

GROWING GIVING PARLIAMETARY INQUIRY

Part Three: Going on Giving - Summary of Evidence

February 2014



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Forewords

The Parliamentary Inquiry on Growing Giving was launched last year following research showing that charities are increasingly reliant on donations from older people, and is looking at ways of ensuring that people of all ages are able to turn their goodwill towards charities into giving of their time and money.

It's no surprise to see that many older people are generously giving their time and money to the causes that they care about. We are incredibly grateful for the contribution that they make to communities across the country, and it is essential that we unlock the secrets of their giving to help us encourage future generations to match their generosity.

The 'Going on Giving' strand of the inquiry has investigated the ways that older people support charities, asked how we can ensure that they pass the gift of giving onto the next generation, and looked at how the development of legacy giving could help more people make a lasting contribution to good causes.

In addition to the interesting oral evidence session held in Parliament, we have received written evidence from a number of organisations and people keen to share their experiences of giving, and offer their thoughts as to how more older people can be encouraged to give. This summary report provides an overview of the evidence received by the inquiry.

The inquiry has already looked at the relationship between young people and charity, and the importance of workplace giving in allowing people to support charities throughout their working life. Read in conjunction with the *'Growing up Giving'* and *'Giving at Work'* reports, this report highlights the different ways that people interact with and support charities over the course of their lifetime, and includes a number of interesting ideas exploring how Britain's giving culture can be strengthened further.

We are only too aware of the vital work that charities across Britain are responsible for, and this inquiry is an important step towards ensuring that they can continue to rely upon the generosity of the millions of Britons who give each year. We will now look in depth at the suggestions that we have received over the duration of the inquiry, and produce a series of recommendations designed to grow giving in the coming weeks.



Baroness Claire Tyler of Enfield
Co-Chair, Parliamentary Inquiry on Growing Giving

CAF has a proud history of working with donors of all ages to help them give to the causes that they care passionately about and to ensure that the ways in which people give adapt to changing times. It is interesting to see the proportion of donations received from older people has consistently grown over the past thirty years, and is a trend that charities must work to address to ensure that they can rely on the support of the next generation of donors.

Older people support charities in a number of ways, and many older people are keen to give their time and money in support of good causes. However, as the Parliamentary Inquiry on Growing Giving has found, there are many older people who suffer from isolation, and for them getting involved with charity can be a way of meeting people and strengthening their community ties. The Inquiry also heard that volunteering can be good for your health, giving people of all ages a fantastic incentive to get involved with giving.

This report outlines the evidence submitted to the third and final stage of the Inquiry which has been focusing on the ways that older people interact with charities – ‘Going on Giving.’ I’m encouraged that we received such a high calibre of responses, and I would like to thank all of the organisations and individuals who took the time to contribute.

We will now be considering all of the responses received over the duration of the Inquiry in detail, before reporting back in Spring with recommendations based upon the evidence and ideas submitted. Britain has a strong charitable history of which we should be exceptionally proud, and I am delighted that this Inquiry will help to shape the future of giving.



Dr John Low CBE
Chief Executive, Charities Aid Foundation

Background

For the third and final strand of the Parliamentary Inquiry on Growing Giving we invited organisations that encourage older people to give their time and money to charity to share their experiences of giving. We asked for their ideas and recommendations based on the terms of references below, and we will be using their input to help us encourage more people to give in later life.

Going on Giving

How can we best engage retired people with charity? How can we harness their generosity today, and ensure they pass the gift of giving on to future generations? How can people plan their giving effectively as they get older?

We produced the following questions as a starting point to help inform contributing organisations and generate a debate about ways to improve giving at in later life:

- How can families pass the gift of giving onto the next generation?
- How can older and young generations give together?
- What are the barriers to giving effectively in retirement?
- How can older people give their time and skills to charities?
- How can we encourage greater legacy giving?
- Can Living Legacies unlock greater charitable giving amongst the Baby Boomer generation?

In response, we received written submissions from a wide range of individuals and organisations, and we also held an oral evidence session in Parliament which was attended by representatives from organisations keen to contribute to this important debate.

An electronic copy of the transcript from the oral evidence session is available by contacting campaigns@cafonline.org

This report uses a selection of the contributions that we received and we will be putting this evidence together with the submissions to the other two stages of the inquiry to produce a more detailed report including recommendations about how we can grow giving.

How can families pass the gift of giving onto the next generation?

Older people play a key role in the transmission of norms across generations, and are often role models for their younger relatives. It is therefore important to recognise the contribution older people can have in passing on attitudes, behaviours and actions to younger generations, especially in regards to their philanthropy.

Age UK

The 16-24 age group volunteer to learn new skills and widen career opportunities. For people in the middle of life, 35-44, more report a volunteering link to their family or family network. When we come to the 65+ age group, people volunteer because they want to do more with their spare time, want to meet people and make new friends, and because it is part of their philosophy on life.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

I think there is a difficulty in parents saying to a teenager ‘you should give because we give,’ or anything like that. I think the much more effective route appears to be, for young people, to soak them in the culture of giving at school and university.

