

The cover features a photograph of two people from behind, embracing in a field of tall grass. The person on the left has blonde hair in a bun and wears a green hoodie and jeans, carrying a white tote bag. The person on the right has blonde hair and wears a white hoodie, a black vest, and orange pants. The background is a soft-focus field with a wooden fence and trees under a clear sky. The title text is overlaid on the left side of the image. A decorative graphic of multiple thin, curved lines in various colors (red, teal, white, purple, orange) arches across the top right corner.

Smee&Ford

Legacy Trends Report 2024

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1. Introduction

Smee & Ford has over 125 years of experience in legacies. Our specialist team reads every will that goes through probate in England and Wales (around 5,000 Wills each week), identifying and reporting any charitable content.

Since 2012 we have recorded every charitable bequest mentioned in a will. We are the only database that holds this unique sector-wide data - painting the most accurate and comprehensive picture of the legacy giving sector in England & Wales. Our exclusive data can be used to determine trends for specific causes, geographic regions, named charities and the legacy giving landscape as a whole. This insight helps charities to forecast their potential future legacy income and plan their legacy marketing strategies using a complete dataset.

Executive summary

Welcome to the Smee & Ford 2024 Legacy Trends Report, revealing our latest findings for the period up to December 2023. The data included in this report is derived from Smee & Ford's exclusive database referring to English and Welsh estates. It does not include Scottish or Northern Irish estates/cases.

This report looks at the total charity market and trends for the entire sector. If your charity would like to understand your unique data at a granular level, along with peer charities of your choosing, we can work in partnership with you to provide insight through bespoke data consultancy. This insight removes the guesswork from your legacy marketing strategy, can dramatically improve forecasting and provide the evidence base to support a case for investing in legacy fundraising. For more information about this, please contact enquiries@smeeandford.co.uk.

Methodology

Data contained in this report, unless otherwise stated as having external sources, is taken from Smee & Ford's database of charities and the bequests they receive. This data is collected by a team of dedicated researchers and sourced from wills that have passed through probate.

Reported legacy income:

This represents legacy income received by charities registered with the Charity Commission for England and Wales. Each organisation has a total annual income exceeding £500,000.

Financial reporting date parameters for reported legacy income:

Financial year ends are grouped running from July to the end of June. This includes all year ends that fall in December and March which make up the most common financial reporting dates.

Total legacy income:

This is calculated by summing all reported legacy income that falls within the financial reporting date parameters. Using the same date parameters, we use the Smee & Ford database to calculate the values of absolute pecuniary and absolute residual bequests which fall within the same period and add this to the reported legacy income.

Residual bequest value:

For each bequest, we calculate the residual percentage of the net value of the estate (after we have subtracted the sum of the pecuniary values from the total estate value). We then deflate the figures by 25% to produce a conservative estimated value.

Years used in charts:

Except for reported legacy income, all charts throughout this report use the year where probate was granted as the year reference. This means that columns denoted 2023 refer to data where the Grant of Probate was issued in 2023.

Key findings 2023*



In 2023, reported legacy income reached £3.5bn and we estimate total legacy income is more than £3.9bn, the largest total we have ever reported



The value of charitable estates increased by £1.2bn from £21.4bn to £22.6bn, a growth of 7%. This is the second-time values have exceeded £20bn



There were 38,178 charitable estates in 2023, the first time the number has exceeded 38,000



In 2023 there were 10,951 unique charitable organisations mentioned in Wills which is the highest we have recorded over the past decade



Nationally nearly 14% of probated estates with Wills are charitable, with 1 in 5 Wills being charitable in many areas of the south-east & south-west compared to 1 in 8 to 10 in many areas of the north-east and Wales

