



# Monitoring sector trends

INCLUDE A CHARITY WEEK  
September 2019



LegacyForesight

# The sources that got away

**PROBATE COURT RECORDS**

**ACNC DATABASE**

**CHARITY BENCHMARKING**



# Key sources we used in our forecasts

## More Strategic

Bequest data sourced through charity accounts: reported income only

41 charities: \$370m p.a. bequest income (2015 – 2017)

Time period covered from 2008 to 2017 but some patchy data

Missing data points were estimated

## Pareto Fundraising

Bequest data sourced from Pareto's benchmarking programme: number of bequests/average values/total income

80 charities: \$300m p.a. bequest income (2015 – 2017)

Time period covered from 2006 to 2018: robust data from 2011 to 2018

Used Pareto Benchmarking reports from 2016 & 2017 to splice together the earlier trend



## So far, so good, but...

- How significant is legacy income overall?
- Are the large charities in these samples typical? Are the trends here representative?
- What are the trends and values for residual vs cash gifts?
- How are numbers of charitable wills/bequests changing in the long term? Rising ... flat... or falling?
- Which types of charity (by size, cause, region, age) are performing best? And which are lagging?
- What does this mean for individual charities' strategies and forecasts?



# The Legacy Monitor story



**This is not a sales pitch**



**It's a journey of exploration**



# Setting the scene – the UK legacy sector

- Total legacy giving = **£3bn (\$5.5bn)** ...that's **3.5%** of total estates
- Legacies = **15%** of voluntary income...and **6%** of total income
- **15%** of wills at probate include a charitable gift
- ...with an average of **3** gifts/will
- **6%** of deaths result in a charitable will





# Increasing competition

<b>Slow</b> ←				→ <b>Fast</b>
Children	Older People	Hospices	Overseas Development	Armed Forces
Domestic Poverty Relief	Disability	Medical Conditions	Environmental	Rescue Services
Advancement of Religion	Heritage	Animal Welfare	NHS Hospitals	Arts & Education