Joe Saxton, Driver of Ideas, nfpSynergy

I think it is important that grandparents and parents engage their children and grandchildren in giving to charities. When I was growing up I do not remember my parents or grandparents giving much to charity, but I do remember my father being on the school PTA and us being involved with local fetes and village events. My father also did a sponsored beard shave when I was a teenager.

Rhyannon Burman-Day

Older people are able to both show and tell of their experiences of charity and philanthropy. And while speaking of philanthropy is powerful, showing what the effects can be, and underlining the impact of a donation or contribution, can be even more powerful. Direct experience of the power of philanthropy to transform lives is perhaps the best advert for donating, and the more such experiences can be encouraged through the family, the better.

Age UK

Senior citizens have plenty of wisdom. ‘Do-good’ start-ups need wisdom, and maybe a website could be set up that connects retired senior citizens with groups who have been given funding to grow their project. When I was given funding for my Help From Home initiative, I could have done with some mechanism to tap into people’s experience and wisdom. I propose a website is set up that could be linked to from initiatives like UnLtd and which could tap into the wisdom that senior citizens have acquired throughout their life.

Mike Bright, Founder, Help From Home

Philanthropists are using their giving as an opportunity to educate their children and increase their children’s learning and their grandchildren’s learning of what society around the world looks like, and some of the challenges that they’re facing.

Amy Clarke, Head of Advisory, Charities Aid Foundation

There are a lot more people wanting to go to university, looking around saying ‘what can I do to brush up my CV, to look good on my UCAS application?’ and schools are encouraging them to do more

volunteering along those lines. So it's very much a selfish based approach to volunteering, and there's nothing wrong with that.

Joe Saxton, Driver of Ideas, nfpSynergy

With my children I find family based activities and sporting challenges that we can all get involved in and then raise money for various charities. I feel it is important that I teach my children that there are other people in the community that are not as fortunate as them either through poverty, illness or other circumstances which mean that they need help. As a result my 10 year old has done sponsored walks, bike rides, triathlons, cake sales, carol singing and all sorts of activities to raise money.

Rhyannon Burman-Day

There's been a growth of individualism, people having a very different relationship. I'm very struck by the richest giving their money in ways that maintain their independence – they want that money to complement what the State does, not to be a partner with the State.

Lynne Berry, Chair, Commission on the Voluntary Sector and Ageing

Simplicity is part of the key to unlocking donations, and simplifying Gift Aid, for example, would increase Gift Aid receipts.

Simon Weil, Partner, Bircham Dyson Bell LLP

Grandparents play an important role in shaping the attitudes of their grandchildren, and this is a relationship that could be used to promote the importance of charitable giving. One way of accomplishing this would be to allow grandparents to create a charity account that they would make payments into, which would then be accessed by their grandchildren who would distribute the funds to the charities that they wish to support. As they grow older and begin to earn an income, they would of course be allowed to top up their own account and increase the amount given.

This would help children develop a habit of giving as a natural part of growing up, benefit charities by giving them continued donations that they could rely on, and bring families closer together by giving them the opportunity to give to charities as a partnership – giving could become a family tradition. In addition, because charity accounts are tax efficient it would maximise the amount being given to a charity, meaning more would go towards helping a charity's beneficiaries.

Peter Mackness

The processes and procedures around giving can be rehearsed and made clearer through the family. This could take the form of a mini-trust or CAF account, a role at a family Trust or through job shadowing or work experience. It could also be an explanation of the ways to give to charity (perhaps when the young person is setting up their first bank account), or as part of any financial capability initiatives.

Age UK

My hypothesis would be actually it probably isn't the family that's going to be the driving force for getting younger people to volunteer and to give, it's more likely to be the workplace and the educational establishment. There are an increasing number of universities who are putting volunteering/citizenship as part of the agenda and actually giving real, live benefits in their coursework, and in a very competitive age to get jobs, actually people will do almost anything they can to upgrade it.

Joe Saxton, Driver of Ideas, nfpSynergy

Charities need to think creatively to develop family based events that appeal to a wide range of ages that will engage children, parents and grandparents in charitable giving. As a busy working parent I need activities that are quick to organise, easy to get involved with and most of all fun for the children otherwise we simply are not interested. Despite charity and fundraising not featuring heavily in my childhood I have become a fundraiser. My own awareness of charities and the need for them to receive funds was developed at university.

Rhyannon Burman-Day

Cross-pollination between cultures could also be a powerful tool. Other cultures have the family as a basic unit of giving: Asian philanthropy in particular has a powerful norm of family giving, and the UK could learn from the rich heritage of family giving in this, and other, regions.

Age UK

How can older and young generations give together?

Generations have different types of knowledge and experience which should complement each other. An intergenerational approach brings generations together in a purposeful and mutually beneficial way, involving them in activities which promote greater understanding and respect.

Age UK

We've got to think about how we can marry the talent, the skills and the experience that the older population have with the passion, the energy and drive of the youngsters out there. When you bring those two communities together, that's when you start to get some really positive, impactful partnerships.

