THE UK CIVIL SOCIETY ALMANAC 2017

SUMMARY

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Cazenove Capital

NCVO CHAMPIONING VOLUNTARY ACTION

The Almanac programme of work is made possible thanks to funding from the **Economic and Social Research Council (ESRC)**

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Published by

NCVO
Society Building
8 All Saints Street
London N1 9RL

Published May 2017

Registered charity number 225922

Design by Steers McGillan Eves
01225 465546

Printed by Pureprint Group

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

ISBN 978-0-7199-0032-7

Unless otherwise stated we describe trends in real terms, adjusting for the impact of inflation. Most of our data refers to the financial year 2014/15. Unless otherwise stated data refers to the whole of the UK.

The Almanac would not be possible without the contribution of the following people and organisations:

- The **Economic and Social Research Council (ESRC)**, particularly Christopher Carlton
- **Cazenove Capital Management**, particularly Emily Petersen and Kate Rogers
- **Third Sector Research Centre**, University of Birmingham, particularly Professor John Mohan
- **Centre for Data Digitisation and Analysis**, Queen's University Belfast, particularly Elaine Reid and Anthony Anderson
- **Steers McGillan Eves**, particularly Dot Thompson and Richard McGillan
- **SCVO**, particularly Ilse Mackinnon
- **NICVA**, particularly Andrea Thornbury and Rachel Shannon
- **Office for National Statistics**, particularly Heledd Jones and Gareth Powell
- **Charities Aid Foundation**
- **Jennifer Crees, David Kane**

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The Almanac relies on the input and expertise of staff across NCVO, particularly Michael Birtwistle, Elizabeth Chamberlain, Ruth Driscoll, Greg Lamyman, Aidan Warner and Karl Wilding

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FOREWORD

Cazenove Charities is delighted to sponsor the NCVO Almanac again this year. Now in its 16th edition, the Almanac provides an important reminder of the voluntary sector's contribution to our economy and society.

As evidence of this positive impact, it is encouraging that the number of people working in the sector has increased by 27% since 2004 and that the voluntary sector's contribution to UK GDP is now slightly higher than the GDP of Cyprus. We are also pleased see that total net assets for the sector have continued to grow. In 2015 investment assets were valued at £85bn, close to the peak level seen in 2007, and investments now account for 65% of the sector's total assets.

At Cazenove Charities we are the trusted partner of over 800 charitable organisations, helping our clients to navigate economic uncertainty and achieve their investment objectives, whatever their size and purpose.

We are pleased to continue supporting the Almanac and have no doubt that you will find the analysis both interesting and helpful, demonstrating the value of the voluntary sector.

Giles Neville
Head of Charities
Cazenove Capital Management
www.cazenovecharities.com

Cazenove Capital

INTRODUCTION

This 16th edition of the UK Civil Society Almanac is published in uncertain times. The decision to leave the European Union, a new government and wider global changes will fundamentally alter our country's economic, political and social landscape. In the run-up to the 2017 general election, lively debates are already underway about how to chart a course through this new landscape.

Change will represent opportunity for some and challenge for others; civil society will be the place where people seek advice and support, ideas and inspiration, discussion and voice. This Almanac illustrates the enormous potential of voluntary organisations and social action to help communities navigate this new landscape.

Voluntary organisations are helping to build a more social economy
At the heart of UK civil society is the voluntary sector: 166,000 charities with a paid workforce of 853,000 people. The estimated value of the voluntary sector in the UK national accounts is £12.2bn, or 0.7% of the country's GDP.

Voluntary organisations of all sizes make a difference
Most voluntary organisations are small in size and operate locally. A majority of the sector's income is concentrated within a limited number of larger organisations who have charitable status (charities). Voluntary organisations with an annual income of £1m or more account for 80% of the sector's total income yet make up only 3% of the total number of charities: these include household name charities such as Oxfam or the British Heart Foundation. Small charities and community groups are more likely to depend upon informal resources such as volunteering. They make an immeasurable contribution to our society.

The reach of charities is impressive, covering every corner of the country and every area of need. When presented with a list of charitable services, more than nine in ten people report having accessed at least one service, with children and young people once again the most common beneficiary group.

Charities are powered by volunteering
More than one quarter of the population volunteer at least once a month, equal to more than 14 million people throughout the UK. While the increases in volunteering by young people we've seen in the last five years appear to have levelled off, people aged 16–25 still report the highest rate of volunteering of any age group.

The British public strongly support charities
Income from individual members of the public remains the biggest source of income for the sector, amounting to £20.6bn, which also saw the biggest rise in any of the different types of income from the previous year. The overall income of the voluntary sector grew over the period covered here, continuing the increase seen in the previous year – in 2014/15 total income rose to £45.5bn.

Funding from government is mostly for delivering services
While government income increased for the second year in a row, this growth was predominantly amongst the very largest organisations and remains dominated by contracts or fees, with grants making up only 19% of government income. The £15.3bn income that the voluntary sector receives from government continues to form a significant part of its incoming resources, but it only accounts for around 2% of total government spending.

Charities spend money mostly on delivering their mission
Voluntary organisations spent £36.6bn on charitable activities (including grant making), representing 84% of the sector's total expenditure. The balance was spent on the cost of generating funds and governance costs, ensuring both future sustainability and current accountability.

A key challenge: building an asset-based voluntary sector
The voluntary sector holds assets, such as buildings, cash, and investments, worth £112.7bn, which it uses to generate further funds or to put towards its charitable aims. However, nearly 90% of total assets are held by just 3% of charities and the top 100 asset owners hold half of the sector's assets alone. The vast majority of organisations have little reserves to speak of, a longstanding challenge.

Britain should be proud of its voluntary sector
There is much to be proud of in this Almanac, from our country's consistently high volunteering rates to the reach of our charities' campaigns and services, and their impact on local communities. And the incredible support of the public highlighted in these statistics suggests that there is much that we should thank the public for too.

Some of the findings also act as a timely reminder to guard against complacency. Small charities and the communities with whom they work will likely continue to experience the effects of reductions in public expenditure, financial instability and recent inflation rises for the foreseeable future. Stable levels of charitable giving do not mean that we should assume the public no longer has concerns about some fundraising practices.

We know what works in enabling charities to do their work well: a blend of grant and contract funding that recognizes the wider social value we offer; properly funded and professionally managed volunteering programmes; appropriate levels of regulation that inspire public confidence, including in our fundraising and campaigning work.

Whether as a volunteer, donor or commissioner, all of us have a role to play in ensuring the voluntary sector realises its potential to help the country navigate these uncertain times.

I hope that reading the Almanac inspires you to play your part.

Sir Stuart Etherington
Chief Executive, NCVO

CIVIL SOCIETY

The visual to the right positions groups of organisations according to their distance from the state, the market, and communities. Organisations at or near the boundaries with the public and private sector are 'hybrids', sharing the characteristics of different sectors. The voluntary sector is at the core of civil society, placed at the heart of the diagram.

Find out more about the different types of civil society organisations and look out for updated content at: data.ncvo.org.uk/a17civil-society

390,000

Estimated number of civil society organisations

(excluding estimates for unincorporated organisations which range between 600,000 – 900,000)

Civil society has been defined in many ways:

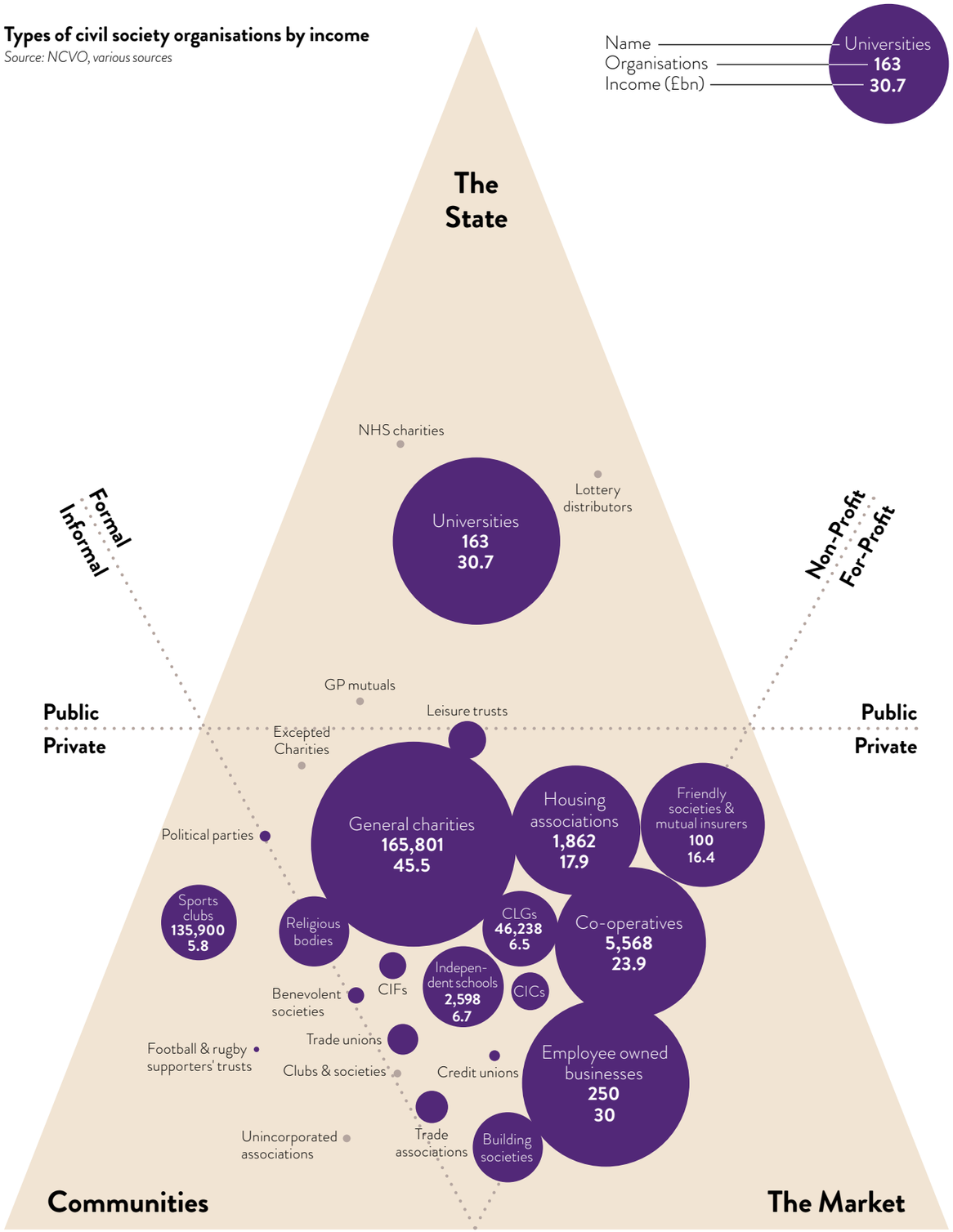
- as the associational life that brings people together and allows civic values and skills to develop
- as a set of values associated with the 'good society' which aims for social, economic and political progress
- as a space where debate and deliberation allows the negotiation of the common interest.

In the Almanac, the term civil society is used to refer to all organisations that exist between government, individuals, and businesses.

The data for most civil society organisations is for the financial year 2013/14, except for the data on general charities, which is for 2014/15.

Types of civil society organisations by income

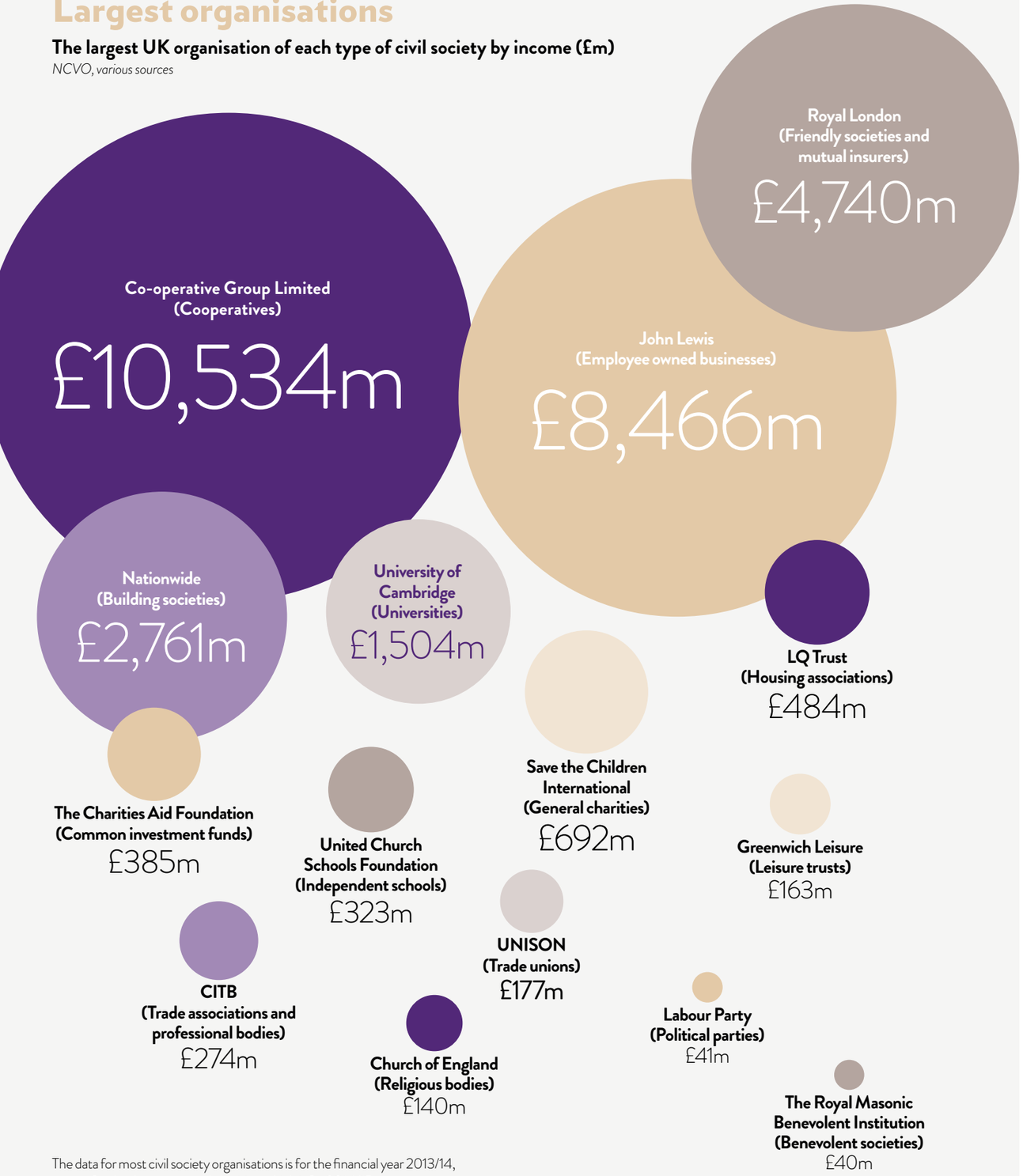
Source: NCVO, various sources



Largest organisations

The largest UK organisation of each type of civil society by income (£m)

