

SUPPORTING CHARITIES, COMMUNITIES AND CUSTOMERS

UK RETAIL CHARITABLE GIVING REPORT 2023





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FOREWORD

This is the first ever report into the retail industry's charitable giving and community work across the UK.

In total, thirty-four retailers covering all sectors of the industry, from grocery and food-to-go, to fashion, furniture and health and beauty contributed to this report, setting out how they work with national and local charitable organisations to effect positive change. The report sets out direct donations to charities, funds raised for good causes, the value of direct product donations, the number of meals donated, and the time colleagues spent volunteering in 2022-23.

The last 18 months have been particularly challenging for retail, with the industry facing record cost inflation which has squeezed margins. Despite this, retailers donated and fundraised over half a billion pounds for good causes.

Direct retail donations are only part of the story: the industry is also engaged in a range of wider projects to support communities. These include promoting healthy eating and sustainability in schools, placing community managers in local stores, offering free sports sessions for children and supporting vital services like those helping disabled children and boosting biodiversity. Many retailers are also engaged in direct donations of products, from laptops to toiletries and clothes, to charitable organisations who give them to people in need, free of charge. The industry could go even further if these direct product donations were zero-rated for VAT, just as goods donated to charities for onward sale are.

With retail transforming in response to changes in the way people shop, the industry is finding innovative new ways to support charities and good causes. This has seen the rise of micro-donations, where shoppers are given the option to make a small donation when paying in store or online – a digital version of the traditional charity box.

In addition to customer and communities, retail's charitable work also includes colleagues. With the cost of living rising, there has been an increased focus on supporting retail employees with payments to help with energy bills and providing colleagues with gift cards or grants.

This report aims to provide a snapshot of the ways the UK retail industry makes lasting and tangible difference through this work.



In 2022/23 the total value of UK retailer's charitable giving was estimated to be equivalent to