Amy Clarke, Head of Advisory, Charities Aid Foundation

Older people are not homogenous. As a group, they have some of the highest rates of social participation in things like volunteering, but also others have the highest rates of social isolation and loneliness.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

Older philanthropists tend to be a little more hands off, so they'll engage in philanthropy but don't necessarily want to get involved with the organisation they're supporting. Younger philanthropists want to get a lot more hands on, so they actually want to add in volunteering time, mentoring and coaching, their business networks, and what we're tending to find now is these younger philanthropists are engaging with the older population to say join us, engage with us, support us.

Amy Clarke, Head of Advisory, Charities Aid Foundation

Gifts in Wills can show the way for the next generation, it can be that true intergenerational bond. Gifts in Wills and tributes in memory of a person who's done a great thing for their local community or for their family is a great way of educating and showing the next generation the value of charity.

Alex McDowell, Chair of the Remember a Charity campaign and Head of Legacy and Tribute Fundraising, NSPCC

Age UK have got young people to teach older people how to use IT in some pilot sites which is going quite well, because the young people love teaching older people how to do stuff. It's really interesting because I used to work for Microsoft and we always found that with technology, generally speaking, older people prefer to be taught by other older people.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

Younger family members could also feedback new technologies such as text donations and giving innovation related to social media.

Age UK

I'm the trustee of a charity that helps older people set up their own enterprises, PRIME, and we're finding that the older population are more likely to set up businesses that have social benefit.

Amy Clarke, Head of Advisory, Charities Aid Foundation

Older people could introduce younger family members to the role of Trustees in a charity. Younger people are underrepresented amongst Trustees, with only 0.5 per cent of Trustees being in the 18-24

age group. It would therefore be helpful for more younger people to learn the rewards of being a Trustee from their relatives who have such a role.

Age UK

Pensioners have been donating their pension pennies for many years through the Pennies from Heaven scheme. Employees who give want to continue to give in a tax efficient manner once they stop work so it is important for fundraising schemes, such as Pennies from Heaven, to continue to deduct from income, be it salary or pension. Small change giving appeals to old and young generations and should just become the 'thing we do' with the pennies we earn.

Pennies from Heaven

How do you actually get the organisations that are engaged in either community activity or in residential and housing communities to think of themselves as not only being there for their own residents but as part of a wider community? I think it is really important to make it clear that there should be a social expectation that people actually engage in a much greater way.

Lynne Berry, Chair, Commission on the Voluntary Sector and Ageing

I think that the biggest area for potential is in financial services products, and there is massive potential when we look at Life Assurance products. What would happen if when you signed a Life Assurance product you said, 'when I die I want 10 per cent of this to go to the charity of my choice?'

Joe Saxton, Driver of Ideas, nfpSynergy

Not all voluntary organisations embrace change easily because they have to set up whole departments, they have to think about how they're going to manage investment and assets.

Lynne Berry, Chair, Commission on the Voluntary Sector & Ageing

The processes and infrastructures of organisations can be confusing and challenging for people outside of them. This can lead to disengagement, while cultural and language differences and a lack of information about the topic may lead them to feel that they have a lack of influence.

Age UK

Thinking about intergenerational volunteering there are a lot of activities, and I've picked four examples: the Care in Homes project, where students go into nursing and residential homes to read to residents; mentoring, where business leaders mentor students to develop networks; voluntary sector activity, where we've got retired people reading in schools; and the Golden Oldies Project, which has older people singing in groups and then they go into schools and sing with the children. So intergenerational volunteering is very diverse and there are lots of different types of activities within the broad heading.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

Intergenerational volunteering gives volunteers the opportunity to understand another generation, to learn about their feelings, thoughts and concerns. This type of volunteering enables volunteers to think about the negative stereotypes they may have about other generations; enables older people to make a positive contribution through sharing knowledge, skills, experiences and life stories with younger people and acting as positive role models for young people. It fosters greater respect, trust and tolerance between young and old, and helps both generations feel more engaged, valued and empowered in their communities.

Age UK

Campaigning is an absolutely key and legitimate way of encouraging volunteering generally, and I think by and large younger people still have a high degree of idealism and aspiration, and one of the things we shouldn't forget is that if we want them to volunteer, it may mean being part of a group of people who want to do something.

Joe Saxton, Driver of Ideas, nfpSynergy

We actually have pester power happening at the other end, where we've got young philanthropists coming through who want to involve their family, so they will ask for their parents' advice and support.

Amy Clarke, Head of Advisory, Charities Aid Foundation

What are the barriers to giving effectively in retirement?

The top reason that people volunteer is because they ‘want to improve things and help other people.’ The top three barriers to volunteering are work commitments, looking after children and the home, and having other things to do with spare time.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

One of the biggest barriers to giving for older people is insecurity about pensions and the demographics of an ageing population, and I think you’ve got to make it feel more possible and more attractive for them to give if you’re going to overcome that barrier.

Simon Weil, Partner, Bircham Dyson Bell LLP

Several factors can inhibit older people’s ability to donate in retirement. Perhaps most prominently, incomes very often drop on retirement, and managing a more limited, fixed budget is a challenge for those seeking to continue their charitable support after finishing their working life. Payroll giving is also removed as a way of donating after retirement, as are any work-based volunteering initiatives.

