

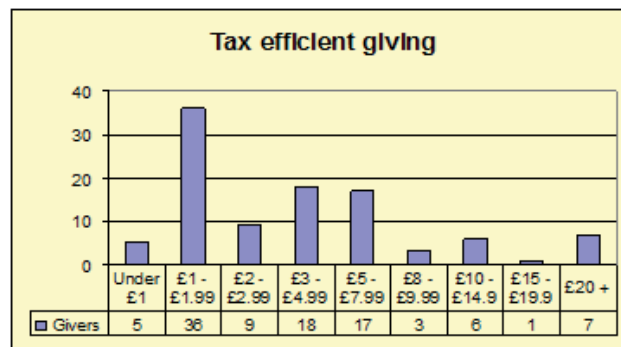
# Lifting the bonnet: about the giving profile

Building a giving profile helps us look under the bonnet of what is, for most churches, our largest source of income. This paper suggests why a giving profile is important and explains the 'skew' that the giving profile will almost certainly show.



## What is a giving profile?

Churches usually monitor their income, expenditure and reserves. Many will be aware of average levels of tax efficient and other planned giving. A Giving Profile significantly adds to this helpful information, lifting the bonnet, as it were, to look at the engine that drives congregational giving. You may be surprised by what you discover. And to start, let's be clear: a giving profile is always anonymous. Individuals are never identified.



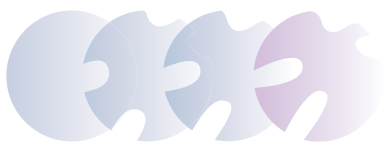
The chart illustrates a giving profile for a suburban church with around 100 tax-efficient planned givers. On the left, 50 tax paying givers (5+36+9) are giving less than £3 p/w. By contrast, on the right fourteen people give over £10pw and of

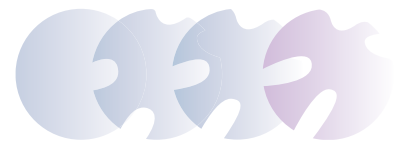
these seven are giving over £20. In real life some will give well in excess of £20. These fourteen people contribute some 55% - 65% or more of the *total* tax efficient giving in the church. The seven biggest givers alone give around 40% - 50%. The stewardship task is nurture generous discipleship across the congregation and within that to find the 'next ten big givers'.

## Low levels of giving

This distinctive pattern of giving, a few big givers and a larger number of lower level givers is called 'skew'. It's in all charitable giving. In 2012 the 6% of UK donors giving over £100 per month to charity contributed 40% of total charitable giving. Around 40% of all donors gifted less than £10, giving 5% of total charitable giving (CAF/NCVO 2011/12 *UK Giving Report*). In 2021 those over 65 gave on *average* £63 per month but the median (middle) gift was rather less. The £63 average is generated by a relatively small number of people giving pretty big gifts.

Skew is in our churches. Back in 2011 the *Giving Insight* report suggested that the top 20% of givers contributed half (52%) of total giving; the lower 40% of givers contributing just 12% of total giving. The 2020 *Anglican Giving Survey* (full report) notes that a fifth (19%) of respondents gave between £20-£49 over a three month period, a weekly average of £2.70 taking the mid-point of £35. By contrast just 5% of respondents gave between £500-£1000 over three months, a weekly average of £58 taking a mid-point of £750. 1% of respondents gave over £1000, a weekly average of £77. Among American churchgoers, the top 5% give 51% of total giving, the top 10% give 66% (Source: *Passing The Plate* (2008) C.Smith *et al*; p39-43)





### Understanding skew

How and why does skew happen? Importantly, we don't get skew in giving because people have different incomes. We can't assume those who have more, give more. If true, levels of giving would mirror levels of income; they don't. The skew in giving is greater than the skew in household incomes. In cash terms, those with higher incomes do give more but not as a percentage of income. 2013 [research](#) by Prof Yaojun Li found that the poorest 20% gave 3.2% of their gross monthly income to charity, the richest 20% gave 0.9%. (See also [UK Giving Report 2014](#) p12). People have different incomes but also choose to give widely varying amounts of money not directly related to how much they earn. Skew seems to be a product of variable incomes, variable giving and a lack of correlation between income and giving.

### The median gift

The giving profile also identifies the median gift, which is what? Line up 100 givers from the least to the biggest giver and the median giver is right in the middle. The median gift is what she gives, say £6.

Average giving levels disguise this skew in giving. The average church gift from 100 givers may be £10pp/pw. But if 3 people give £40pw and 5 give £20pw then many must give way less than £10 to get that £10 average. From experience we estimate the median tax efficient gift is around 60% of the average gift. Thus a £10 average gift indicates a median gift around £6 with half of donors giving less; many much less than £6. A Giving Profile identifies your median gift, indicates skew in church giving and gives a fresh, more realistic perspective on giving.

### Where does the giving profile get us?

First, and most important, churches often hesitate to talk money because they assume that everyone is already giving all that they can. Risky thinking. It can accelerate a downward spiral as leaders believe there is no way to address financial difficulties. The Giving Profile often shows such risky thinking is groundless. In fact it may be a bit of a shock to see how little some are giving. Mostly it's encouraging to see capacity to increase giving in the church.

Second, the giving profile can underpin our confidence in asking for greater giving, in developing a stewardship culture and in the principle of differentiation. Skew is a result not just of different incomes but also of the choices we make about our giving. Those choices reflect our underlying personal commitments and values. Culture change happens

when shared expectations and generosity as a congregational value are nurtured and grown. The discipleship approach to stewardship within Giving in Grace aims to do just that, offering biblical principles and practical tools to resource that culture change.

Third, and more practically, the Giving Profile reminds us that we must teach about planned giving. Despite vulnerabilities enhanced by Covid, weekly giving envelopes are still common, used by 49% of respondents to the 2020 [Anglican Giving Survey](#). In real life some giving an average of £3pw give more in their envelope but don't bring them every week. Check it out. Take a random, anonymous sample and count how many envelopes actually arrive in one year. Many people are giving less than they think they give. That's why the [Parish Giving Scheme](#) is so crucial.



### A small number of givers

Where there are very few planned givers there are issues to consider, including the risk of compromising anonymity. The guidance in, *If You Build It* on the [Giving Profile tab](#) gives the option of not distinguishing between Gift Aid and non-Gift Aid giving which may work for you. It may be possible to do the profile across churches in team or multi-church benefices. Just possibly a Giving Profile is inappropriate.

### And finally

We won't eradicate skew in giving. Teaching generosity and a confident ask will certainly raise the bar of lower-level giving and encourage higher-level givers but the fundamental pattern will not change. Skew is not a failure of congregational stewardship but can't be ignored or used to justify the status quo.

Skew is not static. Some of our big givers will die or leave; a key stewardship challenge is to nurture the next generation of big givers in our churches. Skew is a fixed pattern of giving but the givers who make up that pattern are constantly changing and growing.