New vs Closed Funders Report (2020-2026)

5,590 Funders
818 Lost
£379m Gained

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The grant funding research assistant, built by fundraising experts, powered by ethical AI

The UK trust and foundation sector has 818 fewer funders than it did in 2020, but gained £379-526m in potential grant expenditure. So why are we worried?

In this report, we analysed every grant-making trust and foundation registered and removed in England, Wales and Scotland since January 2020. Our analysis challenges the narrative of a shrinking sector, highlighting some surprising positives, and some lesser-known negatives:

2,940 Funders Closed	2,122 New Funders	+ £526m Net Grant Expenditure

After adjusting for distortion caused by large funders spending out their remaining assets before closure, **the sector has gained an estimated £379m** more in annual expenditure than it lost. Including Scotland in the UK-wide picture, the estimated net expenditure gain rises to **£526m** (although it is partially less accurate to estimate Scottish funders as we explain in this report).

Fewer funders, but more money. This is consolidation, not decline, but a clear trend that comes with its own unique risks and opportunities that every charity needs to know.

The thematic landscape is shifting too. Health funding has seen the sharpest drop in new funder formation, falling 14.4 percentage points. Overseas aid has experienced a near-complete collapse, with just 1.5% of new funders listing it as an interest compared to 15.6% of those that closed. Meanwhile, disability is the standout winner, and broad-mandate "General Charitable Purposes" funders are rising (with an important caveat we come to later).

For fundraisers, this changes how you think about your pipeline, your forecasting, and which sectors face growing or shrinking funder pools.

- 2,940 funders closed in England & Wales since 2020, but 2,122 new ones registered, a net loss of 818 funders that masks a £379m net gain in adjusted annual expenditure
- New funders are 1.8x larger than those they replace: median expenditure of £30k vs £17k, mean of £527k vs £297k
- Large funders' final-year spending is inflated by 51% due to "spend-out" behaviour, with 21 funders in the £5m+ band spending £292m more than their 5-year average
- Health is the biggest thematic loser (-14.4pp), followed by overseas aid (-14.1pp) and education (-12.0pp)
- Disability is the standout gainer (+3.6pp), with 23.8% of new funders listing it vs 18.6% of all registered funders
- Scotland added 297 new funders since 2020, with estimated combined expenditure of £171m

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818 fewer funders

£379m more in grants

Granted giving

1. 818 Fewer Funders, But £379 Million More in Grants

England & Wales has lost a net 818 grant-making trusts and foundations since 2020, a 4.2% contraction of the funder population. Of the 19,677 funders currently registered, 2,940 have been removed from the register and 2,122 new ones have joined.

For a fundraiser maintaining a prospect pipeline, this means the pool of potential funders is genuinely smaller than it was six years ago. If you have not updated your funder lists since 2020, roughly one in seven of the funders on your list may no longer exist.

But the expenditure story tells a different tale. New funders collectively bring an estimated £1.14 billion in annual expenditure. Using 5-year rolling averages to adjust for spend-out distortion among closed funders (more on this in Section 3), the realistic ongoing capacity lost is £760 million. The net result: a £379 million gain in annual grant-making capacity.

The sector is consolidating. Fewer organisations are distributing grants, but the organisations that remain and the ones joining are distributing more. For charities, this means each funder relationship carries more weight than it did in 2020. Losing a funder from your pipeline is harder to replace when the total number of funders is falling.

Key Metric	Figure
E&W funders closed since 2020	2,940
E&W funders registered since 2020	2,122
Net funder count change	-818
Expenditure gained (new funders)	£1.14bn
Expenditure lost (5-year adjusted)	£760m
Net expenditure change	+£379m

Wealth concentration is on the rise, and unlikely to change

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2. Year-by-Year: The Gap Widened Sharply in 2024-2025

New funder registrations ran roughly level with removals from 2020 to 2023, with the net change hovering between +33 and -43 each year. Then the gap widened sharply. In 2024, removals outpaced new registrations by 240. In 2025 (partial data), the gap was 505.

Year	New Funders	Removed	Net Change
2020	531	498	+33
2021	421	464	-43
2022	427	438	-11
2023	436	456	-20
2024	257	497	-240
2025 (partial)	50	555	-505

If you are a fundraiser planning your pipeline for 2026 and 2027, you should expect the total number of available funders to continue declining.

The registration rate has not kept pace with removals for two consecutive years, and the backlog of Charity Commission removals means more closures are still being processed.

This does not mean less money is available. As Section 1 shows, the expenditure picture is positive. But it does mean the landscape is becoming more concentrated: fewer doors to knock on, higher stakes per application, and a growing premium on knowing which funders are genuinely active and aligned with your cause.

Scotland's new funder registrations have been modest but steady at 35 to 62 per year, adding 297 new funders since 2020 with an estimated combined expenditure of £171 million.