# A well-established UK support network



REMEMBER A CHARITY  
IN YOUR WILL WEEK



Clear FirstClass



# How Legacy Monitor started



National  
Trust

Scope  
About disability



Lifeboats

**ACTION ON  
HEARING  
LOSS**

A national charity since 1911



The  
Children's  
Society



CANCER  
RESEARCH  
UK

mencap  
The voice of  
learning disability



Barnardo's

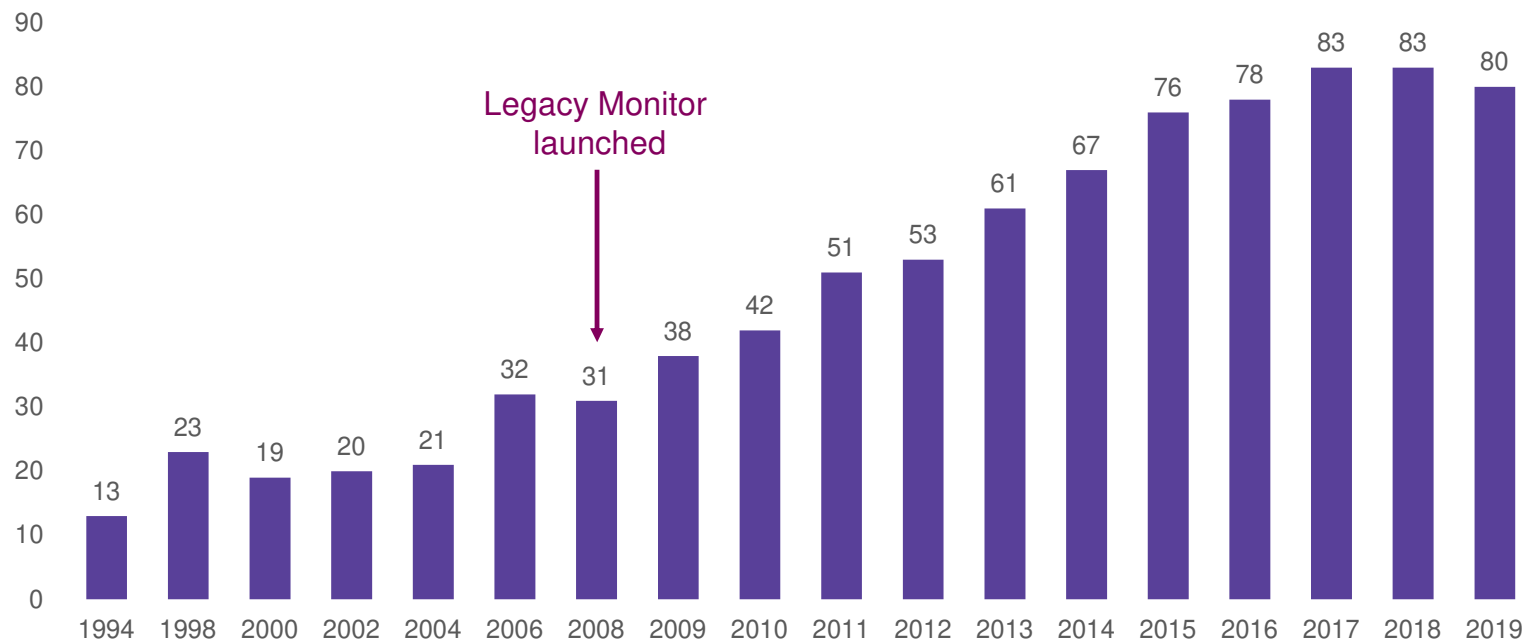


Leonard  
Cheshire  
Disability



# 80 members... £1.5bn income... 54,000 bequests

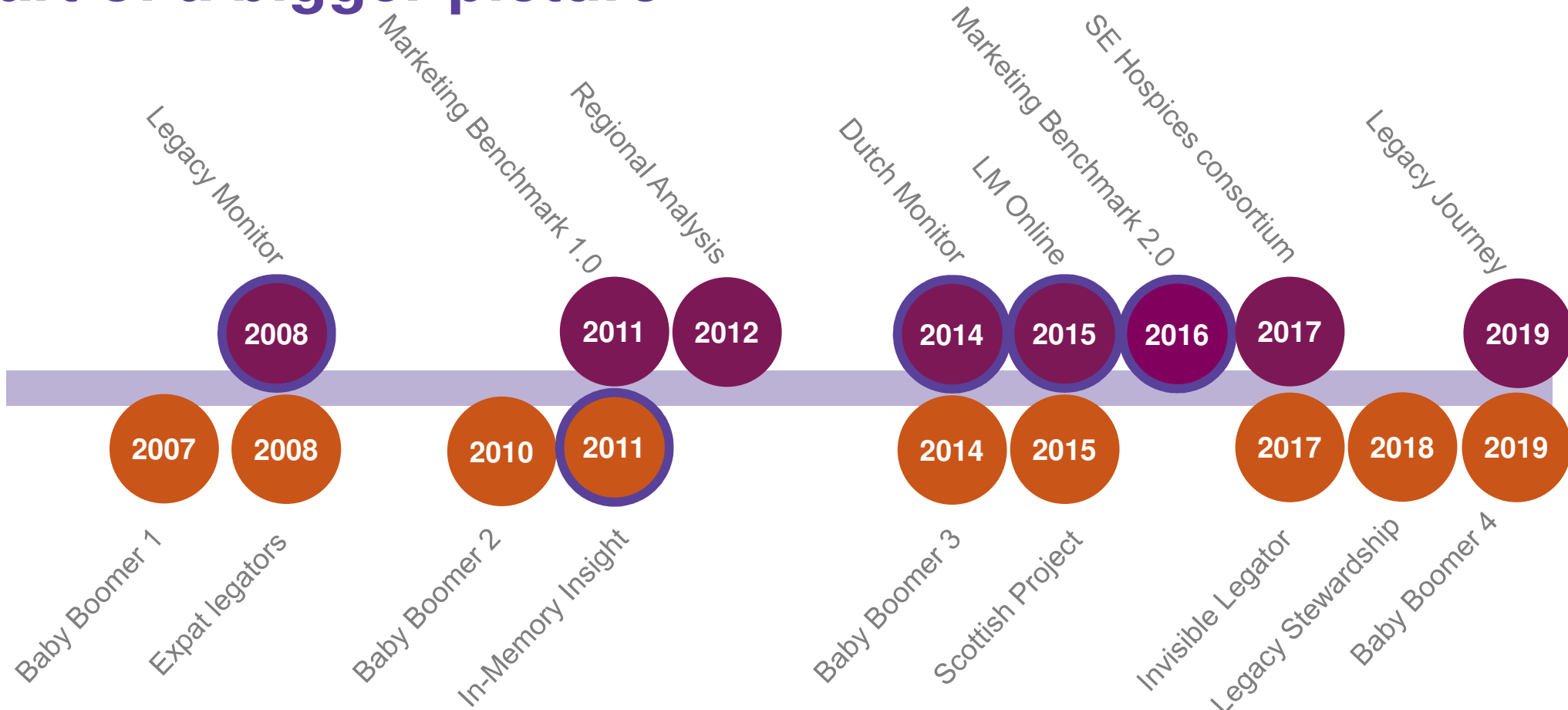
Number of members



Legacy Foresight



# Part of a bigger picture



# The 2019 Legacy Monitor Consortium

## Extra Large (£20m+)

CR-UK  
RNLI  
BHF  
Macmillan  
RSPCA  
Salvation Army  
National Trust  
Guide Dogs  
PDSA  
RNIB  
Marie Curie  
RSPB  
Dogs Trust  
British Red Cross  
Cats Protection  
Age UK  
Alzheimer's Society  
The Donkey Sanctuary  
NSPCC  
Royal British Legion

## Large (£8-20m)

Save the Children  
Versus Arthritis  
Blue Cross  
Oxfam  
GOSH  
Barnardo's  
Woodland Trust  
Parkinson's UK  
Diabetes UK  
BDCH  
WWF  
Blind Veterans  
Christian Aid  
Stroke Association  
MS Society  
Brooke  
Help For Heroes  
RAFBF  
Alzheimer's Research UK

## Medium (<£8m)

Leonard Cheshire  
CAFOD  
Mencap  
IFAW  
Children's Society  
Wood Green, The Animals Charity  
Bloodwise  
The Christie Charity  
The Royal Marsden Cancer Charity  
ABF The Soldiers' Charity  
WaterAid  
Tearfund  
