

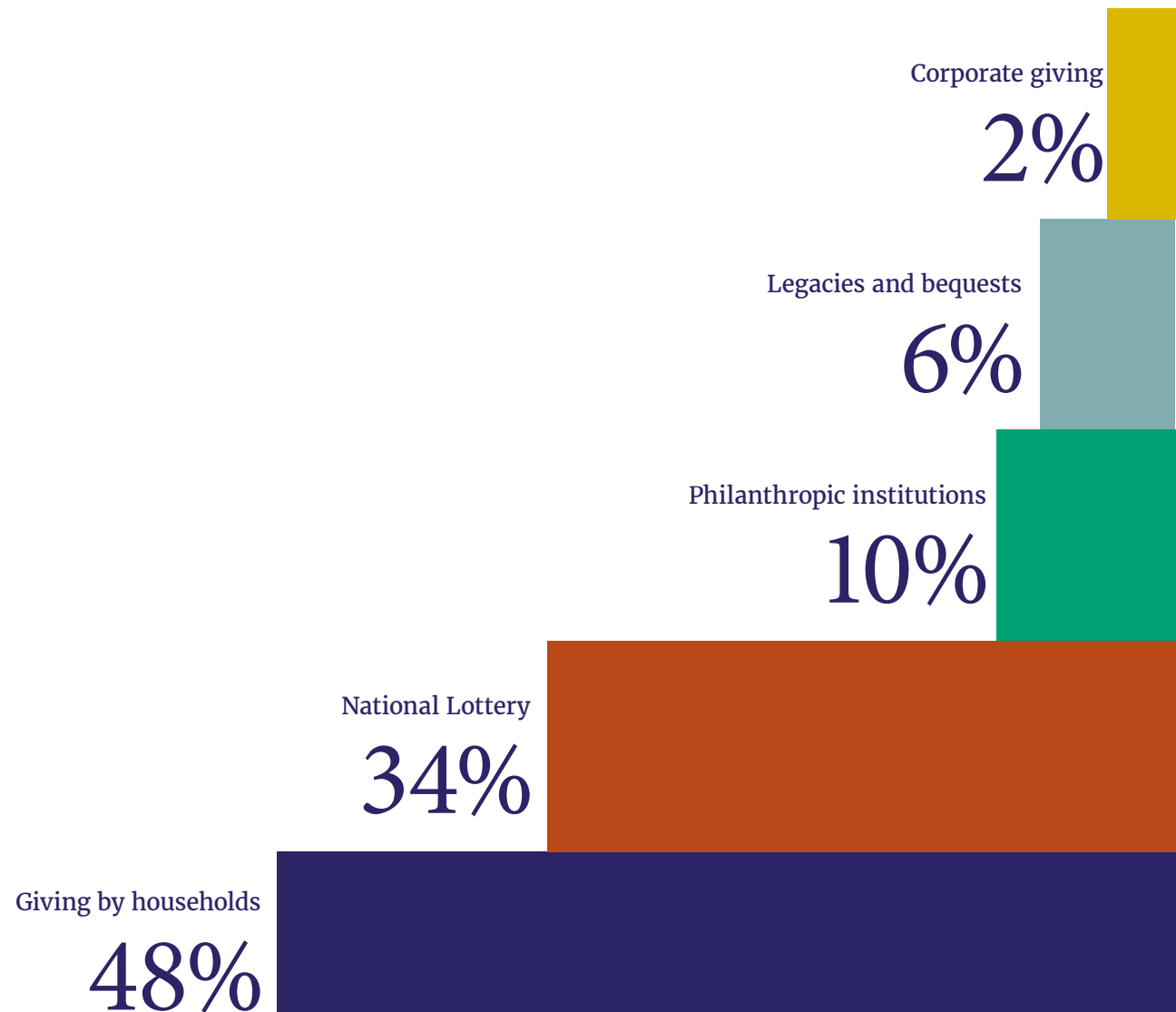
Philanthropic and charitable giving in Ireland 2021

A report from Benefacts

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benefacts.ie/philanthropy/



This data and research project

In 2019 Benefacts agreed with a group of Irish and international philanthropies to develop a consistent, broadly-based and internationally comparable approach to collecting, sharing and analysing data about philanthropic and charitable giving in Ireland.

In cooperation with Ireland's pre-eminent philanthropy researcher we documented this approach [here](#) and we presented it to the 9th biennial international research conference of the European Research Network on Philanthropy.

ERNOP'S mission is to advance, coordinate and promote excellence in philanthropic research in Europe. They define philanthropy like this "private, mainly voluntary contributions to public goods"

In 2020, we published an analysis of [giving by Irish philanthropic institutions](#), and we commissioned and published the first analysis of [charitable giving](#) based on extensive household budget survey data collected by the Central Statistics Office.

For this report in 2021, we have adopted the framework used in ERNOP's 20-country analysis of [giving in Europe](#).

