

CAF CHARITY STREET III

The value of charity
to UK households

#CharityStreet
September 2018



CHARITY
STREET

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CHARITY
STREET

FOREWORD

Charities are central to everyone's lives. They provide myriad benefits to people of all walks of life: practical help and advice; medical support and care; ways to bring communities together; places to learn; places in which to relax and enjoy.

The range of things that our great charities do is amazing, as is the fact that virtually all of us have used them in one way or another over the years.

Shockingly though, many of us simply don't realise that we are benefitting from the work of charities and are supported by generous donations of time and money made by people up and down the land. Around one in three people simply do not realise that the things they might take for granted are provided by one of the tens of thousands of charities across the country. That is something all of us in charities need to change.

This research really shows the huge impact charities have on people in this country and the way in which they bring us together to make the UK a better place.

And although there has been a drop in the proportion of people who use charities in the past year, there is no sign of the need for them decreasing. This research shows that those who do take advantage of what charities offer are using a wider variety of their services, whether that is renting a flat, or simply adopting a pet.

Tellingly, those using charities are not confined to the needy or disadvantaged. While many people rely on charities for advice, practical help and even for food and accommodation, others use them for pleasure. This research also confirms what we all should know; that those who use charities benefit hugely.

That is how it should be. The strength of our system of charities over hundreds of years is its ability to cater for all, to include us all and to do more than provide a service. Because the true strength of our civil society is in its ability to bring millions of people together, united by their own favourite causes, to change the world for the better.



Sir John Low

Chief Executive, Charities Aid Foundation

INTRODUCTION

About this report

In 2014, Charities Aid Foundation (CAF) produced a report, 'Charity Street', in conjunction with IPPR North on the usage of charitable organisations¹. The aim of the report was to gain insight into the way households and individuals use charitable services and to understand whether or not these are perceived as charitable services. In 2016, CAF revisited Charity Street and produced a second report², tracking the usage over time since 2014. This report is the third instalment of Charity Street. It tracks the use of charitable services in 2018 compared to 2016 and 2014, and provides detail on how the UK public perceive charity.

About the data

The data in this report is based on the Charity Street III survey conducted in 2018, which collected information about charity use from adults aged 18 and over in the United Kingdom. The survey ran between 21st and 29th March 2018 as part of KANTAR TNS' online omnibus. A total of 2,912 responses were collected and were weighted to be representative of the UK adult population. It is important to bear in mind that this research took place shortly after news broke around issues within the international development sector.

About CAF

Charities Aid Foundation (CAF) is a leading international charity registered in the United Kingdom, with nine offices covering six continents. We exist to make giving go further, so together we can transform more lives and communities around the world. We are a charity, a bank and a champion for better giving, and for over 90 years we've been helping donors, companies, charities and social organisations make a bigger impact. We are CAF and we make giving count.

1 The 2014 Charity Street report can be found here:

<https://www.cafonline.org/docs/default-source/about-us-publications/charity-street-report-sept14.pdf>

2 The 2016 Charity Street report can be found here:

https://www.cafonline.org/docs/default-source/about-us-publications/160704_caf_charity_street_report_web.pdf

KEY FINDINGS

- **The use of charity is widespread** – the report finds that nine in ten UK households have used a charity at some point, and around three quarters (74%) have used a charity service in the last 12 months.
- **Although widespread, use of charities has declined in 2018** – 2016 saw a spike in charity usage. This year however, rates have returned to levels in line with, or lower than, 2014.
- **Whilst fewer households are using charities, those who are, are using more of them, more often.** Households which used charities in the past 12 months used an average 3.8 services, compared to 3.0 services in both 2016 and 2014. They also use them more frequently.
- **Women and younger people are more likely to have personally used a charity.** Women are more likely than men to have personally accessed a charity in the last 12 months (75% women vs 65% men), and in the last month (48% vs 41% of men). 18-24 year olds are more likely to have accessed a charity in the last 12 months (78%) and the last month (64%) than any other age group.
- **Households which use charities perceive a wide range of benefits to doing so** – most commonly this is having an enjoyable / fun experience (17%) or receiving emotional support or counselling from a charity service (15%).
- **People are often not aware they are using a charity** – almost 3 in 10 (29%) were unaware that the service they or someone in their household had used was provided by a charity.
- **Charities are best placed and most trusted to speak on behalf of the disadvantaged** – 67% felt that charities were best placed to speak on behalf of disadvantaged people and 56% said they most trusted charities to do this.

DETAILED FINDINGS

Charity services used by households in 2018

In order to understand usage of charity services, we show respondents a list of services and ask whether they have used any. Figure 1 overleaf shows the responses to those used in the last 12 months.

Whilst the most commonly accessed charity services are broadly the same as previous years, in most cases the proportion of households using each service has changed significantly.