Assessing the ‘spend-out’ vs ‘wind-down’ factor

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3. The Spend-Out Factor

When a funder closes, its last-reported expenditure is not a reliable measure of what it was consistently distributing. Two factors distort the final-year figure in opposite directions:

1. **Small funders wind down.** They gradually reduce spending as they approach closure, so their final year understates their typical grant-making.
2. **Large funders spend out.** Endowed trusts distribute their remaining assets in a final burst before closure, dramatically overstating their typical annual capacity.

We measured this by comparing each closed funder's most recent expenditure against their average over the most recent 5 years of annual returns.

At the aggregate level, closed funders reported £1.14 billion in last-year expenditure, but their 5-year average was just £760 million, a 51% inflation driven by spend-out. At the individual level, the median closed funder spent £13,000 in its final year versus a £17,000 five-year average, a 24% decline. Both effects are real, but they operate at different scales: small funders wind down, large funders spend out, and the large funders' behaviour dominates the totals.

The spend-out effect scales dramatically with funder size. Micro-funders show no distortion at all. But 21 funders in the £5 million+ band spent 42% more in their final year than their, accounting for nearly £292 million in one-off spending.

Band (by 5-yr avg)	Count	Last-Year Total	5-Yr Avg Total	Spend-Out Effect
Under £10k	954	£3.8m	£3.8m	0%
£10k-£100k	1,055	£40.5m	£36.4m	10%
£100k-£500k	349	£98.6m	£82.7m	16%
£500k-£1m	84	£75.6m	£60.1m	21%
£1m-£5m	93	£235.4m	£178.9m	24%
£5m+	21	£689.7m	£397.8m	42%

For fundraisers and sector analysts, this matters because headline figures about "lost funding" are consistently overstated. The realistic ongoing annual expenditure that left the sector is £760 million, not £970 million. The £211 million difference was inflated by one-off distributions of remaining assets, not sustainable annual grant-making.

Why Do Smaller Funders Differ in Their Final Year?

The absence of spend-out behaviour among micro-funders reflects a fundamental difference in how they are structured. Most small trusts are not endowed in the traditional sense - they may not hold invested capital generating returns to be distributed annually. Instead, they typically operate on one of three models: a philanthropist making personal contributions each year from current income or liquid assets; a family trust funded incrementally from private wealth too modest to warrant formal investment management; or a grant-making organisation that fundraises its own income, functioning like a charity in all but delivery.

In each case, there is no accumulated endowment to liquidate. When these funders close, they simply stop receiving and distributing funds.

Additionally, when a trust closes and transfers its remaining assets to another charity or foundation with compatible objects, that transfer typically does not appear in charitable expenditure - it is recorded as a balance sheet movement rather than a grant payment. In practice, this means a funder whose entire endowment moved to a successor organisation at closure may appear, in the accounts, to have spent the same in its final year as in any other. A fuller investigation would require examining individual accounts and asset transfer records, which is beyond the scope of this report but warrants further analysis as the spend-down debate matures (and something we aim to do in 2026).

New funders are 1.8x larger than those that closed

4. New Funders Are 1.8x Larger Than Those They Replace

The new funders entering the sector since 2020 are substantially larger than the ones leaving. By median expenditure, new funders sit at £30,000 compared to £17,000 for closed funders (using the 5-year adjusted figure). By mean expenditure, the gap is even wider: £527,000 versus £297,000.

Over half of closed funders (54.6%) had expenditure under £10,000, collectively accounting for just £3.5 million, or 0.4% of total expenditure lost. Among new funders, only 27.5% fall into this band. At the other end, 6.5% of new funders spend above £1 million annually, compared to 4.0% of closed funders.

Metric	Closed (5-yr avg)	New
Mean expenditure	£297k	£527k
Median expenditure	£17k	£30k
% under £10k	54.6%	27.5%
% above £1m	4.0%	6.5%

For a fundraiser at a small charity, the practical implication is mixed. The micro-funder pool (those giving £500 to £5,000 grants) is shrinking faster than any other segment, as these are the funders most likely to close and least likely to be replaced.

If small grants from small trusts are a significant part of your income, expect this source to decline over time.

For medium and large charities, the news is better. The funders entering the sector tend to have more capacity. The challenge is identifying and building relationships with them first, as many are newly registered and not yet well-known.

The interests of funders is changing...

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5. The Thematic Landscape Is Shifting

The causes that new funders care about are measurably different from those that closed funders supported. Some sectors are gaining funder attention. Others are haemorrhaging it.

1. **Health** is the biggest thematic loser. Only 14.9% of new funders list health as an interest, compared to 29.3% of those that closed and 25.3% of all registered funders, a 14.4 percentage point drop.
2. **Overseas aid** has experienced a near-complete collapse in new funder formation: just 1.5% of new funders versus 15.6% of closed funders, a 14.1 percentage point decline.
3. **Education** has dropped 12.0 percentage points.

