



HM Revenue  
& Customs

# Gift Aid - Quantitative & Qualitative Research findings

Gruffydd Owain Weston

March 2021

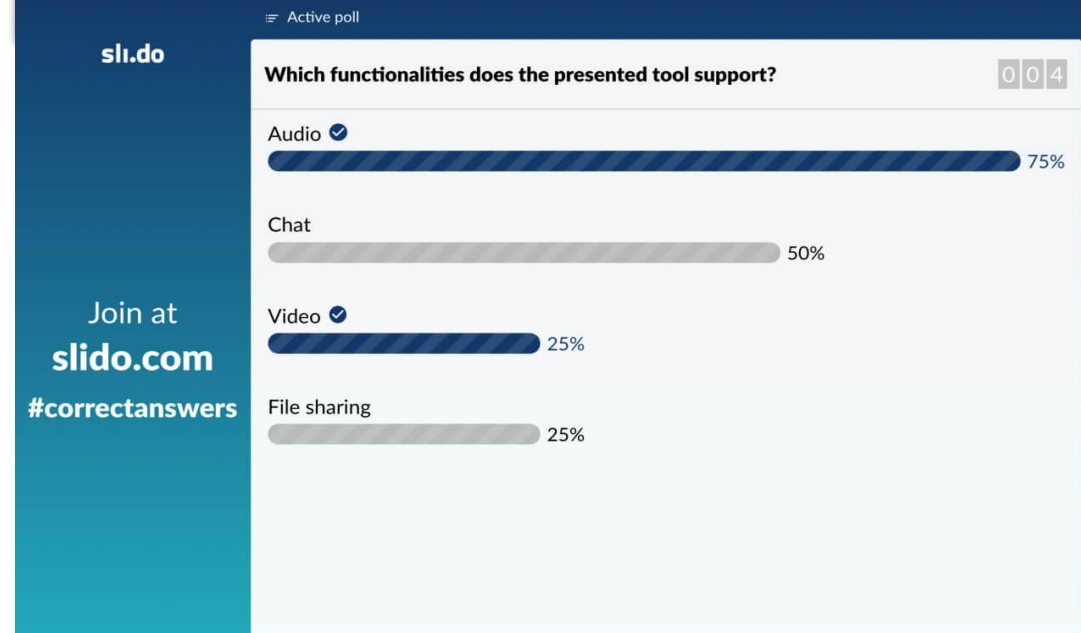
# Slido Meeting code

[www.Sli.do](http://www.Sli.do)

#221184



HM Revenue  
& Customs



# Contents

- What is the problem?
- Who are our users
- Method and Approach
- Main User insights
- Findings Summary
- Survey Results appendix



# What's the problem

Gift Aid is a tax relief allowing UK charities to reclaim an extra 25% in tax on every eligible donation made by a UK taxpayer.

When Gift Aid is added to a donation made by an individual who is **ineligible** to do so – a tax gap is generated.

When Gift Aid is not added to a donation made by an individual who **is** eligible to do so – this generates a value of unclaimed Gift Aid.

The vast majority of the UK population aged 16 or over (95%) donated to charity, generating £8.91bn in charitable donations. (Source: HMRC, 2016)

*giftaid it*

## The Gift Aid Tax Gap

Where Gift Aid is claimed by ineligible donors

**This is over £179m**

Donations where Gift Aid is not added-

**£4.28bn or 48%**



## STANDING ORDER DONATION

Charity No: XN45800

**"Making your donations go further"**

25p extra for every £1 donated

### DONOR DECLARATION

*giftaid it*

- Basic rate Tax payer
- Donor Details
- Bank Details
- Sign & Tick Declaration
- £10 = £12.50 for SVP

### Donor Details

(Complete all areas in "YELLOW" using BLOCK CAPITALS)

Title:  Name:

Address:  Post Code:

### Donor Bank Details

Bank Name & Address:  Post Code:

Donor Bank Account Number:  Donor Sort Code:

Please pay SVP Account No:  Sort Code:

the sum of £  on the  day of  20

And thereafter make  monthly/quarterly/annual\* payments of  until further notice

Donor Signature  Date

### DONOR GIFT AID DECLARATION

I am a UK taxpayer\*. Please treat all donations I make or have made to the Society of St Vincent de Paul for the past 4 years as Gift Aid donations until further notice.

