# Rethinking endowment management, investment and fundraising in Higher Education in the UK

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## The Author

Gordon is a senior advancement leader with more than 20 years' experience in higher education across the UK. He is currently Director of Education at Philanthropy Company and previously held senior roles at leading institutions, most recently as Director of Advancement at the University of Bath, where he served on the University Executive Board and reported to the Vice-Chancellor.

At Bath, he led a major restructuring of the Advancement Office, secured several of the university's largest gifts, and oversaw sustained endowment growth. His work helped create a more strategic, institutionally aligned approach to endowment and philanthropy.

Before joining Bath, Gordon held senior positions at the University of Oxford, including Head of Development for Humanities and Director of Development at University College (UNIV). During this time, he assessed and established the case for a major campus development project and launched the campaign during the COVID-19 pandemic. He has also raised funds for endowed academic positions across multiple institutions and has been directly involved in endowment reviews, including moves towards total return approaches.

Earlier in his career, Gordon worked at the Universities of Aberdeen, Durham and Edinburgh. He is known for building effective teams during periods of institutional change and for delivering complex fundraising programmes across a range of contexts.

He has extensive experience working with international donors across North America, Asia, the Middle East and Europe, and has helped develop global volunteer boards and strengthen international engagement.

Gordon studied Geography and has long been interested in travel. His master's dissertation examined the development of alumni fundraising in the UK compared with the US, and he has since written and spoken on endowments and philanthropy in higher education.

# 1: Executive Summary

Endowments represent long-term commitments that support stability, continuity and institutional independence. While the UK has a strong historical tradition of endowed education, it has not fully realised endowments' strategic value in the modern era. The Collins Dictionary defines it as *'An endowment is a gift of money that is made to an institution or community in order to provide it with an annual income.'*[1]

Outside Oxford and Cambridge, the current UK model is often fragmented, small-scale, variable in governance, and focused on short-term income. These factors reinforce one another, limiting both investment performance and fundraising effectiveness; endowments remain small and operationally inefficient.

The non-Oxbridge sector holds around £5 billion in assets and generates approximately £150 million annually, equivalent to 0.3 per cent of sector income. At the same time, only 10.3 per cent (new funds committed) (CASE Insights on Voluntary Support of Education, USA, 2026) of philanthropic income is directed to endowment, compared with 29 per cent (funds received) (CASE Insights on Philanthropy, UK and Ireland, 2025) in the United States Just under 90 per cent of philanthropic income arriving as gifts indicates that endowment is not being consistently presented or understood as a strategic giving opportunity[2][3][4].

International comparisons and case studies show that stronger outcomes are associated with three factors: professional financial management, sufficient scale, and alignment between investment and fundraising (2025, Cox)[5]. Where these conditions are present, endowments achieve higher returns, attract greater donor confidence and support long-term institutional resilience. Where they are absent, performance and growth are constrained.

Even modest improvements in investment returns and an increase in the proportion of philanthropic income directed to endowment could generate significant additional income over time. The long-term nature of endowment means that these gains compound, strengthening financial resilience across generations.

The appendices of this report present global case studies from donors, charities and higher education institutions, outlining how behaviour and outlook over time can have profound consequences for endowment growth.

This report argues that higher education endowments in the United Kingdom urgently need reform in how they are managed, invested, and funded. The issue is particularly pressing given the effects of

compounding: as the modelling in the appendix demonstrates, delays in reform can lead to disproportionately large losses in long-term value. Government intervention is therefore necessary. The report sets out a conceptual self-funding model, alongside a series of targeted incentives, drawing on relevant examples presented in the appendix. Together, these measures aim to encourage changes in institutional practice and, over time, to establish a more diversified and sustainable funding source for universities.

This paper includes references to improving governance, increasing scale through pooling, strengthening fundraising capability and creating clearer matched incentives for endowed giving. Endowment is not a substitute for public funding or fees, but it is an essential component of a more balanced and sustainable financial model. Examples from the US, Asia, and Oxbridge show that even with underperformance in the early years, it is not too late to catch up.

A national strategy, with the support of the government, to strengthen university endowments should include:

- pooling endowments to achieve scale, reduce costs and improve returns
- incentives for endowed giving, including matched funding schemes and strategic redeployment of windfalls
- stronger investment governance and sector-wide standards
- reframing endowment fundraising as a strategic, mission-aligned opportunity
- establishing time horizons, looking at RoI differently, embedding long-term financial planning within institutional practice
- establishing definitions, benchmarking success such as the Yale model and providing training for financial and fundraising employees
- training for finance, fundraising, investment and governance teams
- better benchmarking and building trust

Endowments offer stability, opportunity, and continuity across generations. With an appropriate strategy, the United Kingdom can develop a more resilient and diversified funding model for higher education, one in which multiple sources, including government support, tuition fees, commercial income, fundraising, and endowments, operate as more equal partners.

## 2. Introduction

Endowments play an important role in higher education, particularly as the financial environment for universities has become more challenging. Income is increasingly dependent on tuition fees, particularly from declining numbers of international students, and is therefore exposed to external risks. Endowment income, by contrast, remains a small proportion of total funding but, with extra effort, has the potential for the greatest reward.

While donors continue to value legacy and long-term impact, institutions do not consistently present endowed giving as a core proposition or a priority. As a result, the proportion of giving directed to endowment remains low relative to international peers.

This report examines the gap between the UK's historical tradition of endowment and its current practice. Drawing on case studies and international comparisons, it identifies the challenges and unrealised opportunities that limit growth, as well as the conditions required to realise the endowment's potential. It argues that a move from short-term income generation to long-term capital building is necessary for the sector to strengthen its financial resilience in the decades ahead.

## 3. Historical Context of Endowment in the UK

The history of endowed giving in the United Kingdom, as identified by Cox (2025), is closely linked to the development of its educational institutions. Endowment has traditionally been understood as a permanent commitment, intended to support future generations and sustain institutions over long periods[6]. This principle shaped the earliest colleges of Oxford and Cambridge, where endowed funds provided for teaching, maintenance and scholarship.

This long-term perspective continued into the nineteenth and early twentieth centuries. Philanthropy during this period was driven by a belief in education as a public good and by the importance of permanent financial foundations. Andrew Carnegie's giving provides a prominent example. Between the 1870s and his death in 1919, he committed approximately $350 million to education, science, culture and peace. Today, more than twenty organisations continue to operate under his name, reflecting the enduring institutional legacy of endowed gifts (Carnegie Corporation of New York, 2026)[7].

The long-term outcomes of these endowments vary considerably. Some funds have grown by several thousand per cent, while others have experienced limited growth or have been dissolved. A consistent pattern is that US-based institutions have achieved significantly higher growth,

often exceeding 1,000 per cent over the 100 years since the initial gift (Cox 2025), reflecting sustained attention to investment, governance and fundraising[8]. Institutions elsewhere, including in the UK, have generally seen more modest increases (Appendix 2). This highlights the cumulative impact of long-term investment discipline and the consequences of periods of inattention.

The UK's approach to fundraising for endowments changed significantly in the twentieth century. The Robbins Report of 1963 marked a turning point for fundraising by emphasising the role of the state in funding higher education and reducing the perceived importance of private support. This report (1963, p215) *'gifts and endowments… no longer furnish so high a proportion of the income of institutions of higher education as in times past'[9].* Philanthropy came to be viewed as less central to institutional sustainability, and the expansion of the welfare state further displaced earlier philanthropic functions. As a result, fundraising and endowment building declined over several decades.

The Browne Review of 2010 sought to reverse this position, arguing for greater private contribution and recognising the importance of philanthropy. As the Browne Report detailed (2010, p42), '*Only two UK universities have endowments of more than £1bn – Oxford and Cambridge – compared to over 40 in the US'. 'A more widespread culture of giving will allow institutions to build up significant private funds that they can use either to support the quality of teaching or to improve financial aid or outreach for students from low income backgrounds'[10].* However, by that stage, the sector had lost significant time during which the endowment could have grown through compounding. In contrast, institutions in the United States and elsewhere maintained consistent investment and fundraising over the same period, leading to substantial differences in scale.

A white paper in 2004 by DfES, 'Increasing voluntary giving to higher education', addressed fundraising in universities in detail and discussed the merits of endowment in depth, but concluded, *'it is unrealistic to expect UK institutions to build endowments that rival those of private Ivy League universities'[11].* The case studies in Appendix 1, particularly those of Singapore, show that NUS alone increased its endowment by 1,000 per cent, twice that of all the UK universities combined, since the 2004 paper was published. These Singaporean universities almost started fundraising from scratch, without a culture or history of philanthropy, and, in some cases, now have a US-level endowment, which suggests that, with a different approach, we might now be in a different position.

This paper differs from previous attempts to address it, such as the 2004 DfES task force, by outlining a practical, pragmatic approach to increasing endowment by focusing on a holistic review of endowment, through

targeted incentivised government support, particularly through matched incentives and facilitation of shared services/ pooling, which can accelerate change and create the conditions for sustained growth.

There has been a history of government-incentivised support through matching in the UK and from 2008 to 2011, the Higher Education Funding Council for England (HEFCE) allocated £200 million to a matched funding scheme to incentivise giving to universities and to encourage professionalism within institutions. It allowed HEIs to apply to take part in one of three tiers. Tier 1 allowed a 1:1 match, capped at £200,000 over three years. Tier 2 matched at 1:2 (i.e. 50p match for every £1 raised), with a cap of £1.35 million. Tier 3 matched at 1:3 with a cap at £2.7 million (CASE 2011)[12].

There have also been discussions about windfall matching in Higher Education for endowment. In 2001, the Conservative Party's manifesto proposed creating a permanent endowment fund for universities, funded by windfalls such as the privatisation of Channel 4 (Guardian 2004)[13].

Despite this stop-start history, the UK retains strong examples of long-term endowment growth. Oxbridge and the Wolfson Foundation demonstrate how disciplined investment, clear governance and sustained purpose can produce significant financial and philanthropic outcomes. These institutions illustrate both the potential of endowed capital and the importance of long-term stewardship.

Historical investment restrictions also shaped outcomes. For much of the twentieth century, UK charities faced limitations on investing in equities and were often directed towards bonds, particularly during periods of national need. This reduced real returns and constrained growth. Although such restrictions were relaxed in the later twentieth century, the effects of earlier decisions continued to influence endowment size and performance.

The case studies in Appendix 1 reinforce the importance of altering endowment management over time. Where institutions have moved towards total-return approaches, diversified portfolios, and stronger governance, growth has recovered. In some cases, such as more recent reforms in smaller trusts, this shift has begun to reverse earlier underperformance within a relatively short period.

The Charities Act 2011 allows trustees of permanently endowed charities to use a "total return" investment approach, treating gains as income and enabling social investments with uncertain or negative returns, provided they have the power to do so; otherwise, standard rules apply *(*Charity Commission*, 2023)[14].*

The UK's position today relates to both its strong historical foundations and the consequences of these shifts. The sector retains a deep tradition of endowed education and a clear underlying rationale for long-term capital. However, the interruption in fundraising, investment and absence of strategic focus during the twentieth century is still being felt today.

History shows that endowed gifts can generate substantial long-term value when supported by sustained investment, governance and fundraising. The central challenge is not a lack of evidence, but the need to formalise these to better ensure success.

## 4. International Comparisons

International comparisons illustrate how structural, cultural, and policy factors shape endowment development. While the UK has a long tradition of endowed education, modern models lack the scale and alignment seen in more developed and recent examples of good practice.

The United States provides the clearest example of a mature endowment model. Endowed giving represents around 29 per cent of philanthropic income, of which 27.8% is restricted, compared with 10.3 per cent in the UK. Endowment is treated as central, supported by professional investment offices, diversified portfolios and strong governance. Large funds' long-term returns average around 8 to 10 per cent, reflecting both scale and access to illiquid assets. Investment performance and fundraising reinforce one another, with donor confidence grounded in clear stewardship and long-term impact.

Institutions, as shown in the appendices, such as Emory University, demonstrate how scale, professional management and sustained fundraising combine to generate significant growth and income. The Carnegie Endowment for International Peace similarly illustrates a model in which endowment and annual fundraising operate together to support long-term sustainability. In both cases, governance, investment and advancement are closely aligned. Carnegie has also pooled its endowment with similar-sized academic institutions to realise better returns.

The National Association of College and University Business Officers (NACUBO) is a US membership organisation for chief administrative and financial officers in higher education[15]. It publishes the results of an annual survey on endowment management and governance at US higher education institutions.