*Findings relate to English and Welsh estates 2023

2. Legacy income

Total legacy income has increased to around £3.9bn - a 3.2% increase from 2022

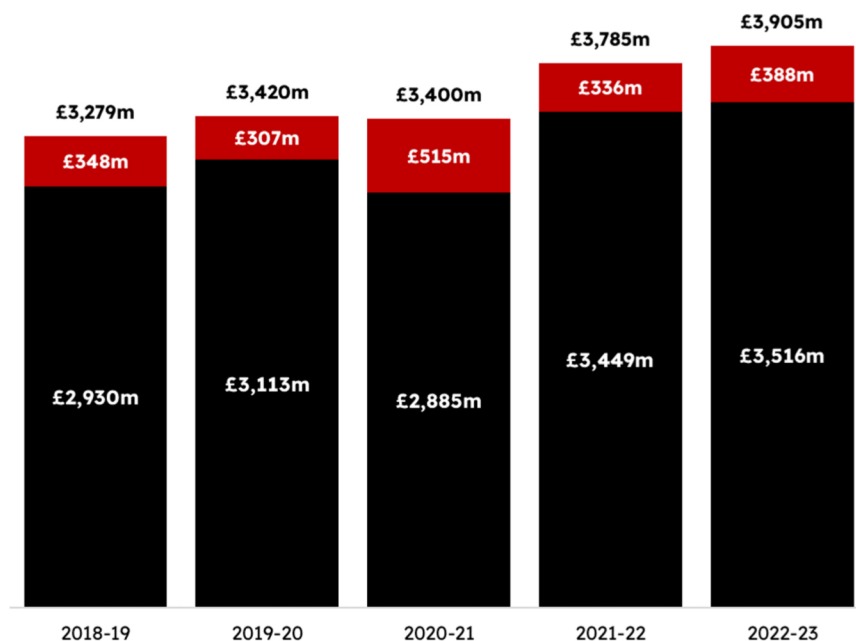
Reported legacy income increased to £3.5bn in 2022-23, a 1.9% increase on the previous year (£3.45bn). This represents a second year of consecutive growth in legacy income following the decrease witnessed in 2020-21 following the Covid pandemic and changes at the HMCTS.

Reported legacy income for 2023 covers all financial year ends between July 2022 and June 2023. An examination of legacy values for individual organisations reveals that there were no major anomalies to cause an abnormal positive shift in legacy income (such as the £400m gift bequeathed to the Capricorn Foundation back in 2018). Closer examination reveals that of the 2,958 charities which reported legacy income, 1,608 (54%) increased their legacy income, compared to 992 (34%) which recorded a decrease. Additionally, 342 (12%) reported legacy income in the latest year but did not receive legacy income for the previous year. The number of organisations reporting increases has fallen compared to last year where we recorded 1,932 with an increase in legacy income. The aggregate positive increase was worth £620m compared to the decreases which were collectively worth £526m.

The organisations reporting legacy income with the Charity Commission represent the largest legacy recipients in the country and each organisation has at least £500k of annual total income. Smee & Ford has calculated that legacy income for charities that do not report legacy income with the Charity Commission (those with a total income of less than £500k) is worth £388m in 2023. When we combine this with reported legacy income, Smee & Ford estimates that total legacy income for charities with a financial period running from July 2022 to the end of June 2023 was in the region of £3.9bn. Once again, just like last year, this is the highest annual legacy income we have ever reported.

Total Legacy Income

■ Reported legacy income (Commission) ■ Estimated legacy income (Smee & Ford)



Years are generated where the financial year ends run from July to the following June of any given year.

Sources:

Register of Charities at Charity Commission
Smee and Ford Legacy Analysis Portal

3. Estates

38,178 charitable estates were identified in 2023 – the first time over 38k has been recorded.