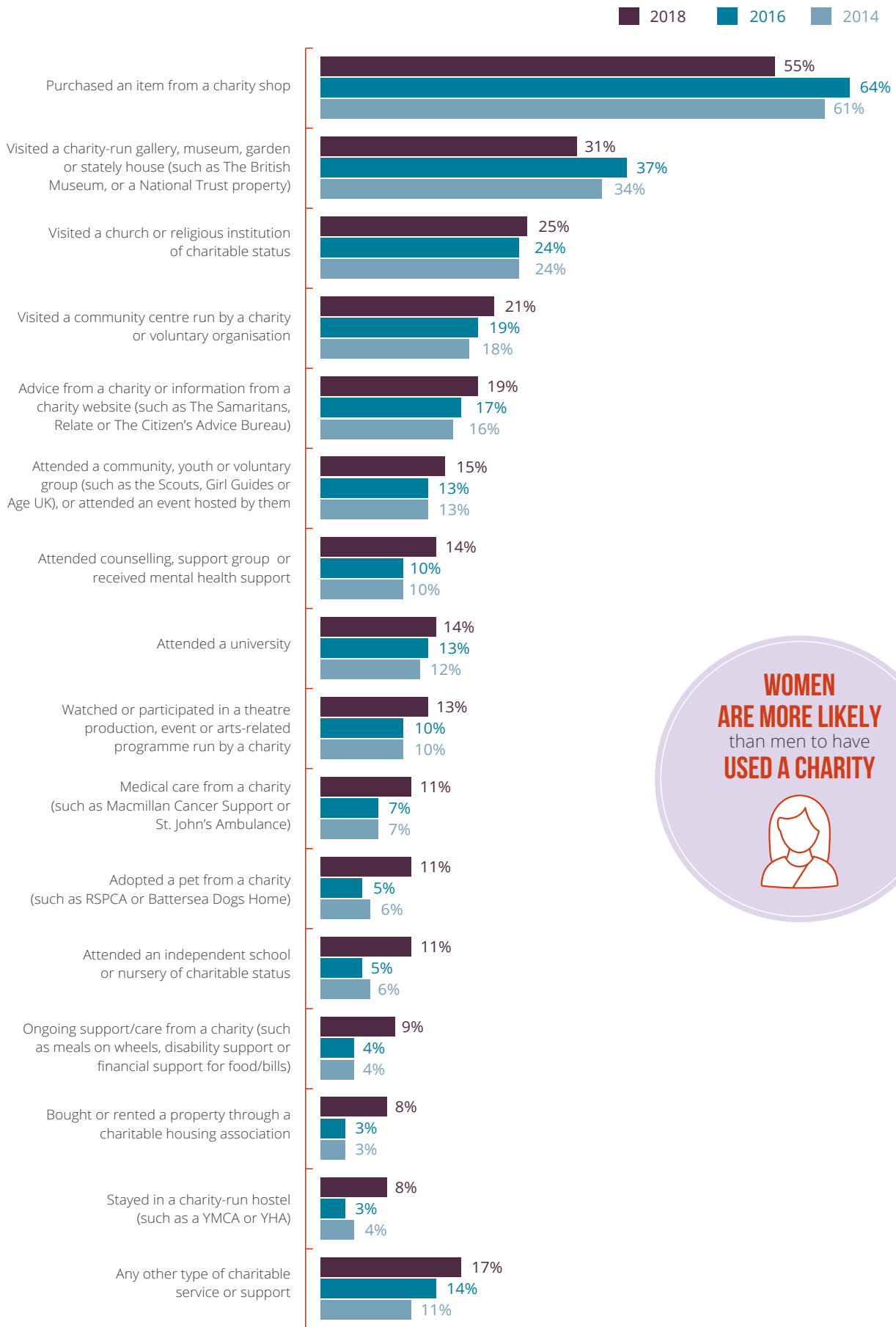
Both of the two most used services have seen a decline in 2018 namely, purchasing an item from a charity shop (55%, vs 64% 2016 and 61% 2014) and visiting a charity run gallery, museum, garden or stately home (31% vs 37% in 2016 and 34% in 2014).

Visiting a church or religious institution of charitable status is the only service to remain stable in 2018 at around a quarter of UK households.

All other types of charitable service have seen a significant increase in household usage in 2018 compared to 2014, and most are significantly up from 2016 (all charities besides visiting a community centre, seeking advice from a charity or information from a website, and attending a university, which all remain around the same as 2016). The largest shifts can be seen in the less commonly used services. The services with the biggest increases in usage over the past year are adopting a pet from a charity (11% vs 5% in 2016 and 6% in 2014) and attending an independent school or nursery of charitable status (11% vs 5% in 2016 and 6% in 2014). The increase in independent school or nursery attendance may be caused by the increased number of Academies in existence in England over recent years.

The next biggest increases were receiving ongoing support/care from a charity (9% vs 4% 2016 and 4% in 2014), buying or renting a property through a charitable housing organisation (8% vs 3% in both 2016 and 2014) and staying in a charity run-hostel such as YMCA or YHA (8% vs 3% in 2016 and 4% in 2014). Details of the increases and decreases year on year are shown in Figure 1 overleaf.

Figure 1: Services accessed by UK Households in the last 12 months



WOMEN ARE MORE LIKELY
than men to have
USED A CHARITY

Base: All households in 2014, n=2,070; 2016, n=2,054; and 2018, n=2,912

Social class differences in household charity usage in 2018

Whilst there is little difference between social classes on the number of charities used by households across the UK, the services that each group use are often quite different. As we have seen in previous reports, those of the ABC1 social classes are more likely to visit community centres, churches, galleries, museums or historic houses whereas people from social groups C2DE are more likely to access advice, support, medical care and guidance.



Specifically, in the last year, ABC1s are more likely to have:

- visited a charity-run art gallery, museum or stately house (35% vs 25%); and
- visited a church or religious institution of charitable status (28% vs 22% C2DE).

C2DEs are more likely to have:

- attended counselling, a support group or received mental health support (17% vs 12% ABC1);
- ongoing support/care from a charity (12% vs 7% ABC1); and
- bought or rented a property through a charitable housing organisation (10% vs 7% ABC1).

Whilst ABC1s remain more likely to have visited a gallery, museum, garden or stately house run by a charity in the last year, there has in fact been a significant drop in the percentage of this group doing so (35% in 2018, 47% in 2016 and 42% in 2014).

Meanwhile, there are a number of other services which have been driven by an increase within the C2DE group:

- attended an independent school or nursery (from 4% in 2016 to 12% in 2018);
- received medical care from a charity (from 5% in 2014 and 7% in 2016 to 12% in 2018);
- received ongoing support/care from a charity (from 4% in 2016 to 12% in 2018); and
- adopted a pet from a charity (from 5% in 2016 to 12% in 2018).

Overall household use of charities in 2018

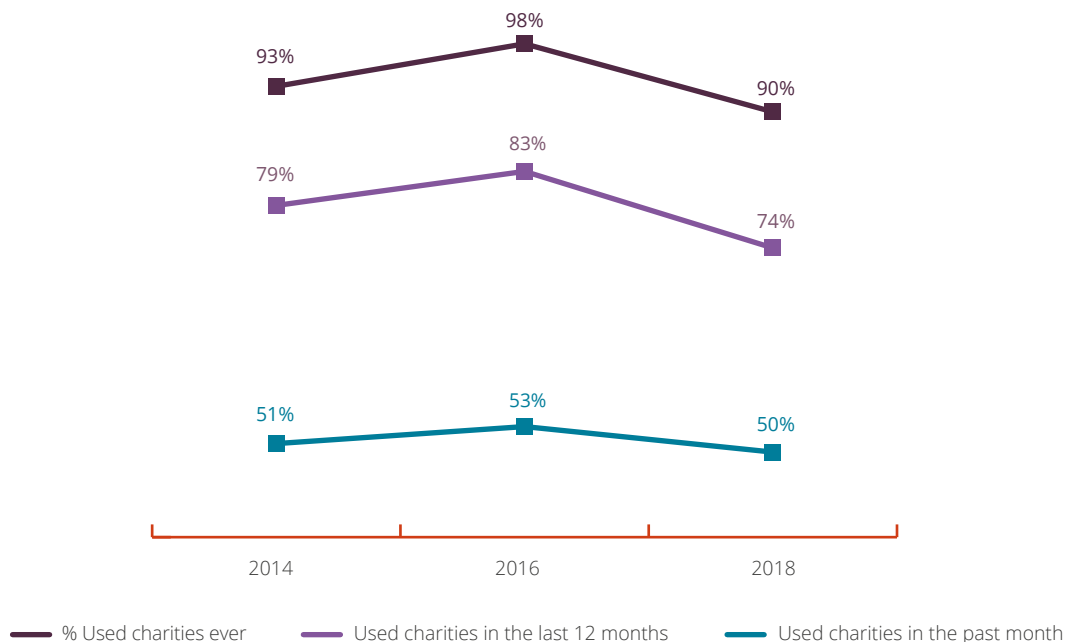
As the previous section shows, usage of individual charity services is quite high. When we look at the combined levels, we can see how widespread charity usage is in the UK with nine in ten households (90%) having used a charity's services at some point. However, in 2018, levels of charity usage overall have fallen, particularly in comparison to those seen in 2016 when reported usage peaked at 98%.