\*I understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year, it is my responsibility to pay any difference.

Society of St Vincent de Paul, 196-200 Antrim Road, Belfast, BT15 2AJ  
02890-351561 | [www.svp-ni.co.uk](http://www.svp-ni.co.uk) | [info@svpni.co.uk](mailto:info@svpni.co.uk)

Society of St Vincent de Paul – Northern Region | Standing Order Donation | Ver 1.3 Jan 2019

## Different types of Gift Aid submission, from form to digital screen

*giftaid it*

**Turn that into £62.50 with Gift Aid**

Tick 'Yes' to Gift Aid and the Government will give us 25% on top of your donation.

It doesn't cost you a penny, and helps to keep us going.

Yes, I would like Comic Relief to claim Gift Aid on my donation

\*If you're making a personal donation please give us your full name, home address and tick the box or we can't claim Gift Aid. You must be a UK taxpayer and understand that if you pay less Income Tax and / or Capital Gains Tax in your current tax year than the amount of Gift Aid claimed on all your donations it is your responsibility to pay any difference. [Find out more about Gift Aid.](#)

## Select your payment method

# What are the figures around Gift Aid?

- Overall, 25% of donations do not add Gift Aid where the donor is eligible, contributing up to £0.56bn in unclaimed Gift Aid, and representing potential missed income for charities.
- 94% donors have awareness of the gift aid scheme. Therefore, unclaimed Gift Aid is mostly driven by a lack of opportunity, and to a lesser degree, by a misunderstanding of the concept of Gift Aid and a lack of awareness of their eligibility to add it to donations.
- Based on these assumptions, (a) ensuring users are provided with clear eligibility criteria (e.g. what it means to be a taxpayer) and (b) informing donors about the benefits of Gift Aid at the point of donation, could increase the likelihood of accurate Gift Aid behaviour.



**Who are our users?**



We wanted to hear from and gain insight from charity donors who have recently donated and agreed to Gift Aid on their donation.

We have been working with CRUK to formulate a Plan and research objectives and intend to share our findings with them.



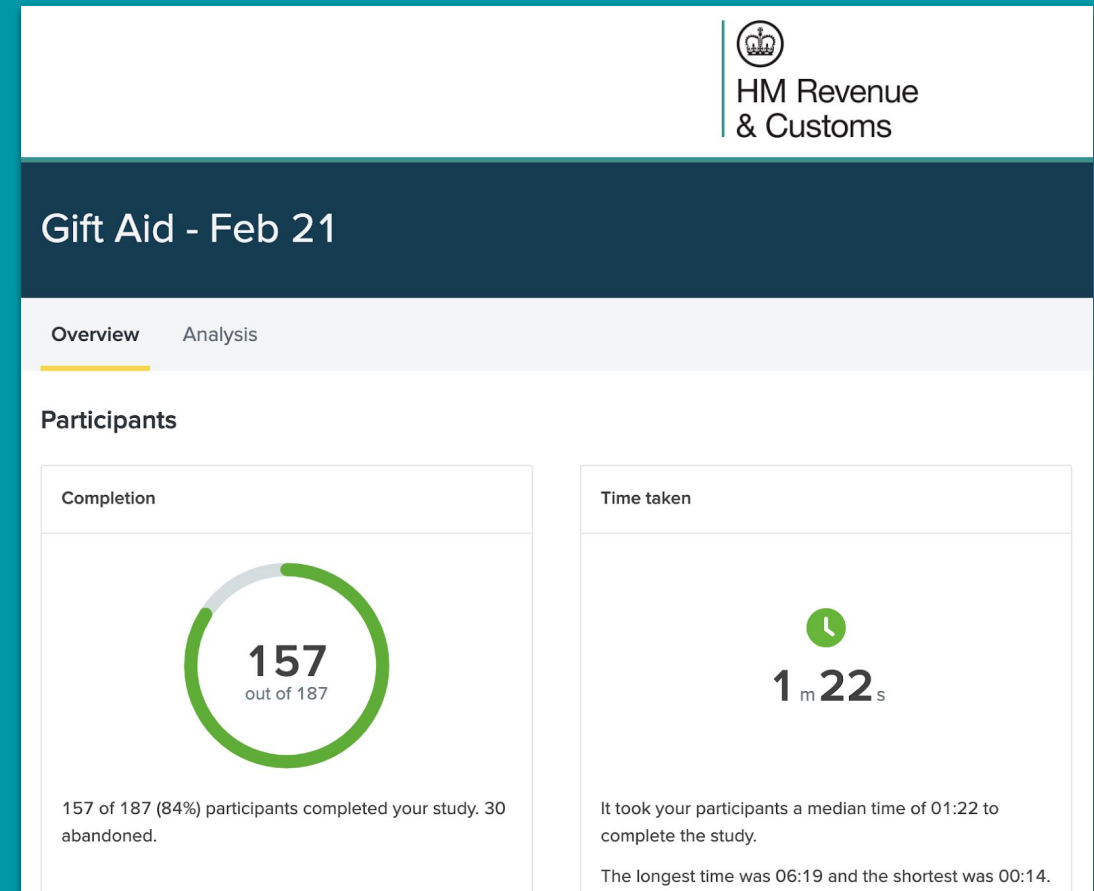
## Objectives of research programme:

- Quantitative survey to establish Donators habits and attitudes towards Donation and Gift Aid.
- Qualitative interviews with donators to delve deeper into their attitude towards gift aid and how and when they decide to apply



# Method

- We ran a Gift Aid and Donating Survey in Optimal workshop for 1 week at the beginning of March. We had 157 people complete the Survey with 30 abandoned overall for a total of 187.
- These users were recruited from the User research panel.
- We also conducted 5 qualitative interviews with Donators who'd volunteered to speak to us after completing the survey.



# Main user themes



upfront Straightforward  
Easy Trust  
Security Help  
Beneficial  
Physical encounter Extra Money  
I dont understand  
Where does it go?  
extra guidance



HM Revenue  
& Customs



**'Slido**

**www.Sli.do**

**#221184**

# Main user insights



**Main Theme 1:**  
**Users Learnt about gift  
aid from a person**

# 1. Charity donators all learnt about Gift Aid and this changed their behaviour ever after..

Users told us that they typically can remember first becoming aware of Gift Aid and having it explained to them and after this event they would always tick the gift aid option.

This was confirmed by users who said they don't decide on Gift Aid on a donation by donation basis. It's Always an option as it benefits the charity

*“I would always tick Gift Aid when i see it..”*



**“I want to see Gift Aid early and clearly, i think if it's there then i will be more likely to remember to accept it..”**

**Main Theme 2:  
Users do not  
understand how gift  
aid works**

## 2. Donators habits on donation are varied but contain a mixture of global and local donation, but the expectation is the same - to see Gift Aid as an ‘trusted’ option

User told us that they support a range of causes and these are often based on local events and global events and users are very selective about their causes.

*“I donate to multiple causes, some that are local and other that are more global, but i always expect to see Gift Aid...”*



**Main Theme 3:  
Technology can make  
gift aid better**

### 3. Users praised the use of technology in charity donations and felt that User interface was vital.

When making a donation, a method of showing how much more the charity relieves when choosing gift aid is very advantageous.

User also like to have interface and functionality with payment methods such as paypal, which is widely used.

Users said that they will be more likely to donate if it's easier to do so..

*“If i see Paypal then i know it's easy for me to donate..”*



**“I donate to a range of causes; some local others national or international and i’m very selective of where my money goes..”**



**Main Theme 4:  
Users tend to be  
impulsive and trusting**

## 4. Users were unable to tell us how gift aid ‘works’ but understood that it was for the benefit of the charity

Users were not clear on how gift aid works and weren't sure where the ‘money’ came from - but they knew that it was to help charities get more money.

Users were not bothered about the fact they didn't know the ins and outs of the process.