The 2023 results reported an annual rate of return of 7.2 per cent per cent over the previous ten years.  The total value of the funds covered by the survey was $839.1 billion, and the median endowment size was $209.1 million.

The rates of return achieved by individual funds tend to reflect their asset allocations. Historically, institutions with larger endowments have secured better rates of return than those with relatively smaller endowments. Institutions with assets over $5 billion reported 10-year average annual returns of 9.1 per cent, compared with 7.2 per cent overall. The returns of three of the largest UK endowments of the Church of England, University of Oxford and University of Cambridge all average around 9 per cent over a period of 5-10 years, showing that the greater your endowment, the greater your returns.

For comparison, a longer-term study of real annual rates of return achieved by US university endowment funds over the period 1980-2010 reported the following (which are broadly in line with the ten-year returns from the NACUBO 2025 survey)[16]:

- All Universities (850) 8.2%
- Harvard, Yale and Princeton 10.2%
- Endowments > $1bn (60) 8.8%
- Endowments >$500m <$1bn (66) 7.8%
- Endowments >$100m <$500m 7.1%
- Endowments less than $100m 6.2%

US-based NACUBO (The National Association of College and University Business Officers) recently published a report on endowments (2025) that lists the ten most frequently asked questions about university endowments.[17]

Fundraising is competitive, and if a fund's total return is 6 per cent, and it is disbursing 3 per cent or less, in some case studies under 2 per cent, attracting donations will be more challenging in comparison to peers.

*"Building strong endowments has been a hallmark of US institutions and has served as a foundation for many of these institution's transformational ideas, (including named professorships and tuition reducing or eliminating scholarship programs). The case has been made why all institutions, especially those throughout the UK, should refocus their efforts on building strong endowments to support their future success."* Joshua R. Newton, Senior Vice President, Advancement and Alumni Engagement, Chair of CASE50.

Singapore offers a contrasting model based on policy intervention. Government matching schemes (Ministry of Education Singapore, 2010), in some cases at ratios of up to three to one, have accelerated endowment growth across the sector[18]. Institutions such as the National University of Singapore have combined these incentives with good governance, professional investment management and active fundraising

to build substantial endowments within a generation. Returns typically range between 6 and 10 per cent, supported by disciplined spending policies and a clear focus on long-term growth.

The Singaporean approach also highlights the importance of managing donor expectations. NUS actively negotiates with donors to seek flexibility in gift structures while maintaining donor confidence.

Canada, Australia, and New Zealand are closer to the UK than the UK is to the US. In these systems, the proportion of philanthropic income directed to endowment is lower, typically around 10 per cent in Canada (CASE Insights on Philanthropy, Canada, 2024) and between 2 and 5 per cent in Australia and New Zealand (CASE Insights on Philanthropy, Australia and New Zealand, 2024)[19][20]. Funding models are more reliant on tuition fees, and endowment is often treated as supplementary rather than strategic. The University of Sydney case illustrates this dynamic: its largest gift was structured as a spend-down fund despite a large endowment.

Within the UK, Oxford and Cambridge demonstrate what can be achieved under existing conditions. Their pooled investment structures, professional governance and long-term strategies have delivered sustained performance. The development of the Cambridge University Endowment Fund, alongside the extension of pooled arrangements to colleges and trusts, highlights the importance of scale and leadership alignment.

Across these systems, professionalisation is essential to both performance and trustworthiness. Scale enables access to more sophisticated investment strategies, and endowment growth is strongest when integrated with active fundraising. Donor trust depends on transparency, stewardship and a long-term vision and policy can play a decisive role when it aligns incentives with institutional strategy.

These comparisons underline the extent to which the UK model diverges from international practice. The sector retains strong cultural foundations but lacks the structures required to translate these into sustained growth. The evidence suggests that improvement depends not just on the institutional context but also on the alignment of governance, investment and fundraising within a coherent long-term framework.

## 5. The Current UK Landscape and Structural Failings

The current UK endowment landscape is characterised by fragmentation, limited scale, and uneven institutional capability. While there has been gradual progress towards more professionalised investment, moving to pooled endowments, shared services, total returns, and fundraising practices, these developments remain inconsistent across the sector and

have yet to translate into widespread improvements in long-term performance.

A defining feature of the system is the persistence of relatively small and dispersed endowments. Scale is a critical determinant of investment performance, yet many institutions operate funds that are too small to access the best investment managers, achieve adequate diversification or manage costs efficiently. Larger funds benefit from access to a wider range of asset classes, particularly illiquid investments, and tend to achieve stronger long-term returns. In contrast, smaller endowments are constrained, reinforcing modest growth and limiting their attractiveness to donors.

The UK tax and charitable incentives differ from those of our international peers and are less well understood; the accounting treatment of endowed gifts varies, with the treatment of income and expenditure depending on the institution. It can vary further when counting towards campaigns. Some institutions operate multiple endowments with legacy volunteer-led trusts, and with low donor trust, there is little incentive to merge. This does not incentivise a focus on endowments or facilitate benchmarking, and the process of moving to total returns is administratively burdensome for a university with many historical funds. There is anecdotal evidence that donors may have mixed views about their endowments being pooled, or benchmarked, preferring to see their endowment as a discrete fund.

Although there has been a shift away from historically conservative investment approaches, progress towards full professionalisation has been uneven. Many institutions have only recently moved beyond portfolios dominated by bonds or with limited diversification and have begun adopting total-return strategies and external management. The increased emphasis on socially responsible investing (SRI) means that, unless an institution is operating a total-return approach, it may limit disbursements due to the requirement for dividends, and many higher-dividend-paying companies are being excluded by such policies. Where these changes have been implemented, outcomes have improved. In many cases, governance remains underdeveloped, with limited internal expertise and reliance on volunteer-led arrangements. The structures and results weaken both investment performance and donor confidence.

The Committee of University Chairs (CUC) has a clear and sensible code of guidance for 'strategy, sustainability, risk and assurance' and states, '*The Board should set the tone for an institutional risk culture which emphasises openness and transparency and embeds the consideration of risk throughout its decision-making processes. Board members should be provided with sufficient information, support and training so that all members develop sufficient understanding and competence to participate meaningfully in decision-making.*'[21] Often, SRI, risk, and ethics between

fundraising and investment are not aligned due to internal divisions; therefore, the drawn-out, important wider topic of ethics can inhibit other important considerations around strategic alignment, fundraising, and investment strategy.

While some institutions have developed mature advancement operations, many have only recently established dedicated teams. As a result of these varying fundraising capacities, endowment is not consistently positioned as a core strategic fundraising priority. This has contributed to a persistently low proportion of philanthropic income being directed to endowment. Where fundraising and investment functions operate in isolation, opportunities to reinforce long-term growth are further reduced.

Limited scale constrains investment performance; weaker performance reduces the endowment's attractiveness to donors; and varied investment and fundraising capabilities, in turn, restrict growth. This creates a self-reinforcing cycle in which endowments remain small and underperforming.

Evidence from international benchmarks highlights the positive consequences of this model, with larger endowments consistently achieving higher rates of return, reflecting their access to diversified portfolios and professional governance structures. Institutions with smaller endowments, by contrast, tend to deliver lower returns over time, narrowing their ability to support meaningful institutional priorities and weakening their case for philanthropic investment. This has direct implications for fundraising: where returns and spending rates are modest, the appeal of endowed giving is reduced compared with alternative uses of philanthropic capital.

Governance is a central factor, characterised by a clear separation of responsibilities among investment, finance, and advancement functions, supported by expert committees focused on long-term strategy rather than short-term decision-making. Effect models are those in which communication and cross-silo working mean that separate functions work together towards common goals, ensuring that income and growth align with donor expectations and that their activity is appropriately funded. Where governance is unclear or lacks relevant expertise, both financial performance and donor confidence are weakened. In many institutions, complexity is compounded by large numbers of often low-value restricted funds, governed by historic conditions that increase administrative burden and limit flexibility in investment and spending.

External factors have also shaped the current position and historical constraints on investment, particularly restrictions on equity exposure, limited returns over extended periods and reduced the compounding potential of the endowment. More recently, the absence of strong policy

incentives, such as matched funding schemes seen in Singapore, has contributed to slower growth relative to international peers. Underlying these issues is a lack of clarity about the purpose of endowment within many institutions. In some cases, it is treated as a reserve or short-term financial buffer rather than as permanent capital intended to generate sustainable, inflation-beating income. Where this definition is unclear, strategy, governance and fundraising become misaligned, further constraining long-term development.

As noted earlier regarding HEFCE, there is a long-standing history of funding models incorporating matching arrangements. This approach remains relevant in the current landscape. UK Research and Innovation (UKRI) frequently require institutional matching in its doctoral funding, reinforcing a shared investment model between funders and universities. For example, Doctoral Training Partnerships (DTPs) provided over £500 million in 2024–25 to support doctoral students in developing advanced skills and experience (UKRI, 2025)[22]. There is clear scope for UKRI to align part of its funding with a broader research-focused endowment model, particularly in areas such as doctoral provision and the support of academic chairs.

There are also opportunities for the government to consider a wider range of windfall sources within the higher education system. These could include proposals such as an international student fees levy (UUK 2025)[23], as well as more innovative approaches to endowment building. For instance, mechanisms could be developed to draw on university spin-out proceeds or taxation linked to high-earning academic activity associated with those spinouts, particularly where such measures support the attraction and retention of leading researchers while strengthening long-term financial resilience.

Beyond the higher education sector, there are instructive examples of place-based funding approaches. The Department for Culture, Media and Sport has supported the 'Place to Give' initiative with £1 million over three years (DCMS 2026)[24]. While modest in scale, it demonstrates that universities could act as anchor institutions within their local communities. Place-based philanthropy is a targeted, long-term approach that directs charitable resources to specific regions to address systemic challenges. This framework aligns closely with the civic role of universities and highlights the potential for more geographically focused endowment strategies.

In addition, the dormant assets scheme presents a further opportunity to be used more strategically as a source of matching funding. The scheme recently allocated £440 million across areas including youth services, financial inclusion, social investment and community wealth funds, delivering measurable social impact (DCMS 2026)[25]. With a more

deliberate alignment to higher education, such funding could serve as a catalyst for growing institutional endowments and establishing a lasting funding legacy for the sector.

There is, therefore, no shortage of potential matching sources that could be deployed more strategically to support endowment growth. These include UKRI funding streams, windfalls associated with taxation and spin-out activity, university levies and dormant asset allocations. A consortium-based approach may offer the most effective model. For example, the Office for Students could support undergraduate access and maintenance through bursaries, while UKRI underpins research quality, thereby enabling institutions to leverage additional sources such as dormant funds.

Importantly, the scale of matching required to initiate such a system need not be substantial. Even relatively modest contributions can generate significant multiplier effects over a short period, particularly when embedded within a well-designed endowment framework.

A continuing tension between restriction and flexibility further complicates the landscape (2012, Cox, page 27)[26]. Many endowments remain highly restricted, reflecting historic donor intentions. While this provides clarity of purpose, it can limit institutions' ability to respond to changing priorities and may not cover the full cost of the activity, which the institution is obligated to continue. Increasingly, institutions are seeking to negotiate less restrictive gift agreements or to build unrestricted funds, balancing respect for donor intent with the need for operational flexibility. Not all restrictions are necessarily problematic, as Appendix 4 identifies: well-thought-out, future-proofed, and forever activity could easily be restricted, especially if it is budget-relieving or substitution funding.

Taken together, these factors explain why the current UK model remains underdeveloped relative to its potential. While there are clear examples of effective practice, they are not yet embedded across the sector. Progress will depend on coordinated changes in investment, governance, fundraising, institutional strategy, and donor trust-building, with particular emphasis on achieving scale and strengthening alignment across functions.

## 6. Modelling What Could be Achieved in the UK

International and domestic examples, including Oxbridge, show that it is possible to recover lost ground over time if institutions adopt more effective investment approaches, strengthen governance and align fundraising with long-term objectives.

The modelling of potential growth in endowment in the UK higher education sector, presented in the appendices, illustrates what could be achieved through improvements in investment performance, governance, and fundraising strategy. The scenarios presented are not forecasts but conceptual ideas that demonstrate the scale of the available opportunity. They draw on the current non-Oxbridge endowment base of approximately £5 billion, alongside CASE Insights data on philanthropic behaviour and HESA figures (HESA 2025) on sector income[27]. Each scenario reflects different assumptions regarding investment returns, spending rates, and the proportion of philanthropic income directed to the endowment. Appendix 3 sets out a range of scenarios based on these factors, drawing on publicly available data.

