

Why do different surveys of giving report different findings?

This year UK Giving is complemented by briefings on a range of related issues. These can be found online at www.cafonline.org/ukgiving and www.ncvo-vol.org.uk/research/giving

Applications for permission to reproduce all or part of this publication should be made to either research department at the addresses below.

National Council for Voluntary Organisations
Regent's Wharf
8 All Saints Street
London N1 9RL
T: 020 7713 6161
F: 020 7713 6300
W: www.ncvo-vol.org.uk
E: research@ncvo-vol.org.uk
Registered charity number 225922

Charities Aid Foundation
25 Kings Hill Avenue
Kings Hill, West Malling
Kent ME19 4TA
T: 03000 123 000
F: 03000 123 001
W: www.cafonline.org
E: research@cafonline.org
Registered charity number 268369

Key findings

- Research into charitable giving is well established, however knowing how to interpret and compare results from different sources is not well understood.
- Estimates of charitable giving can vary widely – using three different methods produces results ranging from £3.4 billion to £9.5 billion in a year.
- By triangulating the results, you start to get a sense of where the differences lie. Who is included, how long the reference period is and the definition of charitable giving will all affect the end result.
- Surveys that use a consistent methodology over time can provide rich information on trends in giving, documenting changes in who gives to which causes. This information is vital to fundraisers and policy-makers alike.

Introduction

This briefing paper is part of NCVO/CAF's UK Giving research programme. Now in its fifth year, UK Giving provides essential robust analysis of long-term trends in individual charitable giving.

To access the UK Giving 2009 report or to download other briefing papers in this series visit www.ncvo-vol.org.uk/research/giving or www.cafonline.org/ukgiving.

Analysis

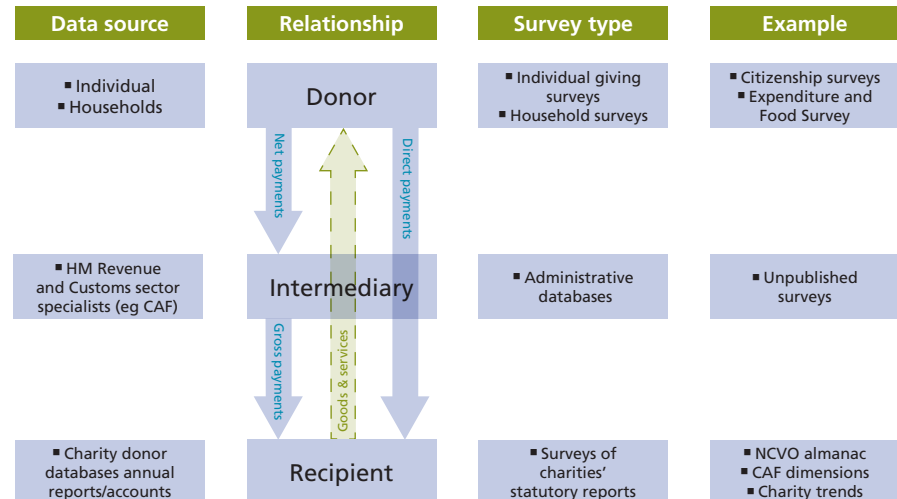
Charitable giving is an important source of income to many charities, with individual giving contributing £9.9 billion to the sector in 2008/09¹. While research into charitable giving is well established, it can be difficult to make sense of the plethora of estimates that are available. Using different methodologies can produce vastly different results and making sense of these is not an easy task.

¹ UK Giving 2009. Charities Aid Foundation and National Council for Voluntary Organisations.

What is being measured?

As the figure below shows, estimates of charitable giving may focus on donors, the recipients (ie charities receiving the donations), or include information collected from intermediary sources in the transaction (eg, HM Revenue and Customs).

Ways to measure charitable giving



All these surveys of the giving transaction generally attempt to answer two main questions: who gives (typically what proportion of the population?) and how much do they give (and to what causes?). In order to answer these questions, research methods have looked at the transaction between donor and recipient from both perspectives.