They felt that when they see the gift aid option it makes the charity seem more credible and trustworthy

*“When i see Gift Aid i always tick the box, in fact I’m quite surprised when i don’t see it..”*



**“It only takes me about 20 seconds to decide if i trust the charity and make a donation, if i’ve seen a campaign on social media then that helps”**

**Main Theme 5:  
Tax awareness is low  
in terms of charity  
donation**

## 5. Donators told us they would rather Gift Aid be opt-out than opt-in

Donators all felt that the benefit to charity were so obvious that there would no reason for somebody not to tick gift aid.

When pressed they were unable to think of an occasion where they would feel uncomfortable providing their details for gift aid.

They did accept that some environments might be more difficult than others.

*“If i could change 1 thing i would make gift aid an opt -out rather than opt-in..”*



# Gift Aid Survey

## Comments and insights from the Gift-aid Survey

- The survey received a very good response with over 188 people attempted to complete this.
- .. There was a very good spectrum of Employed, self -employed and retired respondents
- The main income range of respondents was £12,500 to £24,999
- 55% of the respondents had added gift aid when donating
- Of the 9 that were higher rate payers none regularly claimed relief on their donations



## Comments and insights from the Gift Aid Survey

- 60% of respondents recognised the Gift Aid Logo
- Respondents were slightly more trusting of HMRC when sharing personal information
- There was a broad range of donation types, the most popular being One-time donation, cash, just giving and charity shops
- The least popular types of donation were landline phone, cheque, text or mobile app,
- The donations tended to lean slightly more towards impulsive type donations, but there was no clear difference when compared to conscious donating.






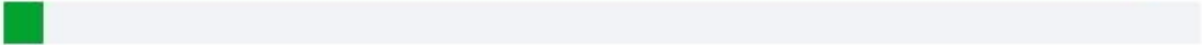
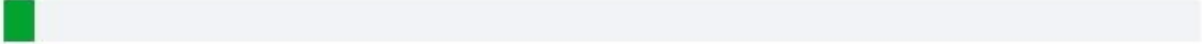
# User Insights

## Question 1

Radio button

Are you a UK taxpayer?

Hide responses with no data  
157 of 188 participants answered

Answer	Percentage	Frequency
Yes		94.3% 148
No		3.2% 5
Don't know		2.5% 4



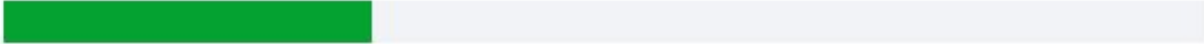
# User Insights

## Question 2

Radio button

Are you:

Hide responses with no data  
157 of 188 participants answered

Answer	Percentage	Frequency
Employed		29.9% 47
Self employed		30.6% 48
Retired and receive a company pension		26.8% 42
Retired without company pension		6.4% 10
Unemployed		6.4% 10

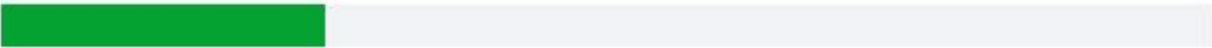
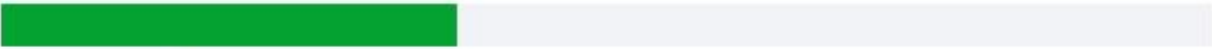
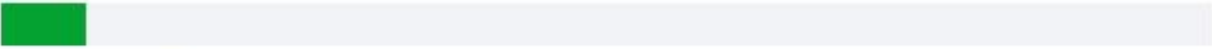
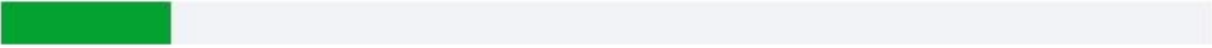
# User Insights

## Question 3

Radio button

Please tell us your annual income

Hide responses with no data  
157 of 188 participants answered

Answer	Percentage	Frequency
Less than £12,499		26.8% 42
£12,500 - £24,999		37.6% 59
£25,000 - £36,999		14.6% 23
£37,000- £49,999		7% 11
£50,000 +		14% 22



# User Insights

## Question 4

Radio button

Hide responses with no data  
157 of 188 participants answered

Have you ever added Gift Aid when donating to a charity?