Published in 2017, it reports on

- Giving by households
- Giving by means of legacies or bequests
- Giving through philanthropic institutions
- Corporate giving
- Giving through charity and national lotteries

This report

We have updated our analysis of giving by philanthropies, and we provide the first public analysis of giving in Ireland via the National Lottery. An accompanying website (benefacts.ie/whofundswhat/) provides individual listings of State grants to nonprofits made wholly or in part with National Lottery funds in 2020.

We point to major sources of primary data about legacy giving and local lotteries, and we republish the latest available research about private and corporate giving.

So far, trend data is available only for giving by philanthropies. This may be the first evidence of the "Covid effect", with additional funding and special fundraising campaigns associated with efforts to support nonprofits through the first year of the pandemic. The full impact across all kinds of giving will become apparent in future years.

The evidence for philanthropic and charitable giving in Ireland

Philanthropy is often practiced in private which means that it is difficult to assess its scale and its impacts. Before Benefacts started building the Database of Irish Nonprofits in 2015, there was little primary data to support any consistent analysis of the sector. Giving was mostly studied in one-off exercises focussed on a particular giving community, with data derived mainly from one-off surveys. Nonetheless these reports have made an important contribution to our understanding of the field: read some of the most recent ones [here](#).

The availability of income data derived from the financial statements of thousands of Irish nonprofits including charities, and expenditure data published by a handful of philanthropies has improved the picture.

But these datasets tell only part of the story. Many nonprofits – for example sports bodies – are not regulated either as companies or as charities so their financial profile is not publicly transparent. Others – especially religious bodies – make financial disclosures to the Charities Regulator but these are withheld by the Regulator from public access. So we need a blended approach, drawing data from a variety of sources relevant to each of the different kinds of giving.

The good news is there are important bodies of primary data that will transform our understanding of philanthropic and charitable giving. Some are harvested and reported on here, others are still unavailable to the public.

Summary findings

The best available evidence for giving by **individuals** is still the CSO's Household Budget Survey. Its strengths are its consistency over time, its extensive reach (more than 6,000 households), quality (questions about charitable giving can be correlated with many other spending behaviours) and international currency (similar surveys are done throughout Europe). **€385m** should be seen as a trustworthy estimate but probably a lower-bounded figure.

We know there are outliers whose giving may not fully be captured by this methodology, which is a snapshot of giving in a 2-week window once every five or so years; the HBS may not capture the behaviours of people making major gifts, or people giving directly to charities or through intermediaries.

An estimate of giving by way of **legacies** is described in Jim O'Leary's 2018 report for the Community Foundation: his estimate was **€50m** per annum. His report calls, as do we, for the records of personal legacies to be made available by the Charity Regulator. This would provide a rich seam of data to be mined not just by analysts and policy-makers but by charities and their fundraisers.

Each year, we analyse giving by **philanthropic institutions**, including giving that is not publicly reported. As they see the benefit of this analysis we hope more philanthropies will share their data with one another and with us. Because not all have yet done so, we know that **€79.4m** is an understatement. We also know very little about philanthropic giving through intermediaries including equity management firms.

Business in the Community Ireland documented **corporate giving** by its members every year for ten years. Their 2019 estimate of **€13.5m** is a true reflection of their own members but an understatement of the corporate sector at large

The analysis on our new microsite benefacts.ie/whofundswhat/ will surprise people who may not have realised that so many State-funded nonprofits in the arts, heritage, sport, language, youth and disability services are funded by the proceeds of the **National Lottery**. These are funds amounted in 2020 to **€266m** according to [Government's own published Estimates](#).

We cannot begin to estimate the value of the proceeds of thousands of **local charity or community lotteries** in towns and parishes across the country. Anecdotal evidence in the form of advertised prize draw figures suggests that the aggregate value of these is very substantial indeed – with the difference that people who participate in local lotteries know exactly where the net proceeds (after prizes) are going.



Giving by households



People give in many ways including—most visibly—dropping coins in an outstretched hand or a chugger’s bucket. But most personal giving is invisible and hence hard to measure.

The evidence

The latest available financial statements of 9,293 nonprofits (including 4,780 charities) indicate reported receipts in the form of donations totalling **€432m**. This figure doesn’t distinguish between gifts from the living (donations) and the dead (bequests) because this distinction was removed in the 2015 revision of the Statement of Recommended Practice (SORP) for financial reporting by charities, which is the best practice standard followed on a voluntary basis by 807 charities in Ireland.

Likely a subset of this is the value of personal donations to approved charities under S.848a of the Taxes Consolidation Act 1997. Revenue’s annual Cost of Reliefs report indicates that the value of tax foregone under this scheme in the 2019 tax year was €42.5m – implying donations in the order of €137m (applying the blended tax rate of 31% set out in this report published by Philanthropy Ireland in December 2018).