Sue Ryder  
UNICEF  
ICR  
Royal Air Force Association  
Action for Children  
Shelter  
Scope  
SPANAN

Prostate Cancer UK  
Greenpeace  
Princess Alice Hospice  
CLIC Sargent  
Mind  
Sense  
World Cancer Research Fund  
BLF  
Help Musicians UK  
St John Ambulance  
Livability  
ActionAid  
National Deaf Children's Society  
Cystic Fibrosis Trust  
Abbeyfield Society  
Children With Cancer  
Independent Age  
Breast Cancer Now  
Raystede  
Orbis  
Hft

Ranked by average legacy income, 3 years to December 2018.



# Why do charities join the programme?

- Access to the **very latest** income and notifications trends
- Objective **intelligence** to inform legacy strategies and projections
- **Insight** into their performance relative to other charities
- **Convincing** summaries for senior management and trustees
- The **opportunity to shape** the legacy sector



# What our clients say

“The benchmarking data and market overview is a vital tool when developing legacy fundraising strategies or a business case for investment in legacy activity”.

**NSPCC**

“It provides great insight, really helping shape strategies and enabling me to communicate more effectively about legacy giving within my organisation”.

**The Woodland Trust**

“It provides an independent view that we use to sense check our thinking and approach. Without it, it would be very easy to become blinkered, which could prove damaging to us in the mid to longer term”