For modelling purposes, Oxford and Cambridge are excluded from the UK baseline and instead serve as reference points for effective practice. Under a continuation of current patterns, with around 10 per cent of philanthropic income directed to endowment and total returns of 6 per cent, endowment income would increase only modestly, from 0.29 per cent to 0.41 per cent of total sector income over twenty years.

Improved performance produces materially different outcomes. If total returns increase from 6 to 9 per cent, spending rises from 3 to 4 per cent, and the share of philanthropic income directed to endowment reaches 15 per cent, endowment income would increase to approximately 0.98 per cent of sector income, equivalent to around £1.4 billion annually. At US performance levels, this would rise further to 1.21 per cent. When combined with annual fundraising income, the overall contribution to sector income remains limited under current conditions, increasing to 2.02 per cent over twenty years. However, with improved fundraising and investment performance, this rises to 2.59 per cent, and to 2.82 per cent under US-equivalent assumptions.

In capital terms, these changes are significant. At 15 per cent of philanthropic income directed to endowment, the non-Oxbridge endowment base could grow from £5 billion to approximately £38 billion over twenty years, with combined income from endowment and fundraising reaching around £3.7 billion annually.

Further acceleration is possible through policy intervention. International evidence, particularly from Singapore, shows that matched funding schemes can materially increase both fundraising and endowment growth. A conceptual model set out in Appendix 4 suggests that a modest government match of £50 million per year over five years could increase the UK endowment base by around £1.5 billion, representing an uplift of approximately 30 per cent. Over twenty years, the modelling in Appendix 5 shows that under improved investment and fundraising assumptions, the total endowment could reach around £45 billion, generating a

combined annual income of approximately £4 billion, equivalent to 2.76 per cent of sector income. The real value of this modest match isn't to provide immediate funds; it provides the focus and incentives to resolve management and investment challenges and to allow fundraising to grow.

At this level, endowment becomes a more meaningful component of university funding and provides a foundation for further growth. The modelling also highlights the importance of directing fundraising towards an endowment. Funds allocated to long-term capital generate ongoing income, whereas spend-down gifts have a more limited and temporary effect. These are modest projections; NUS has grown its endowment from £1 billion to 12 billion over 20 years through such an approach, and Trinity College Dublin has increased its endowment by 100% in 7-8 years, focusing on investment growth. Even modest policy intervention, combined with improved investment and fundraising, increases the contribution of philanthropy and endowment to sector income over time.

These scenarios demonstrate the scale of unrealised potential within the UK system. Under current arrangements, growth remains modest and barely keeps pace with the sector's overall income. By contrast, relatively small improvements in investment returns and fundraising behaviour can generate substantial increases in long-term income. Given the compounding nature of endowment, the benefits of reform increase over time. Decisions taken over the next decade will therefore have lasting implications for the financial resilience of UK higher education.

## 7. Case Study Review

From the case studies in Appendix 1, a consistent set of observations emerges regarding the evolution of endowment management, investment, and fundraising across institutions.

### a) Shift from passive models to professionalised investment

A clear, full change is evident in the shift from historically conservative and confused approaches to professionalised investment models. Often only partially adopted; they need to be fully embraced. Earlier reliance on bonds, single-asset classes, or informal governance has, in many cases, been replaced by diversified portfolios, external managers, and, at scale, internal investment offices.

Most of the case studies show a move away from constrained or concentrated portfolios towards total-return approaches. Cambridge provides a sector example of this transition at scale, with the development of a dedicated investment office modelled on leading Yale practice. The evidence suggests that professionalisation is a necessary condition for both improved returns and donor confidence.

## b) Importance of scale

Scale is a defining factor in endowment performance, and smaller endowments face constraints in accessing specialist managers, achieving diversification, and managing costs effectively, limiting their ability to adopt higher-return strategies.

Case studies from pooled models where services are shared demonstrate how aggregation enables access to more sophisticated investment opportunities. By contrast, institutions highlight the challenges associated with relatively small, fragmented funds. The evidence supports the conclusion that scale reinforces performance, and there is a growing understanding in the sector, '*Transformation and Efficiency Taskforce'*, of the need for shared services so they operate more effectively and efficiently (Universities UK)[28].

## c) Blended funding models

Across the case studies, there is a clear move towards better linking endowment management and income to active fundraising. Some of this came from larger teams, but most gains were achieved through the better practices identified in this paper. Endowment provides long-term stability, while fundraising supports flexibility and current priorities. High-quality service across all functions builds donor trust and increases donations.

The Carnegie Endowment for International Peace illustrates this balance, combining a substantial endowment with consistent annual fundraising. Emory University similarly integrates endowment growth with major campaigns and this blended approach is emerging as the dominant and more sustainable model.

## d) Fundraising capability and culture

Fundraising capability has typically developed later than investment capacity but is increasingly recognised as critical. Successful institutions demonstrate strong alignment among the leadership, advancement, and finance functions. Often, the arrival of a professionalised fundraising function facilitates a review and an improved investment strategy, as a better understanding of good investment will lead to more gifts.

While fundraisers are arriving, even at the most advanced institutions such as NUS and Emory, fundraising still relies on senior staff for endowment asks, and fundraisers do not feel comfortable doing this. In the case of Trinity, they recruited a specialist position to better support the links and the fundraisers.

Examples from NUS, Sydney and Birmingham City University highlight the importance of professional development teams, clear donor propositions and sustained investment in capability.

## e) Donor expectations: flexibility, impact and trust

Donor expectations are shaping endowment practice, with increasing emphasis on demonstrable impact, flexibility in gift structures, and trust in institutional stewardship.

There are cases that illustrate a preference for spend-down gifts, where immediate impact is prioritised. At the same time, institutions such as Birmingham City University demonstrate that donors will support an endowment when governance and returns are clearly communicated, and that, across cases, trust and transparency are central to donor confidence.

## f) Governance as a determinant of success

Strong governance is consistently associated with better results and effective models involve clear roles among investment, finance, and advancement, supported by expert investment committees focused on long-term strategy rather than on stock picking. Societal changes in acceptable investment directions, ethics, risk, and SRI policies have affected returns, as traditional sources of dividend income have become unattractive to institutions.

The Wolfson Foundation and Cambridge provide examples of governance structures that prioritise strategic asset allocation rather than short-term decisions. Some volunteer-led arrangements, as seen in legacy arrangements, limit performance and undermine donor confidence.

## g) Influence of the external environment

Policy and regulatory frameworks have had a significant impact on endowment growth in the UK, particularly through historical restrictions such as constraints on equity investment, which have reduced long-term returns.

Singapore demonstrates how policy intervention, including matched funding, can accelerate growth rapidly, and the divergence between US and non-US Carnegie institutions further illustrates the long-term effect of policy, governance and investment conditions.

## h) Tension between restriction and flexibility

A recurring challenge is the balance between donor restrictions and institutional flexibility. Many endowments consist of numerous restricted funds, which can limit responsiveness and increase complexity. They also restrict the move to total returns as the historical transition is under-resourced. Fundraisers seeking immediate results to improve returns are creating hybrid models for different donor groups, which could lead to complications and inefficiencies in the future.

Institutions such as NUS actively manage this tension by negotiating fewer restrictions and maintaining flexibility in matched funds. Others, including UCL and Trinity College Dublin, highlight the operational challenges created by large volumes of historically restricted funds.

### i) Leadership and moments of change

Significant reform is often associated with leadership change or external pressures and shifts at institutions such as Bath, Manchester, Birmingham City University and Cambridge were driven by new leadership or strategic inflexion points, including campaigns or financial challenges. These examples suggest that change is rarely initially incremental, although it will take time to complete the process of change, and typically requires both leadership and a clear trigger.

### j) Re-definition of endowment purpose and an agreed timeline

There is a growing understanding around the role of endowment as permanent capital that generates sustainable, inflation-beating income and this represents a shift away from income-only approaches or from treating the endowment as a cash reserve.

Institutions that have adopted total return strategies, such as the Wolfson Foundation and Cambridge, demonstrate stronger long-term performance. There is internal acknowledgement that these institutions intend to be around forever and a clear definition of purpose and horizon supports alignment across investment, governance and fundraising.

### k) Communication, collaboration, and sector constraints

The case studies highlight the benefits of collaboration, particularly through pooled investment models. However, structural barriers remain, including institutional independence, competition, and governance complexity, as well as the links between a finance office, a fundraising office, and an investment committee, which is often a subcommittee of the Council/Court's finance committee. Institutions such as Newcastle have taken better control of those links; the senior fundraiser can attend their investment committees and have employed investment-focused specialists, but these are recent acknowledgements that more needs to be done to explain to donors how they are reconciling the competing objectives of growth, spend, and risk appetite.

Despite recognition of the advantages, progress in implementing shared structures has been limited and this remains a key constraint on improving scale and performance across the wider sector.

### l) The Yale Model

The Yale model of endowment investment is a recurring theme in the successful endowment operations interview case studies in the appendix,

developed under David Swensen. It is a disciplined approach to institutional portfolio management that moves away from traditional equity and bond allocations in favour of alternative assets. Its central premise is that long-term investors can achieve superior risk-adjusted returns by allocating a large share of capital investments such as private equity, venture capital, real estate, and hedge funds.

This strategy seeks to capture a premium by accepting long holding periods while relying heavily on identifying high-quality specialist managers in markets where returns are widely dispersed. The model is based on a long-term horizon and a disciplined spending framework, making it most suitable for institutions with stable, predictable funding needs and the capacity to withstand periods of limited liquidity.

Overall, as outlined earlier, the key determinants of success are shaped by a combination of professionalisation, scale, governance and alignment with fundraising. Where these elements are present, institutions can achieve stronger investment performance, greater donor confidence, and more sustainable long-term growth

*'Endowment has long been an important part of Newcastle University's story and of the wider university sector. Yet in recent generations across the country, its potential has sometimes been overlooked. Strong leadership can play a crucial role in developing endowment as a source of long-term, diversified income that benefits future generations of students, researchers and university leaders. At Newcastle, we have recently embraced many of the changes highlighted in this report, and I hope others across will find it a valuable investment of their time and support.'*
Professor Chris Day, Vice-Chancellor and President, Newcastle University

## 8. Policy Recommendations

The analysis in this report indicates that the UK higher education sector must adopt a more deliberate and coordinated approach to endowment if it is to realise its long-term potential and this requires action at both the institutional and national levels.

A priority is a sustained, explicit focus on endowment across the sector and endowment should be treated as a core strategic asset rather than a peripheral or supplementary source of income. This requires clear leadership from governing bodies within universities, alongside greater institutional clarity about purpose, time horizons and expected outcomes.

Institutions should be encouraged to focus on three interdependent areas. The first is achieving lower costs and greater efficiency in managing endowment assets. Confused and unscaled approaches increase costs and limit performance. The second is pursuing higher investment returns

through diversified portfolios and professional management. The third is sustained investment in fundraising capability, with a clear emphasis on skilled, focused advancement functions that can secure long-term support.

*'Small endowments don't have the scale … you're not going to get the level of professional management … or access to the best managers'.* Andrew Reid, Director of Finance, University of Cambridge, 2001-2018.

These priorities depend on stronger internal alignment and in many institutions, complexity and division between finance, investment and advancement functions undermine effectiveness. Clear roles, improved communication and a shared approach to endowment are essential. This includes a consistent decision-making process and a more integrated approach to donor engagement and financial strategy.

All institutions should move towards a total-return approach to investing. This is now standard practice and necessary to achieve long-term growth while maintaining sustainable distributions. Alongside this, institutions require clear definitions of endowment as permanent capital, supported by appropriate investment and fundraising time horizons. An endowment should be understood as part of a long-term financial strategy, and fundraising should align with this perspective. Returns on fundraising investments are strongest when gifts contribute to enduring capital rather than to short-term expenditures.

Capability development is also essential and universities should invest in training for both fundraisers and finance professionals, ensuring a shared understanding of investment principles, endowment structures and donor expectations. This is necessary to strengthen internal confidence and to support more effective engagement with donors.

At a national level, there is a strong case for encouraging greater scale through aggregation and the Government should incentivise and facilitate shared services and the pooling of endowment assets, building on models already demonstrated by Oxford and Cambridge, the Church of England, and the pensions sector. Pooling offers clear opportunities for cost efficiency, diversification and access to expertise. At a minimum, institutions should be supported in moving from passive or fragmented approaches towards modern, professionalised investment models.

The government also has a role in shaping incentives and a matched-funding approach, informed by international models, as outlined in Appendix 4. Clear guidelines that allow, but manage, sensible, future-proofed restrictions on endowment would provide a clear signal of priority and encourage institutions to focus on long-term endowment building. Even modest levels of matching could increase fundraising, repay

themselves through income alone in a few years, and, more importantly, stimulate an appetite for improved investment outcomes. Over time, increased returns and endowment income would offset the initial public investment, strengthening financial resilience across the sector.