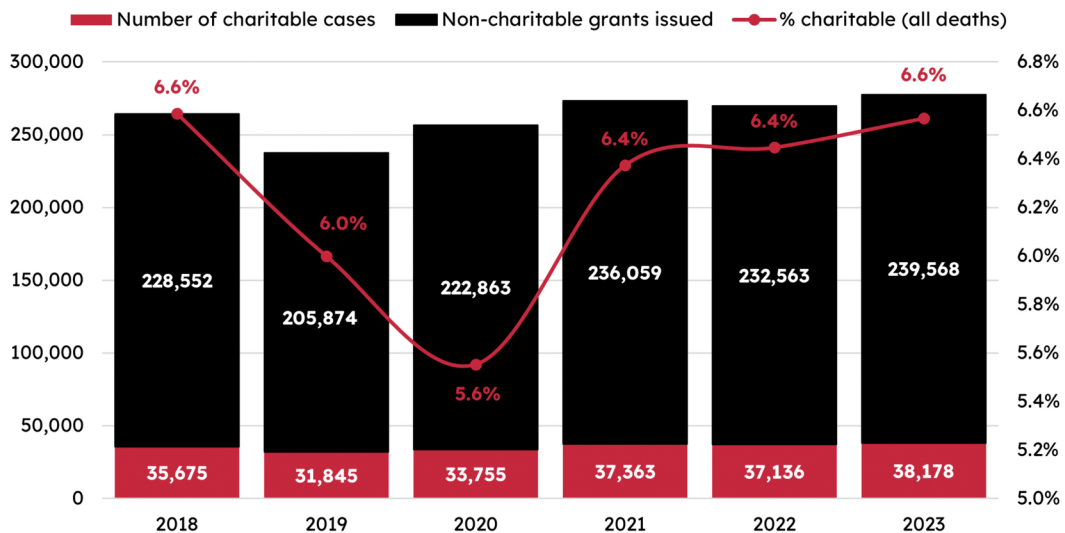
The 2023 figure is the highest number of charitable estates ever recorded. The years 2019 and 2020 were impacted by processing and system changes at the HMCTS (His Majesty’s Courts and Tribunals Service) and the coronavirus pandemic. In 2021 and 2022 we saw numbers recover to over 37k, but this is the first time we have seen numbers surpass the 38k threshold.

In 2023, there were 581,367 deaths, 5,337 more than 2022. Over half of annual deaths do not need probate. Those that do, apply for a grant of representation, and in 2023 there were 302,413 applications, up 19,750 on the previous year, and incidentally the first time applications have exceeded 300,000. There were 277,746 grants issued in 2023, of which Smee & Ford identified 38,178 cases where at least one charitable organisation was mentioned in the Will. This number represents 13.7% of the number of grants issued. However, many cases that are included in these figures for probated estates do not have Wills and are therefore intestate. When we exclude intestate cases, the proportion that are charitable increases to 14.9%. Turning our attention to the total number of deaths recorded by the ONS in 2023, we can calculate that 6.6% of people in the population of England and Wales mention a charitable organisation in their Will.

Note how in recent years the number of annual deaths has increased from 530k-540k in 2018-2019 to around 580k in 2022 and 2023. This is due to the increase in the birth rate from the late 1940s which became the Baby Boomer generational cohort. A greater number of people were born, and therefore higher deaths. Baby Boomers now represents 19% of annual deaths up from 17% the previous year. As there are more people belonging to this cohort there will be an increase in the number of annual deaths expecting to rise to over 730,000 by 2035. If that is the case we could see over 47,000 charitable cases per annum in years to come.

Year	Number of deaths	Applications for grants of representation	Number of grants issued	Number of charitable cases	% of grants identified as charitable	% charitable (all deaths)
2018	541,589	269,074	264,227	35,675	13.5%	6.6%
2019	530,841	269,343	237,719	31,845	13.4%	6.0%
2020	607,922	273,460	256,618	33,755	13.2%	5.6%
2021	586,213	283,352	273,422	37,363	13.7%	6.4%
2022	576,030	282,663	269,699	37,136	13.8%	6.4%
2023	581,367	302,413	277,746	38,178	13.7%	6.6%