But of course many people give to organisations that are not Irish charities – sports organisations and other non-charity nonprofits for example, or overseas charities – for which we have no information.

Central Statistics Office Household Budget Survey

An alternative and persuasive source of evidence of personal giving is the HBS carried out by the Central Statistics Office at approximately 5-year intervals. Administered since 1951 to more than 6,000 households by trained surveyors, the HBS captures a detailed profile of household expenditure over a given two-week period, including reported charitable donations.

Benefacts December 2020 report on charitable giving presents the most comprehensive available analysis derived from this dataset yet produced.

Using the reported average level of giving and multiplying it by the number of households in 2016, Irish households gave an average of €226 to charity in 2016. The accumulated value of all household giving that year was €385m.

€385_m

Annual household giving to charities in 2016 (Source: CSO HBS)



The number of households giving to charity and the value of donations in 2016 both fell relative to previous years. Back in 1987, 79% of all respondent households donated to charity during their two-week survey window. By 2015, this figure had halved to 38%.

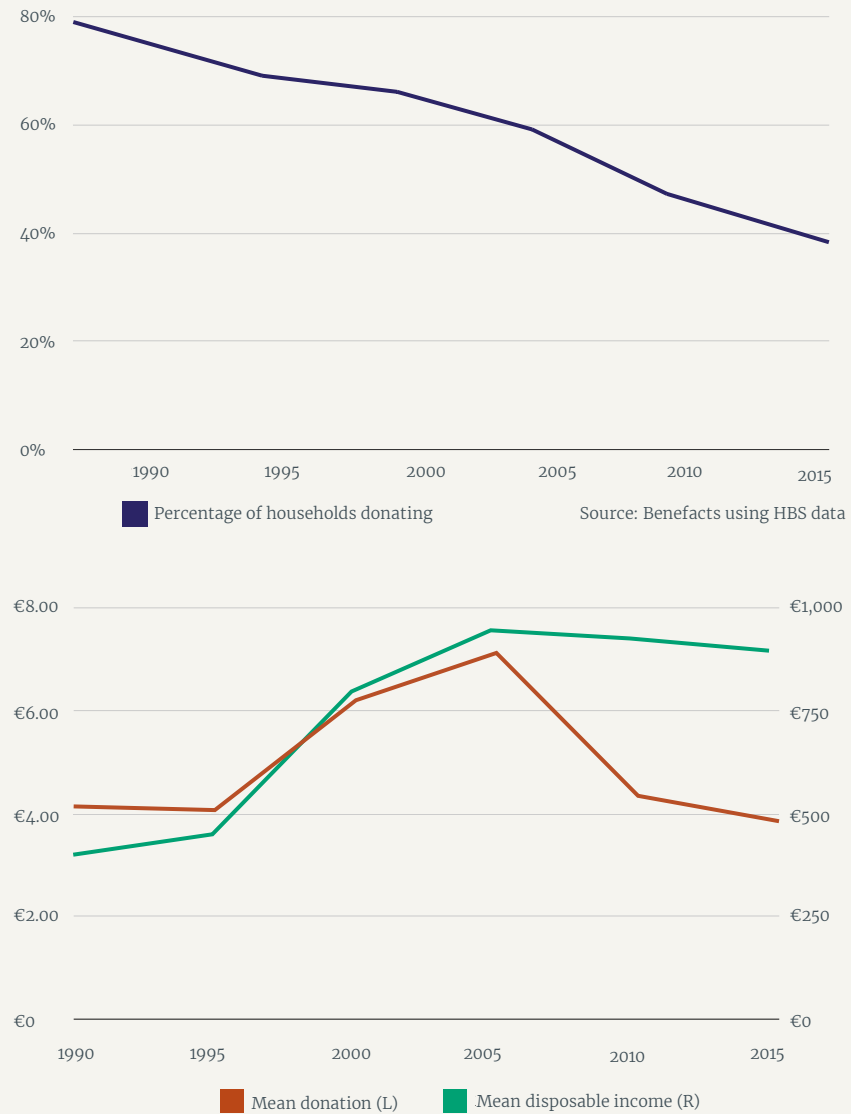
The value of charitable donations value grew between 1987 and 2004 before falling dramatically between 2004 and 2015. In proportional terms, charitable donations fell from 1.6% of disposable income in 1987 to 0.6% in 2015.

Read the full report by Oonagh Breen and James Carroll [here](#).

Future data and analysis

The planned HBS 2020/2021 had to be re-scheduled; the survey fieldwork will get underway in July 2022 and continue for a period of 12 months. The CSO expects to publish results in early 2024.

The potential for European cooperation in studying data from the same source in a number of countries could be explored.





Giving through legacies and bequests



Charitable legacies – conditional or unconditional gifts from individuals after death to registered charities and sports bodies—are a modest but persistent source of philanthropic giving.