Around three quarters of households (74%) have used a charity in the past year, down from 83% when it peaked, in 2016, and 79% in 2014.

Half (50%) of households have used a charity service in the past month, down slightly from 53% in 2016 but in line with 51% in 2014.

Figure 2: Household usage of charities in the UK



Base: All households in 2014, n=2,070; 2016, n=2,054; and 2018, n=2,912

Contrary to 2016, when the increase in household usage could be seen across all demographic groups, in 2018 the decline in usage is being driven more by certain demographic groups than others.

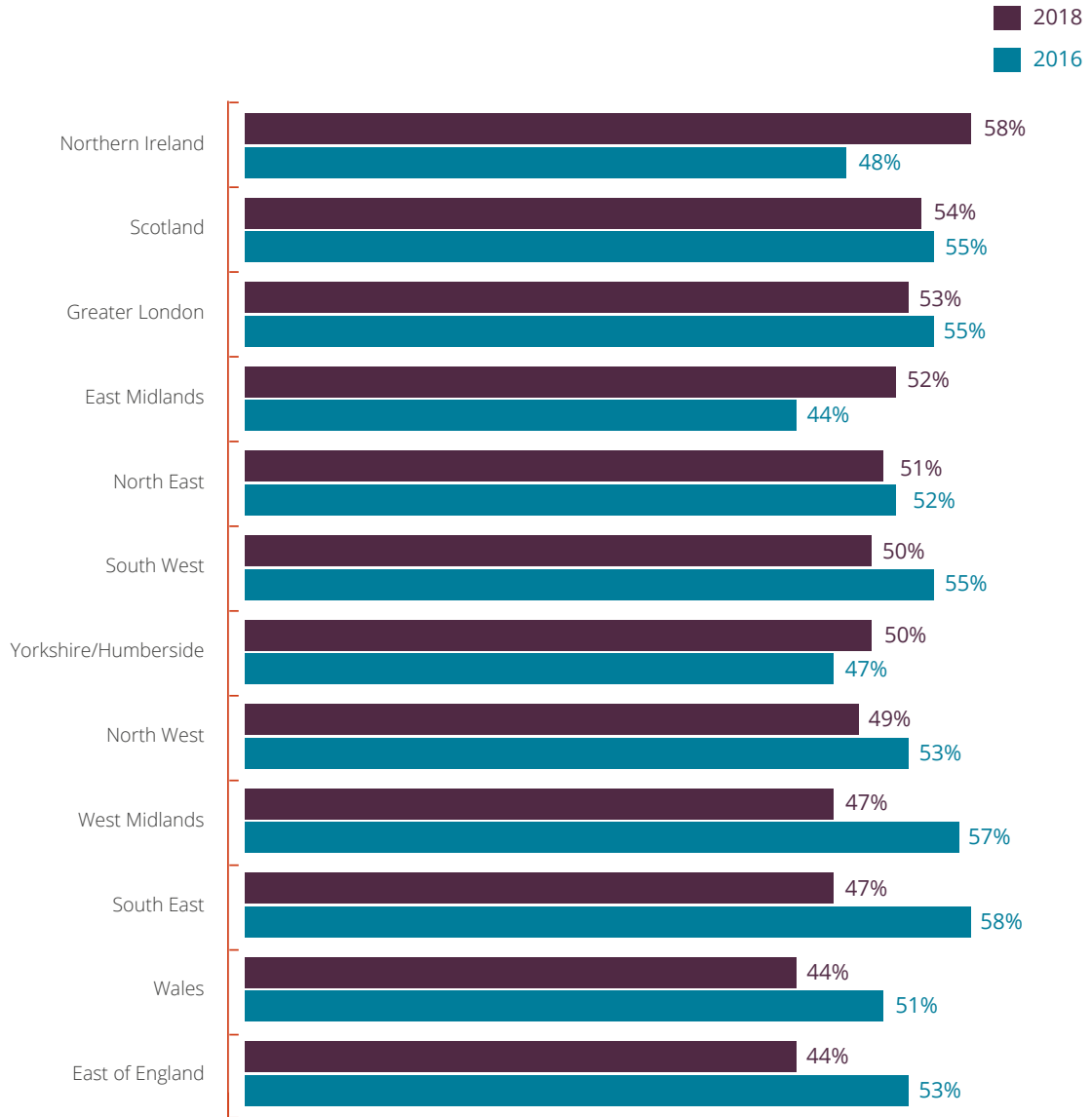
Whilst all households have seen a decline in past 12 month usage, amongst adult only households it has declined the most, by 10 percentage points (72% in 2018 vs. 82% in 2016 and 81% in 2014). Amongst households with children, although it has declined by six percentage points since 2016, it has in fact returned to similar levels seen in 2014 (79% in 2018 vs. 85% in 2016 and 79% in 2014). This would indicate that usage amongst this group peaked in 2016 and has now returned to its benchmark level.

In 2016, households of different social grades were equally likely to say they used a charity in the last 12 months (84% of ABC1 households vs. 82% of C2DE households). In 2018, households in the lower social grades (C2DE) are however now significantly less likely than their ABC1 counterparts to have used a charity in the last 12 months (ABC1 76% vs. C2DE 72%).

Recent charity use by geographic area

Looking at variations across the UK, there are only three regions where there has been a slight increase in usage in services in the past month. These are, Northern Ireland, East Midlands Yorkshire/Humberside.