Answer	Percentage	Frequency
Yes	55.4%	87
No	38.9%	61
Don't know	5.7%	9

These figures suggest that Gift Aid awareness is linked to whether gift aid is added. Approximately 60% of respondents recognised the Gift Aid logo, and around the same added this when donating.

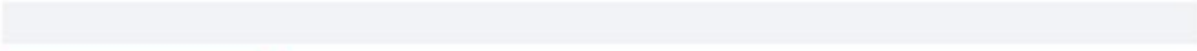
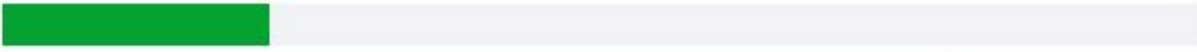

# User Insights

## Question 5

Radio button

Hide responses with no data  
9 of 188 participants answered

If your annual income is above £50,000 do you claim higher rate relief on Gift Aid donations?

Answer	Percentage	Frequency	
Yes		0%	0
Sometimes		22.2%	2
No		77.8%	7

This statistic is backed up by the questioning as users generally were unable to explain how gift aid 'works' and those who did claim relief were users with very high tax knowledge.



# User Insights

## Question 6

Radio button

Do you recognise this logo?



Hide responses with no data  
96 of 188 participants answered

Answer	Percentage	Frequency
Yes	59.4%	57
No	40.6%	39

This figure appears surprising as the logo also reads as gift aid itself. This suggest again that although 60% of users recognise the logo, they aren't aware how it works.

# User Insights

## Question 7

Radio button

Hide responses with no data  
96 of 188 participants answered

How comfortable are you sharing your personal data with charities to donate through Gift Aid?

Answer	Percentage	Frequency
Extremely comfortable	17.7%	17
Very comfortable	12.5%	12
Comfortable	36.5%	35
Unsure	16.7%	16
Uncomfortable	9.4%	9
Very uncomfortable	3.1%	3
Extremely uncomfortable	4.2%	4

Broadly respondents were happier to share their details with HMRC than with charities, the 1 caveat to this figure is that the survey Pool was a HMRC panel.

# User Insights

## Question 8

Radio button

Hide responses with no data  
96 of 188 participants answered

How comfortable are you sharing your personal data with HMRC when donating to charity?

Answer	Percentage	Frequency
Extremely comfortable		27.1% 26
Very comfortable		24% 23
Comfortable		32.3% 31
Unsure		10.4% 10
Uncomfortable		1% 1
Very uncomfortable		4.2% 4
Extremely uncomfortable		1% 1





# User Insights

## Question 9

Checkbox select

Hide responses with no data  
96 of 188 participants answered

Please select ways you have previously donated to charity from the list below. Tick all that apply

Answer	Percentage	Frequency
Cash - via donation bins or collection pots	62.5%	60
One-time donation online	69.8%	67
Text / mobile App	29.2%	28
Credit or Debit card inc contactless	53.1%	51
'Roundup' payment when purchasing	50%	48
Entrance to a visitor attraction or after religious serv...	40.6%	39

These were categorised as 'impulsive donation' type and they saw a slightly higher percentage than the more conscious donation types.



# User Insights

## Question 10

Checkbox select

Hide responses with no data  
96 of 188 participants answered

Please select ways you have previously donated to charity from the list below. Tick all that apply

Answer	Percentage	Frequency
Recurring payment online	49%	47
Just Giving	71.9%	69
Fundraiser	51%	49
Cheque	17.7%	17
Charity shop	59.4%	57
Landline Telephone	14.6%	14

Trend shows that cheques and landline phones are less popular compared to other types of donation



**Future research**

**a) Repeat the interviews with CRUK's panel**

**b) Explore how a user would learn about gift aid from HMRC digital journey**

## Thank you

If you would to discuss any of the insights in this report please contact its author at;

**[Gruffydd.Weston@digital.hmrc.gov.uk](mailto:Gruffydd.Weston@digital.hmrc.gov.uk)**





HM Revenue  
& Customs



HM Revenue  
& Customs