The evidence

Wills are public documents. Solicitors applying for a grant of probate of any will that contains a charitable legacy are required to lodge a simple one-page summary form with the Probate Office, setting out the details of all charitable bequests in the will. Each month, these forms are forwarded to the Charities Regulator.

Although this is public information, the data in these forms is withheld by the Charities Regulator notwithstanding requests for access to it.

Even without being able to access these records, a detailed analysis of giving by way of bequest is provided in the Community Foundation for Ireland's 2018 report, which derived this estimate from available data of various kinds (including Benefacts data).

Future data and analysis

Comprehensive analysis of the scale and profile of giving through bequests can simply be achieved as soon as the relevant files are released by the Charities Regulator. According to the Community Foundation's report, the quality of available international data on charitable bequests varies across jurisdictions, but is typically poor. There are good quality data for the US and the UK and for a small range of European countries, which could form the basis for tracking trans-national comparisons.



Charities Regulatory Authority
An tÚdarás
Stáilte
Carthanais

Form to be completed for the Charities Regulatory Authority

Section 52 and Section 58 of the Charities Act, 1961 as amended by Section 16 of the Charities Act, 1973 and Section 82 of the Charities Act 2009

Note: This form must be completed and lodged in the Probate Office with application for Grant where a Testator or Testatrix has made charitable gifts in his / her will.

CHARITABLE BEQUEST

NAME OF DECEASED:
ADDRESS OF DECEASED:
DATE OF DEATH:
DATE OF WILL:
NAME AND ADDRESS OF LEGAL REPRESENTATIVE(S):

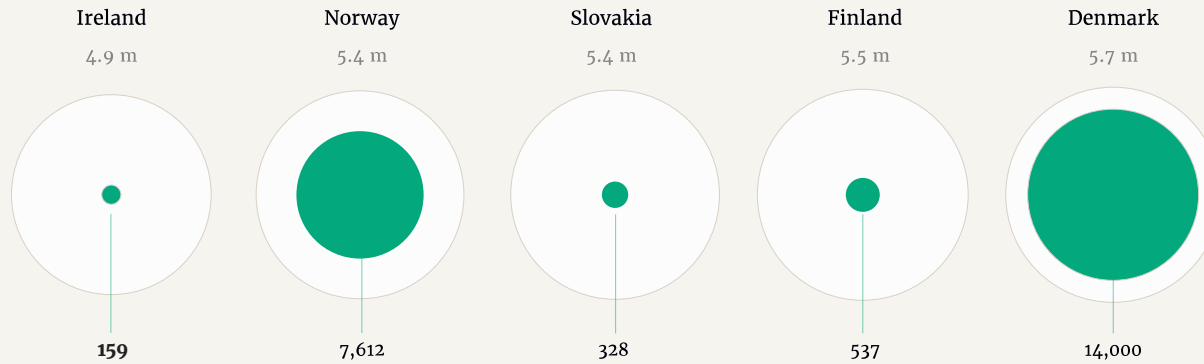
CHARITABLE BEQUESTS
(SET OUT EXACT WORDING OF BEQUEST. TYPE OR PRINT IN BLOCK CAPITALS)

SIGNED: _____ SOLICITOR

For Official Use Only:
Date of Grant:



Giving by philanthropic institutions



Compared to other European countries of similar scale, Irish people have been slow to establish institutions dedicated to philanthropic giving.

The evidence

Using public regulatory disclosures, Benefacts has identified 159 Irish entities (including memorial trusts) dedicated to philanthropy, or about one per 30,000 Irish citizens. Only 35 of these (22%) report employing any staff – a proxy indicator of the scale of their operations – and in 2020 (based on available records) only 14 have a turnover greater than €1m.

Other European countries of a similar size have many more philanthropic foundations.

Philanthropies in Ireland take various institutional forms. Some may be called ‘foundations’ but this is not a corporate type recognised in law: most are constituted as not-for-profit (limited by guarantee) companies or unincorporated charitable trusts whether public or private. Most have been established with an endowment.

Some – especially the larger ones – derive their income from fund-raising, and a few operate a hybrid endowment/fundraising model. Four are providers of social finance: we have not included their loan expenditure in the analysis of philanthropic giving.



We classify philanthropic institutions using [international conventions](#). Click [here](#) for a list and further description of the entities in each category and for links to their listing on [benefacts.ie](#)

- community foundations
- corporate foundations
- family foundations
- independent foundations
- operating philanthropies
- philanthropic intermediaries
- payroll-giving schemes
- charitable trusts including private charitable trusts

A minority publish information on the targets of their giving. A few more have shared this data confidentially with Benefacts for the purpose of this report. Our analysis is based on this aggregate data. Where no published accounts are available (because the entity is unincorporated), we have used published returns to the Charities Regulator

Although some philanthropies are fundraising organisations, we have excluded from this analysis fundraising charities that operate solely on behalf of a single charity - e.g. a university, hospital or school. Giving by corporate foundations that operate separately from their corporate parent is included here; corporate giving is discussed in the next section of this report.