Age UK

Charities are not that good at asking, they’re not that good at being creative, at thinking how they can engage volunteers in anything from HR to legal, and I’ve talked to charities who actually will quite frankly say they think volunteers are not worth the bother.

Janet Thorne, Chief Executive, Reach Volunteering

There’s as much a problem about developing the demand for volunteers as there is about developing corporate volunteers, and we need to remember that volunteering is not cost-free. A charity’s first responsibility is to its beneficiaries and it needs volunteers at a basic level to service beneficiaries.

Mike Locke, Head of Volunteering Development, National Council for Voluntary Organisations

We need to appeal to people’s selfishness, and as long as we make volunteering out to be something that is not an enjoyable activity, we’re going to suffer. We need to make volunteering an exciting and stimulating activity in people’s perception of it as much as the reality, because actually you’re not going to start volunteering if you think it’s going to be very boring.

Charles Byrne, Director of Fundraising, Royal British Legion

Digital exclusion is a significant barrier. According to ONS estimates in 2012, 5.59m people aged 65+ in the UK, had neither used, or were lapsed users, of the internet. This means that many older people have never used the internet, and many more are not confident in doing so, particularly when dealing with financial transactions. This is obviously a major barrier to many giving initiatives.

Age UK

When you get mechanisms for giving, for volunteering, for partnerships with the corporate sector, for almost anything that is seen as novel and contentious, people immediately sort of shrink back and think ‘life is too complicated as it is.’ You also find that things start being practised and people get the hang of it.

Lynne Berry, Chair, Commission on the Voluntary Sector & Ageing

Traditional payment systems (such as cheques) remain vital. When the banking industry was proposing to abolish cheques, Age UK received many letters from older people who were particularly concerned about the impact on charitable donations.

Age UK

What we've found with the Poppy Appeal is that national history and family history can be the motivators for people volunteering their time or giving money.

Charles Byrne, Director of Fundraising, Royal British Legion

We looked at the skills and talents of older people and found that they weren't often used, that one in five has a talent or skill that doesn't get used. I think there's still a very negative attitude and perception out there about older people, even though we know that they deliver £40 billion of net benefit to the economy.

Steve Smith, Public Affairs Manager, Royal Voluntary Service

If charities were better at asking for people to do interesting things, there would be an awful lot more people who would volunteer.

Janet Thorne, Chief Executive, Reach Volunteering

We should remember the need to resource local volunteer centres and enhance the way in which they make opportunities available.

Mike Locke, Head of Volunteering, National Council for Voluntary Organisations

The problem with word of mouth is it builds cliques, and you get a very homogenous group from the same background. Word of mouth is very important but you need to extend beyond that, and charities that aren't well connected don't have that network to draw on.

Janet Thorne, Chief Executive, Reach Volunteering

It's very difficult when you go to a local authority to try and say we can provide a low-cost service which will help isolation and loneliness, because unless they decide to have those services we can't get in there and create that demand. Social return on investments is seen very much as a second rate assessment and that's got to change in order to make our demand grow.

Steve Smith, Public Affairs Manager, Royal Voluntary Service

Over the next ten years, the core boomers represent a significant opportunity for non-profit organisations as a volunteer workforce. They are a large, experienced and enthusiastic cohort, with considerable skills and energy. That said, they are a confident and demanding generation and will expect a lot of their volunteer managers. The work must be challenging, fulfilling and offer them sufficient autonomy to justify the time they invest – otherwise they will simply walk away.

Legacy Foresight

Older people may suffer multiple conditions or illnesses and limited mobility can mean they are unable to leave their homes. This, allied with a lack of digital skills and technology, means older people are often cut off from charity communications and not able to make donations. These problems mean that older people can be limited in their engagement with charities (other than as service users), especially when allied to many older people's preference for face-to-face or trust-based relationships, which can be hard to build over the internet or telephone.

Age UK

We need to really help people and say volunteering can be done in large groups, which is much more stimulating.

Charles Byrne, Director of Fundraising, Royal British Legion

You need to give them something interesting to do, you need to support it and you need to manage it. And if you do, then you get a resource which is way beyond anything you could have afforded even through fundraising. But if you don't invest in it you get the wrong person who then leaves, and you are then frustrated because you've invested all that time in bringing the person in.

Janet Thorne, Chief Executive, Reach Volunteering

We believe that the Honours System should be adapted to provide greater recognition for philanthropy. The Honours System provides a means for our society to signal the types of actions it values most. Many outstanding contributions are rightly honoured, but the honouring of those who perform outstanding service to charity or philanthropy is both inconsistent and insufficient. We therefore recommend that the annual quota available to the Community, Voluntary and Local Services Committee for damehoods, knighthoods and appointments of CBEs be increased. Furthermore, we believe that awards for nothing more than "services to business" or "services to [a particular] industry" should no longer be made and that all awards for such service should only occur if sufficient service can also be cited which has had charitable or philanthropic benefit.

Legacy10

How can older people give their time and skills to charities?