£540,000,000

69,000,000

meals and

£76,000,000

worth of products donated

£200,000,000

raised for charities and good causes



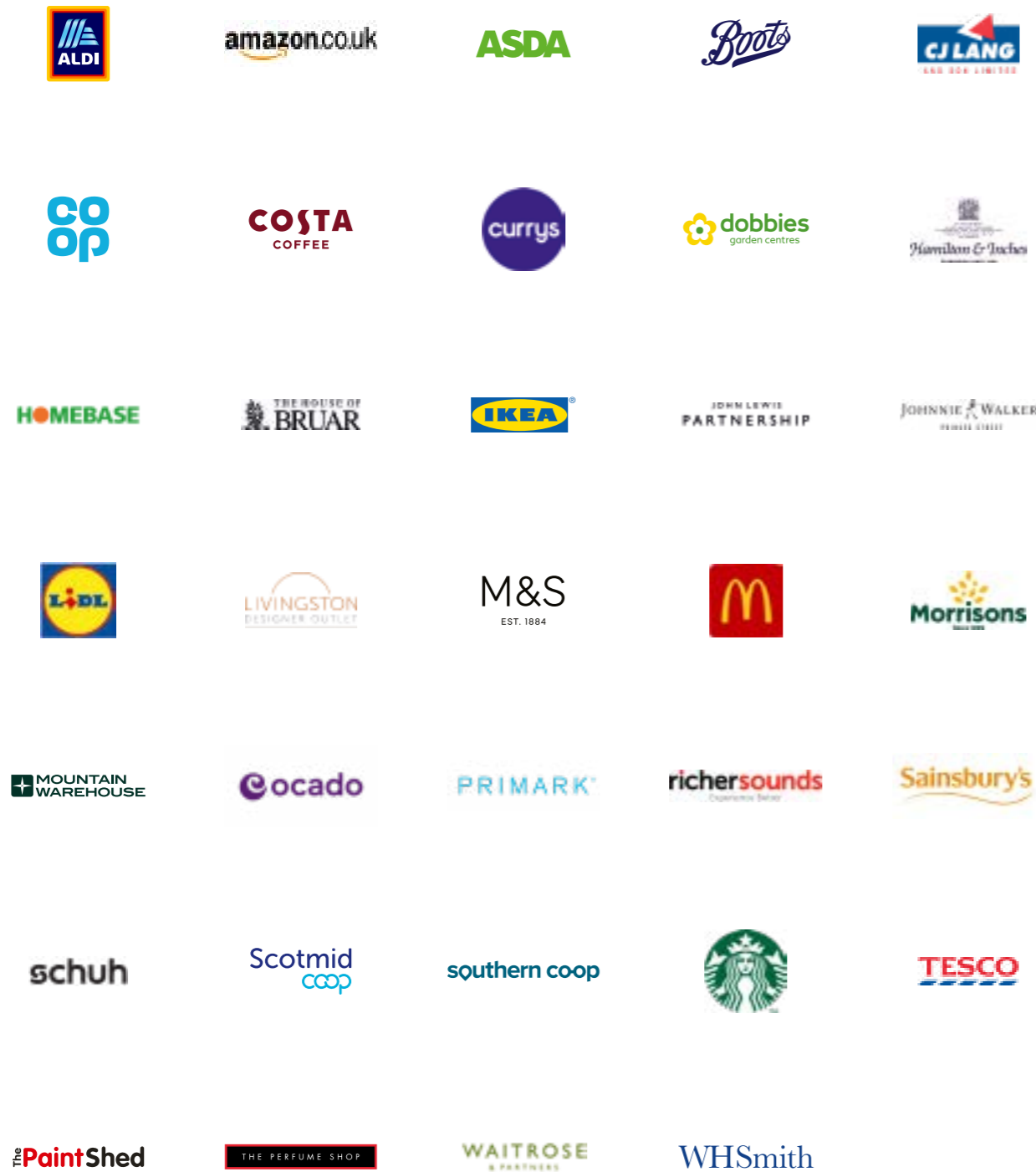
1,700,000

hours volunteered through retail community programmes



MEMBERS

Thirty-four retailers have supplied us with information on their charitable giving, fundraising and support for good causes in 2022/23.



FUNDRAISING, PRODUCT AND FOOD DONATIONS AND SUPPORTING COMMUNITIES

Fundraising

The main source of retail support for good causes in 2022/23 came from fundraising (for example, with customer initiatives in-store or online), followed by direct financial donations from retailers to charities and organisations. Many retailers also offer payroll donation schemes, giving colleagues the ability to make regular donations from pay and pensions.



I Product and food donations

A key element of many retailers' charitable giving involves donating goods, including food and drink, to those who need it most. Typically, goods are donated to charities who either sell them on in their shops – providing a key stream of funding – or directly give them free of charge to people in need (known as direct product donations).

Retailers could ramp up the scale of their direct product donations if the VAT rules treated this form of charitable giving the same way as goods donated for onward sale: currently, VAT must be paid on direct product donations, but not on goods which are sold on by charities.

I Supporting communities

Many retailers support local charities and initiatives across the country, for example by giving colleagues a specified amount of time each week to work with the community. This involves volunteering time and providing training and budget to make a difference locally. The projects supported vary widely – from conservation to teaching about healthy diets and developing important life and functional skills. This is in addition to campaigning on diverse issues, including promoting diversity and inclusion and ending period poverty.



SPOTLIGHT ON MICRO-DONATIONS



Micro-donations - Pennies

Retailers and partners are leveraging the reach and scale of the industry to develop innovative ways of raising funds for charities. You may have noticed an option to make a small donation when paying by card or phone in-store, or at an online checkout. This is a micro-donation – the digital version of the traditional charity tin – and the funds raised play a vital part in supporting charitable causes across the UK.