Taken together, these measures would create the conditions for a more consistent and effective endowment model and they align institutional behaviour with long-term objectives and provide a framework for sustained growth.

## 9. Conclusion

This report has highlighted a clear gap between the United Kingdom's long-standing tradition of endowed education and its current practice. While the historical foundations remain strong, the modern endowment model across much of the sector is fragmented, sub-scale and strategically underdeveloped.

The evidence presented shows that stronger outcomes are achievable. International examples and leading domestic institutions demonstrate that when endowments are professionally managed, operate at sufficient scale, and are aligned with confident fundraising and institutional strategy, they can generate sustained growth and meaningful long-term income. While these conditions are not absent in the UK, they are not yet widespread and if implemented can increase donor trust and donations.

Under current arrangements, endowment contributes only a marginal share of sector income and is unlikely to grow significantly without deliberate change. At the same time, continued reliance on short-term and volatile revenue sources exposes institutions to increasing financial risk and limits the long-term return on investment in fundraising.
The modelling in this report illustrates that even modest improvements in management through shared services, pooling, investment performance and fundraising behaviour can produce substantial gains over time. The effects of compounding mean that delay carries a high cost: the earlier reform is implemented, the greater the long-term benefit.

*'There is a crying need for a centralised, well-run university endowment investment. There needs to be more of a long-term approach, and universities should be thinking along a time horizon, but many do not.'*
Paul Ramsbottom, CEO Wolfson

The central challenge is one of alignment and endowment must be understood and managed as permanent capital, supported by appropriate governance, investment strategy and fundraising practice. Achieving this

requires a shift from fragmented, institution-specific approaches towards greater coordination, scale and professionalisation across the sector.

The government has an important enabling role and targeted policy interventions, particularly those that incentivise pooled investment and matched giving, can accelerate change and help establish the conditions for long-term growth. Such incentives suggested in Appendix 4 need not be large to be effective and will repay themselves in a few years; their primary value lies in shaping institutional behaviour and strengthening confidence in endowment as a strategic priority.

The UK has both the heritage and the capacity to build significantly stronger endowments over time. Realising this opportunity requires a decisive shift from short-term income generation to long-term capital building. If achieved, endowment can play a far more meaningful role in supporting the stability, independence and ambition of the higher education sector for generations to come.

*'This is an important report raising awareness of how universities could increase the impact they can achieve through endowment funds. While progressing the proposals would be complex and require a long-term outlook, we would encourage the sector to take seriously the opportunity to increase funding to university endowments. Key to achieving success will be to deepen stakeholder understanding of what endowments are and what they are not.'* Sue Cunningham, President and CEO of the Council for Advancement and Support of Education (CASE)

# Appendix 1 Case Studies

## Carnegie Dunfermline and Hero Fund Trust

The Carnegie Dunfermline Trust and the UK and Ireland Hero Fund Trust are two of the Carnegie foundations managed from Dunfermline. They form part of a wider network of around 20 Carnegie foundations established worldwide. The initial endowment for the Dunfermline trust was given in 1903, reflecting Andrew Carnegie's distinctive philosophy of philanthropy.

Carnegie did not see himself as a charitable donor in the conventional sense. His focus was on improving people's lives by providing public goods, particularly libraries and initiatives that promoted peace, democracy, education and social improvement. Dunfermline held particular personal significance. Carnegie lived there until the age of 12 and retained close family connections. He funded his first public library in Dunfermline and went on to support approximately 2,800 libraries globally. He was also committed to improving local health and wellbeing, including the acquisition of a private estate to create a public park. Later, his wife purchased Carnegie's birthplace cottage as a gift, which remains part of the trust's estate.

In its early years, the Trust was keen to be proactive and make a difference in Dunfermline and spent heavily from their endowment. Governance involved a Board of Trustees handpicked by Carnegie and members of the public sector, reflecting a period when the boundaries between philanthropy and state responsibility were less clear. Prior to the creation of the NHS, a significant proportion of funding was allocated to health and dental provision, recreation facilities and social wellbeing.

This model continued until the Second World War and the subsequent development of the welfare state. As public provision expanded, many assets and responsibilities were transferred to the state. The Trust evolved into a more conventional grant-giving organisation, while retaining responsibility for key heritage and community assets, including the park, the Andrew Carnegie birthplace museum. Partnership working now forms a substantial part of its activity.

The Hero Fund was established in 1908 following an incident witnessed by Carnegie in which individuals were killed while attempting to rescue others, leaving their families destitute. The Fund was created to recognise acts of heroism and to support those involved, or their families, sometimes over many decades.

Today, the Hero Fund endowment stands at approximately £6 million. Recognition is typically limited to around four individuals each year, who

are formally recorded on a Roll of Honour. The Fund operates within a wider international network, coordinated by a World Hero Fund committee. Several European Hero Funds have either been absorbed into government structures or have ceased operating, including those in France and Germany.

The endowment of the Dunfermline Trust is approximately £16 million. The two trusts' investments are managed by the same investment managers Brooks Macdonald, generating efficiencies and cost savings. However, they operate with different risk profiles. The Dunfermline Trust follows a total return approach, while the Hero Fund adopts a lower-risk strategy and does not currently operate on a total return basis. Both approaches are under active review.

Under the leadership of its Chief Executive, Gillian Taylor, the organisation is beginning to consider the role of fundraising in complementing its endowment income. While historically reliant on endowed capital, there is interest in learning from US philanthropic models and exploring whether external fundraising could support long-term sustainability while remaining aligned with Carnegie’s original intentions.

## Carnegie Endowment for International Peace

The Carnegie Endowment for International Peace was established in 1910 with an initial gift of $10 million from Andrew Carnegie. Its mission, advancing international cooperation and peace, reflected Carnegie's broader philanthropic vision: building enduring institutions capable of addressing global challenges, rather than offering short-term relief. Over time, the Carnegie Endowment has grown into a leading international policy organization while preserving endowment funding as a cornerstone of its financial model.

The Endowment’s fundraising is led by a Washington, D.C.-based development team of seven professional fundraisers, complemented by development staff at its global centers, a structure comparable in sophistication to a mid-sized university advancement office. Annual philanthropic income has typically ranged from $30–40 million, drawn from a mix of endowment gifts and support for current operations. This balance underpins both long-term financial sustainability and day-to-day program delivery. Major donor constituencies include foundations and individual donors, though foundation support is rarely directed toward endowment. Contributions from liberal democracies and corporations represent a smaller share of the overall mix.

Approximately 20 years ago, the Carnegie Endowment transitioned from in-house investment management to an external model, joining a pooled endowment structure managed by Investure, a firm specializing in mid-

sized academic and similar institutions. The investment strategy is designed to support annual spending of approximately 5 per cent of the portfolio, ensuring portfolio value keeps up with inflation and reducing the risk of significant market drawdowns. This transition materially improved the endowment's growth trajectory and resilience. It also provided greater clarity and confidence in endowment stewardship, which in turn supported increased fundraising activity.

While some bequests were received earlier, systematic fundraising began roughly 20 years ago through a concerted effort led by both the board and the president. Today, the majority of trustees make annual contributions to the institution, with most gifts in the $50,000–$100,000+ range; several trustees have also made larger, eight-figure endowment gifts. Trustee participation serves as an important signal of commitment and institutional credibility, reinforcing a culture of shared responsibility and demonstrating confidence to external donors.

The Carnegie Endowment currently holds approximately $560 million in endowment assets. Applying the Yale spending method, the annual draw is approximately 4.2 percent of the portfolio, which funds a meaningful portion of the organization's annual budget of around $62 million. The remainder is raised externally. The current balance between endowment income and fundraising for immediate use, including gifts to the endowment itself, is regarded as both effective and sustainable.

The Carnegie Endowment for International Peace offers a stable and mature institutional model that integrates professional investment management, disciplined spending, trustee leadership, and a diversified fundraising strategy. While the external funding environment has evolved, particularly with reduced foundation engagement in direct endowment support, the organization has built a structure that supports both financial independence and long-term mission delivery.

# Carnegie Education Fund

(formerly the Carnegie Trust for the Universities of Scotland)
Carnegie Education Fund was established as The Carnegie Trust for the Universities of Scotland in 1901 through a Trust Deed and Royal Charter, following a gift of ten million dollars (the equivalent of around £2 million) in 5% U.S. Steel bonds from Andrew Carnegie. It was the first trust established by Carnegie in the United Kingdom and was designed to widen access to higher education and strengthen Scotland’s universities at a moment when they faced financial strain and growing international competition.

Carnegie’s intervention was widely understood as a national act of renewal. Importantly, he also recognised that requirements would shift

over time and built flexibility into the Trust's governing documents to enable successive boards to interpret the founding instruments according to the needs of the day. How these were interpreted over the years has ultimately shaped the Trust's investment strategy, its approach to grant making and its impact.

In its first decade, the Trust transformed access to higher education in Scotland. By 1913 it was paying the class fees of around half of all Scottish university students, easing the financial burden on families and enabling thousands of young people to pursue degrees that would otherwise have been out of reach.

The Trust also played a strategic role in shaping the sector as it sought to protect the interests of students and remove barriers to access. It was instrumental in equalising class fees and entry requirements across Scotland's universities, and encouraged the introduction of advisers of studies, helping to professionalise student support. And it invested heavily in the physical and intellectual infrastructure of the universities - funding laboratories, equipment, libraries and early research teams at a time when state investment was limited.

In its early years the Trust's annual expenditure was approximately £100,000, roughly twice the government's contribution to universities at the time. It functioned not only as a grant maker but as a national actor, influencing policy and enabling Scotland's universities to compete internationally. Its early research investments supported work that later contributed to three Nobel Prizes (Soddy, Haworth and Boyd Orr), illustrating the scale of its impact.

The Trust's investment strategy was shaped from the outset by the structure of Carnegie's gift. Carnegie had wanted the Trust to operate from secure, predictable income, with its capital preserved for future generations. As a result, trustees adopted a cautious, capital-preserving approach, with the endowment consisting of fixed-interest bonds and any surpluses placed in a Reserve Fund, which was also invested conservatively, initially in UK railway stocks. This approach protected the endowment but limited its growth.

A further constraint was embedded in the Trust's Charter which, until 1958, prohibited the Trust from investing in private equities, significantly limiting the scope for long-term capital growth. While other endowments diversified into equities during the twentieth century and benefited from rising markets, the Trust remained heavily weighted towards fixed-interest holdings. Although a supplementary charter eventually enabled the Trust to alter its investments, by that point the portfolio had already been exposed to decades of inflationary pressure, and the endowment remained smaller than it might otherwise have been.

At the same time, the landscape of higher education was changing. After 1945, the expansion of the welfare state, the introduction of state-funded student support, and the growing influence of the University Grants Committee fundamentally altered the Trust's operating environment. Universities increasingly relied on government funding for their development, and the Trust's relative scale – and consequently its influence – diminished.

In this context, it gradually shifted towards a more selective pattern of funding. While it continued to support undergraduate fees for students in financial need where government support wasn't available, its emphasis moved towards academic excellence rather than equity - funding scholarships, fellowships, travel grants and cultural initiatives where its contribution would complement, rather than duplicate, state provision. By the early 2020s, the Trust had become less visible. Its funding, once transformative, was now modest in a sector transformed by large-scale public investment, and it had drifted towards a more academic focus. Conscious that it was operating in a very different landscape from 1901, the organisation began a period of reflection and reform to recover its founding purpose and re-establish its relevance in a changed world.

Aligned to this, in 2024 the Trust amended its Charter to adopt a total-return investment strategy which would enable it to utilise capital gains as well as income to deliver its charitable purposes. This has enabled it to rebalance the endowment towards a diversified, ethically aligned portfolio designed to support both income and long-term growth. This shift also allowed the Trust to reduce exposure to sectors no longer consistent with its values.

In March 2026, the Trust published a new strategy and adopted a new operating name - Carnegie Education Fund - reflecting its refreshed purpose, broader ambitions and renewed commitment to supporting equity and success in Scotland's higher education sector. It now operates both as a grant-giving body and as a research organisation, contributing insights and evidence to inform policy and debate and working in partnership across the sector to drive national progress.

Its endowment currently stands at approximately £85 million and generates around £3 million annually. Its governing documents allow it to receive donations, reflecting Carnegie's belief that support for students should be seen as an advance which would be repaid when possible. Although this repayment model was never widely realised, the Fund has benefitted from legacies and contributions over time.