NCVO, various sources



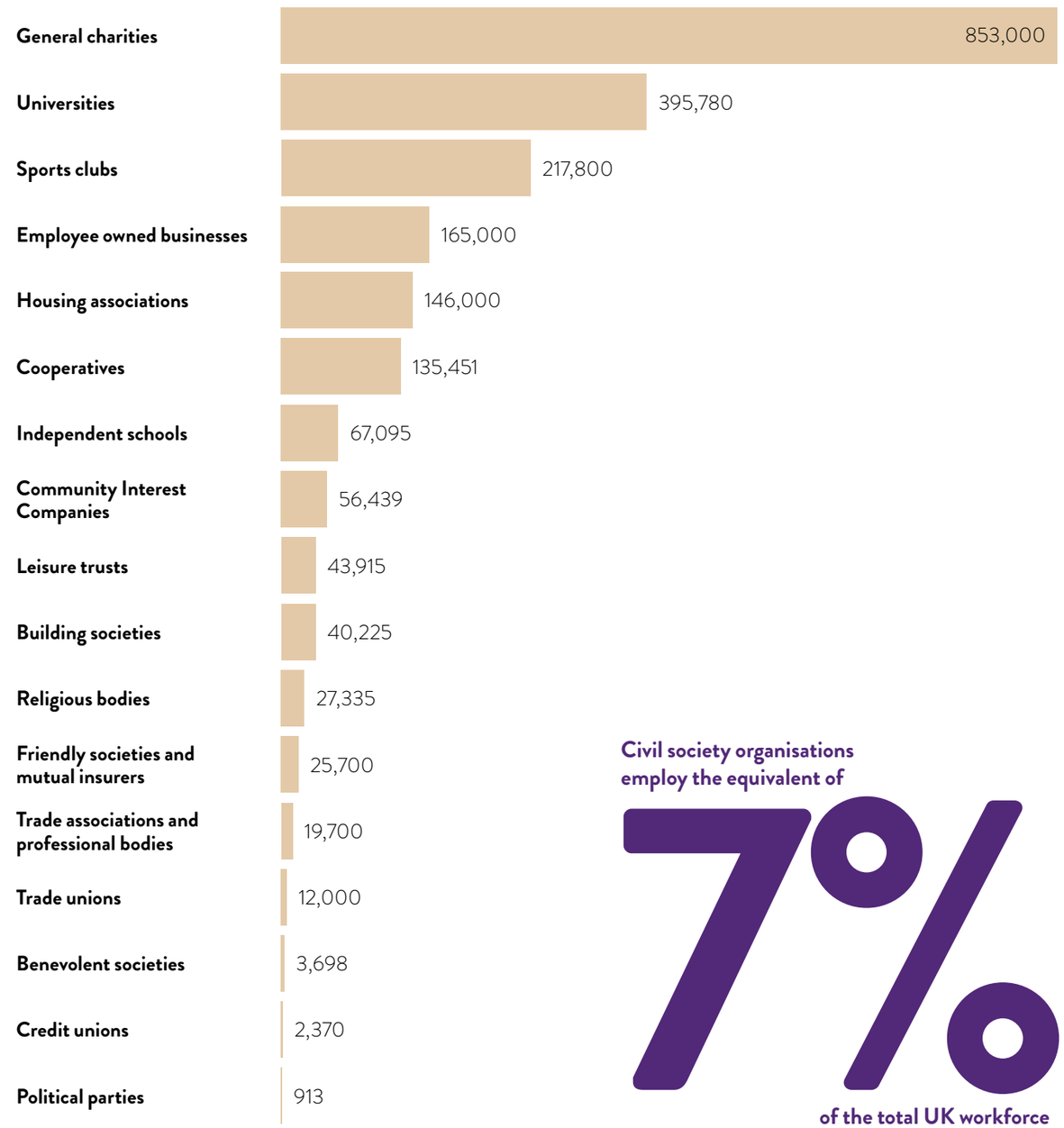
The data for most civil society organisations is for the financial year 2013/14, except for the data on general charities, which is for 2014/15.

Workforce

Civil society organisations are major employers in the UK with an estimated 2.2 million people employed as paid staff

Paid staff by type of civil society organisation (number of employees)

NCVO, various sources



Civil society organisations employ the equivalent of

7%

of the total UK workforce

FAST FACTS

165,801 voluntary organisations

41% volunteer at least once a year

27% volunteer at least once a month

853,000 paid workforce

65% female **35%** male

£20.6bn income from individuals

£43.3bn total spending

£15.3bn income from government

£12.2bn contribution to UK economy

Voluntary organisations

	2014/15	2009/10–2014/15
Number of voluntary organisations	**165,801**	

	2016	2011–2016
Paid workforce (headcount)	**853,000**	
Gender		
Male	300,000	
Female	553,000	
Employment status		
Full time	534,000	
Part time	319,000	

	2015/16	2009/10–2015/16
Percentage of people formally volunteering		
At least once a month	27%	
At least once a year	41%	

Voluntary sector finances

	2014/15	2009/10–2014/15
Total income	**£45.5bn**	
Income from individuals	£20.6bn	
Income from government	£15.3bn	
Total spending	**£43.3bn**	
Spending on charitable activities	£30.2bn	
Spending on grants	£6.4bn	
Spending on generating funds	£5.9bn	
Spending on governance	£0.9bn	
Net assets	**£112.7bn**	
Contribution to the UK economy	**£12.2bn**	

SIZE AND SCOPE

The voluntary sector is a vital part of the fabric of a strong society in the UK. It is very diverse, hosting a vast array of organisations ranging in size, aims and activity. Our analysis of the sector is based on our "general charities" definition (see methodology) which allows comparison of figures from year to year.

Find out how income, spending and assets are split between organisations of different sizes and which sub-sector they operate in at: data.ncvo.org.uk/a17size-and-scope

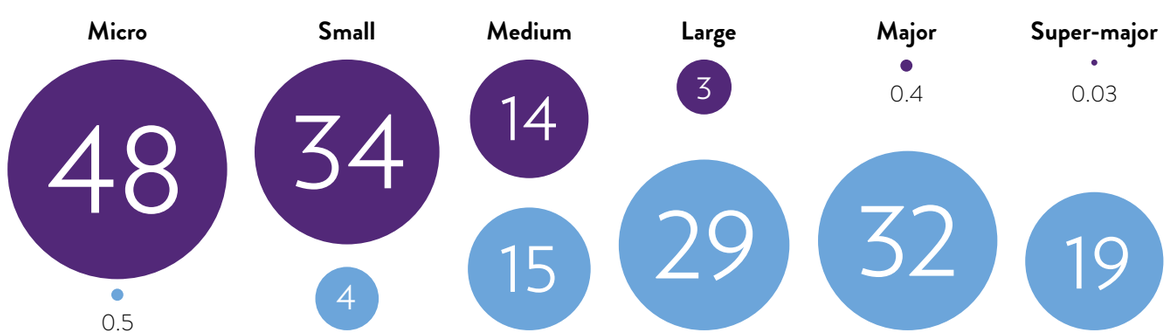
165,801 voluntary organisations in the UK

By size

The sector's economy is dominated by larger charities. Organisations with an annual income of £1m or more account for 80% of the sector's total income yet make up only 3% of the total number of organisations

Proportion of organisations and income by size of organisation, 2014/15 (%)

Source: NCVO/TSRC, Charity Commission

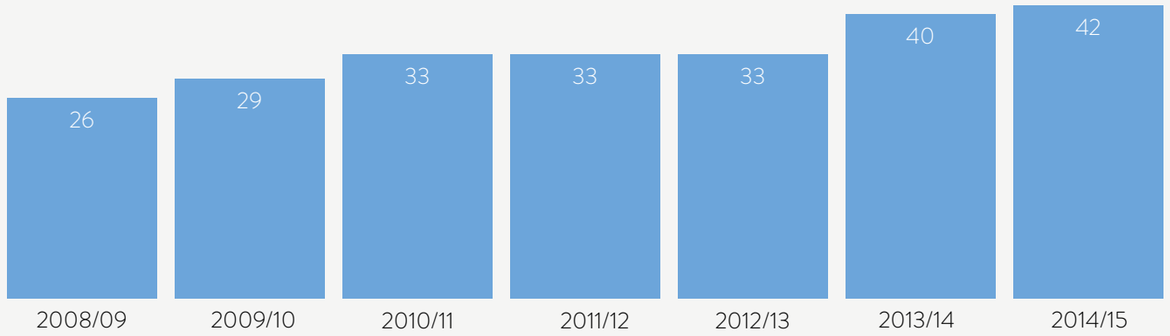


Largest organisations

The number of organisations with an income over £100m has been increasing since 2013/14

Number of super-major organisations, 2008/09 to 2014/15

Source: NCVO/TSRC, Charity Commission

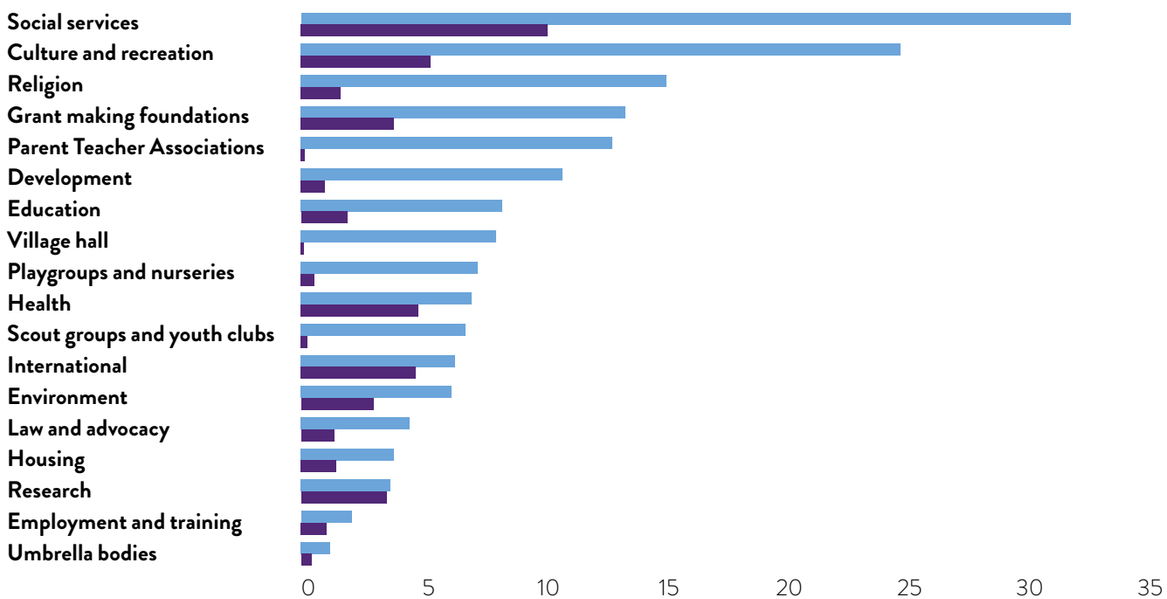


By activity

Social service provision is the most common charitable activity, both in number of charities and spending

Number of organisations and spending (£bn) by activity type, 2014/15

Source: NCVO/TSRC, Charity Commission



FINANCE

Both the income and the spending of the voluntary sector increased in 2014/15, continuing the increases of the previous year.

Find out how much large charities contribute to the growth in income and spending at: data.ncvo.org.uk/a17finance-overview/

Snapshot

The difference between income and spending (£2.2bn) does not necessarily imply that the sector has surplus income: capital expenditure on equipment or buildings is spread over the life of the asset, whilst total income includes items that are spent over multiple years

Income and spending of the UK voluntary sector, 2014/15 (£bn)

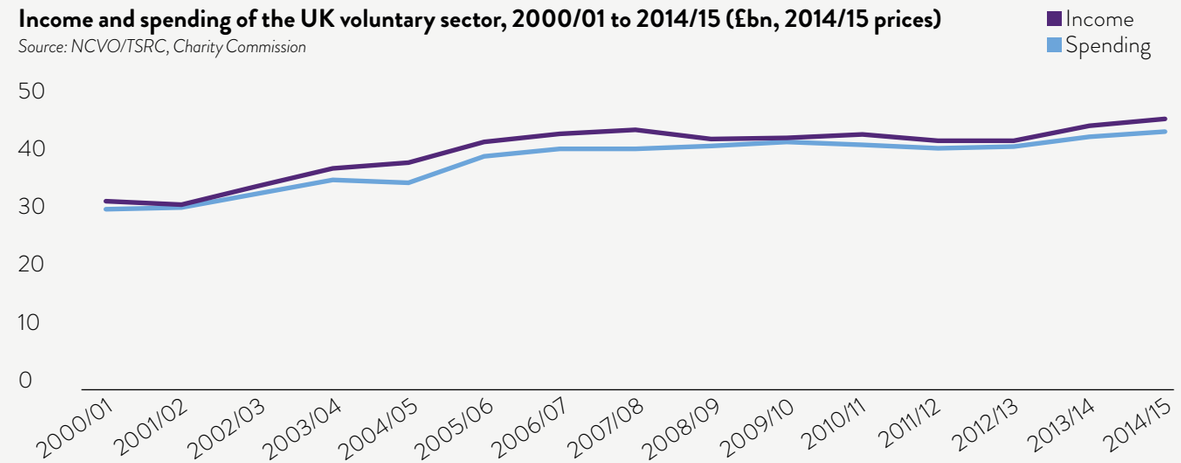
Source: NCVO/TSRC, Charity Commission

Over time

Income and spending of the UK voluntary sector increased from last year

Income and spending of the UK voluntary sector, 2000/01 to 2014/15 (£bn, 2014/15 prices)

Source: NCVO/TSRC, Charity Commission



ECONOMIC VALUE

There is more than one way to quantify the contribution of the sector to the wider economy. The number of people employed and the gross added value (GVA) are two important indicators. The Almanac uses a method developed together with the ONS to estimate the GVA of the voluntary sector.