The UN volunteering definition defines it as an act of freewill that results in benefits to others, and that can be individuals, groups or the environment, but it is outside of or in addition to the support you might give to your close family network. Volunteering is split between formal and informal volunteering – formal being the volunteering that you do associated with a charity or an organisational group, and informal which is the small acts of kindness and altruism that we do on a day-to-day basis.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

It is imperative that volunteering is promoted as the norm at every stage of life.

Age UK

The 'core' baby boomer generation (the 10 million people born between 1946 – 57) are now aged 56-67. Our recent focus groups (which included high and mid-wealth boomers) showed that many in this age group were either retired, working less or winding down their working careers, which meant that they had more flexibility and less stress. A significant proportion of the boomers we spoke to were volunteers and felt that volunteering kept them active and engaged in the way that paid work did. While this clearly helped others, the interest that it gave them was more than recompense and if anything, there seemed to be more importance placed on the benefits of volunteering than in previous years.

Legacy Foresight

Help From Home promotes the concept of microvolunteering – actions which are easy, have no commitment, are available on demand and can be completed in under 30 minutes. It recognises that older people are not always as agile as they once were, and a great proportion of them may not be able to attend a traditional volunteering event.

Mike Bright, Founder, Help From Home

Pension schemes and providers need to be encouraged to offer all existing pensioners the option to sign up to the Pennies From Heaven scheme when communicating with pensioners and annuitants. The National Association of Pension Funds (NAPF) and Association of British Insurers (ABI) should be engaged to encourage their members to facilitate this.

Pennies from Heaven

Help From Home runs a project that enables philanthropically minded older people to volunteer from their own home, or as part of an activities session within a care home. The project is called Help From Senior, and amongst other things has been included within several NHS guide booklets with regards to enhancing healthy lifestyles into old age.

Mike Bright, Founder, Help From Home

Our focus is specifically skills-based volunteering, and older people come to us because they want to use those skills. They have a lifetime of experience, they've got seasoned judgment, they've got the time and they're much less likely to stop volunteering because of a change in circumstance, and of all the people who joined our register, the over 60s are twice as likely to go on and actually start volunteering with the charity.

Janet Thorne, Chief Executive, Reach Volunteering

In 2011 there were approximately twelve million people receiving occupational pension incomes. If everyone in this group donated pension pennies, £72m would be raised for charity every year. This opportunity grows over time as the retired population grows – by 2050 potentially £100m a year could be raised.

Pennies from Heaven

There's a massive set of opportunities within the financial services industry, and actually the biggest way of raising more money is to tap not into existing areas of wealth going this way or that way, but new areas of wealth, and I think financial services offers a massive opportunity to work together with some of the big financial institutions.

Joe Saxton, Driver of Ideas, nfpSynergy

Since 2001 there has been a steady increase in the rate of formal volunteering, an increase of about 5% across that time period, whereas informal volunteering has fluctuated quite dramatically and there's no clear trend in terms of it going up or going down. There are two groups where the rates of formal volunteering are going up in particular. The first group is the community inactive, driven by the fact that more students and young people are volunteering than 10 years ago. There has also been an increase in the amount of volunteering in ethnic groups in the UK.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

Nearly always two-thirds of people say the reason they volunteer was because they were asked, and it's about social networks and making sure the opportunities are there.

Mike Locke, Head of Volunteering, National Council for Voluntary Organisations

There is a marked difference in the benefit of volunteering between those volunteers who feel appreciated and those who do not, and in some cases volunteers report no benefit from their volunteering where they are not appreciated.

Age UK

You can be clear about the role, maybe adjust it to different people's capabilities, to time commitments and so on, and we all have to get out of that habit of thinking 'who we do know?'

Janet Thorne, Chief Executive, Reach Volunteering

It has to be something that connects people within the local community, so it has to be something that they can walk out of the door to do.

Sue Daniels, Executive Director, Philanthropy Impact

A large number of organisations still have an inflexible, 'take it or leave it' approach to volunteering. Time is increasingly precious as people live more complex and pressured lives. People have to be convinced that they aren't going to waste their time volunteering and that they will make a difference.

Age UK

Companies in the FTSE-250 should be persuaded to provide financial assistance and advice to any employee who wants to make a pledge to charity in their will.

Legacy10

Volunteering rates are consistently lower in the age group 26-34 and also for people who live in deprived areas, and for people who report their health as poorer compared to people of their own age or community. There is a real conundrum about why people in poor areas don't volunteer, and I suspect that the truth is that whilst volunteering is a low-cost intervention, it is not cost-free, and you need to be able to put in place the bricks to enable people to volunteer.

Dr Suzanne Richards, Senior Lecturer, [University of Exeter](#)

There is much evidence that volunteering improves the physical, mental and emotional wellbeing of older people, and in fact, there is some evidence that volunteering has a greater effect in this regard for older people than it does for other age groups. This may be because they are more likely to have health and age-related problems, or because volunteer positions provide social and physical activity.

Age UK

I've been involved with Islington Giving, who are using the expertise of people who are some of the best connected in the world, and using that for the benefit of people who are some of the most deprived, but also doing it in such a way that it benefits and helps people grow and grow their connections and their networks of the people who wouldn't normally come across other people, who live very excluded lives.