Figure 3: Geographical differences in household usage of charities in the past month

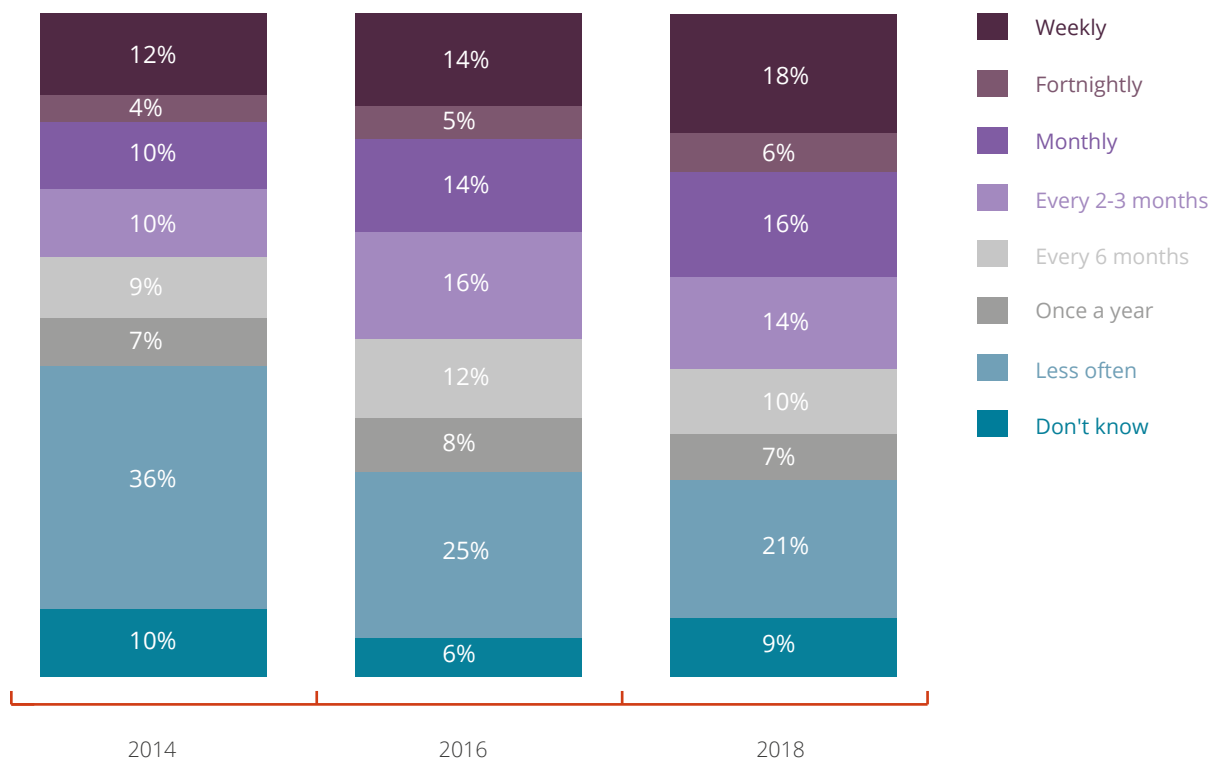


Base: All households in 2016, n=2,054, 2018, n=2,912

Fewer households are using charitable services, but frequency is increasing amongst those who are

Despite the lower overall usage of charitable services in 2018, the frequency of usage has steadily grown over the years, suggesting that these are increasingly becoming part of daily life in the UK. Eighteen percent of households that access charities are doing so at least once a week (compared to 14% in 2016, and 12% in 2014) and 40% use charity at least monthly (up from 34% in 2016, and 27% in 2014). Seventy one percent have used charity at least once a year, in line with 2016 (69%), but higher than 2014 (54%).

Figure 4: How regularly households use/access charity



Base: All households that have used a charity in the past year; 2014, n=1,915; 2016, n=2,009; 2018, n=2,632

Charity service users are using more types of service

As well as increased frequency of use, households which use charities are also using more of them than in previous years. Those who have used a charity in the past 12 months used an average 3.8 services, compared to 3.0 services in both 2016 and 2014.

Not only are households with children more likely to have used a charitable service, they are also more likely to be using more services than adult only households, using on average 5.0 services compared to 3.2 for adult only.

Personal use of charities

In 2016 we included questions for the first time about personal use of charities, to complement the household questions. As with household usage, in 2018 fewer people say that they have personally accessed a charity – 45% say they did so in the past month, 70% in the past 12 months and 87% had ever used one.

Individuals most likely to have used a charity in the last 12 months are women (75% women vs 65% men), and those aged 18-24 (78%) compared to an average of 70% overall. These two groups are also more likely to have used a charity in the last month.



Average number of services used

Amongst those individuals who had used a charity, the average was 3.5 services in the past 12 months. The average number of charities accessed by individuals steadily decreases with age; from 4.1 amongst 18-24 year olds through to only 1.5 for the over 65s.

Although men are less likely to have used a charity service, those men who have done so use marginally more than women (2.53 for men and 2.37 for women).