How has this changed over time? Find out at: data.ncvo.org.uk/a17economic-value

Added value

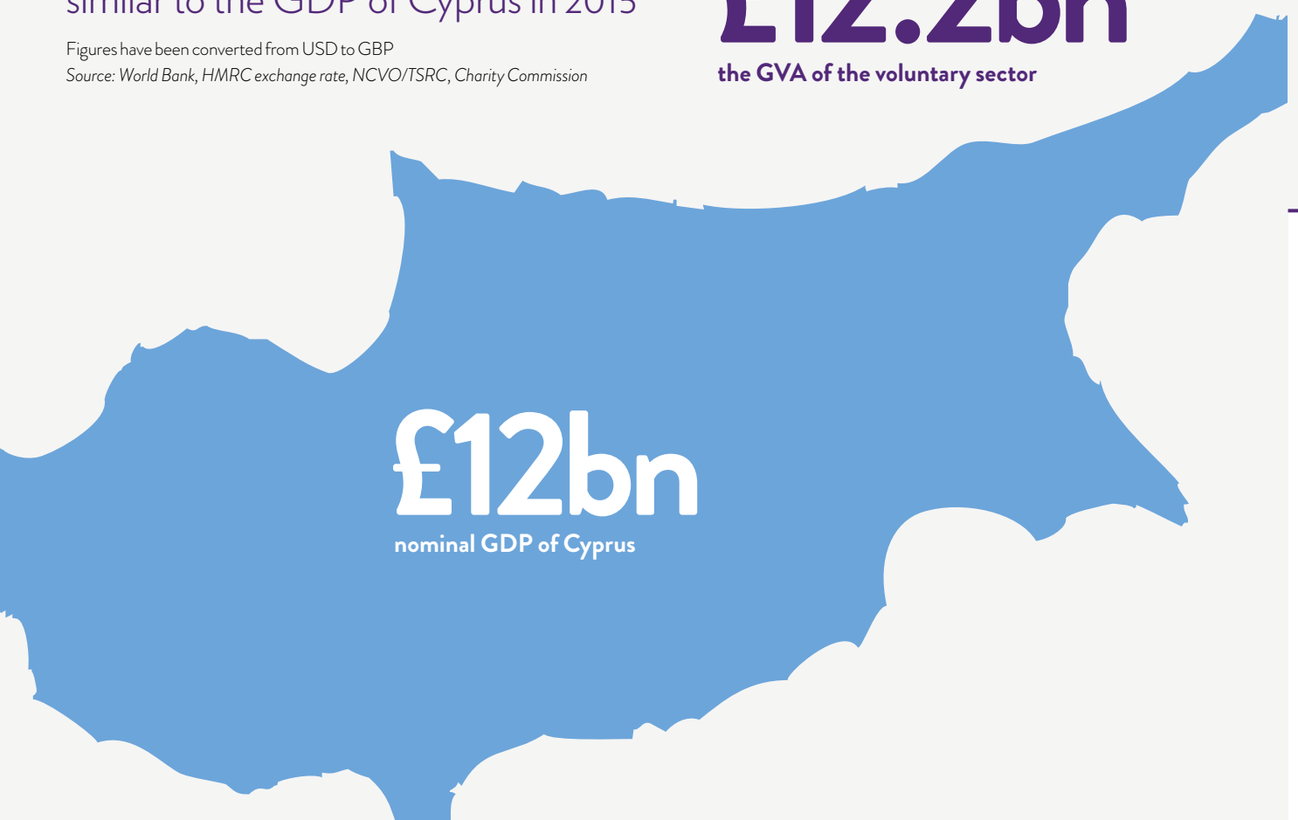
The contribution of the sector is similar to the GDP of Cyprus in 2015

Figures have been converted from USD to GBP

Source: World Bank, HMRC exchange rate, NCVO/TSRC, Charity Commission

£12.2bn

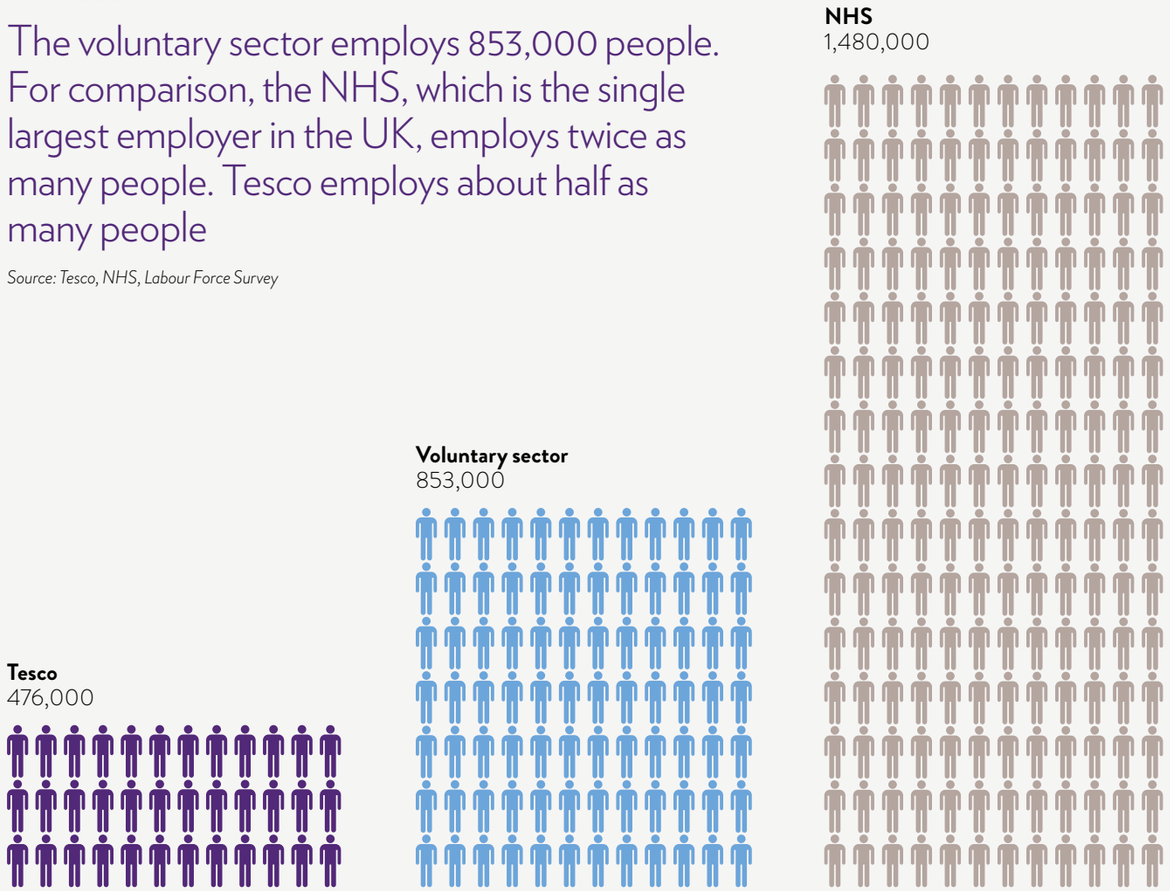
the GVA of the voluntary sector



Workforce

The voluntary sector employs 853,000 people. For comparison, the NHS, which is the single largest employer in the UK, employs twice as many people. Tesco employs about half as many people

Source: Tesco, NHS, Labour Force Survey



Volunteering

The value of formal volunteering was estimated to be £22.6bn in 2015

Source: ONS

£22.6bn

GEOGRAPHY

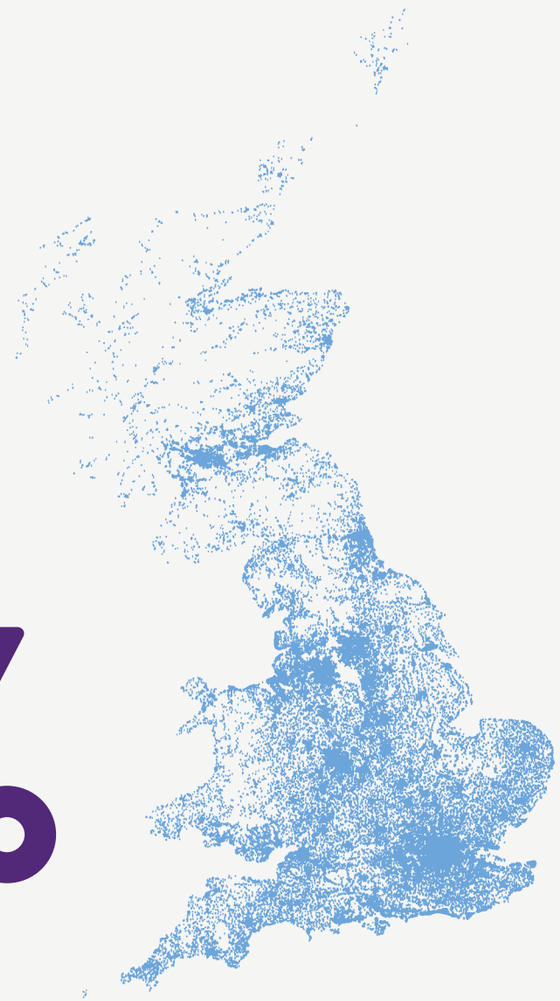
Voluntary organisations are not distributed evenly throughout the UK. The location of charities in our analysis reflects where they are registered, not necessarily where their beneficiaries or main activity are located. Many national and international organisations are mapped to the local authority of their headquarters which are often based in London.

Find out more about the geographical distribution of income and assets at: data.ncvo.org.uk/a17geography

Nationwide

The location of every voluntary organisation in England, Wales and Scotland based on their registered address, 2014/15

Source: NCVO/TSRC, Charity Commission



80%

of all UK voluntary organisations are registered in England

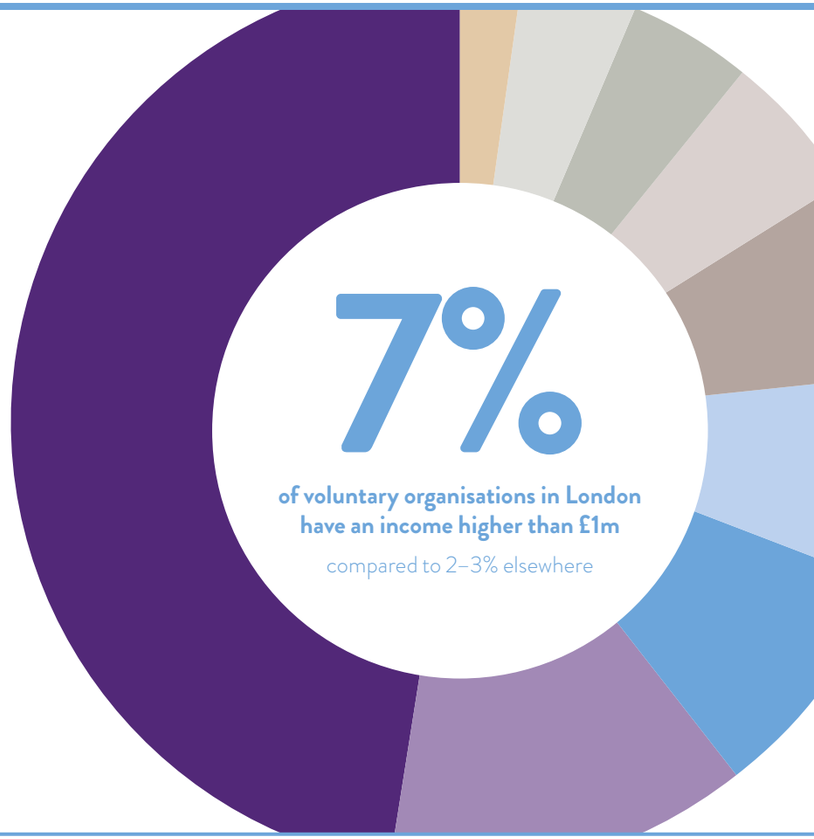
By region

Voluntary organisations in London account for half the income of the voluntary sector in England

The voluntary sector income by region in England, 2014/15

Source: NCVO/TSRC, Charity Commission

- **London** £18.9bn
- **South East** £5.3bn
- **South West** £3.5bn
- **North West** £3.0bn
- **East of England** £2.8bn
- **West Midlands** £2.2bn
- **Yorkshire and the Humber** £1.8bn
- **East Midlands** £1.6bn
- **North East** £0.9bn

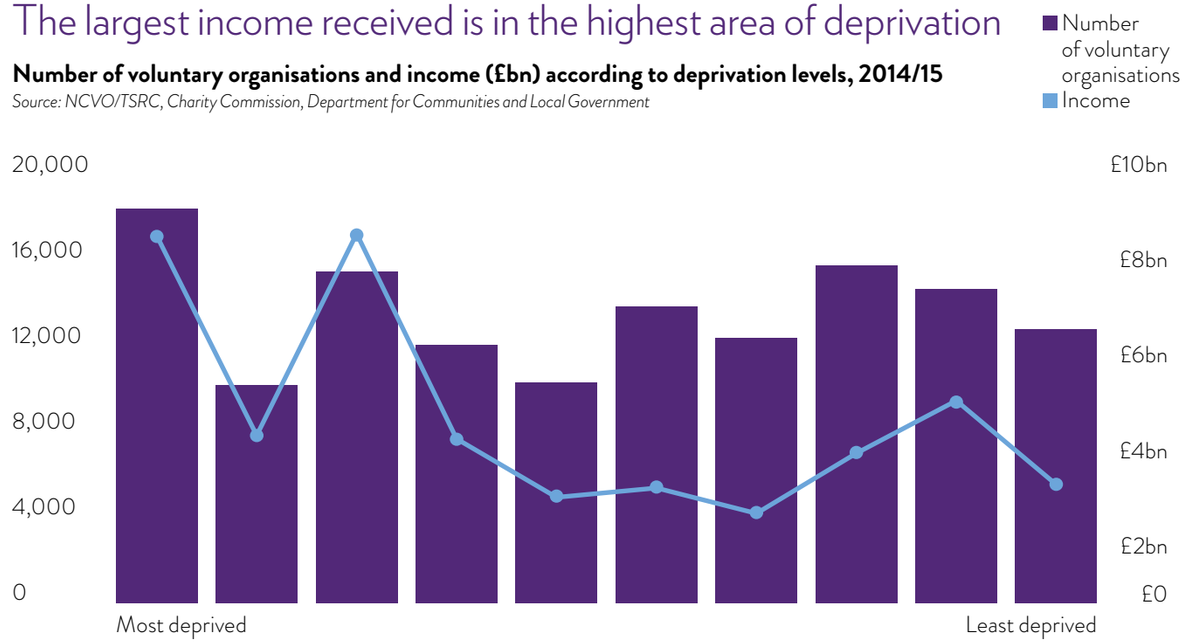


By deprivation level

The largest income received is in the highest area of deprivation

Number of voluntary organisations and income (£bn) according to deprivation levels, 2014/15

Source: NCVO/TSRC, Charity Commission, Department for Communities and Local Government



BENEFICIARIES

Voluntary organisations exist to serve many different types of people as well as the environment, across the UK and internationally. They do so in a number of ways, from grant making, to the provision of services or facilities, or giving information and advice.

More information on beneficiary groups and the activities of voluntary organisations at: data.ncvo.org.uk/a17beneficiaries

By population group

The most common beneficiary group is children and young people

Number of organisations by beneficiary group in England and Wales, 2014/15

Charities can have more than one beneficiary group

Source: NCVO/TSRC, Charity Commission

Children and young people	98,110
The general public	73,725
The elderly	48,744
People with disabilities	45,978
Other charities or voluntary bodies	38,459
Other defined groups	28,566
Particular ethnic or racial groups	14,896

21%

of voluntary organisations' spending goes towards children and young people

By activity

The most common activity is direct provision of services

Number of organisations by type of activity in England and Wales, 2014/15

Charities can have more than one activity type

Source: NCVO/TSRC, Charity Commission

Provides services	58,085
Provides buildings/facilities/open space	49,259
Makes grants to organisations	48,984
Provides advocacy/advice/information	37,019
Provides human resources	36,244
Makes grants to individuals	34,607
Other charitable activities	21,959
Acts as an umbrella or resource body	15,389
Sponsors or undertakes research	13,517
Provides other finance	9,261

20%

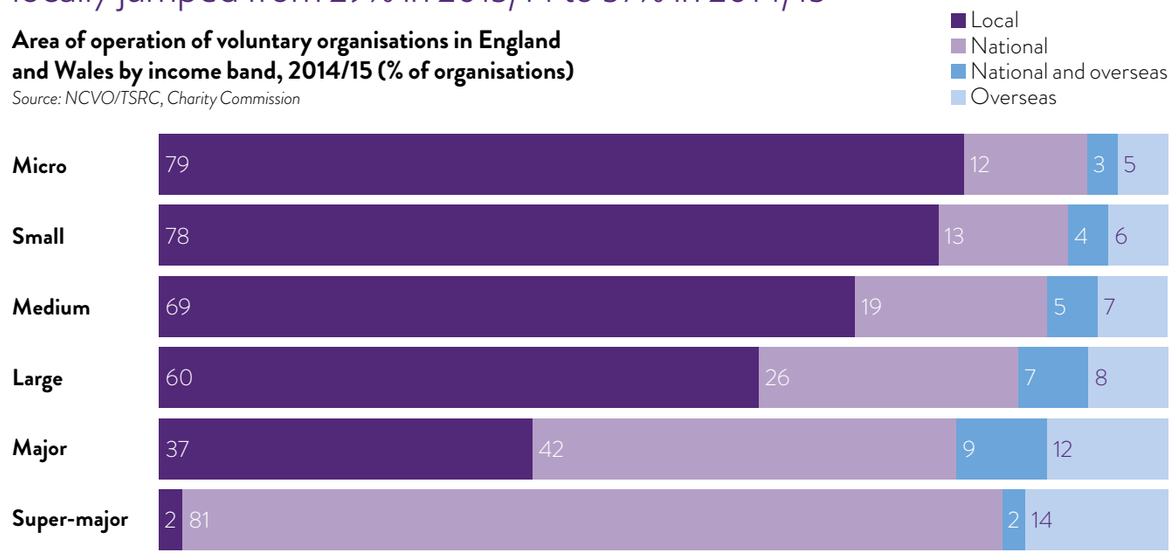
of voluntary organisations' spending goes towards direct service provision

By geographical scope

Smaller organisations are more likely to operate locally. However, the proportion of major organisations operating locally jumped from 29% in 2013/14 to 37% in 2014/15

Area of operation of voluntary organisations in England and Wales by income band, 2014/15 (% of organisations)

Source: NCVO/TSRC, Charity Commission



VOLUNTEERING

Many people give their time, doing something that aims to benefit the environment or someone they are not closely related to. Volunteering rates in the UK remain high, with 27% of people over the age of 16 formally volunteering through a group, club or organisation at least once a month in 2015/16.