Historic trends in the number of charitable estates



Sources:
Family Court Statistics
Smee and Ford Legacy Analysis Portal

3. Estate values

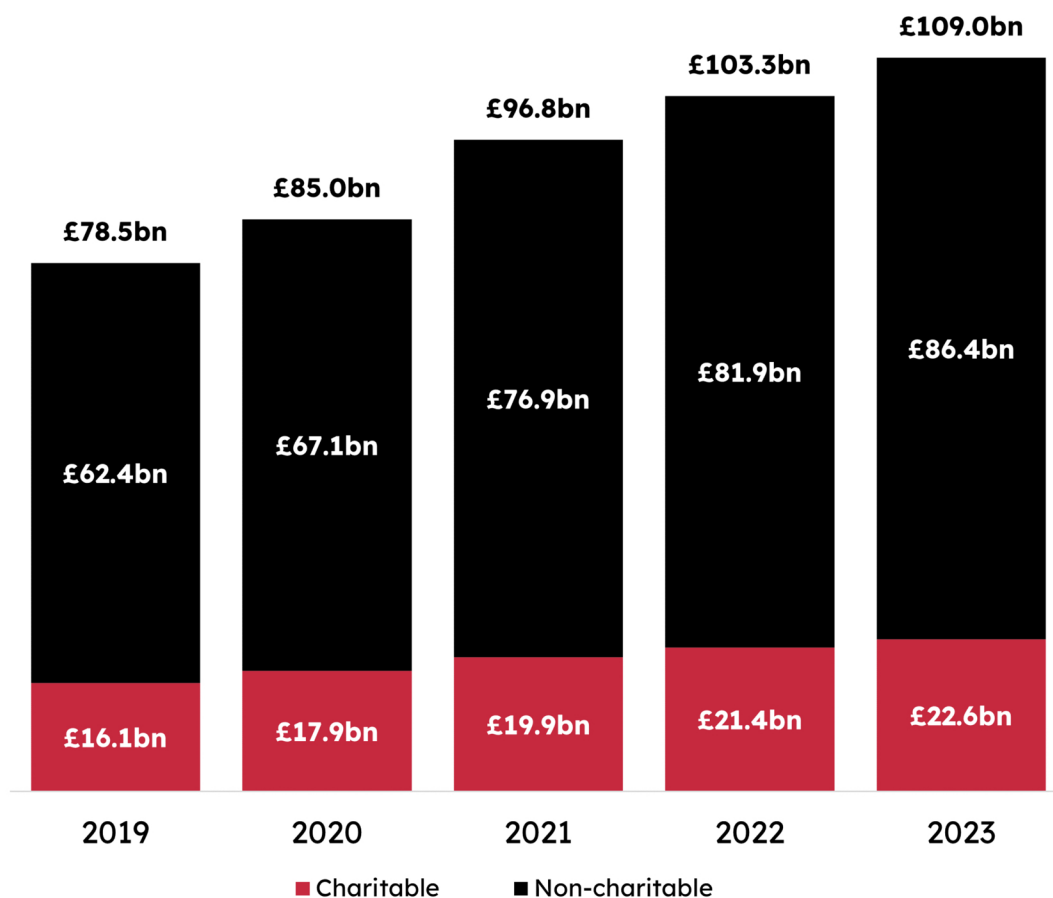
Between 2022 and 2023, total estate values of all probated estates increased from £103.3bn to £108.9bn. Charitable estate values grew by £1.2bn, increasing 5.6% from £21.4bn to £22.6bn. This is the second time values have exceeded £20bn.

Estate value growth is important to legacies because growth in estate values translates to growth in the values of residual bequests. In recent years, we have seen growth in the average value of charitable estates, from £474k in 2018 to £592k in 2023. Over the past year, the average value of a charitable estate has increased by 2.7%.

For many people, the most valuable asset when they die is the home they live in, which is why house prices are so important to the value of many legacy bequests.