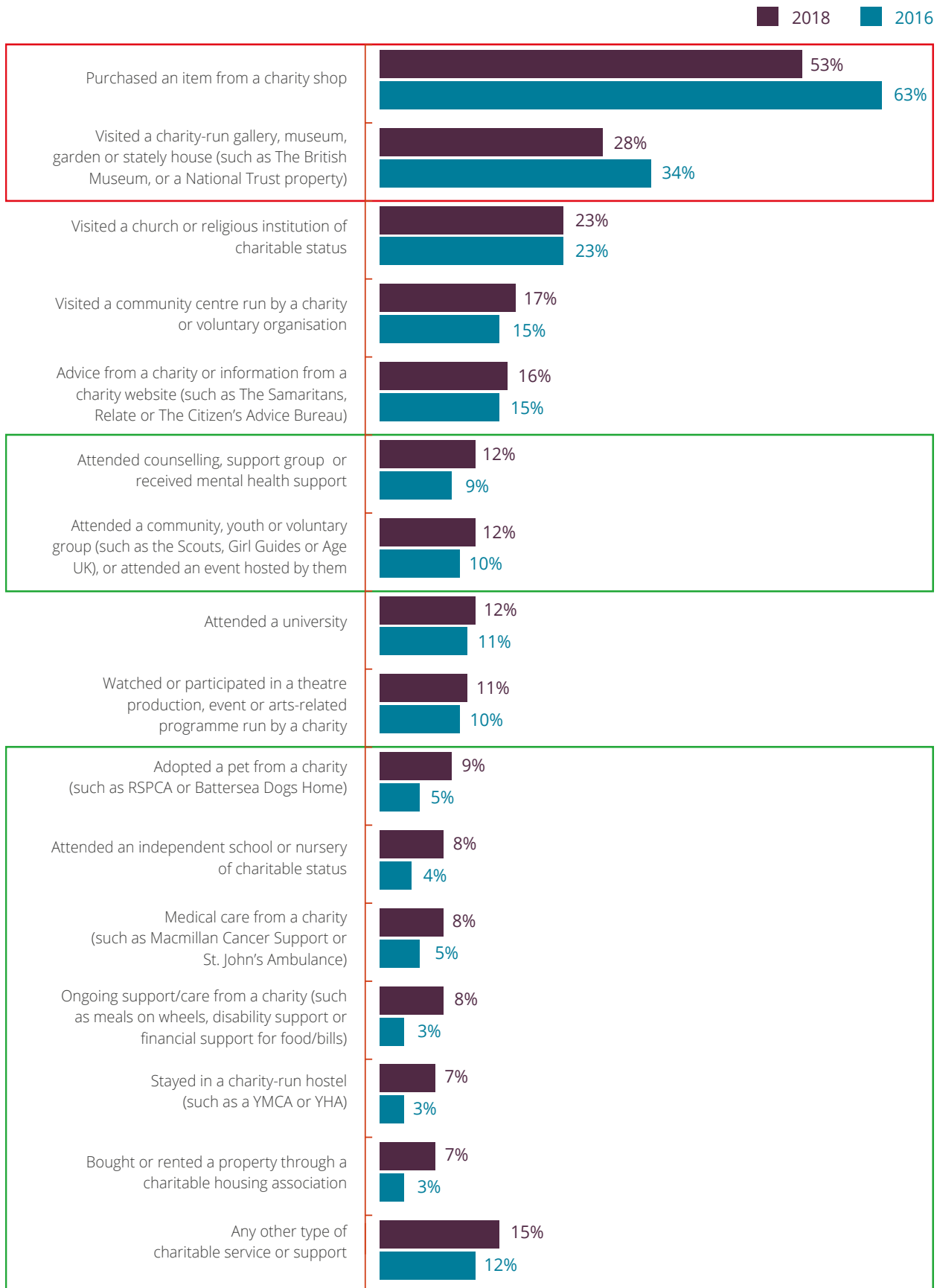
Charities used by UK individuals

Similarly to household usage, in 2018 there has been a decline in personal use of charity shops (53% vs 63% in 2016) and visiting charity run galleries, museums, gardens or stately homes run by charities (28% vs 34% in 2016) in the past 12 months.

As with household usage, individual usage of churches or religious institutions in 2018 remained exactly the same as 2016 (23%). Other charity services saw very little change in usage between 2016 and 2018. This included community centres (17% vs 15% 2016), advice from a charity or information from a charity website (16% vs. 15% 2016), attending universities (12% vs. 11% in 2016) and watching/participating in arts-related programmes run by a charity (11% vs. 10% in 2016).

For all other services, there has been an increase in usage between 2016 and 2018 by individuals. The services with the biggest increases are all driven by similar demographic shifts; men and younger people are more likely to have used these charities in 2018, and in greater numbers than rates seen for men and younger people in 2016.

Figure 5: Services accessed by UK individuals in the last 12 months



Base: All Adults 18+ in 2016, n=2,054; and 2018, n=2,912

Personal benefits of charity use

More than six in ten (62%) people whose household have used a charity's service report that either they or someone in their household received support or personal gain from doing so.

The most commonly cited personal gain is an enjoyable/fun experience (17%), followed by emotional support or counselling (15%), legal advice or support (13%) and support or help with health/illness/medical treatment (12%). These top four benefits reported are the same as those reported in previous years, although the proportion reporting them is lower than 2016, and closer to those seen in 2014.

Whilst fewer households in 2018 report benefiting in the ways mentioned above, several other benefits have increased over the four years in which we have produced these reports. Specifically, in 2016 we saw an increase in those who said that they gained from a charity through being able to meet new people; get advice on mental health concerns; and have opportunities to take part in a new activity or learn a new skill. These increases have been maintained in 2018.

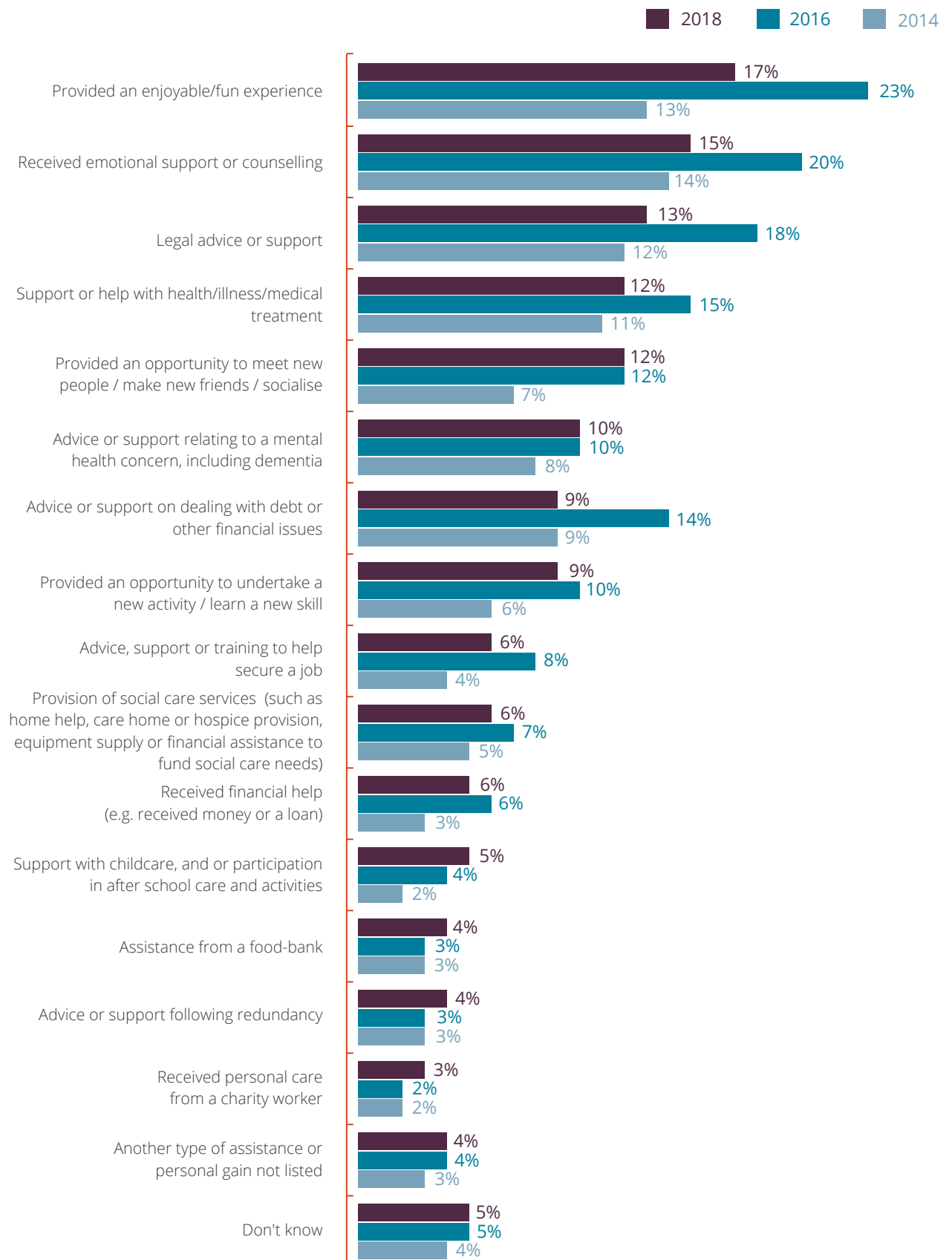
Women, younger people and respondents from social grades ABC1 are all more likely to say that they or a member of their household had a fun/enjoyable experience via a charity or had the opportunity to meet new people/make friends/socialise. This is reflective of the types of charities they are more likely to use which are often linked to leisure.