Using reported expenditure from 42 of 159 Irish philanthropic institutions and 12 overseas philanthropies in 2020, we have analysed the scale, profile and targets of their giving in Ireland.

15 of these spent more than €1m in 2020, 3 more than in 2019. Total expenditure grew in 2020 to €79.4m, from a figure of €65m in 2019. Some of this growth reflects newly-available data.

Philanthropic intermediaries, operating foundations, independent foundations make the largest contributions, but the balance of these has changed in 2020 over 2019.

€79.4m

Giving in Ireland by Irish and international philanthropies in 2020. Source: Benefacts



Philanthropic intermediaries, operating foundations and independent foundations make the largest contributions, but the balance of these has changed in 2020 over 2019.

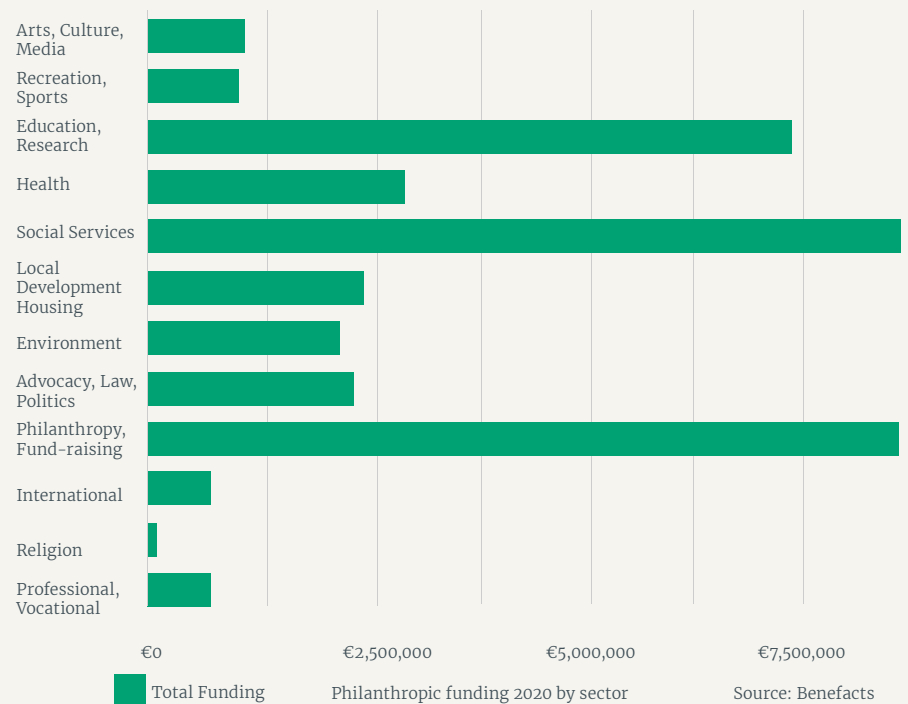


Future analysis

Better disclosure of their giving would make it easier for the public to see the impacts of philanthropies' work—a transparency principle widely recognised in economies with greater numbers of private giving institutions.

Some philanthropies provide services in distributing State as well as private funding, or funds derived from private citizens (specifically the Dormant Accounts Fund), which should be included in any future analysis of these philanthropic institutions.

Analysing all donations of any scale, the sectors receiving the most funding by value in 2020 were Social services, higher education and philanthropy/fundraising.





Corporate giving

Corporate donations in cash and kind have long formed part of the nonprofit funding mix, even as corporate policies have been overtaken by successive rounds of social responsibility and community engagement.

The evidence

There is no routinely available source of data about corporate giving in Ireland. The rules governing financial disclosures by companies require only that they report any donations to political parties.

Receipts from private companies are occasionally itemised in the financial statements of nonprofits. According to that source, Benefacts analysis of available financial statements indicates receipts from corporate sources amounted to €82m of the revenues of 160 nonprofits in 2019 and €8.3m of the revenues of 62 nonprofits in 2020 – not all of the data for that year is yet to hand.

The only source of persistent analysis of corporate giving in Ireland has been the reports prepared annually by Business in the Community Ireland based on surveys of their members. For ten years until 2019 BITCI collected data about the profile of their members' donations in cash and in kind, volunteering hours and funds raised by their staff.