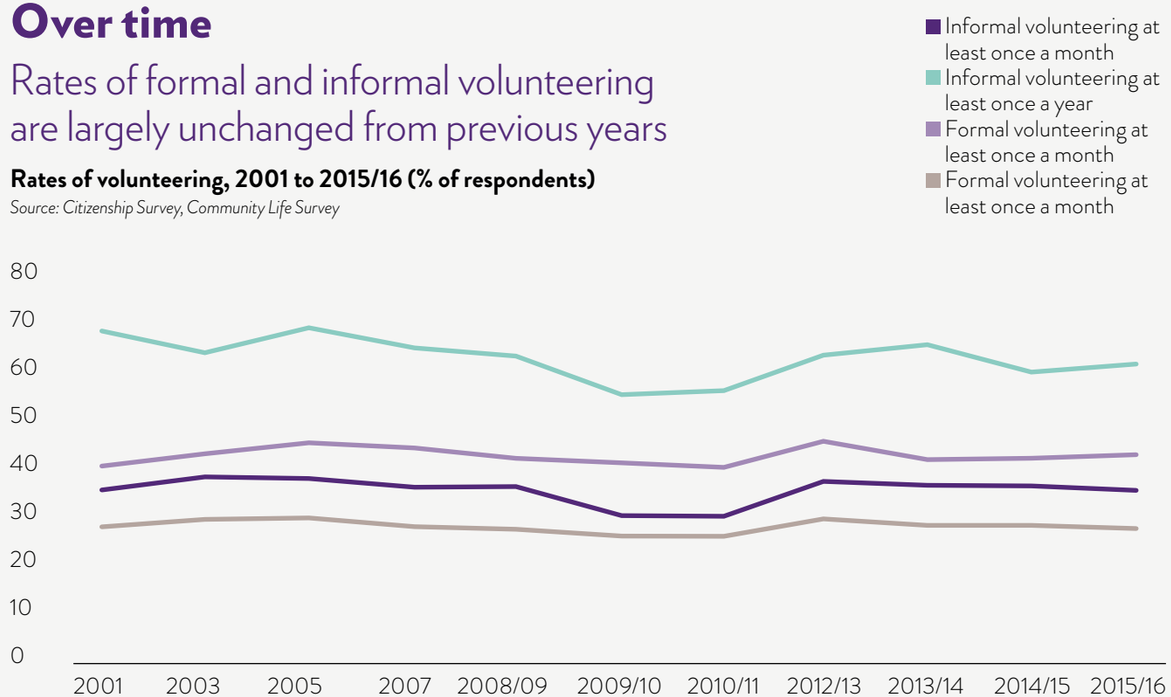
Want to know more about the profiles and motivations of volunteers? Or volunteering in your region? Find out at: data.ncvo.org.uk/a17volunteer-overview

Over time

Rates of formal and informal volunteering are largely unchanged from previous years

Rates of volunteering, 2001 to 2015/16 (% of respondents)

Source: Citizenship Survey, Community Life Survey



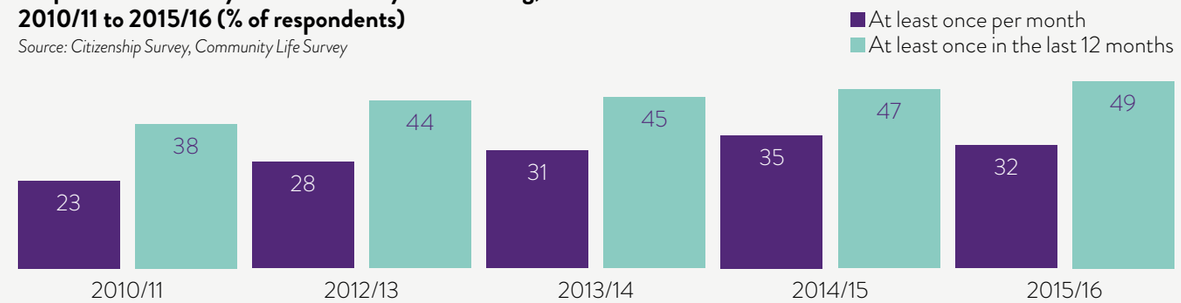
14.2 million people formally volunteered at least once a month in 2015/16

By age

Rates of regular formal volunteering among young people have dropped slightly for the first time since 2010/11. However, in 2015/16 those aged 16–25 (32%) and 65–74 (31%) had the highest rates of monthly formal volunteering

Proportion of 16–25 year olds formally volunteering, 2010/11 to 2015/16 (% of respondents)

Source: Citizenship Survey, Community Life Survey



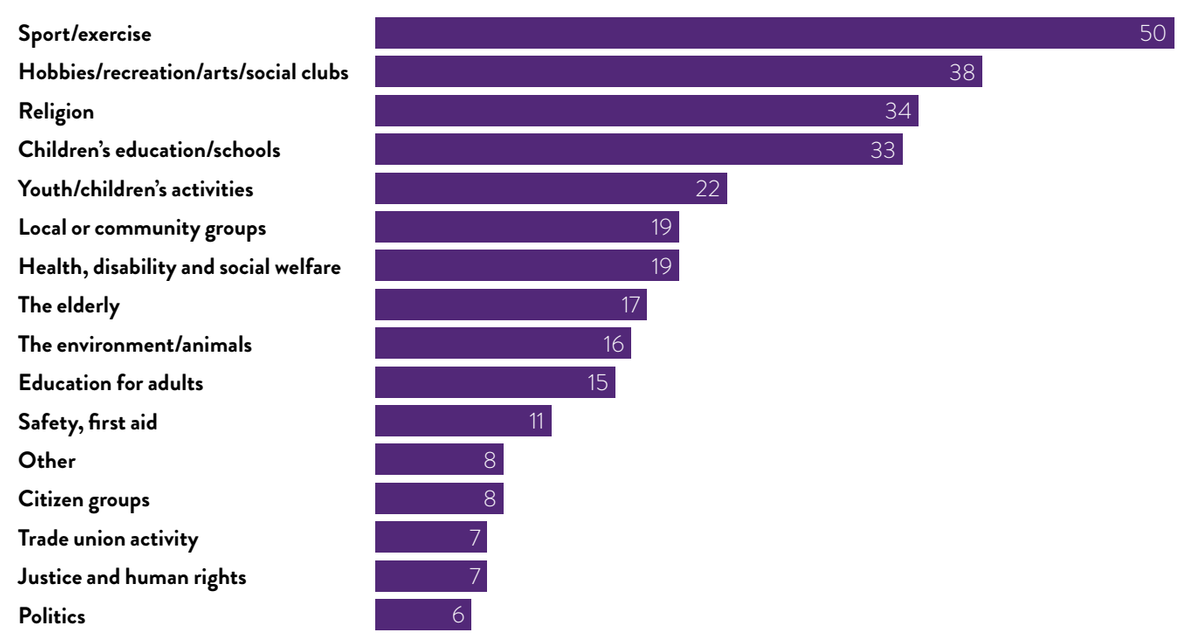
By organisation supported

Sports organisations, clubs and groups attract the most volunteers

Volunteering by type of organisation supported, 2015/16 (% of respondents)

Respondents can volunteer in more than one area

Source: Community Life Survey



WORKFORCE

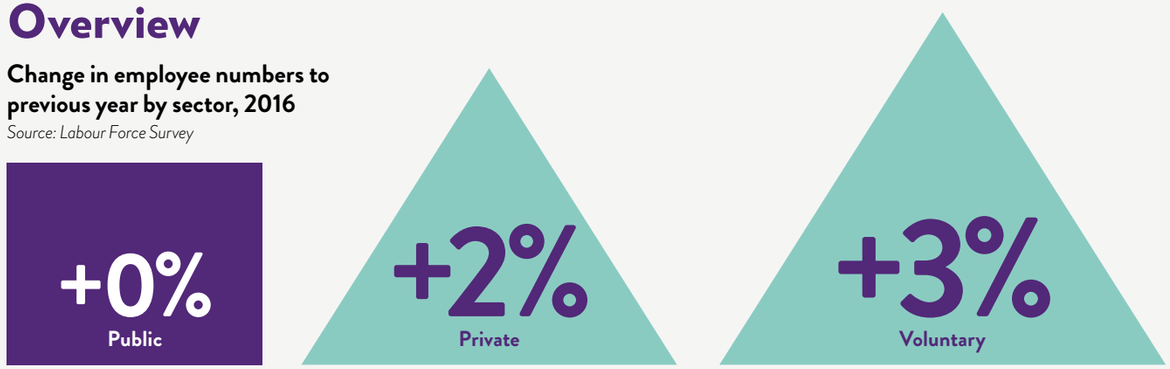
Voluntary organisations employ 2.7% of the UK workforce. They offer a different employment environment in terms of job security and size of organisation.

Find out more about who works in the voluntary sector at: data.ncvo.org.uk/a17workforce

Overview

Change in employee numbers to previous year by sector, 2016

Source: Labour Force Survey



853,000

people are employed in the voluntary sector in the UK in June 2016

By gender

Almost two-thirds of the sector workforce are female

Gender of employees by sector, June 2016 (% of total workforce)

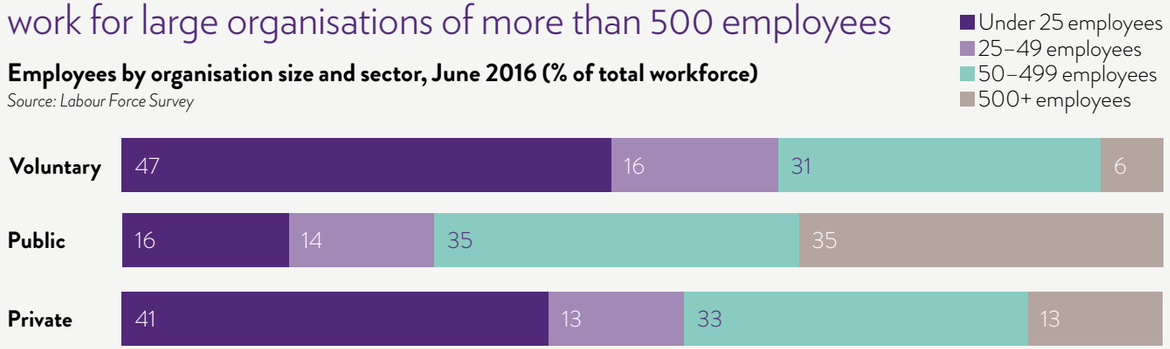
Source: Labour Force Survey

By size of organisation

Most voluntary sector employees (47%) work in organisations of fewer than 25 employees whilst only 6% work for large organisations of more than 500 employees

Employees by organisation size and sector, June 2016 (% of total workforce)

Source: Labour Force Survey

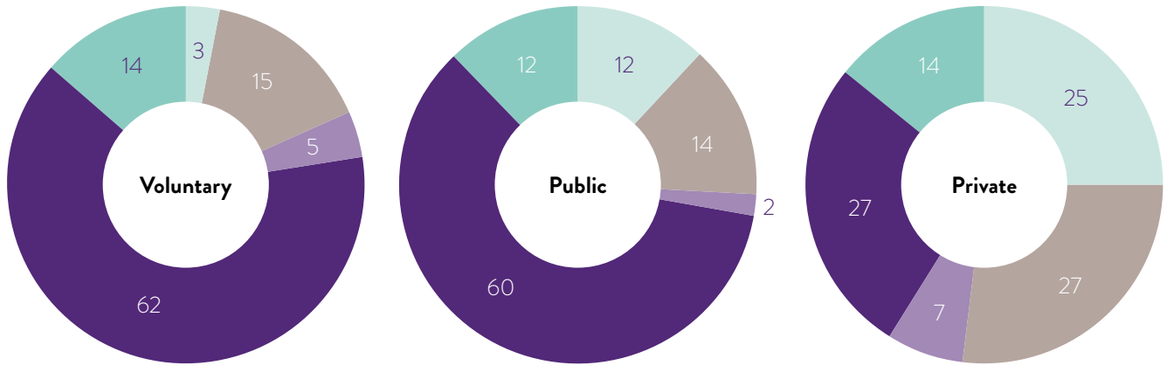


By type of contract

Almost three out of four temporary employees are on a fixed contract in June 2016

Employees by sector and type of temporary contract, June 2016 (%)

Source: Labour Force Survey



90%

of voluntary sector employees are on permanent contracts in June 2016

INCOME

Find out more about the voluntary sector's income sources and types at: data.ncvo.org.uk/a17income

Overview

Voluntary organisations have access to a range of different types and sources of income

Voluntary sector income sources and types, 2014/15 (£m)

Trendlines are for 2009/10 to 2014/15 (2014/15 prices)