Janet Thorne, Chief Executive, [Reach Volunteering](#)

Employers need to work with pension providers so that the charitable donation schemes that are offered to staff are also offered to people when they retire. The option to continue to donate needs to be presented to employees (and former employees) when they reach retirement.

Pennies from Heaven

Organisations need to balance their needs against the needs of volunteers and potential volunteers. The relationship with them needs to change, to understand what people really want from volunteering and how these motivations, interests and availabilities change across demographics and over time.

Age UK

We've just published a review which found that volunteers were on average more likely to have improved well-being, life satisfaction, and less likely to be depressed than their non-volunteering counterparts.

Dr Suzanne Richards, Senior Lecturer, [University of Exeter](#)

How can we encourage greater legacy giving?

We estimate that the charitable legacy 'market' is worth £2.05bn. Legacies account for 13 per cent of all voluntary income and 5 per cent of all income received by charities. That £2.05bn represents just three per cent of all the money left in estates; in all just six per cent of deaths result in a bequest to charity.

Legacy Foresight

We know that there is a gap between those people who would or could give a legacy, and those people who are actually doing it. If you frame the question the right way you consistently get between 35-50 per cent of the population who are open to or very positive about gifts in Wills, yet only six per cent are doing it, generating £2 billion per annum for UK charities.

Alex McDowell, Chair of the Remember a Charity campaign and Head of Legacy and Tribute Fundraising, NSPCC

Residual bequests (where the residue of the estate is left to charity, once all other obligations have been met) are less common, but worth considerably more (39 per cent of all gifts in will, representing 86 per cent of incomes). We believe that there is an opportunity to promote the idea of leaving a relatively small percentage of the estate (say a ten per cent 'legacy tithe') to society, via charities. We believe that any campaign should appeal to people's principles, rather than offering tax incentives. Our research suggests that many of us – especially the boomers – appreciate just how fortunate we have been, and would be willing to 'give something back,' providing we felt the money would be spent wisely.

Legacy Foresight

We know what the biggest barriers are. Firstly there's family first, and inherently that's social, cultural and biological and that isn't going to change any time soon, and nor should it. The second biggest barrier is awareness and normalisation – there's a perception that it's for the rich, but by normalising the stories we tell we can demonstrate that it isn't only rich, famous exciting people who are doing this. The third barrier is inertia.

Alex McDowell, Chair of the Remember a Charity campaign and Head of Legacy and Tribute Fundraising, NSPCC

A recurrent theme from our donor research is the decline of trust in institutions (including charities) and the growing demand for transparency, tangibility and control. We feel that recent press coverage of charities (Chief Executives' pay, fraud investigations by the Charity Commission, misuse of overseas development funds, politicised campaigning, support for terrorists etc) is overly sensationalist and may well inhibit long-term legacy giving.

Legacy Foresight

One of the really interesting changes is the Legacy 10 that's been introduced, where if you leave 10 per cent of your estate to a charity in your Will you get a tax break. That is a wonderful way of getting the professional advisor, the lawyer, to give legacy giving a push, and indeed they could be accused of being negligent if they didn't. If a Testator leaves a minimum of 10 per cent of the value of the estate to charity by Will, the inheritance tax (IHT) goes down from 40 per cent to 36 per cent on the taxable estate.

Simon Weil, Partner, Bircham Dyson Bell LLP

A Populus poll found that over 80 per cent of people in the UK were unaware of the changes to IHT, but once aware, over 70 per cent of those would either make a legacy or were at least open-minded about doing so. The amendment to IHT therefore presents us with an excellent opportunity to collectively change the culture of legacy giving and fundraising in the UK. We have recommended that all three main political parties should agree to a “non-regression” pledge in their 2015 manifestos which commits them to leaving the existing IHT reduction untouched until the end of the 2020 Parliament and beyond.

Legacy10

Our focus groups suggest that government initiatives to enable people to plan their long-term finances (e.g. the proposed £75,000 cap on care costs, the ten per cent reduction in Inheritance Tax for those giving ten per cent of their estate to charity) are often met with scepticism and disbelief. There is a sense that these initiatives are ‘not for people like us’ and that anyhow they may be overturned long before the person dies.

Legacy Foresight

When I look at the analysis of people who’ve gone on to leave a gift in their Will, one of the most common variables is an entry point or activity during their support of that organisation, and there is a tangible link between those touch points and leaving a legacy.

Alex McDowell, Chair of the Remember a Charity campaign and Head of Legacy and Tribute Fundraising, NSPCC

Two thirds of adults don’t have a Will, particularly those under 50 years old. If we can normalise Will-writing at an earlier point in people’s lifetime, for example targeting first-time parents or house-buyers, we can plant the seed for giving among younger generations.

Remember A Charity

The thing about Wills is that you can do it without any statutory change.

Simon Weil, Partner, Bircham Dyson Bell LLP

Being reminded and prompted at the right time is absolutely crucial. A piece of work carried out by Remember a Charity, CAF and the Cabinet Office Behaviour and Insights Team recently showed that when a solicitor of Will writer prompts in the right way at the right time, you can treble the number of gifts in Wills. If we can get more of the Will writing solicitors to prompt and make that the norm, you’ll have a massive benefit to charities.