Theme	Closed %	New %	Change %
General Charitable Purposes	51.1%	59.4%	+8.4pp
Disability	20.1%	23.8%	+3.6pp
Health/Saving of Lives	29.3%	14.9%	-14.4pp
Overseas Aid/Famine Relief	15.6%	1.5%	-14.1pp
Education/Training	42.4%	30.5%	-12.0pp
Environment/Conservation	11.5%	6.4%	-5.2pp
Amateur Sport	8.1%	2.8%	-5.3pp
Economic/Community Development	10.0%	4.5%	-5.5pp

Disability is the standout gainer at +3.6 percentage points, with 23.8% of new funders listing it versus 18.6% of all registered funders. General Charitable Purposes has grown by 8.4 percentage points, although we advise not reading too strictly into 'what this means' yet, as many new funders typically don't have a clear focus or grant-making strategy in place for the first few years. This rise may be reflective of this and likely to change, rather than being reflective of more funders being open to any type of application.

For a charity working in health or overseas aid, this is a structural warning. The funder pool for your cause is not just smaller today, it is actively failing to replenish itself. If your pipeline is built on funders that have been giving for decades, some of those relationships will end and the replacement rate is lower than it has been historically. Research and dedicating time for relationship building has never been more important.

For disability charities, the opposite is true. New funder formation is outpacing closures in your cause area, and the combined effect of new entrants and growing attention makes disability one of the most favourable areas in the current funding landscape.

Scotland has 297 new funders

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6. Scotland: 297 New Funders, But Limited Closure Data

OSCR does not provide historical removal dates for Scottish charities, making a direct comparison with England & Wales impossible. Instead, we use "Not Submitted" status as a proxy for potentially inactive funders, though some may simply be late in filing returns.

Scotland has added 297 new funders since 2020, with 199 having filed at least one annual return showing combined expenditure of £115 million. Including proportional estimates for non-reporters, the total estimated expenditure of new Scottish funders is £171 million.

Against this, 231 Scottish funders carry "Not Submitted" status with combined last-reported expenditure of just £25 million, a median of £3,000 per funder. These are overwhelmingly small, likely dormant organisations.

Scotland's new funders have broad thematic interests, with Education (68.4%), Relief of Those in Need (60.9%), and Health (54.2%) topping the list. This contrasts sharply with England & Wales, where health is declining among new entrants.

Including Scotland in the UK-wide picture, the estimated net expenditure gain rises to £526 million: £1.31 billion gained from new funders across both jurisdictions, offset by approximately £785 million lost from closures and inactive funders.

What this means for fundraisers

What This Means for Fundraisers

The UK has fewer funders than it did in 2020, but the remaining and new funders collectively distribute more money – approximately £526m per year in fact. This is consolidation, and it has practical consequences for how you approach trust fundraising.

- **Your pipeline needs updating**. If you are working from funder lists compiled before 2023, a meaningful proportion of them might not even exist. Equally, hundreds of new funders have registered that will not appear on outdated lists. Regular pipeline maintenance is not optional, it is the difference between chasing defunct funders and finding new ones.
- **Each relationship matters more.** With fewer funders in the landscape, the cost of a poor first impression has increased, particularly with the rise of 'invite-only' funders and longer re-application periods. Invest in research and spend more time dedicated towards building a meaningful interaction and personalizing your approach.
- **Watch the thematic shifts.** If your charity works in health, overseas aid, or education, the funder pool for your cause is declining faster than the overall average. You may need to take an even more strategic approach to your research to 'package' up your projects differently or seek to approach more 'general' funders for example.
- **Small grants from small trusts will decline.** The micro-funder segment (under £10,000 expenditure) is shrinking fastest, with over half of all closures falling in this band and far fewer new funders replacing them. If small trust grants are a significant income line, plan for gradual erosion and consider redirecting effort toward larger funders where the replacement rate is stronger.
- **Forecasting should account for consolidation.** The average funder in your pipeline is likely to be larger than it was five years ago, but there are fewer of them. This means higher potential per successful application but potentially lower conversion rates as competition concentrates on a smaller number of larger funders.

Hear from the Experts

We're privileged to collaborate and partner with other sector-leaders in the trusts, grant-making, and wider philanthropy space. Hear from them below for their take on the findings in this report.

Amy Stevens - CEO

Gifted Philanthropy

CEO of one of the most experienced fundraising consultancies, specializing in philanthropy, capital campaigns and strategic reviews for NGO's worldwide in the £100m's.

