between voluntary and community organisations, government, funders and the general public. *State of the Sector VI* is invaluable to all those who need an up-to-date and reliable source of statistics and commentary on the voluntary and community sector in Northern Ireland. People working in the sector – academics, decision-makers, social science students and journalists – will all find this publication useful.

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Northern Ireland Council for Voluntary Action

Tel: (028) 9087 7777

Fax: (028) 9087 7799

Minicom: (028) 9087 7776

International code: +44

[info@nicva.org](mailto:info@nicva.org)

[www.nicva.org](http://www.nicva.org)

[www.communityni.org](http://www.communityni.org)

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