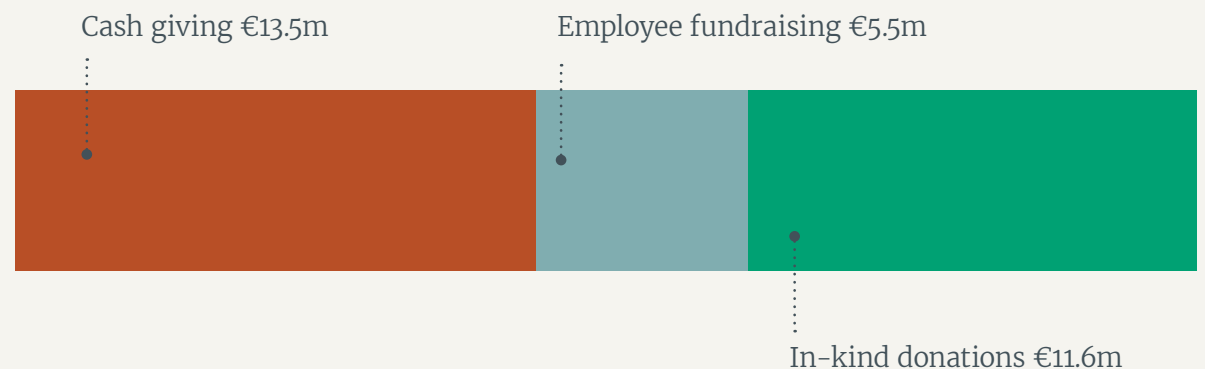
As measured in their last report, the profile of cash giving to nonprofits by 54 BITCI members in 2019 was €13.5m. They also accounted for €5.5m in employee fundraising, and in-kind donations to the value of €11.6m in the same year.

Future analysis

Philanthropy Ireland's September 2020 report suggests that corporate donors are ready to respond to crisis conditions – like those created by the Covid pandemic – and asks if this responsiveness can become more durable. BITCI is reflecting on how best to measure and report on corporate giving at large in Ireland.

€13.5_m

Giving by 54 BITCI members
Source: Business in the Community Ireland 2019



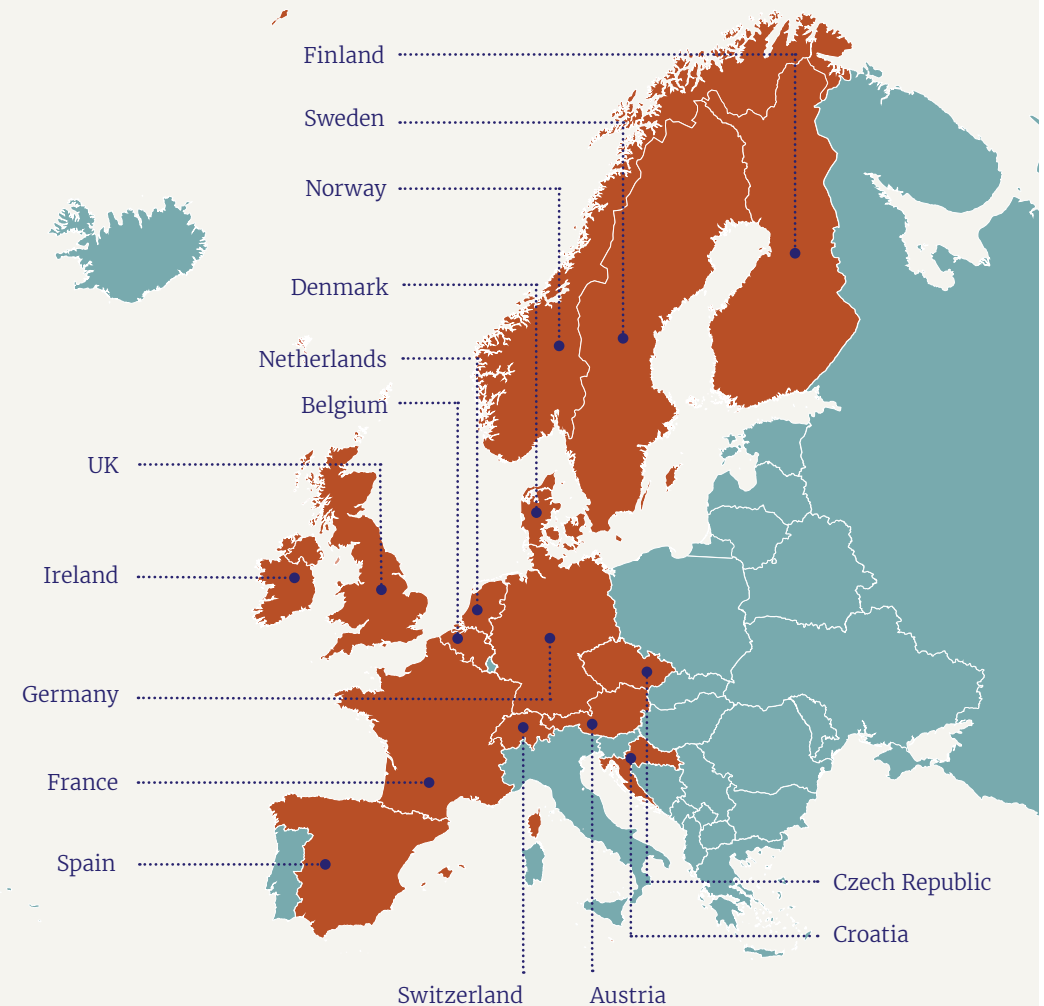


Giving through national and charity lotteries

At least fifteen European countries operate a national lottery, have legislated for private lotteries benefitting good causes, or (like Ireland) have done both.