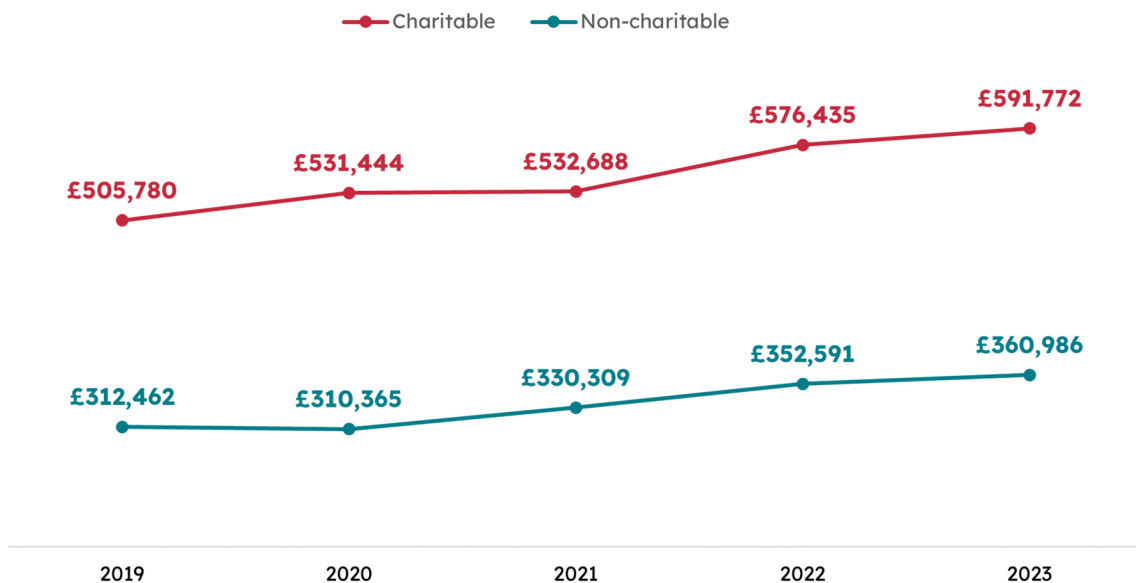
An examination of the House Price Index reveals that the average house price in December 2023 was £285,000 which was £4,000 lower than the 12 months previous. Average house prices over the 12 months to December 2023 decreased in England to £302,000 (negative 2.1%), decreased in Wales to £214,000 (negative 2.5%), but increased in Scotland to £190,000 (3.3%). Within England, the North-west had the highest annual percentage change in the 12 months to December 2023 (1.2%), while London saw the lowest (negative 4.8%). These statistics could have a minor negative impact on estate valuations during 2024.

Historic trends in the value of charitable estates



Source:
Smee & Ford Legacy Analysis Portal

Average estate values



Source:
Smee & Ford Legacy Analysis Portal

Regional variations in giving in Wills:

Nationally, we know that 13.7% of Wills contain a charitable estate, however, this varies significantly by region.