The organisation holds historic records for over 76,000 beneficiaries that it has supported since 1901. Its new podcast series 'Carnegie Pioneers'

tells the stories of some of the trailblazing individuals that it supported in its early years including, amongst many others, Jennie Lee - politician and founder of the Open University, Sir John Grierson - the father of documentary filmmaking, and AJ Cronin – the novelist who exposed 20th century health inequalities and inspired the formation of the NHS.

Historically, little emphasis was placed on long-term engagement with its alumni community, but the new strategy recognises the potential to reconnect with past grantees and explore how philanthropy might complement the endowment in advancing the Fund's mission. Under the leadership of Chief Executive, Hannah Garrow, the Fund is developing a more outward-facing approach, using modern philanthropy, strategic research and targeted grant-making to support educational opportunity in Scotland – continuing Carnegie's legacy while reshaping it for a new century.

## Carnegie UK

Carnegie UK was established in 1913 with a gift of 10 million dollars from Andrew Carnegie. At the time it was the largest philanthropic gift ever made in the British Isles. Although its position was significant, the real value of the endowment eroded over time.

When compared with the United States, the slower growth of UK endowments in the first half of the twentieth century is partly explained by regulation. Until after the Second World War, UK charities were not permitted to invest their endowments in the stock market. During the war itself, there was also an expectation that they would invest in government bonds to support the national effort. These constraints limited the compounding potential that US endowments benefited from over the same period.

Carnegie imposed only one investment restriction: the endowment must not be invested in armaments. This reflected Carnegie's preoccupation at that time with the quest for peace. This was an early example of what would now be called an ESG policy. The restriction remains in place today and has recently been joined by others, including fossil fuels. There is interest in expanding these exclusions further, although the size of the endowment makes it difficult to influence markets while still achieving strong returns.

Around twenty years ago, the trustees decided to stop operating as a grant-making foundation and instead focus on becoming a policy and research organisation. By that point, the scale of national funders such as the National Lottery had far surpassed the level of grants Carnegie UK could distribute. The shift allowed the organisation to concentrate on influence, evidence and thought leadership.

The move to a total return model took place in two stages. Approximately half of the portfolio was first restructured for long-term capital growth, with a more conservative approach than is typical in the United States. A further shift took place in 2020 and 2021, when Carnegie UK introduced a full total return approach and a revised investment mix. The organisation is working towards a drawdown of CPI + 4.5% per cent over a rolling seven-year period. The endowment currently stands at around £45 to £46 million.

Today, the organisation is more agile, with a stronger relationship between finance, governance and investment partners. There is a clearer understanding of flexibility, risk and long-term planning, which has improved operational decision-making.

As far as we are aware, Carnegie UK has never considered fundraising to grow the endowment. It has, on occasion, invested grants in projects in partnership with others. Examples include support from Wolfson and Wellcome around 2017-19 connected to the evolution of public libraries, and a later project on online safety which attracted funding from a number of partners. Broadly speaking, that model is unlikely to be repeated in the short-term.

There have been tentative conversations about pooling the three UK Carnegie endowments, although this has never been seriously pursued.

## National University of Singapore (NUS)

Singapore has developed a distinctive national framework to encourage endowment building across its public universities.

1) Donors are eligible for a 250% charitable tax deduction for gifts made to selected charities that are Institutions of Public Character, or IPCs, which are equivalent to the 501c3 entities in the United States. Unused tax deductions may be carried forward for up to five years. As a result, the net cost of making a $1 gift to eligible charities/IPCs, including publicly funded universities, can be as low as 40 cents.
2) The Government provides matching grants to selected charities. For publicly funded universities, the current matching framework is as follows:
    a. For endowed gifts towards undergraduate education, the Government provides a 3:1 match for the first $50 million in qualifying gifts. This is followed by a 1.5:1 match until the university reaches its endowment target set by the Ministry, and thereafter a 1:1 match applies.
    b. For endowed gifts not directed towards undergraduate education, as well as all expendable gifts, the matching rate will be 1:1. All

government matching grants must themselves be endowed. In addition, for restricted endowed gifts, no more than 1/3 of the matching amount may be allocated to the corresponding restricted purpose.

c. All gifts to NUS are matched on a 1:1 basis.

NUS traces its roots to the Straits Settlements and Federated Malay States Government Medical School, founded in 1905 through the support of the local community, which raised $87,000 in Straits Dollars.

The National University of Singapore was formally established in 1980 through the merger of the University of Singapore and the Nanyang University. At the same time, the Government established a new university which later became the Nanyang Technological University (NTU). To support the development of both institutions, the Government provided a seed endowment fund and introduced 1:1 matching grants to encourage endowment-building. In the late 1980s, the endowment fund was divided equally between NUS and NTU.

Subsequently, in the mid 1990s, NUS launched a campaign for the NUS Endowment Fund, followed by another major campaign to commemorate its centennial year in 2005.

In the early years, development was under the University's alumni engagement office. In 2003, the NUS separated development from alumni engagement by establishing two distinct offices: the Development Office and the Office of Alumni Relations. That same year, the University also established a dedicated Investment Office to take over the management of university funds, including donated funds, from the Bursar/Office of Finance. The Development Office was modelled after equivalent functions in North American leading universities. Similarly, the Investment Office adopted an approach inspired by Yale's diversified investment model. Following the financial crisis in 2009, NUS introduced a spending limit rule for its endowment and adopted the Tobin's rule to promote more stable and sustainable payouts. Its current target endowment payout is 4% per annum.

The enhanced matching framework, including the 3:1 and 1.5:1 matching tiers (refer to 2a), was introduced in 2010 and funded through the $4 billion (SGD) Singapore University Trust. NUS studied closely the role of endowments in global universities, particularly their importance in helping institutions mitigate reductions in public funding. Aside from raising unrestricted gifts, the University placed strong emphasis on keeping government matching as unrestricted as possible, even where donor gifts were restricted.

NUS regularly negotiated with donors to limit restrictions on both the gifts and matching grants, in order to preserve institutional flexibility. In 2017, the Singapore Government introduced a cap on the amount of matching grants that could be allocated to restricted purposes (refer to 2b).

The combination of consistent and growing gift income, good investment returns, and a disciplined spending limit has enabled NUS to grow its donated funds from about $1 billion in 2003 to $11 billion (SGD) today. The NUS Investment Office is managing about $14 billion in total funds.

While charitable tax deduction and government matching are powerful incentives, the impact of institution on society and not the match are not the primary motivators for giving to NUS. Matching grants are particularly attractive to donors in the $100,000 to $1 million range, as they allow donors to "double" the impact of their gifts.

NUS has established gift acceptance policies that limit donor involvement in the administration of gift purposes and the investment of gift funds. Over the past two decades, NUS has consistently delivered its endowment target payout, resulting in strong trust and relatively few donor concerns regarding the University's investment strategy.

Today, NUS employs around 100 development staff under a decentralised model; approximately 65 staff are based centrally reporting to the Vice President for Development, while around 35 are embedded within academic units and report to their respective Deans.

NUS attributes its fundraising success to early commitment to alumni engagement, development and investment capabilities; sustained support from senior leadership; good gift and donor stewardship; growing institutional interest in working with donors; and the University's long-term ambition to create positive impact for Singapore and society.

Donors are drawn to the opportunities to leverage NUS' various education, academic, research, innovation/entrepreneurship programmes to advance their own philanthropic objectives. Ultimately, they give because they trust NUS to deliver meaningful and lasting impact.

## Singapore University of Technology and Design (SUTD)

SUTD emerged within a more mature national funding environment in which public universities were already expected to build endowments to support their long-term financial sustainability. Unlike NUS and NTU, SUTD did not begin with a large alumni base or a long philanthropic history. As a newer university, it has had to build its endowment primarily through non-alumni donors, corporate partners, foundations, and supporters drawn to its distinctive mission.

SUTD's fundraising proposition is therefore different from that of the older universities. While NUS and NTU can draw heavily on alumni loyalty and institutional history, SUTD must articulate a forward-looking case for support. Its appeal lies in its design-led, interdisciplinary educational model, its close relationship with technology and innovation, and its ambition to contribute to Singapore's future economy and society.
The national matching framework remains an important incentive for SUTD donors. Donors respond positively to the idea that their gifts can be matched and multiplied, even if not all donors fully understand the mechanics of endowment. The match helps donors see their contributions as part of a larger institutional-building effort. However, like other universities, SUTD must also explain the distinction between expendable giving, endowed giving, restricted gifts, and unrestricted matching funds.

For SUTD, the key challenge is not only to raise endowment funds, but also to deepen donor understanding of why endowment matters. Endowment giving requires donors to think beyond immediate programme support and to consider long-term institutional capacity. This can be more difficult for a young university where donors may be more familiar with funding specific scholarships, professorships, research projects, or student programmes.

At the same time, SUTD's relative youth gives it a strong opportunity to shape donor relationships around future impact. Its donors may be motivated by the chance to support new models of education, future-ready talent, design innovation, artificial intelligence, entrepreneurship, and research with societal relevance. In this sense, SUTD's philanthropic case is less about institutional nostalgia and more about building what Singapore needs next.

As Singapore's matched funding framework evolves, SUTD will need to continue strengthening its advancement capability, investment governance, donor stewardship, and internal culture of philanthropy. The experience of NUS shows that endowment growth depends not only on matching grants but also on institutional trust, disciplined investment management, sustained leadership commitment, and clear articulation of impact. For SUTD, the long-term opportunity is to build donor confidence in its ability to steward gifts well, invest prudently, and translate philanthropy into meaningful outcomes for students, research, innovation, and society. As with NUS, donors will ultimately give not only because of tax deductions or matching grants, but because they trust the university to deliver lasting impact.

## 1. Universities Endowment Fund (UEF) — the original mechanism

The Singapore Government launched the Universities Endowment Fund (UEF) in 1991 with an initial $500 million (SGD) base to encourage philanthropy toward universities. Under the scheme, universities that raised donations could receive government matching contributions to grow their endowments.

Over time, matching ratios were enhanced—for example:

- universities could receive $3 (SGD) of government funding for every $1 (SGD) raised in some tranches (e.g., late-1990s endowment campaigns), significantly accelerating endowment growth.

## 2. MOE Endowment Matching Grant Scheme (Autonomous Universities)

After corporatisation of universities and especially during the 2000s—when Tharman Shanmugaratnam was Minister for Education—the Government continued and expanded this approach through endowment matching grants administered by the Ministry of Education.

Policy speeches from that period confirm the Government would continue matching donations raised by universities for their endowments as a structural funding strategy.
Parliamentary reports also reference ongoing matching-grant expenditures to Autonomous Universities when donation levels exceeded expectations.

## 3. Why people sometimes think it's a "trust"

In practice:

- universities raise private donations,
- MOE co-matches them,
- and the combined sum flows into each university's own endowment fund.

Because the matching pool sits at the national level, it is sometimes informally described as a "government matching endowment fund," but its formal lineage traces back to the Universities Endowment Fund and subsequent MOE matching-grant frameworks, not a named standalone trust vehicle.

## The University of Sydney

The University of Sydney has a mature advancement operation and a longstanding approach to the management of endowed and long-term invested funds. As with many large research-intensive universities, it is important to distinguish between the University's advancement function, which is responsible for philanthropic fundraising and donor and alumni engagement, and the University's investment management function, which oversees the long-term investment of endowed and institutional funds.

The University's advancement operation is substantial, comprising approximately 160–170 staff across fundraising, alumni engagement and related functions, with around 50–60 staff focused primarily on major gifts and principal giving activity.

In calendar year 2025, the University raised approximately AUD 220 million in philanthropic commitments and pledged income (approximately £117 million). Separately, approximately AUD 87 million in philanthropic income was recognised as received revenue during the financial reporting period. The distinction reflects standard advancement practice, whereby fundraising totals may include multi-year pledges and future commitments rather than only cash received in-year.

This followed the conclusion of a major campaign which exceeded AUD 1 billion in total philanthropic support in 2019. While institutionally successful, senior leaders observed that campaigns framed predominantly around large financial targets could eventually lose resonance with some donors and stakeholders.

In response, the University shifted toward a more impact-oriented campaign model. The current campaign, "For Good", focuses less on a singular monetary target and more on the social, educational and research impact enabled through philanthropy. Campaign activity is organised around thematic priority areas intended to demonstrate tangible outcomes and public benefit. This evolution reflects broader donor preferences for purpose-led engagement rather than purely financial metrics.