The evidence

Ireland has distinct legal mechanisms that provide respectively for a national lottery and local lotteries whose net proceeds in both cases are used for the benefit of nonprofits.



■ European countries with a national or charity lottery

Source: ERNOP Giving in Europe report, 2017



The evidence - private lotteries for public goods

There is no readily accessible source of public information about the operators of charity or public benefit lotteries. Section 28 of the Gaming and Lotteries Act 1956-2019 provides that anybody wishing to operate a lottery (above a minimal threshold) must seek either a permit or a licence demonstrating that it is being promoted on behalf of a sports club or community organization, another charitable or philanthropic cause, or for the benefit of the promoter him/herself. Lottery permits (max prize up to €5,000 per week) are issued by the Garda Síochána and lottery licences (max prize up to €30,000 per week) are issued by the District Court.



The National Lottery

The National Lottery was established originally under the National Lottery Act 1986, updated most recently in 2013. Section 41 describes the “good causes” which are to benefit from the net proceeds after the cost of prizes and overheads.

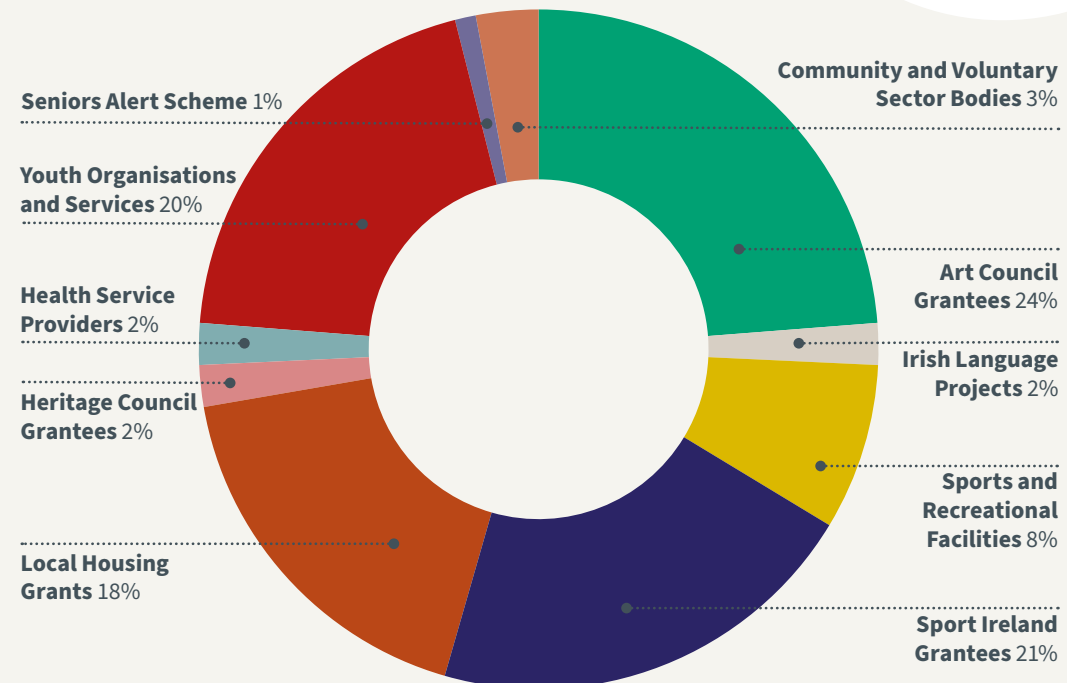
- sport and recreation
- national culture and heritage (including the Irish language)
- the arts
- the health of the community
- youth, welfare and amenities
- natural environment
- anything else Government may determine

In 2020 the net value of funds available to the Minister for Public Expenditure & Reform for distribution to good causes was €266m, including €16m in historic unclaimed prize money.

Proceeds of the National Lottery amount to nearly 30% of all revenues, after providing for prizes and overheads. The exact value of National Lottery funds’ contribution to good causes is not provided by published Government accounts, only the total value (€350m in 2020) of the funding programmes to which they contribute (€266m in 2020).

The State bodies administering these funds do not themselves know how much of their grant-in-aid is derived from Lottery and how much from Exchequer sources, and in only a few cases is the source of funding advertised in connection with the scheme – so the beneficiaries usually don’t know this either. Each year, although the operator of the National Lottery has no role in this process, it celebrates the work of some beneficiary organisations with awards for selected “good causes”.

This is how National Lottery funding was shared between the good causes in 2020:



€266_m

Funding of “good causes” from National Lottery sources 2020.