On the other hand, respondents in social grades C2DE are more likely to have received advice for dealing with debt or financial issues (11% vs 8% of ABC1 respondents), financial help (e.g. money or a loan) (7% vs 4%) and assistance from a foodbank (6% vs 2%). For this group it is therefore less about the social aspects of charity interaction and much more driven by need.

Figure 6 overleaf shows the full list of benefits from engaging with charity.



Figure 6: Types of support or personal gain that individuals or households have received from charities



Base: All respondents who use any of the charities or support services mentioned in 2014, n=1,915, 2016, n=2,009 and 2018, n=2,632

Awareness of charity services

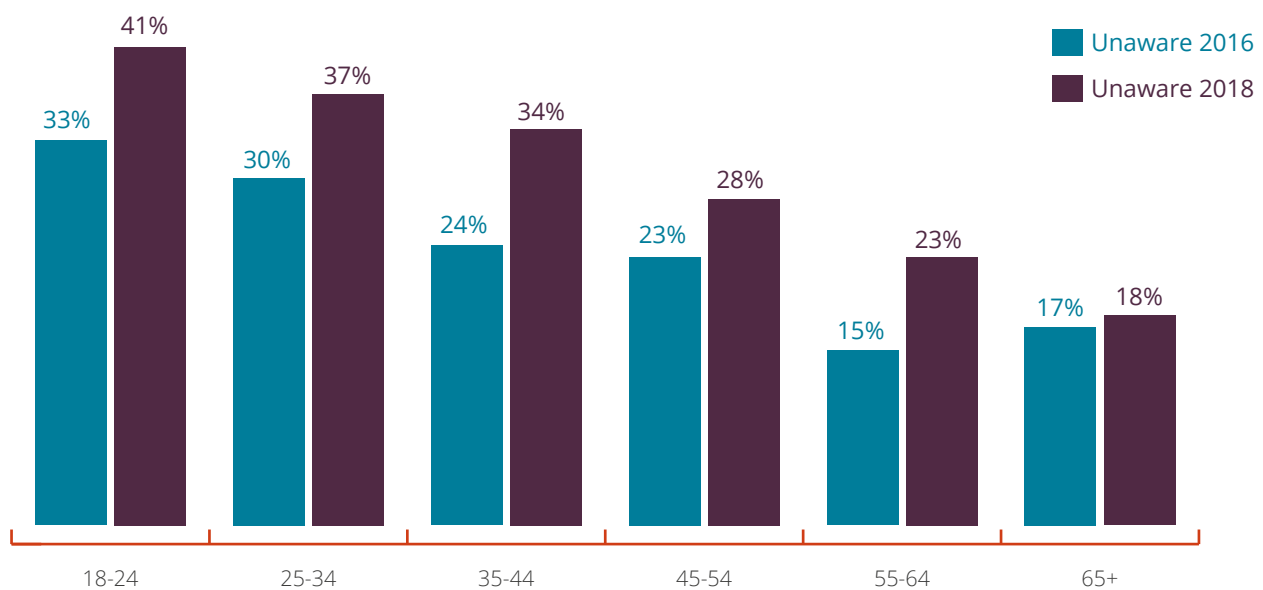
In 2016 we also looked at, for the first time, people’s awareness of the services asked about being charities. This was explored on two levels: awareness of the services they used being charities, and; awareness of all services asked about throughout the survey being charities. As may be expected, the results indicated that people were more aware of services they used being charities compared to services they did not use. However, even on charities they had used, there was by no means universal awareness. Overall there was a fairly low level of awareness of what services were charities, and the results in 2018 show a similar and increasing pattern of low awareness of the services being run by charities. This represents a real challenge for everyone involved with the charity sector.

Awareness of charities being used by households

In 2018, the research found that 29% of people were unaware that the charities that they, or someone in their household, have used were run by charities, an increase from 23% in 2016. In 2016 we noted that awareness of the services being run by charities does increase with age, and we see the same pattern in 2018. This ranges from 41% of 18-24 year olds being unaware through to 18% of those aged 65+. Compared to 2016, all of the age groups, with the exception of 65+ year olds saw an increase in those being unaware that these services are run by charities. This issue has therefore worsened in the two years since our last Charity Street report.



Figure 7: Individual awareness that charities used were of charitable status



Base: All respondents who use any of the charities or support services mentioned, 2016, n=2,009; 2018, n=2,632