Alex McDowell, Chair of the Remember a Charity campaign and Head of Legacy and Tribute Fundraising, NSPCC

We believe that the Government should make it as easy as possible for people to leave legacies to charities, and therefore suggest that the Government should secure a commitment from key advisor organisations to make it common practice for their members to raise philanthropy, and in particular the IHT benefits of legacy-giving, when discussing tax planning and Will writing with their clients.

Legacy10

Latest figures show that 14.4 per cent of Wills that go to probate include a charitable gift, compared with just 12.2 per cent in 2007. By continuing to increase the percentage of Wills that include a charitable gift, a small change in behaviour could make a big difference – potentially raising further millions a year.

Remember A Charity

The Money Advice Service already promotes making a Will and planning ahead financially. We feel that the Government should do more to frame a positive debate around later life so as to encourage planning ahead. Once this message is disseminated, and people begin to use solicitor's services more to write Wills, the suggestion can be made to leave a charitable bequest – and we know that a solicitor's suggestion to leave an amount to charity is often the most persuasive factor in people's decisions to leave a bequest.

Age UK

The core thing is changing the culture around philanthropy for older people and generating regular gifts through Wills, which we know we can have. I think this will have a far bigger impact on the charities' landscape in this country.

Alex McDowell, Chair of the Remember a Charity campaign and Head of Legacy and Tribute Fundraising, NSPCC

Another interesting way to broaden awareness of the value of legacies, is to insert information into Will packs. These are widely available through high street stores, and are a popular way to write a Will. Using inserts or including information in these packs would widen awareness of the importance of Wills, and would be likely to increase the number of people leaving donations to charities in their estates.

Age UK

I am currently in discussion with UnLtd, the social entrepreneur funding body, to set up a Legacy Fund where a proportion of my estate will fund people or groups with start-up ideas for projects that involve a large degree of virtual/microvolunteering opportunities in their operations. The idea is that it could springboard UnLtd in encouraging others to set up Legacy Funds that are geared around a person's interest. A proportion of my estate would be transferred to UnLtd by my Executor, where UnLtd would then create a separate fund or pool it with other moneys from other individuals Legacy Funds based on either pre-assigned causes, or a person's particular interests in life. As such a mechanism doesn't exist at the moment people don't readily leave money from their estate to fund better individuals' do-good projects, but if there was such a mechanism, then I believe there is an untapped resource of people willing to donate money to individuals who just simply want to do good in the world.

Mike Bright, Founder, Help From Home

We believe that the Government should implement targeted tax breaks for giving as a way of creating lifetime donors who will later leave a legacy. This should include a cut to the top rate of income tax for those who agree to make planned minimum period financial commitment to a charity, for example a small reduction from 45 per cent down to 42.5 per cent, in return for a period of agreed giving by an individual to a charity.

Legacy10

A major challenge is how to allow the many smaller UK charities to raise more from legacies. At present, nearly two-thirds of legacy income goes to around 1 per cent of charities (those with income at or above £5m). Thousands of smaller charities receive no legacy income at all; helping smaller charities to solicit for legacies would help many worthwhile causes to raise much needed funds. Suggestions for how to do this could include a brand bank of materials for legacy marketing, seminars or training on legacy marketing for smaller charities.

Age UK

Can Living Legacies unlock greater charitable giving among the Baby Boomer generation?

The Baby Boomer generation is approaching retirement, and as a generation they're healthier, more educated and they have greater social resources than any other predecessor generation. There's great potential to tap into the Baby Boomer generation, and a person who's 65 today has an average life expectancy of 18 years from 65.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

The difference that Lifetime Legacies could make is absolutely vast. There are two forms. There's the Charitable Remainder Trust, and that is a situation where the would-be donor to a charity makes the gift during his or her lifetime, but has a reservation of benefit in that either over a fixed term or for the rest of his or her life, they receive an income return on the asset, and they also get a tax break when they make the gift which values the gift, discounting the benefit that they reserve, but that discounted value is then offset against their income for tax purposes. The other one is called the Charitable Lead Trust, which tends to be used by more affluent donors, where the charity receives the annuity or the income interest on the asset during the donor's lifetime, then the asset is passed to the heirs or private individuals on death.

Simon Weil, Partner, Bircham Dyson Bell LLP

Living Legacies are a wonderful opportunity. They are used quite extensively in the US and they started in the '60s as a means of building endowments for the major institutions, which has enabled them to become world leading institutions. It is an opportunity to have a conversation with the mass affluent as opposed to the high net worth individual, and it means you can actually give directly to charity during your lifetime, you can develop a relationship with the charity, you can volunteer you can become actively engaged, and all of the evidence from the United States points that those people who give through Charitable Remainder Trusts end up giving back the residual that they'll get per annum as well as leaving a substantial amount within the legacy themselves when they die.

Sue Daniels, Executive Director, Philanthropy Impact

One of the problems we have is that if you fix money in a Living Legacy it will be fixed at what you can afford today. The danger that we're not so clear about is what I would call inoculation, where we actually have someone saying 'I've done my bit for charity'.