Source: Irish Government
Budget Estimates



National Lottery funding in 2020

Department of Children, Equality, Disability, Integration and Youth

Youth Information Centres around the country are funded to provide a free, confidential information service to young people and those who work with them on a wide range of subjects including careers, education, employment matters, rights and entitlements, leisure, sport, travel and European opportunities.

The **Youth Services Grant Scheme** funds volunteer-led youth club/group activities at a local level. The **Youth Funding Sample Scheme** is administered by Education and Training Boards.

Young people with additional needs – for example a type of disability, or mental health issues – are supported through the **Targeted Youth Funding Scheme** which is administered through the local government network.

UBU - Your Place, Your Space is a scheme to provide services that support young people to develop the personal and social skills required to improve their life chances. These include services covering health, education, employment and social connectedness. The scheme targets young people who are marginalised, disadvantaged, or vulnerable.

Department of Housing, Local Government & Heritage

Capital grants for communal facilities in housing projects fund the building or installation of communal facilities in new or existing housing projects.

Capital Mobility Aids Grants fund basic works to a person's dwelling to address mobility problems, primarily, but not exclusively, associated with ageing.

Heritage Council

Adopt a Monument Grants enable local communities to work together in conserving and protecting their adopted monuments.

Community Based Heritage Capital Grants provide funding to improve access and inclusion to heritage sites and to assist people in applying good heritage practice to the management of places, collections, or objects including buildings. In addition to these there are also **Policy and Infrastructure Grants** and the **Joint Programming Initiative for Cultural Heritage Changing Environments Grant**.

Grants towards current and capital costs of the **Irish Walled Towns Network**, **Historic Towns** and **County Heritage Plans** are provided through local authorities.

Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media

Irish Language Support Schemes provide current financial assistance to organisations and activities that support the promotion of the Irish language outside the Gaeltacht. They also fund initiatives that assist public bodies in implementing the Official Languages Act and that support the status of Irish as an official and working language of the European Union. Capital funds can be provided to assist with the costs associated with building/repairing Irish language centres and the purchase of buildings for use as Irish language centres and/or the purchase of equipment for such centres.

Grants for Teaching Irish Overseas provide provides funding for the teaching of Irish in foreign universities, with the aim of fostering goodwill for the Irish language outside Ireland and providing a platform from which the Irish language can be accessed and showcased as an international language.

Sports Capital Programme grants assist in the development or refurbishment of sports facilities and the provision of sports equipment.



Arts Council

All of these Arts Council schemes are funded or part-funded using National Lottery funds. Read more about them [here](#).

Strategic Funding, Arts Centre Funding, Festivals Investment Scheme Round 1, Project Award 2020, Touring Grants, Arts Grants Funding, Capacity Building Support Scheme, Commissions Award Covid-19 Completion Funding, Creative Europe Co-Funding—International, Creative Production Supports, Dance Artist Residency Scheme, Deis Recording and Publications Award, Emergency Stabilisation Fund, Engaging with Architecture Scheme, Invitation to Collaboration, Multi-Annual Strategic Funding, Opera Projects and Production Award, Theatre Artist Residency Scheme, Visual Arts—Workspace Scheme, Young Ensembles Scheme

Sport Ireland

Core funding is provided to **National Governing Bodies** support them in strategic planning, administration; information technology; competitions; equipment, coaching and core activities including Code of Ethics and Anti-doping Programmes.

High Performance Programmes facilitate the ambitions of athletes and teams in reaching finals and achieving medals at European, World, Olympic and Paralympic level.

Core Programme and **Women in Sport Funding** to twenty-nine **Local Sports Partnerships** which help people to get active and remove barriers to sport and physical activity.

Department of Rural & Community Development Scheme to Support National Organisations (administered by Pobal) which provides multi-annual funding towards the core operational and staff costs of national, community and voluntary organisations.

Seniors Alert Scheme (administered by Pobal) which provides funding for a personal monitored alarm connected to a contact centre to enable older persons to continue to live securely in their homes.

Funding was provided in 2020 under the **Supports for Community and Voluntary Organisations** to a mixed group of nonprofit organisations providing a variety of services, some of them Covid-related.

Department of Health/Health Service Executive

The HSE funds one-off health or social care projects under its **National Lottery Grants Scheme**. Funds are administered separately by each of the HSE's none Community Healthcare Organisations.

To see the nonprofit organisations whose funding in 2020 was derived in whole or in part from the proceeds of the National Lottery, go to benefacts.ie/whofundswhat/ (registration required).

Future analysis

The registers of local lottery permits or licences held by an Garda Síochána and the District Courts will provide a rich source of information about the charity or community targets of their fundraising, once they start being updated regularly with beneficiary details.




Independent research commissioned by the Minister for Public Expenditure & Reform in 2021 will augment our understanding of the processes underpinning the distribution of National Lottery proceeds, and may point the way to more transparent decisions in the future.

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