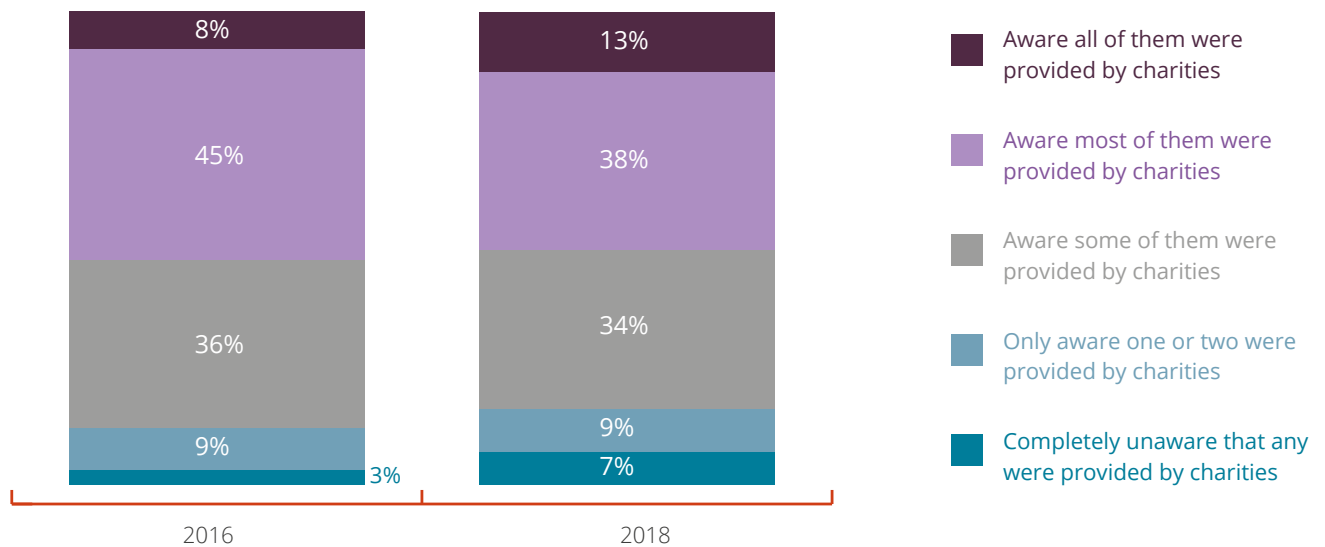
As might be expected, awareness of a service’s charitable status is highest among more frequent service users. Four in five (80%) of households using charities at least fortnightly, and around three quarters (76%) of households using charities monthly to quarterly, were aware that those services were provided by a charity. This is compared to around two thirds (65%) of households using charities less often. Therefore, amongst the heavier users of charity, awareness has actually increased over the two years.

Awareness of all charities shown

Amongst the general population (whether users of a charity's service or not) awareness that the services included in the survey questionnaire are provided by charities remains broadly similar to 2016 with around half (51%) saying that they were aware that either all or most of the services offered were run by charities (compared to 53% in 2016).

This means that for around half the population, they are not universally aware that these are charitable services. Although there has been a slight increase in those saying that 'all of them are provided by charities' (13% vs 8% in 2016), there has also been an increase in those saying they were aware of one or two or, were completely unaware (16% vs 12% in 2016).

Figure 8: Individual awareness that all charity services were of charitable status



Base: All Adults 18+ 2016, n=2,054; 2018, n=2,912

Those who said that they were completely unaware that any service was offered by a charity were more likely to be men (9% vs 5% for women) and social grade C2DE (9% vs 6% ABC1).

Advocacy

Who is best placed to speak on behalf of disadvantaged people?

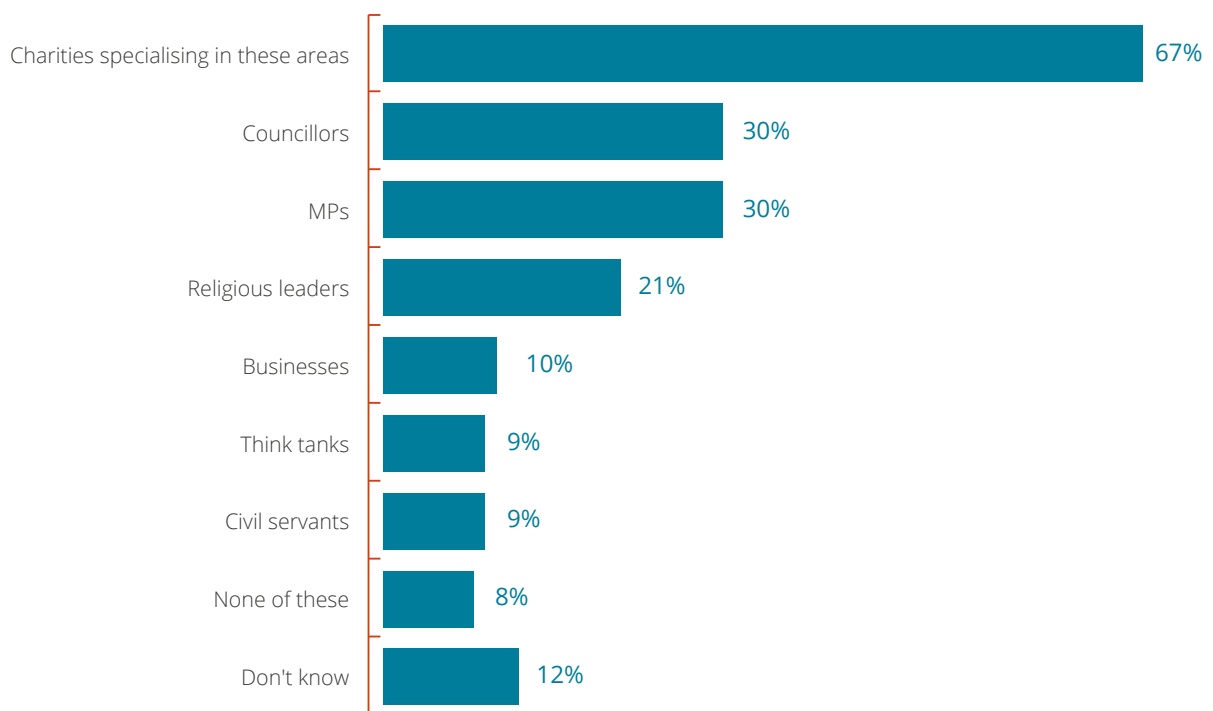
One of the key functions of many charitable organisations is to advocate for changes to the law and policies in order to help their beneficiaries. This often includes speaking up for vulnerable people, who otherwise would not have a voice in the political process.

When asked who they think is best placed to speak on behalf of disadvantaged people to government to help influence government policies, around two thirds of people (67%) think it is charities who specialise in that area.

This is seen broadly across all demographics but particularly so amongst women (70% vs 63% of men) and older people (e.g. 75% of those aged 65+, vs. 52% of 18-24 year olds).