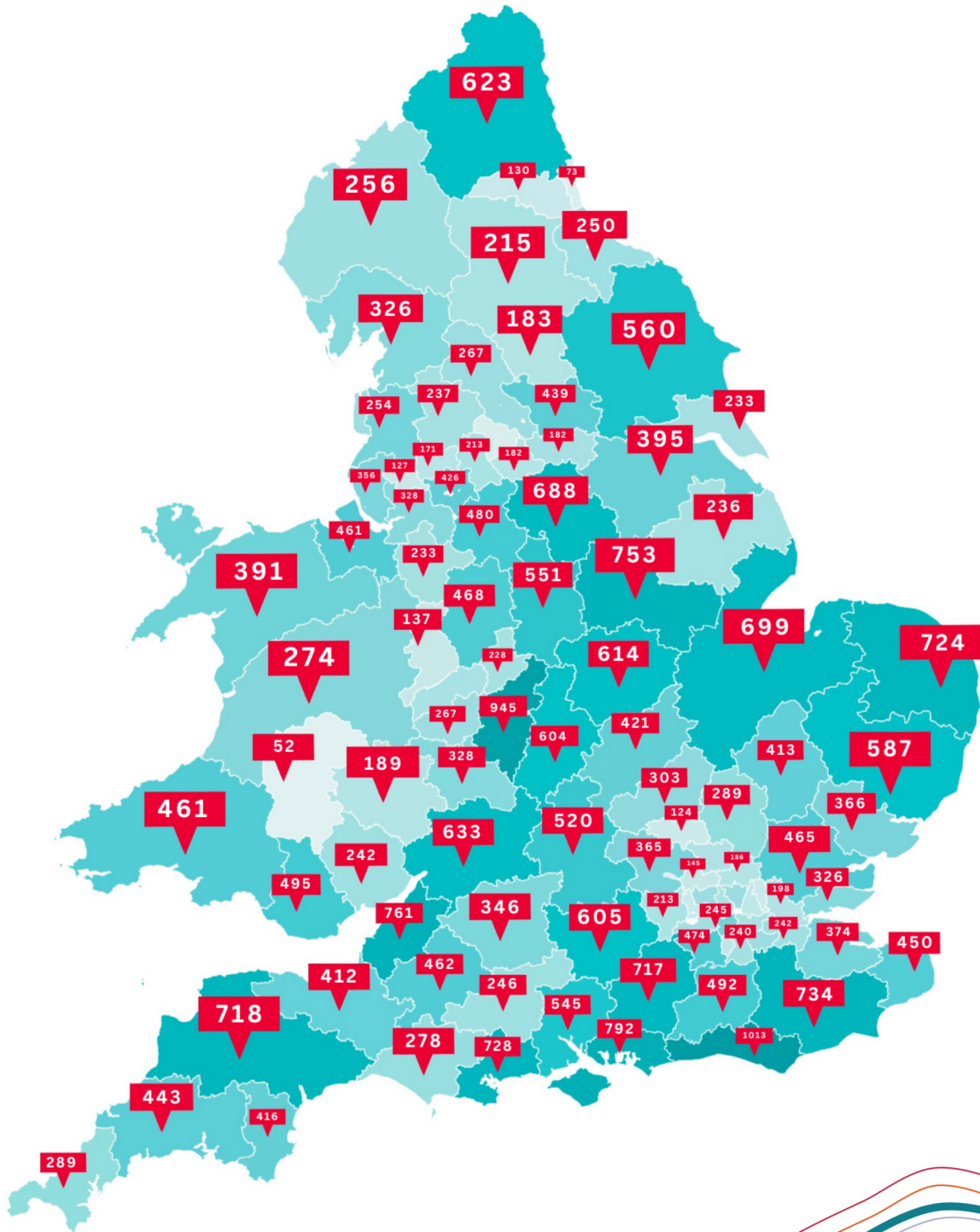
The map on the next page shows the regional distribution of charitable estates in England and Wales by postcode area in 2023.

- Areas which include the highest concentrations of charitable Wills in 2023 include Brighton, Birmingham, Portsmouth, Bristol, and Nottingham; all having over 750 charitable estates. (Nottingham has replaced Bournemouth from last year).
- Areas with the lowest concentrations of charitable estates in 2023 include Llandrindod Wells, Halifax, Sunderland, Southall, and Ilford; all having less than 120 charitable estates. (These are identical to last year).
- Areas which have seen the most annual gains in charitable estates were Birmingham, Reading and Northumberland.
- Areas which saw the largest annual declines in charitable estates were Dorchester, Wolverhampton and Lincoln.

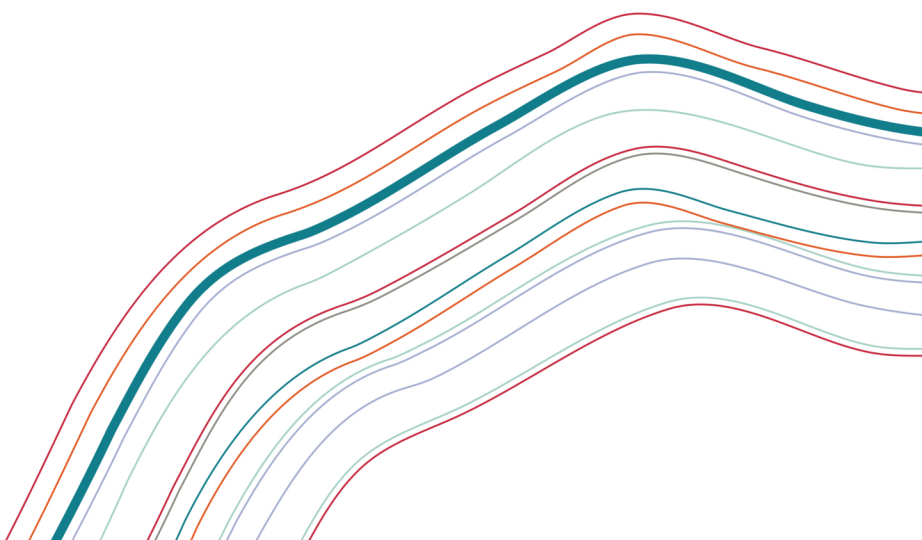
The location of charitable estates is a product of many contributing factors, from population distribution, population density, and socio-economic issues, right through to the personal circumstances of individuals. In the most general terms, more charitable estates still come from the South rather than Northern England or Wales. However, taking the distribution of probated estates into consideration and calculating the percentage for each region that are charitable, identifies which areas have a greater propensity to produce charitable estates.