**RNLI**



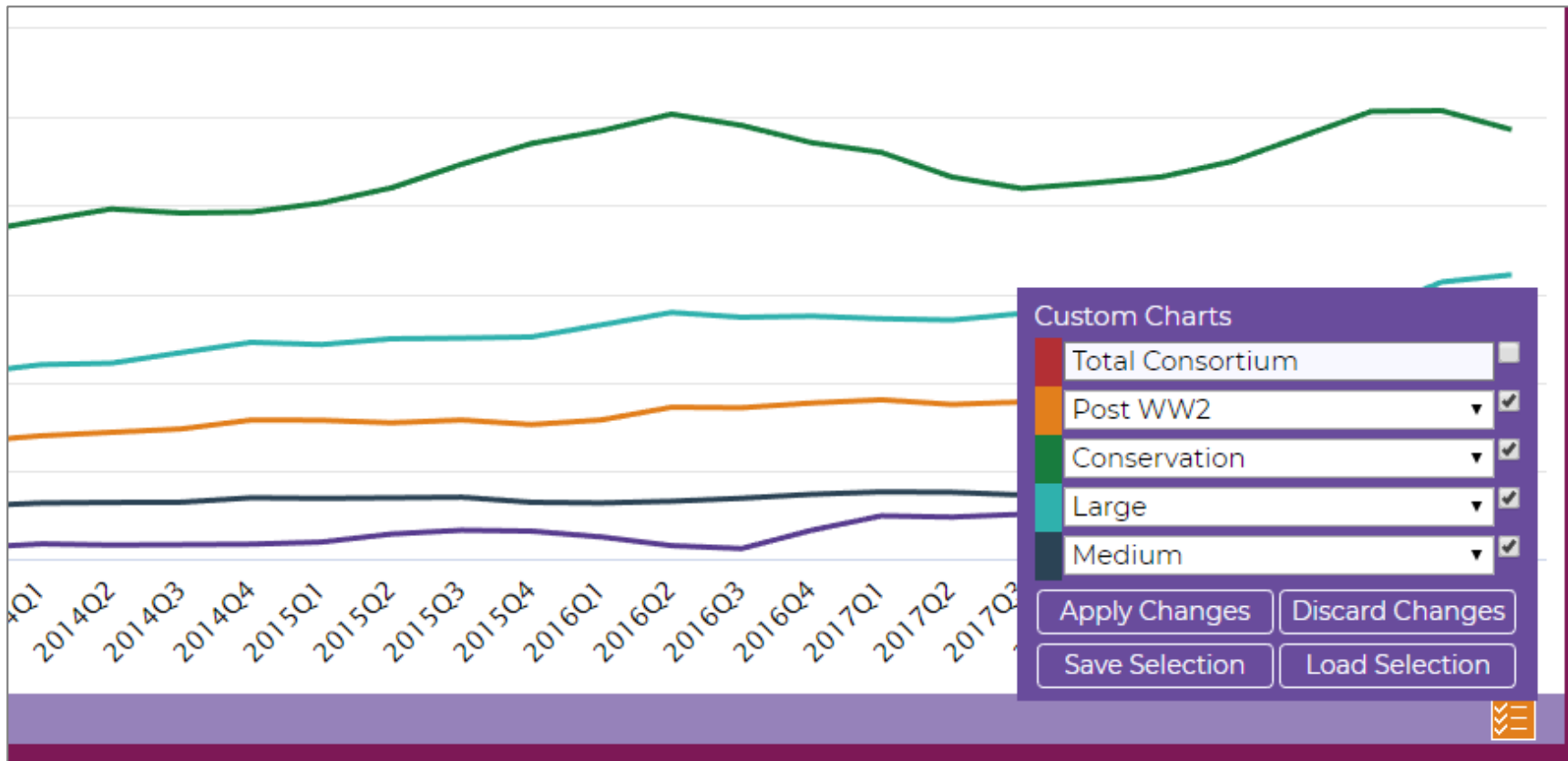


# Legacy Monitor UK in a nutshell

- 1. Quarterly Legacy Barometer reports:** The very latest numbers from each consortium member
- 2. Annual Market Review:** Trends and forecasts for the UK legacy sector
- 3. Charity Healthcheck:** Comparative data on your own performance vs peers by size/age/sector
- 4. Consortium presentation:** With PowerPoint slides for future use
- 5. Password-protected website:** Interactive charts, commentaries; downloadable reports, charts and spreadsheets



# Custom charting facilities



# The data collection process

- Each charity supplies:
  - Quarterly income and notifications by legacy type
  - Annual performance data – eg legator age/gender/ estate size... % of gifts that are restricted/discretionary/empty...
- Data is collected and collated by Clear (developers of FirstClass):
  - FirstClass clients use a set of pre-programmed data extraction reports
  - Other clients receive excel data templates and telephone support as necessary