Source: NCVO/TSRC, Charity Commission

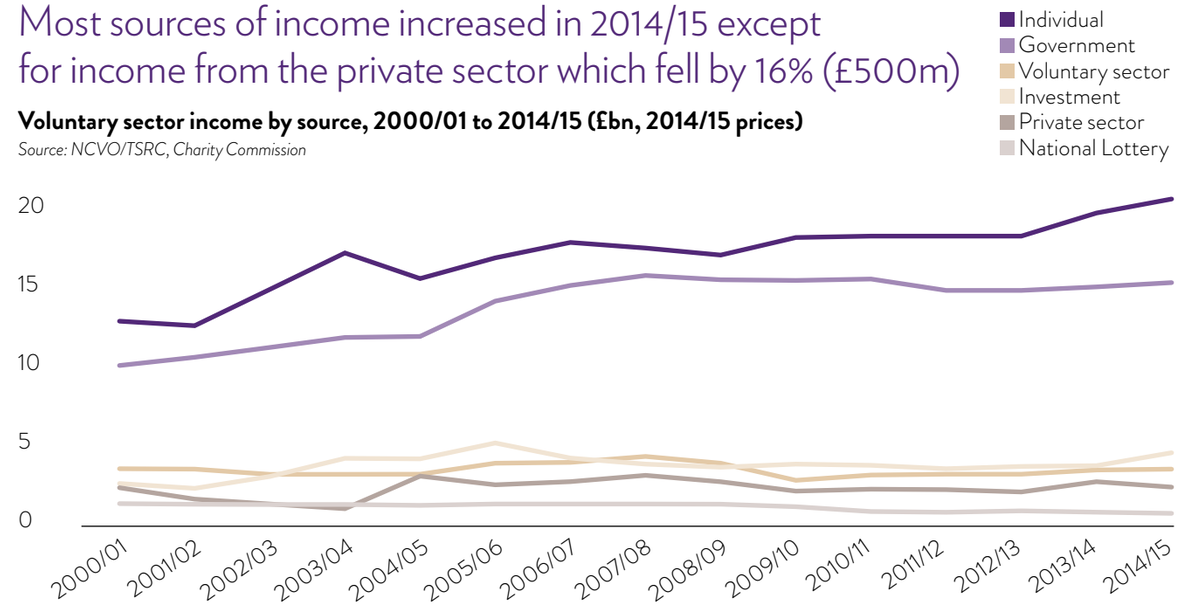
	Voluntary **Donations and gifts** Income freely given, usually as a grant, donation or legacy, for which little or no benefit is received by the donor	Earned **Charitable activities** Gross fees for goods and services that are provided as part of the charity's mission	**Activities for generating funds** Gross fees for goods and services provided to generate funds	Total
Individuals The general public, excluding payments from charitable trusts set up by individuals	Individual donations (gross, including Gift Aid reclaimed); legacies; membership subscriptions without significant benefits **10,104.7**	Fees for services provided in pursuit of charitable objects: membership subscriptions with significant benefits; rent from property where providing accommodation is a charitable purpose **6,192.9**	Fundraising by charities where benefit is received in return: charity shop turnover; sales of merchandise; raffles and lotteries; fees for fundraising events **4.258.1**	**20,555.6**
Government Government and its agencies in the UK, the European Union and international governments	Funding grants; grants to charitable intermediaries **2,885.8**	Public sector fees; payments for contracted services **12,266.1**	Trading with public sector to raise funds **131.6**	**15,283.6**
Voluntary sector Charities such as trusts and grant-making foundations	Grants from charitable trusts; grants distributed by charitable intermediaries **2,988.0**	Services provided under contract that are in line with the recipient charity's mission **951.4**	Trading with other charities to raise funds **74.2**	**4,013.6**
Private sector Excluding payments from charitable foundations set up by businesses	Corporate donations and gifts in kind **1,053.9**	Sub-contracting; research; other services provided under contract **519.4**	Corporate sponsorship **361.0**	**1,934.3**
National Lottery	Grants from National Lottery distributors **469.0**			**469.0**
Investment The proceeds generated from investments and cash balances				**3,256.3**
Total	**Voluntary** **17,501.3**	**Earned (charitable activities)** **19,928.9**	**Earned (activities for generating funds)** **4,825.0**	**45,512.5**

By income source

Most sources of income increased in 2014/15 except for income from the private sector which fell by 16% (£500m)

Voluntary sector income by source, 2000/01 to 2014/15 (£bn, 2014/15 prices)

Source: NCVO/TSRC, Charity Commission

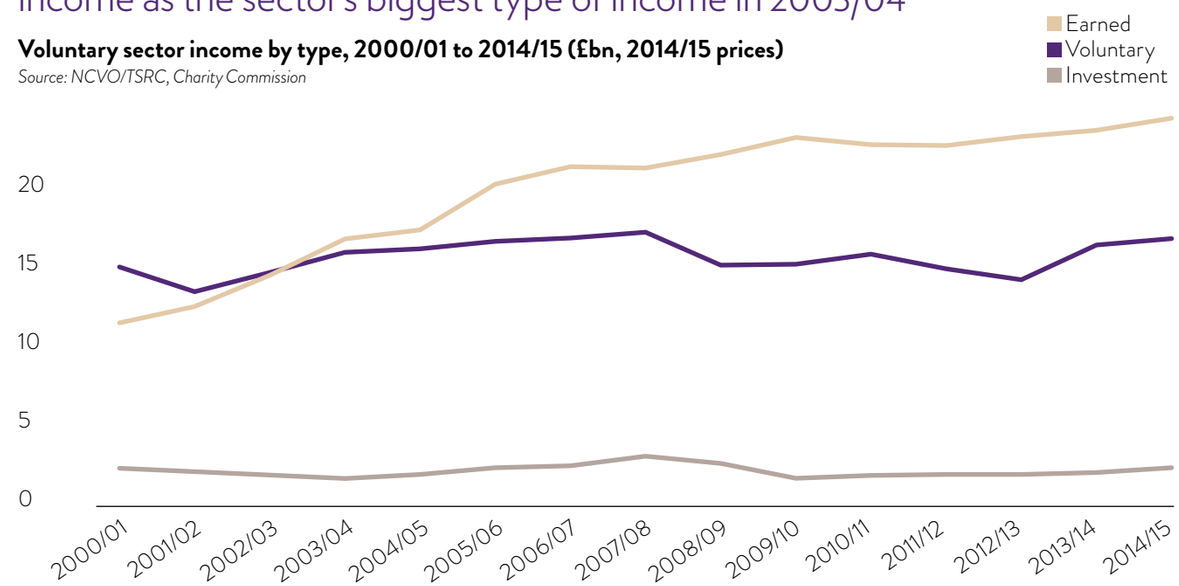


By income type

In 2014/15, earned income increased again, by £0.7bn to £24.8bn, and accounts for 54% of the total income. It overtook voluntary income as the sector's biggest type of income in 2003/04

Voluntary sector income by type, 2000/01 to 2014/15 (£bn, 2014/15 prices)

Source: NCVO/TSRC, Charity Commission



INCOME FROM INDIVIDUALS

Individuals are the largest source of income for the voluntary sector. This income comprises individual donations, legacies, as well as earned income (for example, income from charity shops and membership fees). In 2014/15, income from individuals amounted to £20.6bn, representing 45% of the sector's income.

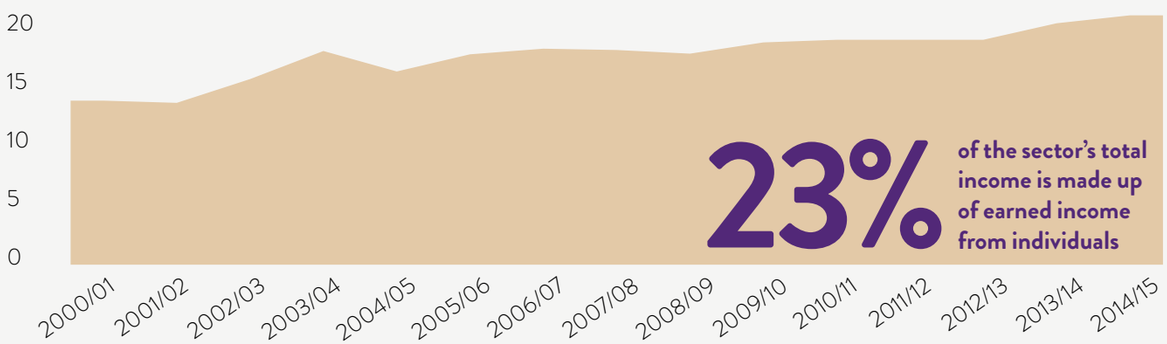
Find out how the proportion of income from individuals varies by size of the organisation at: data.ncvo.org.uk/a17individuals

Over time

Income from individuals increased by £0.8bn, which is less than in 2013/14

Income from individuals, 2000/01 to 2014/15 (£bn, 2014/15 prices)

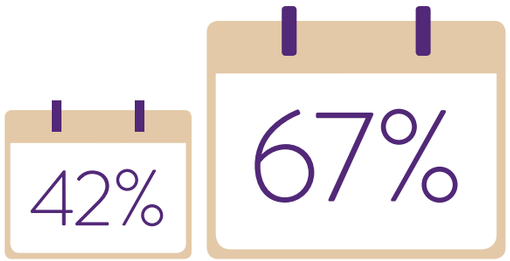
Source: NCVO/TSRC, Charity Commission



Individual giving

42% of adults reported giving money to a charitable cause in a typical month and 67% in the previous twelve months

Source: UK Giving 2015, CAF

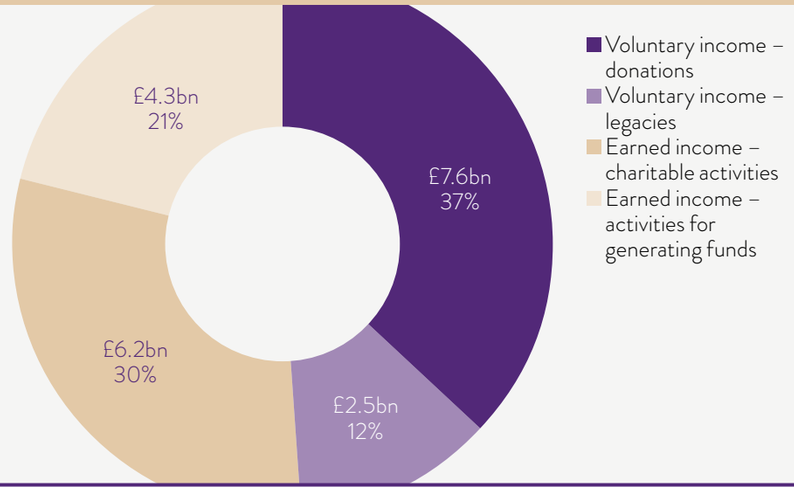


Type of individual income

Donations provide the largest share of the income received from individuals

Income from individuals, 2014/15 (£bn, %)

Source: NCVO/TSRC, Charity Commission

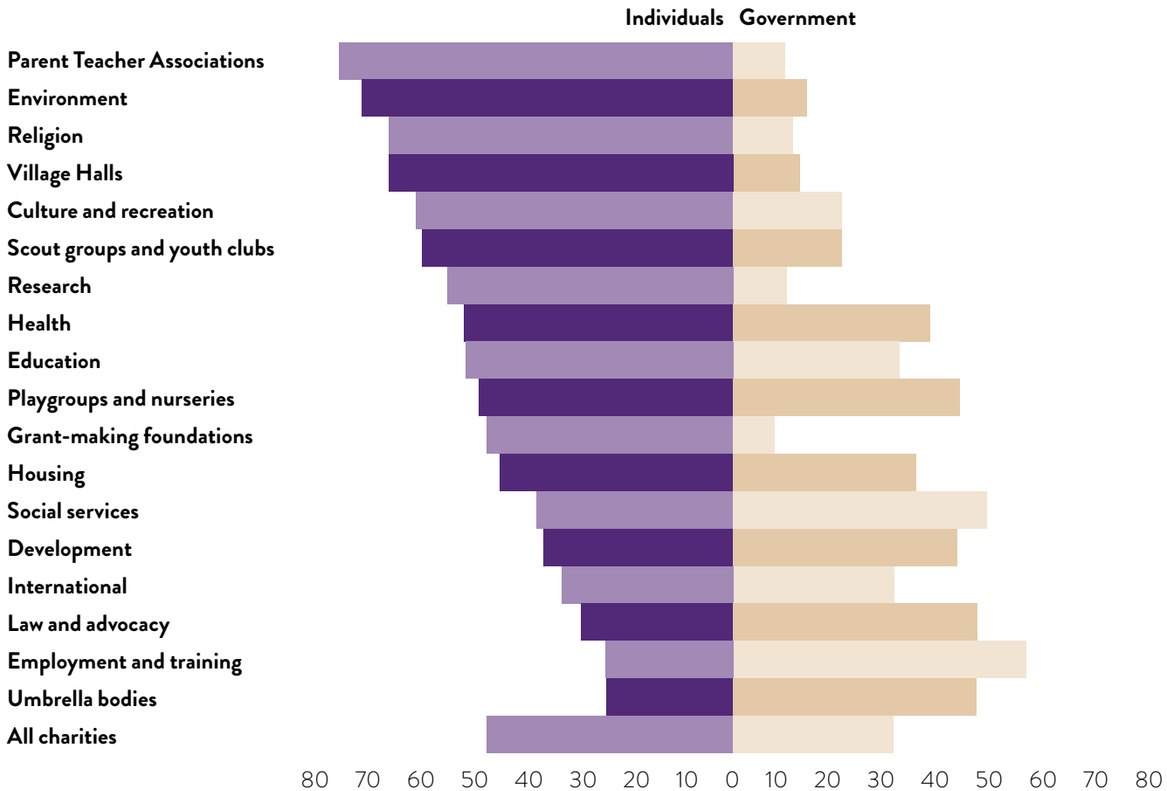


By sub-sector

In 2014/15, Parent Teacher Associations and religious voluntary organisations received the highest proportion of their income from individuals

Proportion of income from individuals and government by sub-sector, 2014/15 (% of total income)

Source: NCVO/TSRC, Charity Commission



INCOME FROM GOVERNMENT

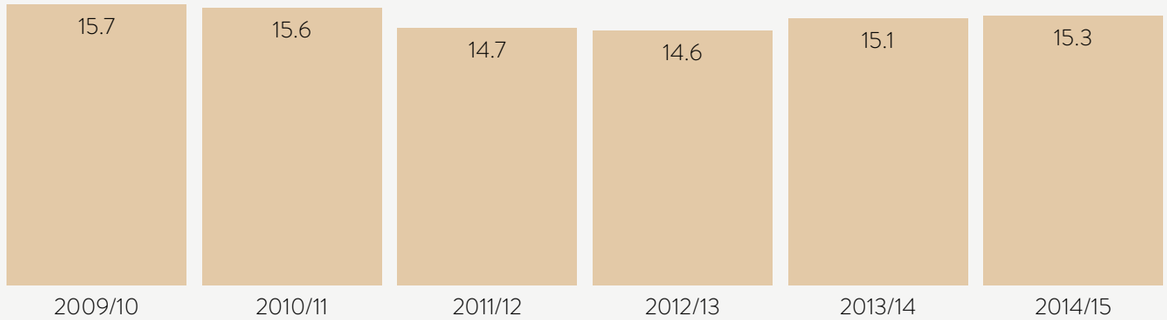
Income from government forms a significant part (33%) of the voluntary sector's total income, but only accounts for around 2% of total government spending.