"The findings in this report are proof of the wider philanthropic trends we've been seeing globally over the last few years. Wealthy individuals are getting wealthier and are looking to expand their tax-efficient giving portfolio. We see this with our daily work with major donors and trusts both here in the UK, and in the US. The rise in DAF's (donor-advised funds) in the UK is another clear signal this trend is here to stay. What does this mean for the trusts sector? Wealth concentration isn't going away any time soon but this doesn't have to be at the detriment of your charity if you have a complete, expert-led strategy driving you forwards. In-depth research of funders, network mapping to identify warmer opportunities, trend-analysis to prioritise who and how to approach - these are all part and parcel of a compelling strategy which provides your blueprint to succeed in any climate. With fewer funders overall, and invite-only funds on the rise, the difference is that charities just simply can't afford to take the wrong approach in trusts fundraising anymore."

Mike Zywina - Director & Consultant

Lime Cross Consulting

Since 2014, Lime Green has raised in excess of £2m specialising in helping charities and social enterprises with a turnover of under £1million to succeed in all areas of fundraising.

“This very helpful new data backs up three things that the best fundraisers intuitively know already. One, good research is as important as a good application. As funders close down, start up, and shift priorities, it's vital to stay on top of where you can apply and how well you fit. Two, any time spent cultivating genuine funder relationships is time well spent. As well as helping you stand out in a competitive landscape, it might just get you on the favoured list when a funder shifts to invitation-only grant giving or decides to spend out. So, churning out applications using an old list, without first engaging those funders, might offer short-term reassurance that "things are going in", but won't produce results. And finally: headline figures about annual grant expenditure are less reassuring than they seem. While there’s more money being given away in total, it's concentrated in fewer funders, and they in turn are focusing on a narrower range of causes. Who benefits, and who doesn't? This has huge implications for our sector which we're only beginning to understand. And how funders decide to manage ever-increasing demand – whether through potentially timewasting open processes or potentially exclusionary invitation-only policies – is becoming more important than ever.”

Oliver French, Freelance

[Freelance/consultancy for philanthropic foundations and charities.]

Oliver is a grant-maker and researcher and convenes a learning community for spend-out trusts across the UK.

"I've been looking for a robust 'stock and flow' analysis of foundations for ages, so it's really helpful to see this. It's a valuable contribution to the spend-down debate. Like any data, I'm sure people will read different things into this research. But for me, there are a few positive takeaways. First, the confirmation that funder closures are a simple fact of the sector. Second, that they're being replaced (and then some) by new entrants. Third, that they're pumping more funds in on their way out – a lot more funds – than they could have done with grants budgets designed to preserve their investments. Whilst I don't envy the grantseekers trying to keep up with churn in the philanthropy sector, I hope this work will support a more balanced conversation about the spend-up phenomenon.

The 'closure' of funders obviously connects with a sense of precarity and insecurity in the charity sector overall. But I'd like to see and hear more about what these processes can add to the sector through funders spending more and spending better. Although there are inevitably some wobbles and trips in the UK spend-down community, we're seeing a lot of positives for foundations too: improved grant-making practices; increased levels of trust and generosity; taking their role in the funding ecosystem more seriously; and putting a greater focus on foundations' resources doing and enabling the best work they can, unshackled from the limitations of perpetuity. I'd like to see all spend-out trusts be as thoughtful about their swansongs as the group I've worked with."

Methodology

Grant-making organisations take many shapes, sizes and structures. There is no singular term to analyse them without leaving huge room for mistake. That is why we use our own rigorous definition of ‘funder’ at Granted Giving to reflect the most realistic pool of genuine grant-making organisations across the UK. This has been refined based on years of fundraising consultancy experience, having helped charities across the world to raise £100m’s to date – much of which from grants.

Closed funder expenditure was adjusted using 5-year rolling averages from the Charity Commission's annual return history table, with 2,556 of 2,940 closed funders (87%) having at least one year of historical data. New funder expenditure for the 342 without annual returns was estimated using proportional estimation based on the size distribution of the 1,780 we had financial data for.

Scotland's "Not Submitted" status is used as a proxy for inactive funders but is not directly comparable to England & Wales closure data, as some may represent late filers rather than closures.

About Granted Giving

Granted Giving does your trusts research for you by eligibility-matching 20,000+ funders into ranked pipelines with up-to-date info for every project. Built around the exact workflows we use daily as fundraising experts, the nuance of trusts research is factored into every step. With 24/7 updates on every closed or new fund personalised to your pipelines, you never have to research again!

Save 1 day a week in manual research and raise more with a 7-day full free trial of Granted Giving – sign up to the waiting list today.

Media and Partnership Requests

For media enquiries or business partnerships to share the results of our data analysis, please contact Konna Beeson at konna.beeson@grantedgiving.co.uk. All data and findings within this report are the intellectual property of Granted Giving, having applied our own custom terminologies and advanced analytics to generate this report.