Joe Saxton, Driver of Ideas, nfpSynergy

The Charitable Remainder Trust could give recipients the assurance that they will have an income or an annuity, and gives the recipient charity the certainty of an asset on its balance sheet against which they could borrow.

Simon Weil, Partner, Bircham Dyson Bell LLP

I think Living Legacies are a spurious distraction from encouraging people to give money. The reason for this is the charity gets the money no earlier, it's tied up and the charity doesn't get its hands on it until the person dies. I think they're very complicated, you need a lawyer certainly to get them agreed.

Joe Saxton, Driver of Ideas, nfpSynergy

It's not going to be the right solution for everybody, but we need more tools in our toolkit.

Sue Daniels, Executive Director, Philanthropy Impact

The evidence suggests Living Legacies do no prejudice gifts by Wills.

Simon Weil, Partner, Bircham Dyson Bell LLP

Charities themselves wouldn't necessarily have to set up great departments to actually manage something like Living Legacies; the big providers of that kind of service in the United States are banks and other providers like Fidelity, Northern Trust, JP Morgan.

Sue Daniels, Executive Director, Philanthropy Impact

I think what we need to see is a more critical appraisal of the breadth of the evidence.

Dr Suzanne Richards, Senior Lecturer, University of Exeter

Living Legacies are potentially useful, but their value may be as part of a broader strategy to encourage giving rather than a standalone project or campaign. It is important to recognise three things as to their potential:

- They would require significant support and buy-in from HMRC, as they are effectively a tax break to bring forward and encourage philanthropic donations. Thus far, it has not been clear that HMRC will offer this support.
- Related to this, they are an American innovation, they fall broadly within the American model of using tax subsidies to encourage giving. In the US, subsidies and deductions are used to encourage giving, measures which amount to many billions of dollars a year. Again, it is not clear that the UK government would want to move to something closer to this model.
- Finally, Living Legacies still rely on a Will being written, which involves the same challenge of convincing more people to write Wills sooner as mentioned above.

Age UK

Further Information

The Charities Aid Foundation (CAF) is a registered charity that promotes charitable giving and provides financial services and social finance to not-for-profit organisations. We help donors – including individuals, major donors and companies – to give more effectively whilst providing financial and fundraising solutions for charities in the UK and internationally, helping good causes to manage their resources more effectively. We also have a strong track record in research, policy and advocacy, working across a range of issues to ensure the best possible funding environment for charities.

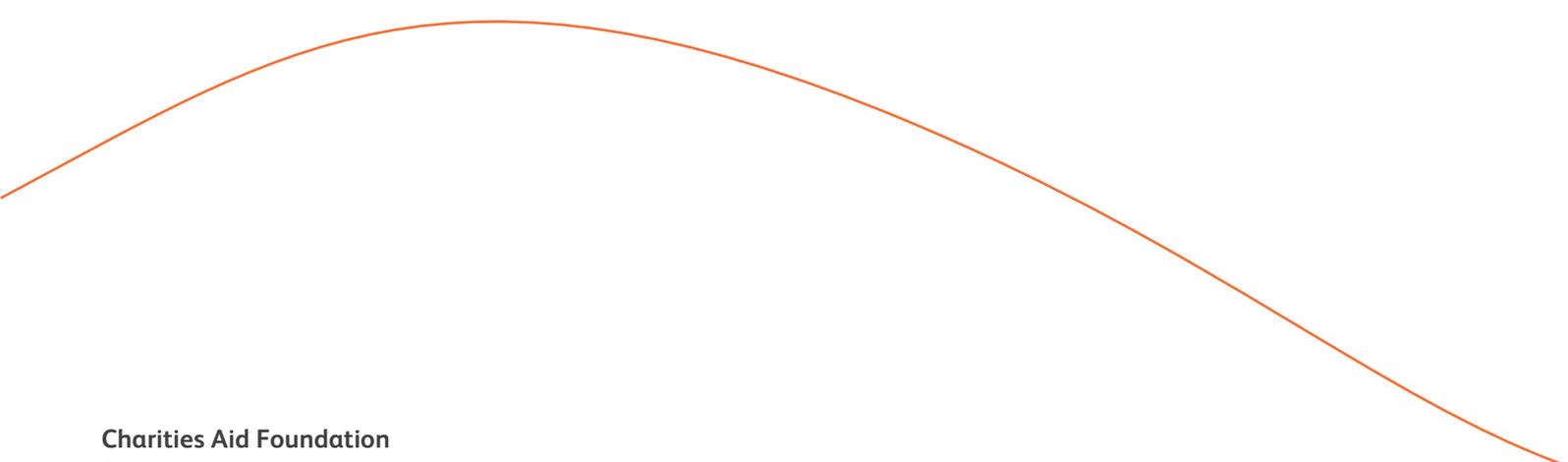
CAF has a long history of campaigning for changes in policy and legislation in order to improve the giving environment and to secure supportive legal, fiscal and regulatory conditions for donors, charities and social enterprises. Our knowledge and understanding – gained through direct experience and research – makes us a trusted voice on giving and the effective use of charitable funds.

All responses to the inquiry were submitted under our terms of reference which can be read on our website at www.growinggiving.org.uk which also contains more information about the inquiry.

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