Want to know more about how government funding has changed over time? Find out at: data.ncvo.org.uk/a17government

Overview

Income from government continued to increase between 2013/14 and 2014/15, although the increase was smaller than in the previous year

Government income, 2009/10 to 2014/15 (£bn, 2014/15 prices)
Source: NCVO/TSRC, Charity Commission



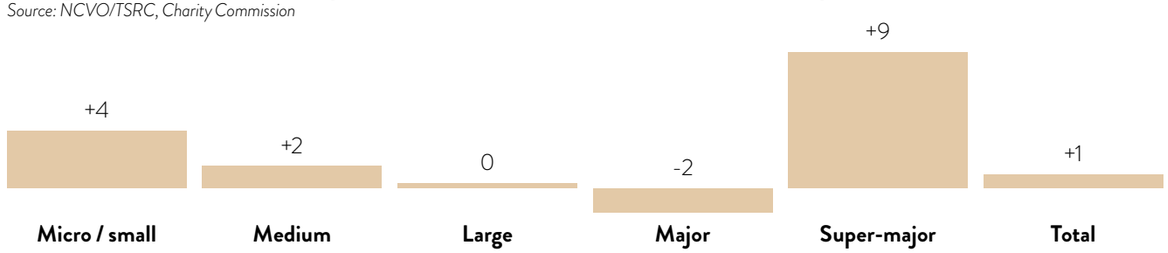
81%

of the sector's government funding was earned through contracts or fees in 2014/15

Change by size

Growth in government income was predominantly seen in the largest organisations, particularly those with an income over £100m (super-major)

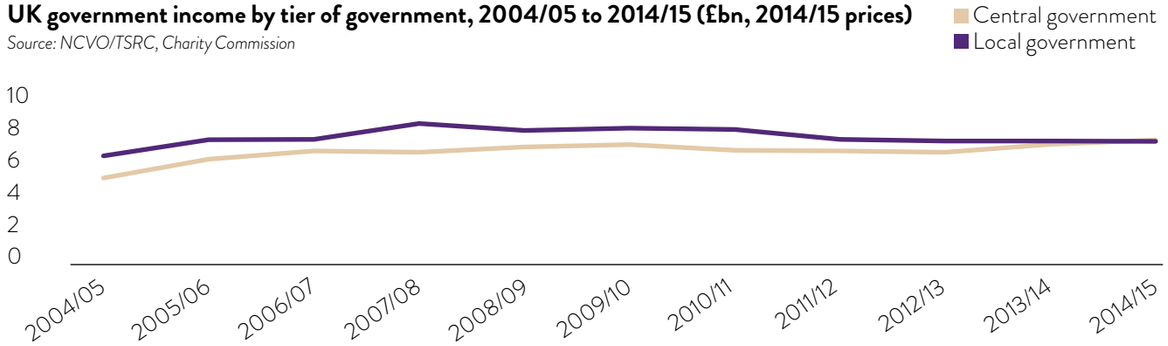
Change in government income by income band, 2013/14 to 2014/15 (%, 2014/15 prices)
Source: NCVO/TSRC, Charity Commission



Local vs central government

For the first time in a decade, income from central government (£7.3bn) is higher than income from local government (£7.1bn)

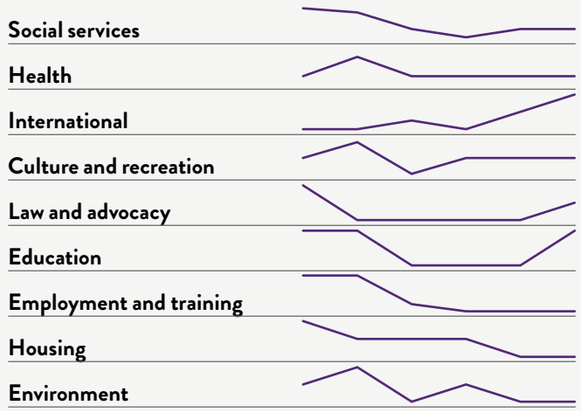
UK government income by tier of government, 2004/05 to 2014/15 (£bn, 2014/15 prices)
Source: NCVO/TSRC, Charity Commission



By sub-sector

The sub-sectors that lost the most income from government since 2009/10 are employment and training, and housing

Income from government by sub-sector, 2009/10 to 2014/15 (£bn, 2014/15 prices)
This chart shows only the top nine sub-sectors with the highest income from government
Source: NCVO/TSRC, Charity Commission



SPENDING

Voluntary organisations spend the vast majority of their income to achieve their charitable aims.

Want to know more about how spending has changed over time? Find out at: data.ncvo.org.uk/a17spending

Top 10

The Wellcome Trust has the highest level of spending of all voluntary organisations in 2014/15

Source: NCVO/TSRC, Charity Commission

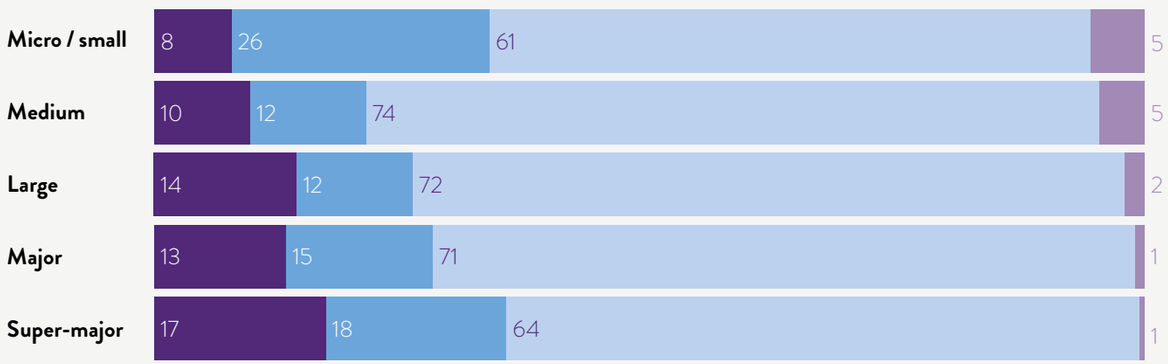
Charity name	Spending (£m)
Wellcome Trust	869.8
Save the Children International	692.4
Cancer Research UK	600.0
National Trust	499.9
Oxfam	387.8
Barnardo's	291.6
British Heart Foundation	287.3
The British Red Cross Society	256.6
Marie Stopes International	228.6
Macmillan Cancer Support	221.5

By type of spending

While larger organisations spend a greater proportion on generating funds, smaller organisations spend more on governance

Spending by size of organisation, 2014/2015 (%)

Source: NCVO/TSRC, Charity Commission

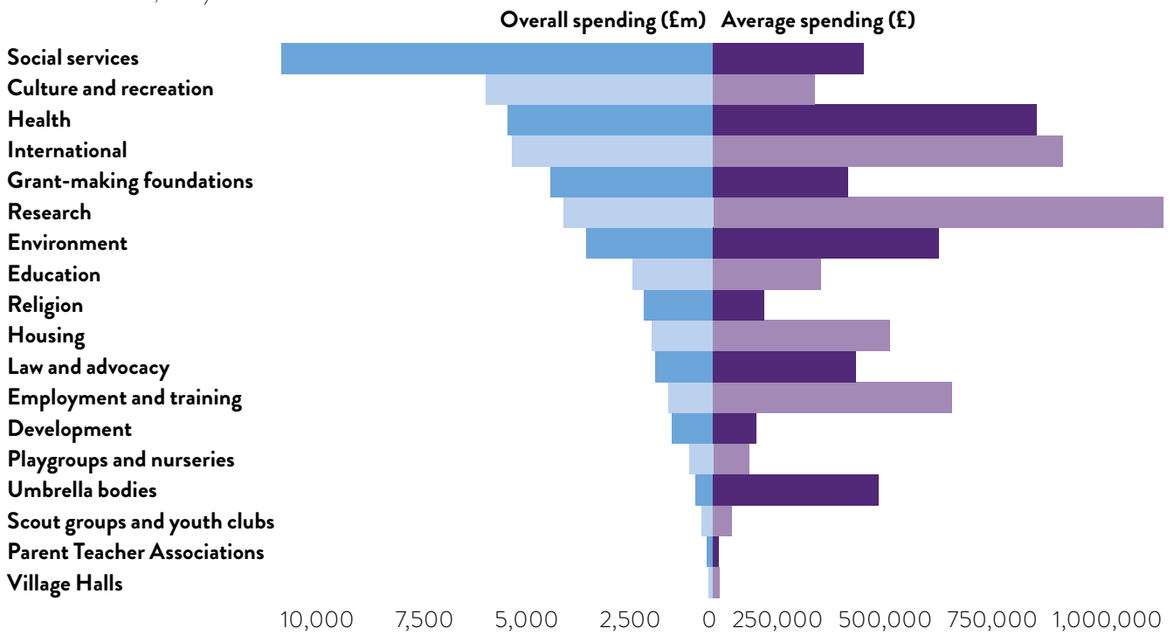


By sub-sector

Overall spending is highest for social service organisations but average spending is highest for research organisations

Overall and average spending by sub-sector, 2014/2015

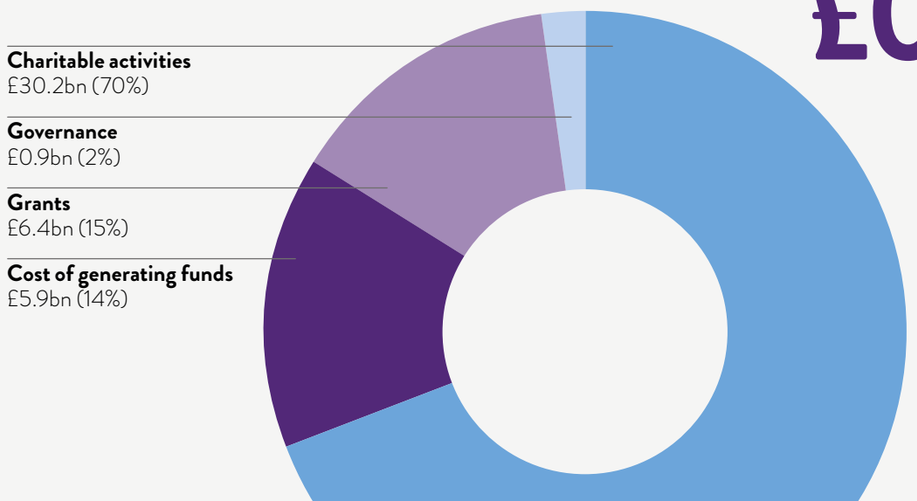
Source: NCVO/TSRC, Charity Commission



84% of the sector's spending went towards achieving its charitable aims, through charitable activities or grant making

Spending by type, 2014/2015 (£bn, %)

Source: NCVO/TSRC, Charity Commission



£0.7bn

increase in spending on charitable activities and grant making

GENERATING FUNDS

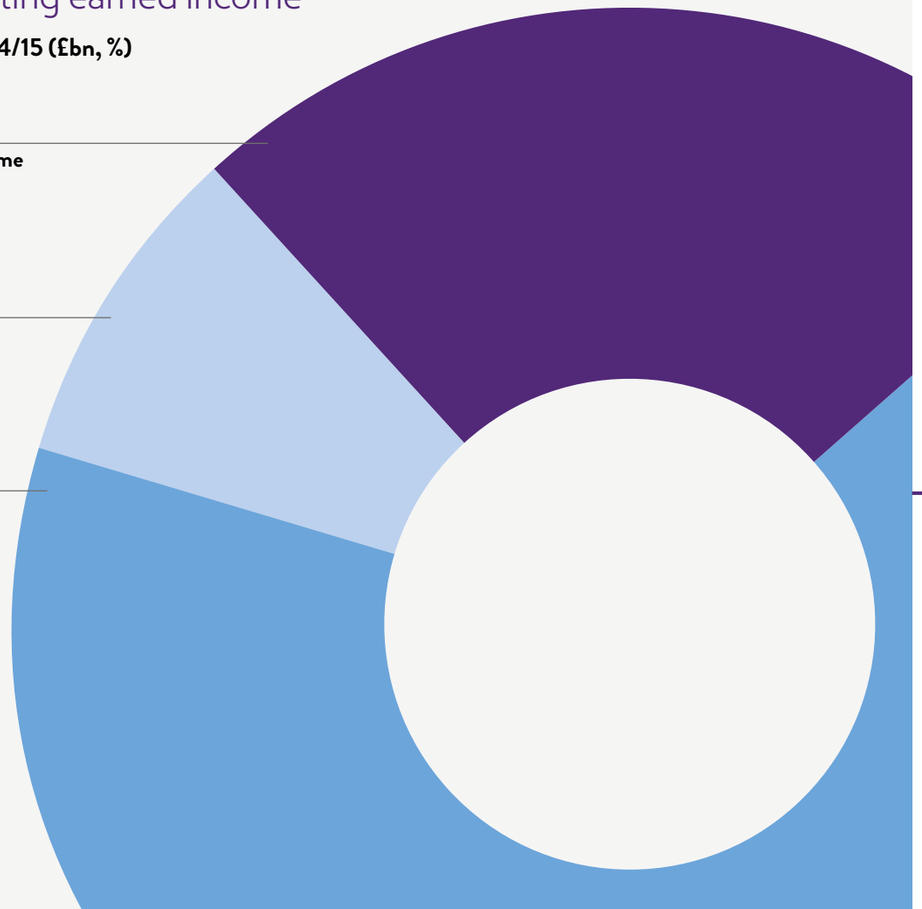
Voluntary organisations spend money to generate further income for their charitable activities. In 2014/15, voluntary organisations spent £5.9bn on generating funds.

More information on the cost of generating funds by sub-sector and on how to interpret these figures at: data.ncvo.org.uk/a17generating-funds

By type of cost

Two-thirds of the costs of generating funds are spent on generating earned income

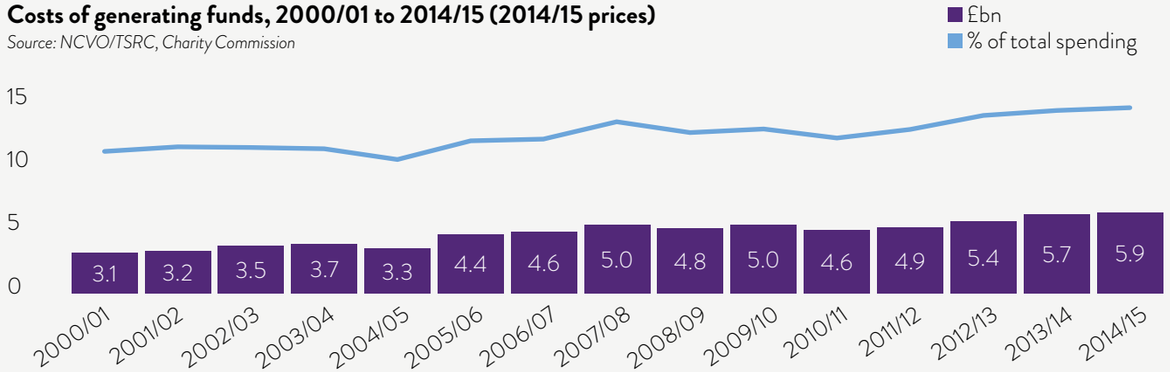
Costs of generating funds, 2014/15 (£bn, %)
Source: NCVO/TSRC, Charity Commission



Over time

Since 2000/01, the costs of generating funds have increased both in cash terms and as a proportion of total spending

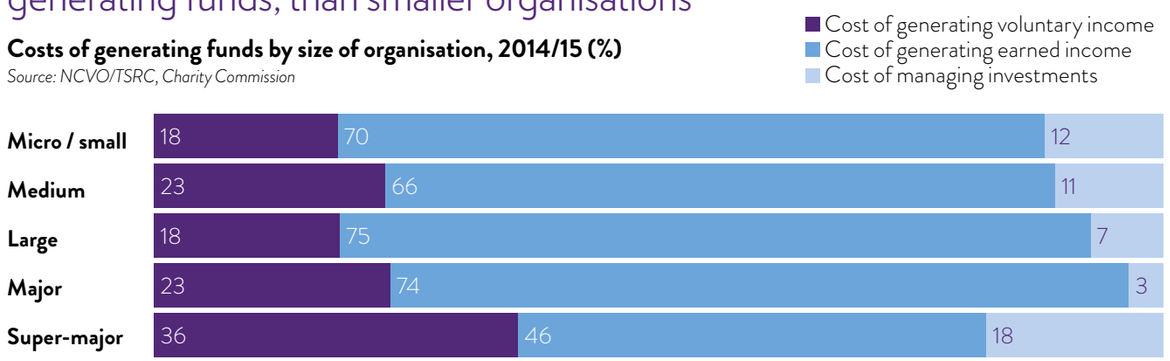
Costs of generating funds, 2000/01 to 2014/15 (2014/15 prices)
Source: NCVO/TSRC, Charity Commission