Although nationally 13.8% of all probated estates in 2023 contained a charitable bequest, the percentage varies considerably when we apply the same calculation regionally. It is too simplistic to state that nearly 14% are charitable, for example, in many areas along the South coast one in five are charitable (20%). In the North, charitable estates ranged from one in eight to one in eleven, except in Harrogate where it was one in five. Smee & Ford's unique historical database can also help charities to identify legacy giving trends by other criteria such as causal area.

Geographical location of charitable estates in 2023



Source:
Smee & Ford Legacy Analysis Portal



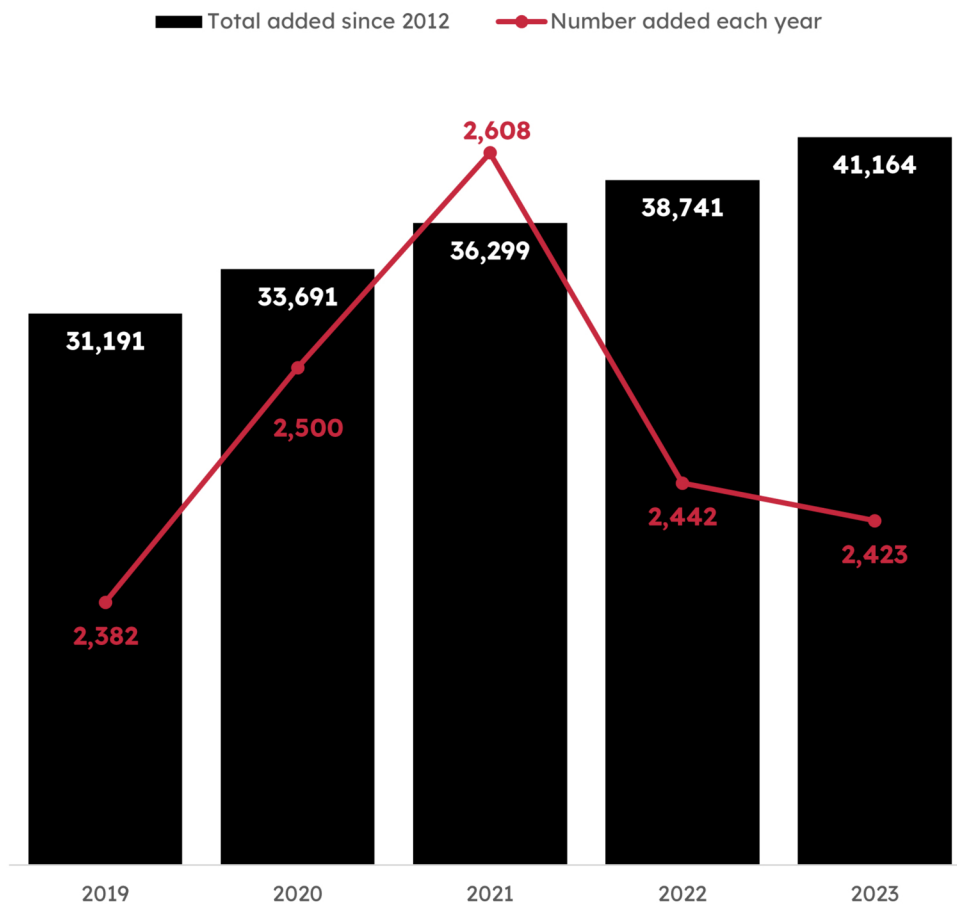
4. Number of charities mentioned in Wills