There are many variables that will affect the results arrived at: who is included (is giving from individuals or households?), the reference period used (are donations included from last week, last month, or last year?), how charitable giving is defined, and which donations are included (does it include charity shop purchases?). Sometimes a small change in definition can lead to a big change in results.

Which estimate of charitable giving should I use?

To think about this further, consider data on charitable giving collected using three methods – a survey of individuals, a survey of households, and an estimate derived from charity accounts. As the next figure illustrates, when we compare estimates of total charitable giving from these different methods the results range from £3.4 billion to £9.5 billion. How do we make sense of these estimates? Can we compare them?

Examples of charitable giving estimates

Estimates of charitable giving in the UK

	Expenditure and Food Survey 2007	UK Giving 2007	The UK Civil Society Almanac 2009
Total amount per year	£3.4 billion	£9.5 billion	£5.4 billion
Average donation	£37 per household per month	£31 per donor per month	N/A
Proportion of people giving	45%	54%	N/A
Period covered	2007	2006/07	2006/07
Reference period	2 weeks	4 weeks	1 year
Unit	Household	Individual	Charity
Method	Diary collection and interview	Computer assisted personal interviewing	Data extracted from charity accounts
Description	Donor/non-donor survey – does not include purchase giving	Donor/non-donor survey – widest definition of giving and charity	Recipient survey data – includes purchase giving and employs a 'general charities' definition (eg, religious giving not covered)

Estimates of the proportion of people giving are highly dependent upon the frequency and time period used. Over a 12 month period it is likely that nearly everyone gives something to charity, when the broadest possible definitions of charity is considered. UK Giving looks at giving over a four week period. In 2006/07 it was found that just over half of the population (54%) gave to charity in a typical month. By contrast the Expenditure and Food Survey (EFS) found that 45% of households gave over a two week period.

The estimates for the proportion of people giving are quite close in these two examples, likely due to the fact that while UK Giving has a longer reference period (four weeks as opposed to two weeks), the EFS reports estimates based on households rather than individuals. As households are used as the base unit, the likelihood of giving will be higher as the average household size in England and Wales is 2.4 people².

² The Census 2001, Office for National Statistics.

This helps to account for some of the difference in the total amount given over a year: UK Giving found that giving from individuals totalled £9.5 billion, while in the EFS giving from households equated to £3.4 billion.

The estimate from the UK Civil Society Almanac is based on account information submitted by charities to the Charity Commission. The figure of £5.4 billion is reported as voluntary income from individuals, ie, donations. This is very different to the survey approach as the information is classified by the charity receiving the money, rather than asking individuals what they have donated.

The UK Civil Society Almanac uses a 'general charities definition'³, which excludes for example faith groups. This is probably a much narrower definition than what a member of the public would define as 'charity', which will inevitably lead to differences in the estimates of giving. In UK Giving 2007 it was found that 16% of giving was to religious charities, amounting to £1.5 billion. If you add this to the Almanac figure you arrive at £6.9 billion, consequently removing over a third of the difference between the estimates.

Which estimate of giving is correct?

The answer is, all of them. They are all measuring and then estimating different activities and behaviours related to charitable giving. For many in the field, exploring the economic and social conditions that impact on charitable giving is more useful than knowing the absolute magnitude of giving. The top line figures produced by the methodologies discussed here are vastly different, but ideally what we want to know is who is giving to charity and how often? This sort of information is vital for fundraisers and policy-makers alike.

If a robust and consistent research methodology is used then comparisons over time should be possible within a study. UK Giving provides directly comparable estimates from 2004/05 to 2008/09. This allows us to build up a picture of charitable giving in the UK and to be able to monitor demographic changes within the population with reference to giving. It is not always possible, or advisable, to compare estimates of giving from different sources. However, by understanding how the estimate is derived, it is possible to build up a valuable picture of the donor environment and to use this information to find new ways of engaging with donors.

³ UK Civil Society Almanac 2009. National Council for Voluntary Organisations.