By size

Larger organisations spend more on voluntary income, as a proportion of the total cost of generating funds, than smaller organisations

Costs of generating funds by size of organisation, 2014/15 (%)
Source: NCVO/TSRC, Charity Commission



Fundraising ratio

Spending on generating funds continues to yield significant results, with each pound spent resulting in £4.16 being raised

Ratio of cost of generating funds (excluding investment management) to income generated (earned and voluntary income from all sources)

GRANT MAKING

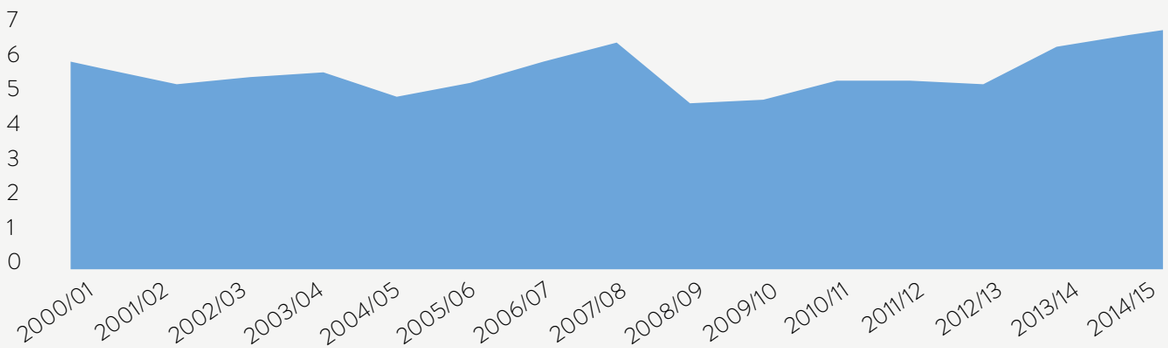
The voluntary sector includes both organisations that receive grants from other voluntary organisations such as trusts and foundations, and grant-making foundations themselves. The grants given out by the voluntary sector are distributed to other voluntary organisations but also to individuals, universities and government bodies.

Find out more about grant making at: data.ncvo.org.uk/a17grantmaking

Over time

The voluntary sector spent a total of £6.4bn on grants in 2014/15

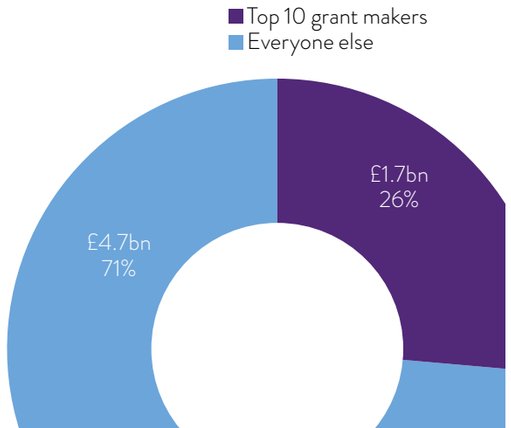
Spending on grants by voluntary organisations, 2000/01 to 2014/15 (£bn, 2014/15 prices)
Source: NCVO/TSRC, Charity Commission



Top grant makers

Grant making continues to be dominated by a small group of organisations: the ten largest grant makers account for 26% of all grants made

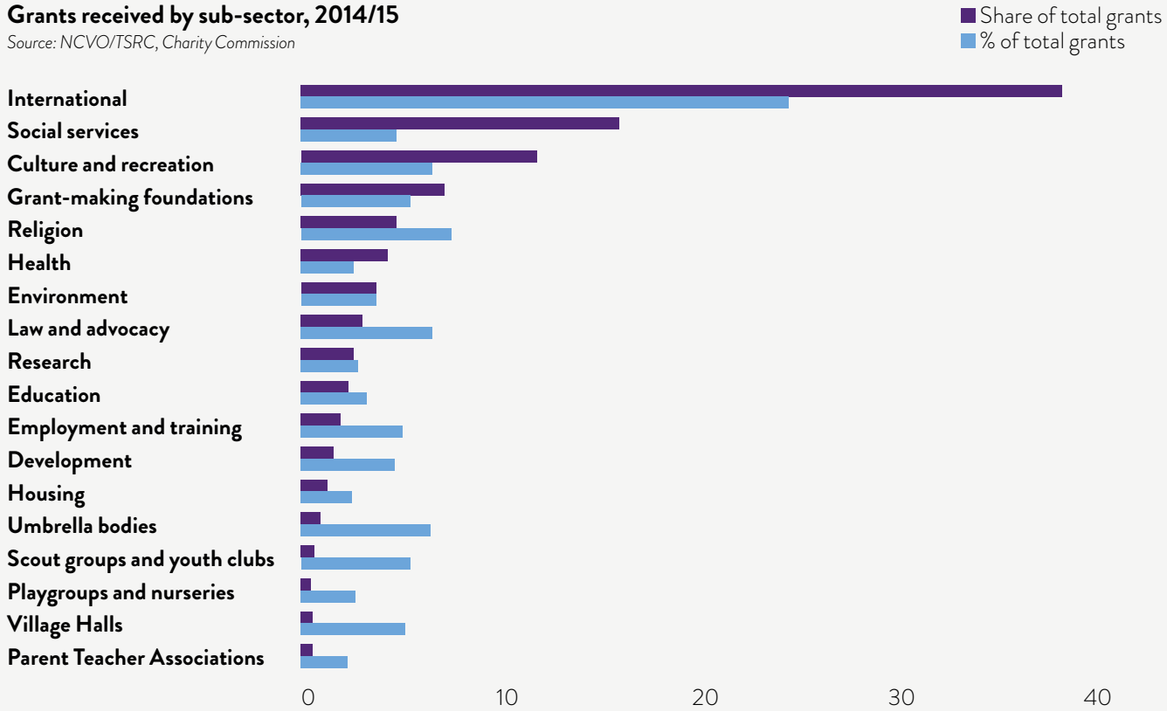
Grants spent by top ten grant-makers, 2014/15 (£bn, %)
Source: NCVO/TSRC, Charity Commission



By sub-sector

International voluntary organisations receive the most grants from the voluntary sector

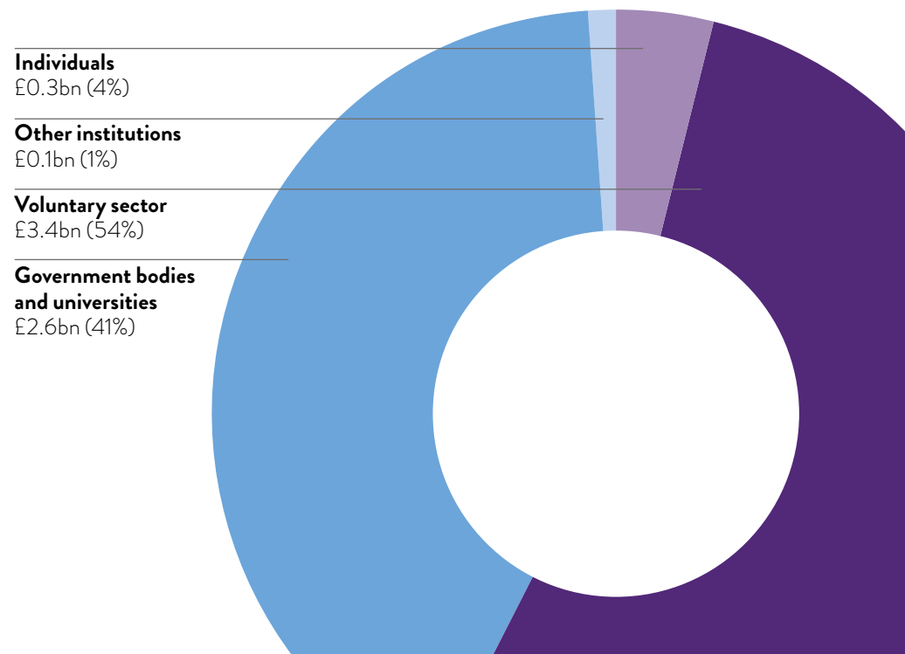
Grants received by sub-sector, 2014/15
Source: NCVO/TSRC, Charity Commission



By type of recipient

Over half of the grants are made to other voluntary organisations

Grant spending by type of recipient, 2014/15 (£bn, %)
Source: NCVO/TSRC, Charity Commission



ASSETS

Over 80% of voluntary organisations hold assets which they commonly use to contribute towards their charitable activities or to help generate funds. Total net assets are made up of fixed and current assets minus liabilities.

Find out which organisations hold the most assets and how much of the sector's funds are unrestricted at: data.ncvo.org.uk/a17assets

Fixed assets
- Intangible assets
- Tangible assets
- Investments

Current assets
- Stocks
- Debtors
- Cash

Liabilities
- Short-term (under one year)
- Long term (over one year)
- Pension deficit

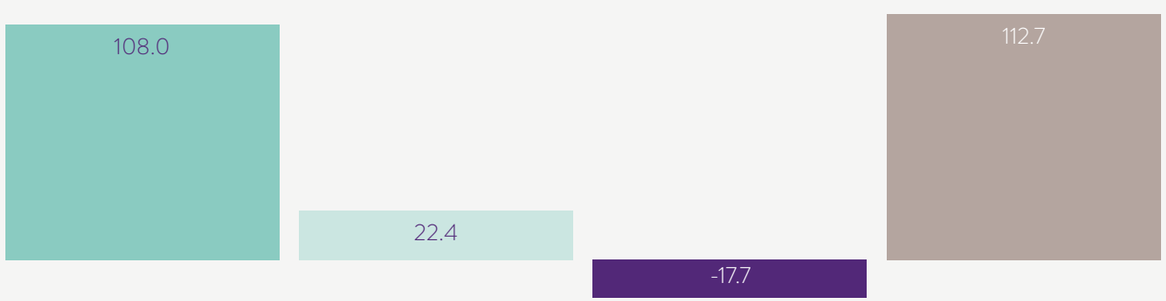
Net assets
Also called 'total funds' or 'net worth'

Overview

The voluntary sector's net assets are worth

£112.7bn in 2014/15

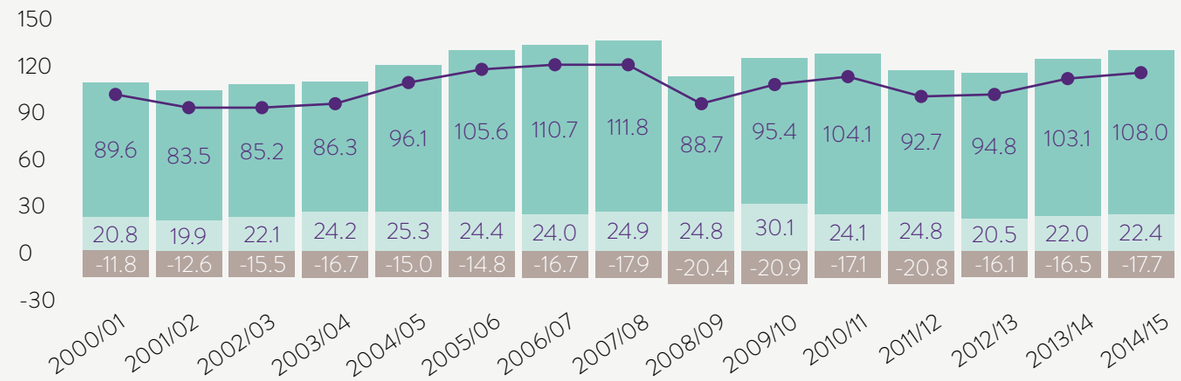
Voluntary sector assets and liabilities, 2014/15 (£bn)
Source: NCVO/TSRC, Charity Commission



Over time

The net worth of the sector has grown steadily over the last four years but has still not reached pre-crisis levels from 2007/08

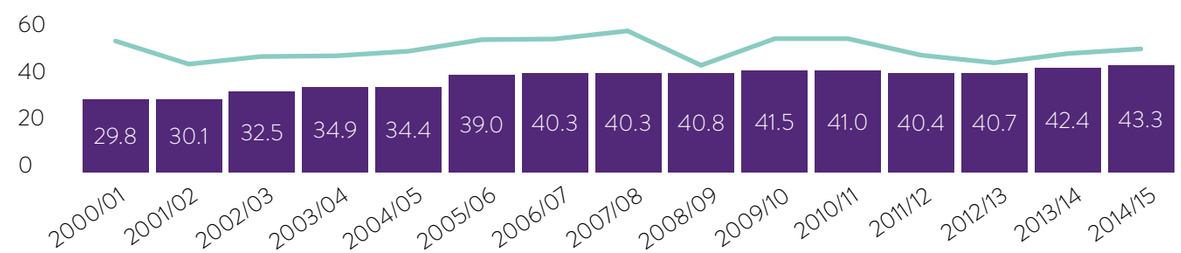
Voluntary sector assets and liabilities, 2000/01 to 2014/15 (£bn, 2014/15 prices)
Source: NCVO/TSRC, Charity Commission



Level of reserves

The voluntary sector held reserves worth £49.6bn in 2014/15. They are slowly growing following a slight dip in 2012/13

Voluntary sector spending and reserves, 2000/01 to 2014/15 (£bn, 2014/15 prices)
Source: NCVO/TSRC, Charity Commission



44%

of micro/small organisations have no reserves

LIABILITIES AND LOANS

Want to know the breakdown of loans and pensions by size of organisation? Find out at: data.ncvo.org.uk/a17liabilities

Liabilities represent the money that voluntary organisations owe to others, and can include loans, pensions, taxes owed, accruals, and grants committed in advance. They are classified as current/short-term (due within one year) or long-term (due in more than one year).