The University has secured several transformational gifts, including donations in the order of AUD 40 million and AUD 100 million. Notably, the AUD 100 million contribution was structured as a spend-down fund rather than a perpetually endowed gift, with funds directed toward

scholarships and student support initiatives. This structure aligned with donor preferences for visible and relatively immediate impact.
The case illustrates that even institutions with substantial long-term investment pools and established endowment practices must remain flexible in gift structuring. Donors do not always prioritise perpetuity, particularly where gifts are associated with equity, access, student outcomes or urgent societal challenges.

The University manages a substantial long-term investment portfolio of approximately AUD 5 billion in assets under management. This investment pool includes endowed philanthropic funds alongside other institutional and long-term invested capital.

Investment oversight is provided through an internal investment office led by a Chief Investment Officer and governed via an investment sub-committee of the University's finance governance structure. This model is broadly comparable to governance arrangements used by other large research-intensive universities internationally.

The University's long-term investment strategy seeks to generate returns broadly consistent with long-term global equity expectations, historically targeting approximately 5–6% per annum above inflation over extended periods. The portfolio is also designed to support the University's annual spending rule of approximately 4.5%, balancing current institutional needs with intergenerational preservation of capital.

Where gifts involve endowed structures or long-term investment considerations, members of the investment team may participate in discussions with donors regarding stewardship, governance and investment management. Advancement leaders report that fundraising staff are generally well-versed in endowment principles and capable of communicating these concepts clearly to donors, while also managing expectations regarding investment returns and spending policies.

At the same time, some donors continue to express a preference for spend-down or impact-oriented funding models where they can observe outcomes more directly within shorter timeframes.

The University of Sydney case illustrates several broader trends relevant to contemporary university philanthropy:

- the increasing importance of impact-led fundraising narratives;
- the need for flexibility between endowed and spend-down gift structures;
- the growing strategic relationship between advancement and institutional investment management; and

- the importance of clearly communicating stewardship, investment governance and long-term impact to donors.

It also highlights that large institutional investment pools should not be conflated with advancement activity itself. Rather, advancement functions as the mechanism through which philanthropic capital is secured, while separate investment governance structures oversee the stewardship and long-term management of those funds.

## Emory University

Emory University has developed one of the most significant endowment operations in the United States. The institution manages an endowment of approximately 12 billion dollars, comprising more than 2,600 individual funds, with around 1,600 donors requiring annual stewardship. The scale of this structure reflects a long tradition of endowed giving, although the university notes that many donors still do not fully understand how endowments operate, even within the US philanthropic environment.

Stewardship is central to Emory's approach. The university provides donors with detailed financial information annually at fund level and maintains long-term relationships with families, including the next generation where appropriate. This is viewed as both an ethical responsibility and an opportunity to sustain philanthropic engagement over time. A dedicated team manages this work, ensuring that donors receive consistent reporting and that the institution remains accountable for the use of endowed funds.

Almost all endowed gifts to Emory are restricted. This creates a clear link between donor intention and institutional activity, but it also generates tensions between restricted endowment income and the university's need for flexible operating support.

Endowment donors often have a keen interest in understanding how their gifts benefit the people and programs supported by the endowed funds. Sharing the impact of their support with donors through stewardship reporting has become a growing challenge industry-wide due to limited timely responses from beneficiaries, particularly students.

The endowment is fully pooled and managed independently by Emory Investment Management. Growth is achieved solely through new gifts and investment returns. The university applies a standard spending rate of five percent to support activity.

Emory performs strongly in the NACUBO endowment benchmarks, consistently placing in the top quartile. This performance is important to donors, many of whom give because they trust the institution's

investment profile. Some donors request information about asset allocation, although the university does not disclose this detail. Fundraisers often rely on senior advancement or finance colleagues to answer technical questions about the endowment, as many frontline staff do not feel confident addressing them.

Endowment played a major role in Emory's most recent campaign. Nearly one billion dollars of the four billion dollars raised was directed to endowed funds. Senior leaders believe that the UK should place greater emphasis on endowment, arguing that long-term sustainability depends on compounding returns and legacy giving.

A notable illustration of this principle is the Woodruff family gift. In 1979, the family gave 105 million dollars to the university. The fund is now valued at approximately 1.7 billion dollars and distributes around 64 million dollars annually. Every two years, the fund pays out more than the value of the original gift. Emory's leadership considers this gift foundational to the institution's current strength.

Public universities in the United States are increasingly focused on endowment growth as state funding declines. Joshua Newton notes that his previous institution had an endowment of only 350 million dollars, which limited its capacity to plan for the long term.

The University of Texas system provides a contrasting example, with an endowment of around 28 billion dollars, much of it derived from oil revenues. Emory's own position has been strengthened through strategic use of royalties. The president recently allocated 25 million dollars of royalty income from a drug developed at the university to create a matching fund for newly established endowed professorships. By offering match funding at levels between 500,000 and one million dollars, the University succeeded in endowing 26 chairs in a single year. The typical cost of an endowed chair has risen from 1.5 million dollars to between three and five million dollars.

Newton argues that institutions should consider financing capital projects through bonds and directing philanthropic gifts towards endowing the ongoing costs of those facilities. He believes this approach would create a more sustainable financial model for universities.

## Trinity College Dublin

Trinity College Dublin has a long-established endowment, with philanthropic gifts dating back to approximately the 1840s. Despite this history, the endowment was not treated as a strategic priority until around 20 years ago.

Its significance has increased markedly following the introduction of a professional fundraising function, particularly over the past 10 to 15 years.

Investment management arrangements have also developed over time. The College previously relied on a single investment manager with a primary focus on equities and bonds. This has since evolved into a diversified model involving nine to ten investment managers. Oversight is provided by the Finance Committee, supported by an Investment Committee comprising four internal and four external members.

Around seven to eight years ago, the College moved away from any investment in bonds. The portfolio, which had previously been structured approximately as 70 per cent equities and 30 per cent bonds, is now allocated at around 65 per cent equities and 35 per cent split between infrastructure, property and trade finance.

The endowment is currently valued at approximately €330 million. It has grown by around €170 million over the past eight to ten years. This growth has been driven primarily by investment performance, with an average annual return of approximately 8 per cent. Fundraising has contributed an estimated 11 per cent of the increase.

Growth remains a central priority for the Investment Committee. As a result, the standard annual drawdown is set at 3 per cent, which can present challenges in discussions with donors. To address this, two members of the Development Office now attend Investment Committee meetings. This has supported improved communication and a stronger alignment between investment strategy and donor expectations. In specific circumstances, a 4 per cent drawdown may be agreed.

Historically, there was a degree of separation between fundraising and investment functions, with limited coordination between volunteers and committees. Greater integration has improved understanding of donor priorities and strengthened internal collaboration.

It has also been recognised that fundraisers often lack confidence when discussing endowment and investment matters. In response, the Investment Committee supported the creation of a dedicated role to serve as a liaison among fundraisers, donors, the finance team, and the Investment Committee.

The College does not currently adopt a total return approach. With one exception, all endowed funds are permanent. There are several hundred individual endowed funds, which contribute to the complexity of administration and oversight.

## Newcastle University

The Director of Advancement joined Newcastle University in early 2021 and inherited an endowment that was divided between an independent trust and the central University.

Early analysis showed that the structure had not achieved scale and that managing the funds required roughly twice the level of resource that should have been necessary. The Director identified the need for a clear and efficient fundraising offer, supported by simple and coherent endowment management, with annual income generation and a strong return on investment established as the appropriate measures of success. Effective management and demonstrable impact were seen as essential to building confidence among donors, and the Director concluded that fundraising and endowment management should sit within a single function, while investment activity should remain separate.

The University and the Trust have since worked together to explore combining their funds into a single Newcastle Endowment, achieved through close collaboration with the Director of Finance, the University Executive Board and the External Finance Committee, all of whom supported the case for reform. Benchmarking evidence formed part of the papers presented. A formal governance framework has been created through a Philanthropy Oversight Group, which sits apart from fundraising prioritisation and provides oversight of the endowment, including decisions on the allocation of legacy gifts.

Newcastle has also moved to offering a greater number of high-level propositions, which has proved attractive to donors. Further work will be required to explore how best to grow the endowment.

Alongside this, the Community Foundation Northeast Forum has been co-developed with the Director of Advancement to create a regional community of best practice for endowment management and fundraising, with its first meeting scheduled for May.

## The University of Cambridge

For most of its history, Cambridge University operated without a modern, centralised endowment. The colleges had been endowed centuries earlier, often through royal benefaction, which created significant disparities between wealthy colleges such as Trinity and St John’s and those with more modest resources. The university itself, however, accumulated funds only gradually through reserves and donor gifts, each tied to specific trust purposes. Cambridge held about 1000 different trust funds… each in effect ring fenced for their specific purpose.

In 1958, a change in trust law allowed Cambridge to pool these assets into a single amalgamated fund, effectively a unitised structure that allocated units to each trust while enabling collective investment. This pool performed reasonably well under external managers, largely in equities, but remained "pretty unexcitingly managed" and lacked the sophistication of major US endowments.

By the early 2000s, the fund had grown to roughly one billion US dollars. This was the point at which Cambridge leadership began to look seriously at the American model, particularly Yale, Princeton, Harvard and Stanford. Yale's approach, articulated by David Swensen, was especially influential. Swensen's book Pioneering Portfolio Management became the reference point for Cambridge's thinking, and Swensen himself later joined the Cambridge Investment Board. The Yale model is "the definitive work" in endowment management.

The shift was driven internally rather than by donor pressure. The initiative came from the Director of Finance and the incoming Vice-Chancellor, Alison Richard, who had previously served at Yale. She understood the transformative power of endowment, noting that Yale derived 40% of their operating income from it. Cambridge was preparing for its 2009 campaign and needed a credible investment story to present to major benefactors: "We needed to have something that was the same story as Harvard, Yale, Stanford… and ideally have a recent track record".

A formal working group was created in 2005 to examine US endowment structures, governance, asset allocation and investment philosophy. Its conclusion was clear: Cambridge needed to bring investment management in-house, build a professional investment office and adopt a diversified, equity-oriented, long-term portfolio aligned with the Yale model.

The University established a high-powered Investment Board, including Swensen and senior figures from the investment industry, recruited a Chief Investment Officer, and built a small, highly skilled team. This marked the beginning of the Cambridge University Endowment Fund (CUEF) as it is known today.

Oxford followed shortly afterwards, creating its own investment office, though it took a slightly different approach.

In 2012, Cambridge expanded the endowment to allow investment by colleges and affiliated trusts, such as the Gates Cambridge Trust and the Cambridge Trust. This required full FCA authorisation and significant regulatory work. The move enabled smaller entities to benefit from scale, diversification and access to top-tier managers that would otherwise be unavailable. Small endowments "don't have the scale… you're not going

to get the level of professional management… or access to the best managers".

Looking back, not much would have been done much differently. The timing was right: Cambridge had reached sufficient scale, had a major campaign ahead, and had leadership fully aligned behind the vision. Perhaps it should have been done earlier, the university needed both momentum and mass to justify an in-house office and attract top investment talent.

The strongest advice for the wider sector is to define what an endowment actually is. Many institutions treat reserves as treasury cash rather than permanent capital. They don't regard it as permanent capital. A true endowment must aim to grow in real terms and provide a predictable, sustainable draw for operations. Without that shared definition, investment strategy, governance, and fundraising all become misaligned.

## Birmingham City University

Birmingham City University is a post-1992 institution with a previously uneven record in philanthropic fundraising and a relatively small historic endowment. Recent progress demonstrates how endowment can be repositioned as a viable and effective fundraising tool beyond the research-intensive sector.

The Director of Development was initially appointed as Director of the Conservatoire. Having previously worked at the University of Oxford, he brought a strong understanding of major gifts and endowment fundraising, which informed a more confident institutional approach.

The university was required by HEFCE to raise £8 million towards a capital project. Despite a chequered history in fundraising, the university raised £10 million over five years. Senior leadership support, particularly from the Chancellor, was instrumental in building credibility and momentum. This success helped create internal confidence in philanthropy and enabled more strategic conversations about long-term giving.

The university's endowment dates back to the 1960s and 1970s and stood at around £3 million when it began to be actively used in donor discussions. Governance structures and professional management through CCLA were already in place, allowing the endowment to be presented as a credible and immediately usable proposition.
Donors were typically offered a choice between spend-down and endowed gifts. In several cases, donors considering long-term pledges were shown that, for a relatively modest increase, an endowed gift could achieve similar aims in perpetuity. One donor committed £250,000 and, having gained confidence in the endowment's governance and returns, made a

further comparable gift within two weeks. Another donor converted a proposed £1,500 annual prize into a £50,000 endowed fund and later established a second fund.