Figure 9: Who is perceived as best placed to speak on behalf of disadvantaged people to government to help influence government policies



Base: All Adults 18+ 2018, n=2,912

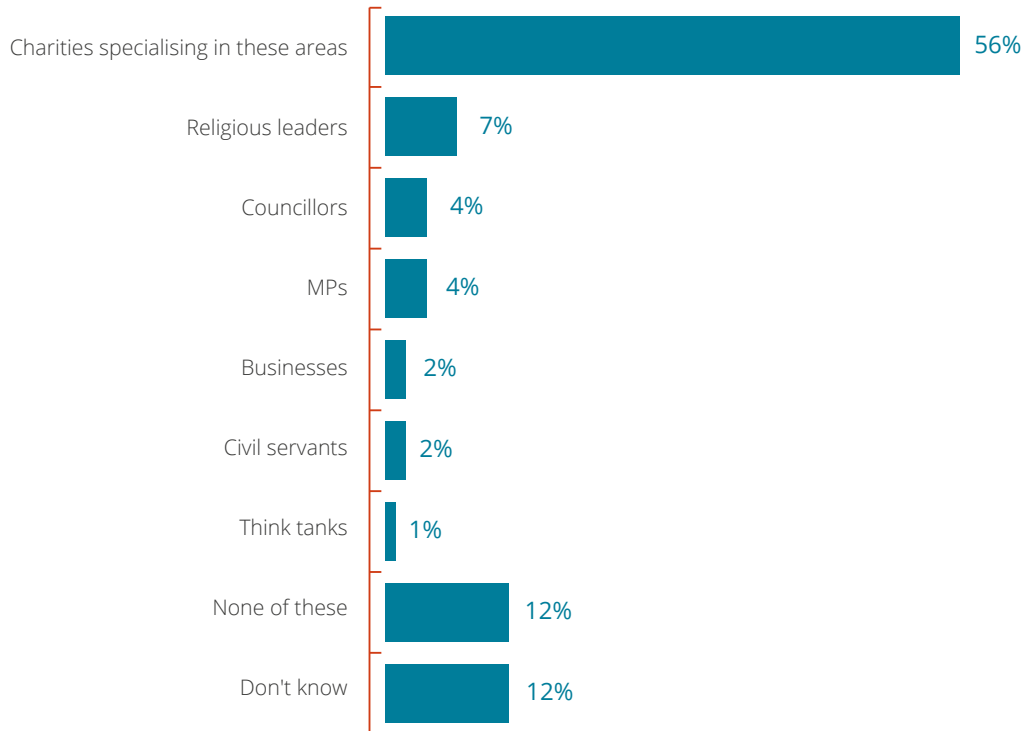
Around a third believe that government representatives are best placed (MPs and Councillors, both 30%) and a fifth say religious leaders (21%). Younger people place more expectation on businesses to advocate for disadvantaged people than their older counterparts do; 18-24 year olds (18%) are three times more likely to think they are best placed to advocate than those aged 65+ (6%).

It should be noted that these results are not directly comparable to the 2016 results as, following feedback from that survey, we added on a 'Don't know' option for respondents to choose.

Who is most trusted to speak up for disadvantaged people?

The previous question asked about who people thought were *best placed* to speak up for disadvantaged people; we also asked who people thought was *most trusted* to do this, and Figure 10 shows the results to this.

Figure 10: Who is perceived as most trusted to speak on behalf of disadvantaged people to government to help influence government policies



Base: All Adults 18+ 2018, n=2,912

The overall picture presented is clear: charities are both viewed as best placed and most trusted to speak up for disadvantaged people.

Indeed, just over half (56%) of people *most trust* charities to advocate for the disadvantaged. Trust in charities to advocate for the disadvantaged is highest amongst women (59% vs. 53% men) and older age groups (e.g. 60% of those aged 65+ vs. 49% of 18-24 year olds).

The second most trusted group is religious leaders, but at a much lower level of 7%. Fewer than one in twenty most trust Councillors (4%) or MPs (4%) and very few people most trust businesses (2%), Civil Servants (2%) or Think tanks (1%) to speak on behalf of the disadvantaged.

It should be noted that these results are not directly comparable to the 2016 results as, following feedback from that survey, we added on a 'Don't know' option for respondents to choose.

RECOMMENDATIONS

Charities are a central facet of society. This report has shown how widespread their use is, and that they are considered a key voice in tackling some of the biggest issues that society is facing.

Whilst the purpose of this report is to improve our understanding of how people are using charities, there are a number of recommendations we think would improve the operating environment for the sector:

For Government and policy makers:

- This year's report shows the continued trusted status of charities in regards to representing disadvantaged people. As the Government looks to focus on building a society that works for everyone, post Brexit and beyond, it is important that they continue to utilise the expertise and on-the-ground experience of charities. The Government should work collaboratively with charities and address concerns about legislation that hampers charities' ability to advocate for their cause.
- The lack of awareness amongst much of the public about their interaction with charities shows that more needs to be done to champion its role. We see an opportunity for local government to raise the profile of charitable organisations, particularly amongst the new directly elected Mayors to develop a clear vision for the role of philanthropy in their town, city or region. Charities offering services to people should seek to promote and raise awareness of their status, and help to use the affinity that people feel towards the charities that they interact with on a regular basis as a way to help increase trust and support for charities more broadly.
- Levels of deprivation have a clear impact on the types of charity service that households access, with those from the most deprived backgrounds significantly more likely to turn to charities that provide support or advice. Government and funders should examine links between charitable provision and deprivation, to ensure that charity support is accessible to those with the greatest need. Charities should work to ensure that their services are open and known to people from a wide range of backgrounds.
- Fun and enjoyment topped the list of reasons for stated benefits of using a charity. This demonstrates the social role of charities to society, and should be seen as a key way of tackling loneliness, not only in the services charities provide but in the social interaction it provides. CAF's Post-Careers Advice Service (PCAS) report highlighted the opportunity of volunteering with charities in later life as a potential route to encourage more involvement with charities. The Government's strategy for tackling loneliness should consider the social value that charities provide.
- Reaching men: There is work to be done in reaching men across the UK – in each of the survey areas, the engagement and usage rates are lower for men than with women. Charities should review their service provision and communications channels to ensure they are reaching and relevant for both men and women.

HOW CAF HELPS CHARITIES

Charities can:

- Manage their day to day banking through our current and savings accounts or apply for secured loans via CAF Bank.
- Take control of their investment portfolio through the CAF Investment Account, the UK's only secure, digital trading platform for charities.
- Apply for short term funding through CAF Venturesome, our pioneering social investment arm.
- Fundraise with ease and speed online through CAF Donate.
- Reduce the burden of Gift Aid, as we can claim Gift Aid on donations made through CAF on their behalf.
- Receive guidance on all areas of governance, fundraising, finance and grant making through our team of experts.
- Reap the benefits of CAF's successful campaigning work to get real change to policy and celebrate the great work of the sector with #GivingTuesday.
- Grow knowledge and awareness of UK and international giving trends, through our ground-breaking research such as UK Giving and CAF World Giving Index.

Facts are correct as at April 2018



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