£17.7bn

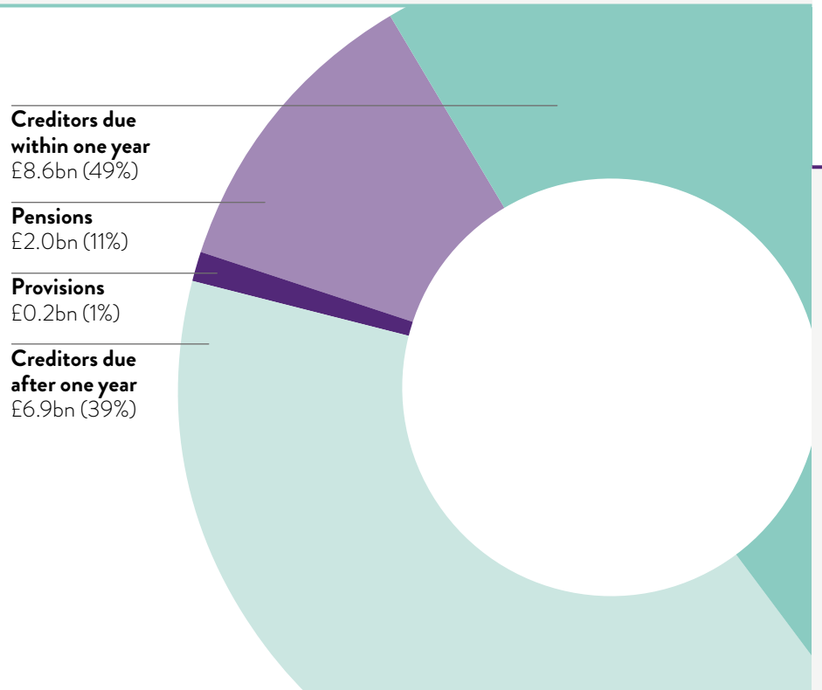
Total liabilities of the voluntary sector in 2014/15

Type of liabilities

Half (52%) of the sector's liabilities are long-term liabilities, including creditors, pension liabilities and provisions

Make up of the voluntary sector's liabilities, 2014/15 (£bn, %)

Source: NCVO/TSRC, Charity Commission

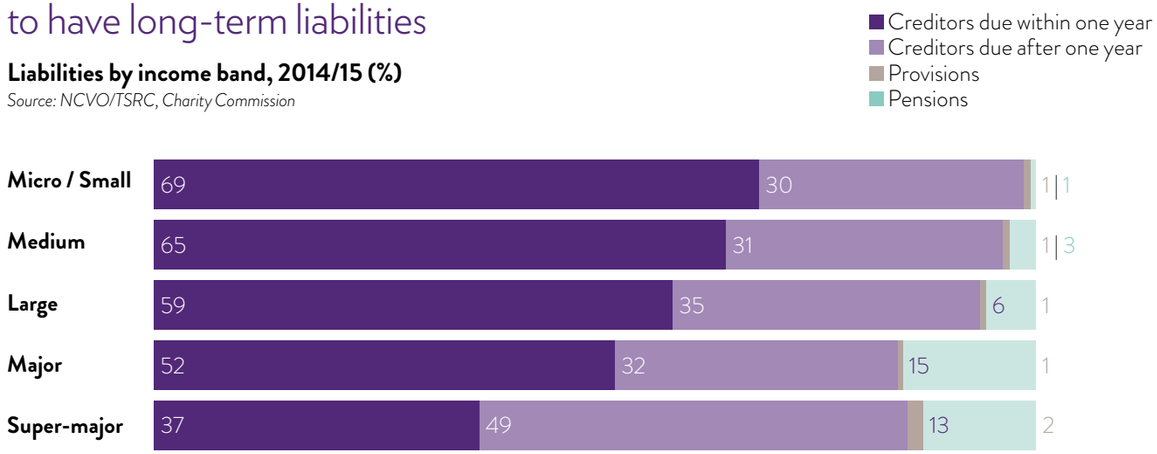


By size

Larger organisations are more likely to have long-term liabilities

Liabilities by income band, 2014/15 (%)

Source: NCVO/TSRC, Charity Commission



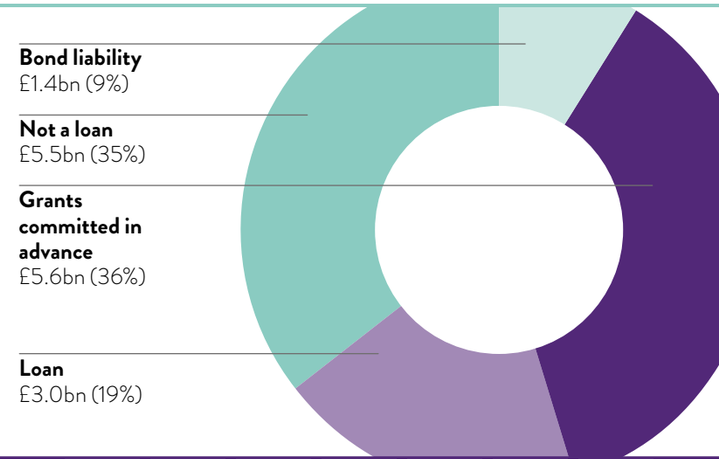
Loans

About one-fifth (19%) of the sector's total liabilities relate to borrowing that voluntary organisations have undertaken

Type of liabilities, 2014/15 (£bn, %)

Excluding pension liabilities and micro organisations

Source: NCVO/TSRC, Charity Commission

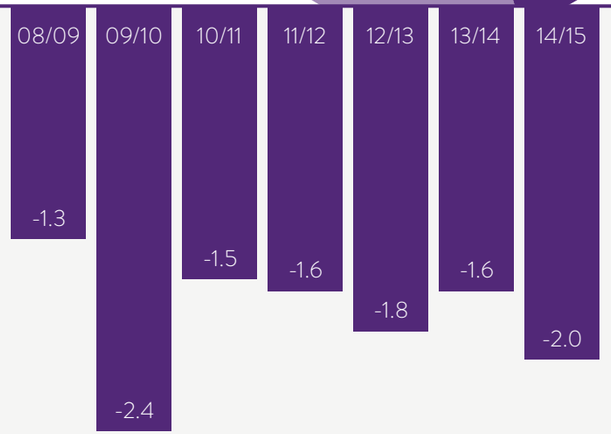


Pensions

The sector's pension deficit increased slightly in 2014/15, with the largest 3% of voluntary organisations carrying 86% of the sector's pension liabilities

Voluntary sector pension deficit, 2008/09 to 2014/15 (£bn, 2014/15 prices)

Source: NCVO/TSRC, Charity Commission



INVESTMENTS

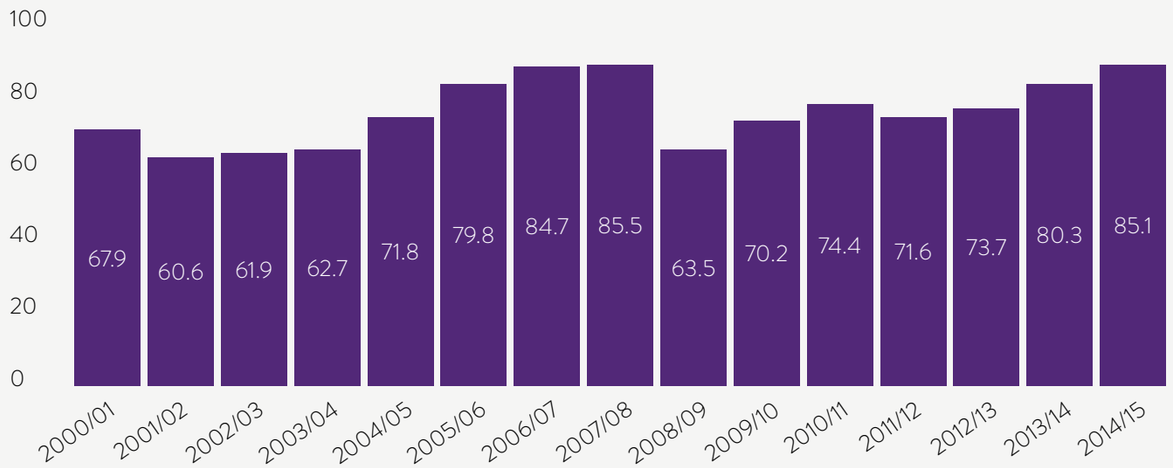
Investments are assets primarily in the form of equities, government securities, unit trusts and investment property. They provide an independent income source for voluntary organisations with assets to invest.

Find out how investments are distributed across organisations of different sizes at: data.ncvo.org.uk/a17investments

Over time

The sector's investment assets continued to grow and almost reached pre-crisis levels from 2007/08

Value of voluntary sector investment assets, 2000/01 to 2014/15 (£bn, 2014/15 prices)
Source: NCVO/TSRC, Charity Commission



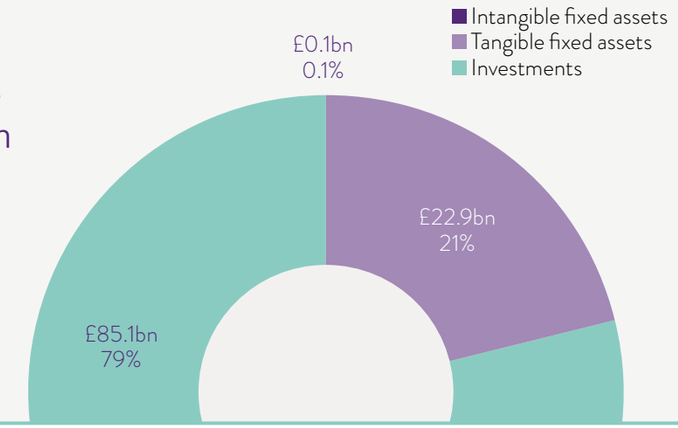
£3.3bn

The voluntary sector's earned income from investments in 2014/15

Fixed assets

The sector's investment assets were collectively worth £85.1bn in 2014/15

Type of fixed assets, 2014/15 (£bn, %)
Source: NCVO/TSRC, Charity Commission



Investment costs

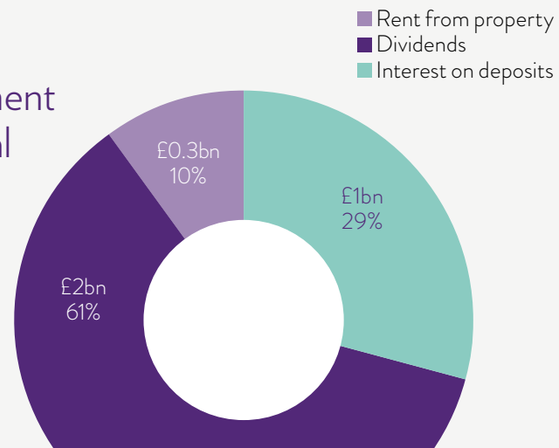
The relative costs of managing investments have plateaued when compared to the total return generated, which comprises both investment income and the value of the assets managed

Costs of managing investment, 2014/15
Source: NCVO/TSRC, Charity Commission

Investment income

In 2014/15, most of the sector's investment income comes from returns on financial assets such as share dividends

Type of investment income, 2014/15 (£bn, %)
Source: NCVO/TSRC, Charity Commission



METHODOLOGY

Voluntary sector definition

As in previous Almanacs, the "general charities" definition is used to obtain estimates for the voluntary sector. The definition is based on common features of non-profit organisations and was originally constructed to also fit Office for National Statistics (ONS) national accounting purposes.

Included in the 'general charities' definition are registered charities that meet the following criteria:

- **formality** (institutionalised to some extent)
- **independence** (separate from the state)
- **non-profit distributing** (not returning profits generated to owners or directors)
- **self governance**
- **voluntarism** (involving some meaningful degree of voluntary participation)
- **and public benefit.**

This definition excludes registered charities that do not meet these criteria, for example sacramental religious bodies or places of worship as well as organisations like independent schools, government-controlled bodies or housing associations.

Voluntary sector methodology

Data source

Financial data for a sample of just over 7,800 of these organisations was obtained for the Almanac 2017 by entering data from the charities' annual accounts filed at the Charity Commission. This data entry process was carried out on behalf of NCVO (TSRC) and the Third Sector Research Centre by the Centre for Data Digitisation and Analysis at Queen's University, Belfast.

Sample design

The sample design was originally based on taking a random sample of general charities stratified by the size of organisation in terms of their annual income because this variable is both a key determinant of sampling error and a key variable for analysis. Different sampling fractions are applied to the different sizes/strata, the fractions increasing with size, until for 'major' organisations (with incomes of more than £10m) all organisations are sampled. Data is weighted at the analysis stage to take account of the different sampling fractions.

Voluntary sector – population and sample, England and Wales, 2014/15

2014/15	Micro*	Small	Medium	Large	Major	Super-major	Total
Income	Less than £10,000	£10,000 to £100,000	£100,000 to £1m	£1m to £10m	£10m to £100m	More than £100m	
Registered with the Charity Commission	233,418	165,405	75,489	17,211	3,279	225	495,027
General charities	67,803	48,674	19,250	4,141	551	41	140,460
Sample	57	1,222	2,816	3,207	494	41	7,837
Sample (% of general charities)	0.1	2.5	14.6	77.4	89.7	100.0	5.6

*We have combined financial numbers for micro and small organisations throughout this report.

Data cleaning

Before use, the data is cleaned to remove significant errors and undergoes a series of checks to ensure validity. Organisations have a range of financial year ends, distributed throughout the year. To ensure consistency, all values were converted to April 2015 prices using the retail price index (RPIX). The RPIX was also used for trend data to convert actual values from previous years to April 2015 prices.

UK totals

Supplementary data from SCVO (Scottish Council for Voluntary Organisations) and NICVA (Northern Ireland Council for Voluntary Action) is used to produce estimates of the UK population. Due to rounding figures, some percentage totals may not sum to 100%.

Analysis by sub-sector: Sub-sectoral analysis is based on assigning charities to categories in the International Classification of Non-profit Organisations (ICNPO).

Analysis by income band

Within the Almanac, voluntary organisations are divided into six groups based on their income. Each group is named to make it easier to discuss the findings and place them in context. The sample data, however, is gathered in nine bands to accommodate Charity Commission registration thresholds. These bands are aggregated to produce the six bands used in the Almanac. In 2016, we introduced a "Super-major" group including charities with more than £100m annual income. This income band is warranted because there has been a noticeable increase in organisations with income of over £100m.

Other data sources

Civil society

This section draws on many different data sources, including Co-operatives UK, the Building Society Association, the Department for Education, and many more. The data for most civil society organisations is for the financial year 2013/14, except for the data on general charities, which is for 2014/15. To our knowledge, this represents the most up-to-date source of data covering such a broad range of organisations. Previous data suggests that the relative size of organisations will not have changed significantly.

Charitable giving

Charitable giving data is from the CAF UK Giving 2015, based on a survey of 4,160 individuals conducted by GfK NOP.

Workforce

Our employment figures are largely based on Labour Force Survey (LFS) data, which is the only national data source that attempts to classify individual employment by sector. The LFS surveys an estimated 60,000 private households every quarter. By pooling data for unique individuals from four quarters, it is possible to produce reliable estimates of the voluntary sector's workforce. Weighting is used within the LFS to compensate for non-response rates in certain groups and produce population estimates.

To identify the sector a respondent is employed in, a two-stage self-classification process is used. Respondents are first asked whether they work for 'a private firm, business or a limited company' or 'some other kind of organisation'. Those respondents who choose the second option are then asked, 'what kind of non-private organisation is it?'. They are then presented with a range of options including 'charity, voluntary organisation or trust'. For the purposes of the analysis for the Almanac, responses to these questions were recoded into a sector variable and defined as 'private', 'public' or 'voluntary'.

Volunteering

This data draws on the Citizenship Survey (2001–2010/11) and Community Life Survey (2012/13–present), the best sources of data on rates of volunteering in England. There was a gap in the data when there was no survey in 2011/12, during the transition between the two surveys. The Community Life survey is commissioned annually by the Cabinet Office and carried out by TNS BMRB, and is designed to be representative of adults aged 16 and over in England. The measures used here were common to both surveys. The data collection methods were also broadly similar.

The survey describes both 'formal volunteering', which takes place through a group, club or organisation, and 'informal volunteering', which takes place independently of such structures. Data is drawn from the most recent survey unless otherwise stated, which reports on volunteering during the 2015/16 year, and includes the appropriate weighting.

Get more information on the Almanac methodology at: data.ncvo.org.uk/a17methodology

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