The Director attributes this success to confidence, clarity and the ability to discuss investment performance openly. Donor trust was reinforced by evidence of growth and income delivered by CCLA.

The endowment has since grown to approximately £13–14 million, with around £3 million held in cash. Investment decisions are made within a clear governance framework, with close collaboration between the Director of Development and the Director of Finance. The ability to respond quickly to market conditions has been particularly important amid recent economic volatility driven by geopolitical and energy market pressures.

The Director argues that an appetite for endowed giving exists regardless of institutional type and that endowments are often a route to larger gifts. He identifies a limited understanding of endowment among fundraising staff and senior managers as a constraint across much of the UK sector. At Birmingham City University, clear ownership of endowment within the development function and demonstrable success have led to a cultural shift, with increased institutional interest in investment performance and long-term financial sustainability.

This case demonstrates that endowment fundraising can succeed within modern universities where governance is clear, investment is professional, and donor conversations are confident and well-informed. Internal alignment and leadership have been critical in enabling Birmingham City University to build both financial capacity and organisational confidence.

## University of Bath

For around two decades, the University of Bath's investments were managed successfully by a volunteer, delivering stable outcomes. Around 2020, a more formal approach was introduced with the establishment of a sub-committee of the investment committee to oversee investment decisions. This marked a transition from reliance on individual expertise to institutional governance.

At this stage, external advisers were appointed to review both university investments and the endowment, and professional fund managers were engaged. The university's overall investments were significantly larger than its endowment, and little distinction had been made between the two in terms of investment strategy. The approach was cautious, prioritising capital security over growth, which resulted in relatively low returns. Total return approaches had been dismissed earlier, and endowment was not

viewed as a strategic priority because immediate institutional needs took precedence.

A change in senior leadership proved the catalyst, and the appointment of a new Vice-Chancellor, alongside a new leadership team in Advancement, created an opportunity to re-evaluate the role of endowment, informed by donor interest in long-term giving. The initial focus was on governance and understanding, rather than fundraising alone.

Training was provided to professional services colleagues on the purpose of an endowment, including its relationship to capital, income, and budgeting. This revealed a lack of shared understanding and inconsistent definitions. Policies were updated, roles clarified, and formal responsibilities agreed upon, allowing for more confident decision-making.

Working closely with the investment sub-committee, the university reviewed its endowment investment approach. Sector benchmarking showed that institutions with very large endowments, often more than one billion pounds, were achieving average long-term returns of around nine per cent, typically through diversified and pooled investment models.

With a relatively modest endowment of approximately £7 million, the University of Bath recognised that it could not replicate this performance on its own. Pooling was therefore identified as a potential solution. Three providers were shortlisted, and CCLA was selected based on its track record, including ten-year returns of around nine per cent across relevant portfolios.

The refreshed investment strategy and clearer messaging around governance and performance had an immediate impact on fundraising. Within a year, the Advancement team increased pledged giving to the endowment by around 50 per cent, shifting from a small number of endowed pledges to a broader, more confident pipeline.

New endowed funds were established, including support for studentships, doctoral study and Chairs. In addition, the university created an unrestricted endowment fund, and a donor has committed a major annual gift in support. Unrestricted legacies are now automatically directed to this fund. This initiative was designed to future-proof the endowment, recognising that, as a relatively young university, Bath’s legacy programme remains in its early stages.

The University of Bath’s experience highlights the importance of shared understanding, governance clarity and appropriate investment structures in unlocking endowment fundraising. Leadership support, internal education and alignment between finance and advancement functions were prerequisites for progress. While the endowment remains modest in

scale, the renewed approach has strengthened donor confidence and positioned it as a credible component of the university's long-term financial strategy.

## University of Manchester

The University of Manchester currently manages an endowment portfolio of approximately £240 million. This endowment has been built over many years through numerous historic donations and restricted funds. Its structure is further complicated by the 2004 merger of two predecessor institutions, which brought together multiple legacy funds with differing purposes and conditions.

In 2016, the University initiated a review of the endowment portfolio. This work was undertaken by the Finance Directorate, in close collaboration with the Development Office. Both teams agreed that the endowment structure was inefficient, due to both the volume of endowments and the often outdated restrictions on use. There was a view that a restructure would maximise the effectiveness and efficient use of charitable resources.

Finance led the technical work of the restructure, working in conjunction with the Charity Commission who advised that a more effective use of endowments could be achieved by merging a large number of smaller, existing funds into fewer, larger funds. Initial attention was given to funds that had been established pre-merger and had a capital value of less than £1 million, which made up a significant proportion of the portfolio.

The University restructured many of the smaller funds by pooling them into new trust funds with similar characteristics in order to maintain the spirit and intent of the original gift. The Development Office re-engaged with donors, relatives of donors or other interested parties with whom the University was still in communication to seek agreement on the changes where appropriate. Where this was not possible, the advice of the Charity Commission was sought. Overall, the restructure resulted in a more flexible sustainable endowment portfolio that could be more efficiently administered.

The endowment portfolio previously operated under a traditional income-based approach. This limited annual expenditure to investment returns of approximately 2 per cent, which sometimes constrained the level of activity that could be supported. This was problematic both for the effective use of historic funds and for attracting new donations, as the limited spending rate reduced the perceived benefit of giving.

In 2024, the University transitioned to a total return approach for permanent endowments. This allowed spending to be based on overall

investment performance rather than income alone, increasing the annual spending rate to around 4 per cent. The move has released additional funds and enabled more effective resource deployment.
The close working relationship between the Finance Directorate and the Development Office has been central to this progress. Finance now serves as a bridge in investment matters; there is limited direct interaction between investment management and development functions.

The adoption of total return has had a significant positive impact. It has freed up financial resources and has enhanced the University's ability to deliver meaningful outcomes from its endowment. It has also strengthened relationships with donors, for whom trust remains a critical factor.

Looking ahead, the University's Vice-Chancellor has expressed a clear ambition to further grow the endowment portfolio. This reflects a broader strategic objective to diversify the institution's income base and enhance financial resilience over the long term.

## University College London (UCL)

University College London has begun a multiyear process to review and modernise the management of its endowment, which stands at approximately £300 million. This includes many individual funds, with more than 600 endowed accounts of varying sizes, purposes, and origins. Not all of the assets are strictly endowment-like, reflecting a degree of legacy complexity in how funds have been structured and administered over time.

The recent appointment of a Director of Investment reflects UCL's intention to move towards a more strategic and coordinated approach to managing the endowment. The scale and diversity of the fund base, combined with the wider institutional context, means that change is expected to be gradual rather than immediate.

The endowment is currently managed on a notional total return basis, with a long-term objective of achieving returns that cover inflation and allow for a sustainable spending date over time. Some funds are subject to historic restrictions that make it difficult to apply a consistent investment or spending policy across the whole portfolio. Many endowments date back decades, and their original gift agreements are not always aligned with current best practices or operational needs. This reflects the relatively recent development of a professional fundraising function within the institution.

The portfolio itself is diversified with a standard equity/bond allocation. Investment management is split between external managers, currently

CCLA and Cazenove, following a decision taken some years ago to divide the mandate. This arrangement has, among other things, supported the institution in addressing concerns around responsible and social investment, an area that has become increasingly prominent in recent years.

Clarifying the approach to socially responsible investing (SRI) has been a significant focus of the new Director's role. Within a large and complex organisation such as UCL, such work requires engagement across multiple stakeholders and alignment with competing institutional priorities.

The experience at UCL reflects a wider pattern across the university sector. Many institutions have relatively small and fragmented endowments, often characterised by legacy restrictions and limited internal resources devoted to their management. This can make it difficult to achieve efficiencies or to adopt more sophisticated investment strategies. At the same time, there is recognition that pooling assets or adopting a more consolidated approach can allow access to a wider range of opportunities, particularly in public equity markets.

Internally, there is also acknowledgement that good, ongoing interdepartmental communication will be an important enabler for any future changes in governance or investment approach.

## The Wolfson Foundation and UK Endowment Practice from the Context of a Donor

The experience of the Wolfson Foundation offers a valuable case study in the development, management, and strategic reform of charitable endowments in the United Kingdom. Over several decades, the foundation has evolved from a relatively concentrated, governance-light investment approach to a more sophisticated, diversified, and long-term total-return model. Reflections from Paul Ramsbottom, Chief Executive of the Wolfson Foundation, also provide a broader critique of endowment practice across UK universities and charities, highlighting structural weaknesses and opportunities for reform.

The Wolfson Foundation was established in 1955 with an initial endowment of £5 million. This was subsequently supplemented by a further contribution of a similar size. From these beginnings, the endowment has grown substantially and is now valued at approximately £1.1 billion. Over its history, the foundation has distributed around £2 billion in grants, demonstrating both strong investment performance and sustained philanthropic impact.

For much of the period between the 1950s and the 1990s, the foundation's assets were largely invested in the founding family's

company. While this approach delivered strong financial returns, it presented clear governance weaknesses. The concentration of risk within a single entity exposed the endowment to potential volatility and did not reflect the diversification now considered standard practice. It is also important to note the regulatory environment of the time. Until the 1970s, restrictions limited charities' ability to invest their endowments freely, which helped sustain such concentrated approaches.

The risks of this model became more widely recognised in the 1990s, particularly following the collapse of Barings Bank in 1995. The Barings Foundation had been heavily reliant on the bank, and the bank's failure precipitated the near collapse of the foundation. This episode served as a cautionary example across the sector and accelerated a shift towards diversification.

From the 1990s until approximately 2011, the Wolfson Foundation adopted a more diversified investment strategy, primarily centred on a managed portfolio of UK equities. This marked a significant improvement in risk management and governance. However, it remained relatively domestically focused and did not fully exploit the opportunities available in global markets.

A more decisive shift occurred in 2011, when the foundation adopted a total-return approach. This change reflected a clearer articulation of long-term objectives and spending needs. Importantly, the foundation formally recognised its status as a perpetual endowment, which necessitated an investment strategy designed to preserve real capital while generating sustainable returns over an indefinite time horizon.
This transition also brought a greater emphasis on the advantages of long-term investing. The foundation began to consider the benefits of accessing illiquid asset classes, such as private equity, which are often unavailable or unsuitable for investors with shorter horizons. In parallel, it moved away from reliance on a single investment manager towards a multi-manager structure, improving diversification and specialist expertise.

In 2017, a further review was conducted when the endowment reached approximately £1 billion. At this point, the foundation concluded that it remained too small to justify fully internalised investment management. Instead, it sought to align itself with external partners that shared its long-term orientation. Notably, it became the first non-Oxford trust to invest part of its endowment with Oxford University Endowment Management (OUEM), benefiting from a model characterised by scale, diversification, and a commitment to long-term value creation.

Oversight of the endowment is provided by an expert investment committee. Its role is not to select individual securities, but to set

strategic direction, define asset allocation, and establish performance targets. The foundation operates with a benchmark of inflation plus 4 per cent and maintains an average spending rate of [at least] 4 per cent, calculated over a rolling 20-quarter period. This framework aims to balance intergenerational equity with the need to support current charitable activity.

Paul Ramsbottom's observations extend beyond the Wolfson Foundation to the wider UK endowment landscape. A central concern is the underperformance of many small endowments. In cases where the foundation has historically provided endowment funding to other institutions, a substantial proportion of that capital has been eroded over time due to weak investment management and governance. This experience has led to a reassessment of the value of distributing funds as endowments, particularly where recipient institutions lack the capacity to manage them effectively.

One of the strongest arguments advanced is in favour of pooled endowment structures. These offer clear advantages in terms of scale, professional management, and cost efficiency. They also enhance the ability to engage in responsible or ethical investment, as larger pools of capital carry greater influence with companies. By contrast, smaller endowments often lack both the expertise and the leverage required to achieve comparable outcomes.

A further challenge lies in the time horizon adopted by many institutions. Effective endowment management requires a genuinely long-term perspective, often extending well beyond 25 years. However, many institutions are not structured to think in these terms. Instead, they rely on external advisers and layered management arrangements, which introduce additional fees and can dilute returns over time. Without a long investment horizon, the full benefits of an endowment model are unlikely to be realised.

Despite the apparent advantages of scale and professionalisation, several barriers inhibit the development of pooled or centralised endowment models in the UK university sector.