Since 2012, Smee & Ford have recorded every recipient charity of every bequest we have identified from probated Wills

Over 41,000 individual charities have been mentioned in Wills during this period. Some charities, such as Cancer Research UK or the RNLi, get mentioned hundreds of times, but many only get a single mention. Figure 6 shows how many individual charities have been mentioned in Wills for the first time on Smee & Ford's database from 2019 to 2023 and the collective running total. Over 2,000 new organisations are added to the database each year and in 2023, 2,423 were mentioned for the first time.

Smee & Ford usually identify around 10,000 individual organisations that are mentioned in Wills on an annual basis. However, in 2023, 10,951 individual organisations were identified in Wills, the highest number we have identified over the past decade surpassing the previous high of 10,708 in 2021.

Number of charities mentioned in Wills



Source:
Smee & Ford Legacy Analysis Portal

5. Summary & outlook

2023 has been another very positive year for charities that receive legacy income, with several new milestones reached. Revenue from legacies is at the highest level it has ever been and potentially could exceed £4bn next year, and we are seeing record highs for the number of charitable estates and the values of those estates.

Many charities increased revenue from legacies in their latest financial year and benefitted from the continued generosity of legators across the UK, bequeathing gifts to fund their causes and programmes. Success stories of organisations that increased legacy income include Cancer Research UK which saw an increase of 27% to £261m, Alzheimer's Research UK which increased by 101% to £20.7m, and GOSH which increased by 41% to £31m.

Legacies should prove relatively resilient in the face of the current economic climate. Other forms of voluntary income are likely to be impacted by the current cost-of-living crisis, as people reassess their budgets and cut back on donations to charities. However, legacy income could be affected by decreases in house prices having a detrimental impact on residual estate values in the forthcoming year.

Looking longer term, the ONS has predicted that the number of annual deaths will increase to 700,000 by 2030. Based on these predictions and if the trend towards leaving charitable gifts in Wills continues, we can expect to see the number of charitable estates reach 40k in 2029 and the total number of bequests in Wills to surpass 130k in 2028, reaching 150k by 2043.

We will continue to update the sector with legacy market data as recorded throughout 2024 and beyond. To stay on top of the latest data and trends, join the Smee & Ford mailing list through our [website](#).

6. Insight Services & Marketing Solutions

Smee & Ford - Supporting Charities Through Legacy Insight

Our heritage as the UK's legacy notification service for charities means that we have been working with charities to help them understand and grow their legacy income for over 125 years. We understand legacy teams and know that no matter the size, every organisation has its own challenges, including:

- Building a case for additional investment to grow
- legacy programmes
- Updating strategies using incomplete and inconsistent internal data
- Comparing performance against peer charities, with limited or no access to detailed sector data
- Working in small teams with increasing responsibility, leaving less time for detailed data analysis
- Operating in a growing and increasingly competitive fundraising stream

Smee & Ford has the most comprehensive information available on legacy giving in the UK, which unlocks crucial insight into your legacy landscape. Using Smee & Ford legacy giving insight ensures you don't base your fundraising strategy on assumptions or guesswork. Combining real market data with our unique collaborative approach, we can help you forecast your potential future legacy income, identify opportunities to guide your legacy marketing strategy, or provide solid evidence to back up your bids for investment.

Depending on your most pressing challenges, we can work in partnership with you to recommend the insight that will be most useful. This could include:

- Causal area and income benchmarking
- Market share intelligence
- High-value legacies analysis
- Legator profiling
- Pledger and donor behaviour analysis
- Identifying bedfellows/co-beneficiaries
- Geo-mapping opportunities
- Historical performance comparisons

If you are interested in finding out how our bespoke insight can help your charity to achieve its legacy fundraising goals, please contact David.baldock@smeeandford.co.uk



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