# What is FirstClass?

- Britain's leading legacy management software
- Used by over 80 major charities
- Available in-house or cloud based
- Used to track and manage all legacy cases due and received
- Includes a series of standard letter templates
- And an extensive set of financial and management reports
- Compatible with almost any fundraising CRM packages

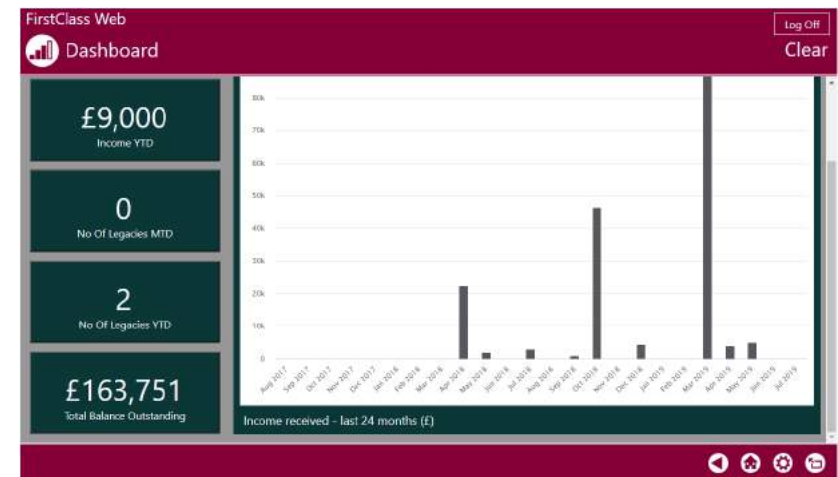


**Clear**  
Software Developers



# FirstClass Web

- Built specifically with smaller legacy volumes in mind
- Intuitive and easy to use
- Built in dashboard of legacy performance
- Web browser based, work anywhere & minimise IT costs and support
- Low cost annual subscription (Aus\$600)
- Free email support
- Upgradable to full FirstClass



# Legacy Marketing Benchmarks module

- Trialled in 2012 and 2016. Launched as biennial project 2017
- Benchmarks four areas:
  - **Capacity**: the size and structure of charities' legacy teams and budgets
  - **Activity**: the types of legacy marketing activity charities are investing in, the cost, volume and outcome of each
  - **Legacy Marketing Response**: the volume of people that have told you their legacy intentions (i.e. pledgers and prospects)
  - **Legator Data**: the % and value of legacies received by legators' past relationship
- 2019 cycle includes 32 leading charities, reporting in spring 2019



# And since 2014, Legacy Monitor Netherlands too

19 charities ... €137m income <sup>(1)</sup> ... 3,100 bequests <sup>(1)</sup> ... 47% share <sup>(2)</sup>



(1) Legacy Monitor 2019 (2) Based on top 100 legacy charities 2017



# The two programmes compared

	<b>UK</b>	<b>NL</b>
Status	Mature	Evolving
Benchmarking data	Quarterly	Annual
Market analysis	Extensive	Top-level
Consumer research	Not included	Online surveys
Results shown	By charity and by size, age, sector	By charity and by size
Data reporting	Online charting and archive	Reports by email
Data collection	Clear Software	Arjen van Ketel
Analysis and reporting	Legacy Foresight	Legacy Foresight Arjen van Ketel
Number of charities	80	19

\* Based on current exchange rates





# What needs to be in place?

- A group of enthusiastic founder charities who are willing to collaborate/ share information
- A well-connected local partner, such as a consultancy or academic department
- Robust data on the overall bequest 'market'
- Common definitions and data collection systems on charity bequests



# Towards an Australian Legacy Monitor?

- Would regular performance benchmarking inform your legacy strategy?
- What should the key outputs be?
- Is there the enthusiasm and collaboration to make this happen?



# Thank you



## **Meg Abdy**

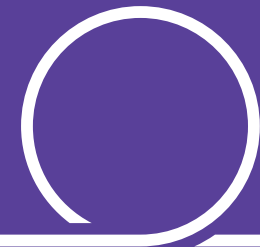
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