Pennies is the leading charity working to protect and grow micro-donations, collaborating with retailers and hospitality businesses, and their payment service providers, to deliver micro-donation technology. Almost three-quarters of us prefer to give little and often and micro-donations allow people to donate a few pence in a simple and sustainable way. Since launching in 2010, over 185m micro-donations have been made through Pennies, raising over £44m for more than 850 charities in the UK and beyond. The results speak for themselves – for every pound spent, £11.44 is generated in social value, and colleagues and customers feel positive about the impact created.

It's easy to see why more and more brands are giving their customers the option to round up or top up their purchases to support good causes, with 100 brands already partnering with Pennies.

SINCE 2010



185M+ micro-donations made



£44M raised



850+ charities supported

SPOTLIGHT ON SUPPORTING COLLEAGUES



Supporting retail colleagues - Retail Trust

From 1832 onwards, the Retail Trust has been caring for and protecting the lives of retail colleagues. The charity's purpose is to create hope, health and happiness and, in doing so, build a sustainable and successful future for the industry.

It leads a powerful coalition of people, leaders and over 200 retailers providing tools and services that empower colleagues to look after their mental, physical and financial health, as well as data, insight and strategic support that enables businesses to measure, manage and optimise their wellbeing strategies.

This has become even more important with incidents of violence, abuse and theft in retail on the rise – there are now 867 incidents every day, about double the number recorded in 2019. A third of retail workers told the Retail Trust they were the victims of weekly abuse. In the year to May 2023, the Retail Trust's helpline took more than 11,000 calls, over 2,000 colleagues received mental health and wellbeing training and more than £650,000 in financial aid and 10,000 counselling sessions were provided to those most in need.

Although the retail industry has changed massively in the two centuries since the Retail Trust was founded, its mission remains as relevant as ever. The charity continues to offer colleagues a place to turn to when times are difficult at the same time as it is ensuring the sector remains committed to addressing the root causes of poor health and wellbeing among its three million workers.

LAST YEAR



11,000+

calls taken



2,000+

colleagues trained in mental health and wellbeing



10,000+

counselling sessions delivered

METHODOLOGY

Members of the British Retail Consortium (BRC) were approached and asked a series of questions regarding their community and charitable activity.

All Members of the BRC were given the opportunity to reply. The following retailers provided information for this report: Aldi, Amazon, Asda, Boots, CJ Lang, Co-op, Costa, Currys, Dobbies, Hamilton & Inches, Homebase, House of Bruar, IKEA, John Lewis & Partners, Johnnie Walker Princes Street, Lidl, Livingston Designer Outlet, M&S, McDonald's, Morrisons, Mountain Warehouse, Ocado, Primark, Richer Sounds, Sainsbury's, Schuh, Scotmid Co-operative, Southern Co-op, Starbucks, Tesco, The Paint Shed, The Perfume Shop, Waitrose & Partners, WH Smith.

While the questions aimed to cover as much of the charitable work of retailers as possible, it would not be possible for questions to capture every one of their charitable actions and endeavours.

The retail industry engages in community work in a vast number of ways, and there is quite rightly no single way to approach this. We were also clear it was unlikely each member would be able to answer each question – the aim was to try to encourage as wide reporting as possible.

On a practical level, we were clear this report is meant to include all work supporting 'good causes' in the UK. That was deliberately to ensure support given to local community groups, who may not be Charity Commission registered but nonetheless play a crucial local role, were included in this. Members were also promised all individual submissions would be treated in confidence, and only aggregated figures would be published. The figures presented in this report were reached by extrapolating data received from members and scaling it across the UK retail industry.



ABOUT THE BRC

The BRC is the trade association for UK retail. Our membership comprises around 70% of the UK retail industry by turnover and employs over 1.5 million colleagues.

Retail provides around three million jobs, accounting for 9.3% of the national workforce, and is the country's largest private sector employer. Retail is a dynamic and diverse industry, representing 5.2% of the UK economy and contributing £99.5bn a year.

Our purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.



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