First, universities operate within a strongly competitive environment. Collaboration, particularly in areas as sensitive as financial assets, runs counter to institutional culture and incentives. Even where opportunities exist to join established platforms such as OUEM, concerns about independence and brand identity may discourage participation. However, universities do work together with pensions, which is not too dissimilar. Second, governance structures can impede effective decision-making. Many institutions rely on investment committees composed of volunteer members, often drawn from alumni networks. While well-intentioned,

these committees may lack the depth of expertise required for sophisticated investment management. There is also a tendency for such bodies to focus on short-term decisions, including fund selection, rather than maintaining a strategic long-term perspective.

Third, differences in institutional priorities complicate alignment. Variations in spending needs, risk tolerance, and views on responsible investment can make it difficult to agree on a common approach within a pooled structure.

Finally, successful reform typically requires strong internal leadership. The transition to a more efficient and centralised model depends on individuals within institutions who are both willing and able to drive change. In the absence of such leadership, inertia tends to prevail.

The evolution of the Wolfson Foundation's endowment illustrates both the potential and the challenges of long-term investment in the charitable sector. Its shift from concentrated holdings to a diversified, total return approach has enabled sustained growth and significant philanthropic impact. At the same time, broader sector experience suggests that many UK institutions have yet to adopt the structures and practices necessary to achieve similar outcomes.

The case highlights the importance of scale, governance, and investment horizon in determining endowment performance. It also raises important questions about how universities and charities can overcome structural barriers to collaboration and reform. In this context, the development of pooled investment vehicles and more professionalised management frameworks may represent a necessary step towards improving the effectiveness and sustainability of UK endowments.
*'There is a crying need for a centralised, well-run university endowment investment'. 'There needs to be more of a long-term approach, and universities should be thinking along a time horizon, but many do not.*

## Professor Raymond F. Schinazi as donor and academic leader

Professor Raymond F. Schinazi is a senior academic who has successfully bridged scientific discovery, commercialisation and philanthropy across both the United States and the United Kingdom. His career illustrates how personal experience, academic leadership and financial acumen can combine to produce a durable model of giving that supports institutional growth.

Born in Alexandria, Egypt in 1950 to an Italian Jewish family, Schinazi migrated first to Europe and then to the United States. He relied on scholarships to access some of his education, including support that

enabled his schooling in England and his progression to the University of Bath, where he completed a BSc and PhD in chemistry. \These formative experiences shaped a long-term commitment to supporting access to education and research.

He established his academic career at Emory University in Atlanta, where he held professorial roles in paediatrics and chemistry. His research focused on antiviral therapeutics, particularly HIV, hepatitis B and hepatitis C. His contribution to nucleoside analogues was significant in the development of modern antiretroviral therapy. He is widely recognised as a prolific inventor, with a large portfolio of patents and publications. Through his discoveries at Emory University, he sold his royalties for US$540 million, then a record, propelling the University to the top recipient of royalties in 2005 (EMORY 2025)[29].

A defining moment in his track record was the co-founding of Pharmasset, a biotechnology company that developed sofosbuvir, a highly effective treatment and cure for hepatitis C. The subsequent acquisition of Pharmasset by Gilead Sciences in 2011 for approximately 11.4 billion US dollars marked a major commercial success and established a substantial financial base for later philanthropy.

Schinazi's approach to giving is shaped by personal loyalty and strategic intent, and he focuses his philanthropy primarily on institutions with which he has close ties, notably Emory University and the University of Bath. His giving reflects a preference for supporting people and research rather than purely physical infrastructure, although he has contributed to both where a wider return can be demonstrated.

*"The more I give to charity, the richer I become. Not just more... literally with more money, more things, more good things happen to me." Professor Raymond Schinazi (donor and academic)*

At the University of Bath, his philanthropy includes an endowment to establish a chair in life sciences and at Emory, his giving has been both larger in scale and more system-oriented, including a major gift to a research building and an innovation centre. Beyond these one-off contributions, he has supported six endowed chairs funded in part by income derived from his earlier scientific successes.

A distinctive feature of philanthropy at Emory is the use of royalty streams, such as Schinazi's own research, and associated wealth to create matching funds. This mechanism encourages additional donors by amplifying the impact of their contributions. It also aligns with his stated belief that charitable giving creates additional opportunities, both financially and socially.

At Emory, Schinazi's philanthropy aligns with a broader institutional strategy in which endowed assets are actively managed to generate long-term income. Endowed funds are invested rather than held as cash, allowing compounding returns to support research and academic activity. He emphasised that universities should prioritise high-quality, long-term investments and should understand the difference between nominal and real returns.

*"If you were to keep the money with me, I'll make more money and give you more later." Professor Raymond Schinazi*

This perspective reflects lessons drawn from Emory's own history, in which early gifts held in equity grew substantially over time. For Schinazi, the key principle is that capital should be preserved and grown, with spending disciplined by sustainable drawdown rates. In this context, research buildings and endowed positions are not simply costs but assets that can generate income and attract further funding.

His use of matching funds reinforces this model, and by committing his own resources alongside those of other donors, he drives endowment growth, strengthening the university's financial base and supporting long-term planning.

Schinazi's views extend beyond his own to broader questions of university management, and he has argued that many institutions, particularly in the United Kingdom, remain overly focused on expenditure rather than wealth creation. In his view, universities must become more confident investors, willing to hold diversified portfolios and to tolerate measured risk in pursuit of long-term returns.

When it comes to innovation policy, he suggests that high institutional equity stakes in spin-out companies can deter entrepreneurial activity. A more effective approach is to take smaller stakes while encouraging a larger number of ventures, coupled with an expectation that successful founders will later contribute philanthropically and reflects the model that underpinned his own trajectory. He states that everybody will benefit from this ecosystem, including the government, since successful entrepreneurs are more likely to give back and will also pay taxes that will benefit the public.

In fundraising, Schinazi advocates a professionalised approach, and development staff should be expected to generate multiples of their cost, and institutions should prioritise relationships with major donors and in his experience, matching schemes are particularly effective at motivating high-value contributions.

Schinazi's giving is closely tied to personal experience; having benefited from scholarships and institutional support, he views philanthropy as both an obligation and an opportunity, and he prefers to engage with institutions where he trusts the leadership and has clarity about impact. Schinazi demonstrates how scientific innovation can generate resources that, when deployed effectively alongside philanthropy, support sustained growth in universities, especially if both are invested in long-term endowments.

# Appendix 2- Carnegie Gifts Table

| Date first gift* | Gift Direction | Initial gift amount* | Date of accounts for recent valuation | Recent endowed valuation | 24 Feb 2025 $ | Growth since gift |
|---|---|---|---|---|---|---|
| 1914 | Carnegie Council for Ethics in International Affairs | $2,000,000 | 2023 | $33,185,733 | | 1559.29% |
| 1903 | Carnegie Dunfermline Trust | $4,000,000 | 2023 | £6,043,258 | $7,629,317 | 90.73% |
| 1910 | Carnegie Endowment for International Peace | $10,000,000 | 2023 | $ 479,026,871 | | 4690.27% |
| 1903 | Carnegie Foundation | $1,300,000 | Still Exists | ? | | |
| 1905 | Carnegie Foundation for the Advancement of Teaching | $10,000,000 | Still Exists | ? | | |
| 1902 | Carnegie Institution for Science | $22,000,000 | 2023 | $1,083,656,000 | | 4825.71% |
| 1900 | Carnegie Mellon University | $9,000,000 | 2024 | $3,200,000,000 | | 35455.60% |
| 1902 | The Carnegie Trust for the Universities of Scotland | $10,000,000 | 2023 | £72,100,000 | $91,022,711 | 810.23% |
| 1913 | Carnegie UK | $10,000,000 | 2022 | £47,192,336 | $59,578,008 | 495.78% |
| 1904 | Carnegie Hero Fund Commission (US) | $5,000,000 | 2022 | $64,400,066 | | 1188% |
| 1911 | Carnegie Hero Fund (Belgium) | $230,000 | Still exists | ** | | |
| 1912 | Carnegies Belønningsfond for Heltemod (Denmark) | $125,000 | Still exists | ** | | |
| 1909 | Fondation Carnegie (France) | $1,000,000 | Dissolved 2011 | ** | | |
| 1911 | The Fondazione Carnegie per gli atti de eroismo (Italy) | $750,000 | Still exists | ** | | |
| 1911 | Stichting Carnegie Heldenfonds (The Netherlands) | $200,000 | 2023 | 1,042,704 Euro | $1,090,256 | 445.13% |
| 1911 | Carnegiestiftelsen (Sweden) | $230,000 | Still exists | ** | | |

Table 1: Andrew began giving to charity in the 1870s and, by his time of death in 1919, had invested roughly $350 million to advance education, science, culture, and international peace. Today, Carnegie Corporation of New York, 2026, lists 26 organisations carry his name[30].

Beyond the significant benefits these generous gifts have on the beneficiaries, they were also intended to support future generations. The table above by Cox (2025) illustrates considerable variance, showing increases ranging from a dissolved status to nearly a 5,000% increase. US institutions (purple) across the board have experienced more significant increases than 1,000%, while institutions worldwide have seen less than 1,000%[31]. The US will have been operating and working on all three of my initial points to a high standard over a sustained period. *top up gifts by Carnagie were given ** couldn't find accounts or couldn't easily translate

# Appendix 3- Endowment and Fundraising Modelling

| | |
|---|---|
| * | HESA data (HESA 2025) on all university income, not including Oxbridge, shows an average 5.47% increase in total university income over several years |
| ** | CASE Insights UK 23-24 showed that when Oxbridge was removed, a region of £800 million was given as philanthropy to UK universities |
| *** | CASE Insights UK 23-24 showed an approximate 10% of income from philanthropy was endowment from all institutions |
| **** | Estimated/ hypothetical total return on endowment excluding Oxbridge |
| ***** | Estimated/ hypothetical drawdown for activity from endowment income |
| ****** | When income from philanthropy and income from endowment are added to form a total income |
| ******* | % total income that is endowment and philanthropy of the total income of all universities |

**All numbers are illustrative and conceptual.**

Table 2: Status Quo (level of endowment from current fundraising, all institutions and income at current expected rate not pooled)

| | Annual Increase (millions) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 10% | 5.48% | | 5.48% | 10% | 6% | 3% | | | |
| Year | University Total Revenue not incl. Oxbridge* | | Fundraising Income** | Fundraising Income added to Endowment *** | Total Return Endowment **** | Endowment Income drawn from Endowment ***** | Total Fundraising and Endowment Income****** | Proportion of new income vs total revenue (fundraising and endoment income)******* | Proportion of new income vs total revenue just endowment income ******* |
| 2025 | £ 49,000.00 | | £ 789.00 | £ 78.90 | £ 5,078.90 | £ - | £ 789.00 | 1.61% | 0.00% |
| 2026 | £ 51,685.20 | | £ 832.24 | £ 83.22 | £ 5,466.86 | £ 152.37 | £ 984.60 | 1.91% | 0.29% |
| 2027 | £ 54,517.55 | | £ 877.84 | £ 87.78 | £ 5,882.65 | £ 164.01 | £ 1,041.85 | 1.91% | 0.30% |
| 2028 | £ 57,505.11 | | £ 925.95 | £ 92.59 | £ 6,328.21 | £ 176.48 | £ 1,102.43 | 1.92% | 0.31% |
| 2029 | £ 60,656.39 | | £ 976.69 | £ 97.67 | £ 6,805.57 | £ 189.85 | £ 1,166.54 | 1.92% | 0.31% |
| 2030 | £ 63,980.36 | | £ 1,030.21 | £ 103.02 | £ 7,316.92 | £ 204.17 | £ 1,234.38 | 1.93% | 0.32% |
| 2031 | £ 67,486.48 | | £ 1,086.67 | £ 108.67 | £ 7,864.61 | £ 219.51 | £ 1,306.18 | 1.94% | 0.33% |
| 2032 | £ 71,184.74 | | £ 1,146.22 | £ 114.62 | £ 8,451.11 | £ 235.94 | £ 1,382.16 | 1.94% | 0.33% |
| 2033 | £ 75,085.67 | | £ 1,209.03 | £ 120.90 | £ 9,079.08 | £ 253.53 | £ 1,462.57 | 1.95% | 0.34% |
| 2034 | £ 79,200.36 | | £ 1,275.29 | £ 127.53 | £ 9,751.35 | £ 272.37 | £ 1,547.66 | 1.95% | 0.34% |
| 2035 | £ 83,540.54 | | £ 1,345.17 | £ 134.52 | £10,470.95 | £ 292.54 | £ 1,637.71 | 1.96% | 0.35% |
| 2036 | £ 88,118.56 | | £ 1,418.89 | £ 141.89 | £11,241.09 | £ 314.13 | £ 1,733.02 | 1.97% | 0.36% |
| 2037 | £ 92,947.46 | | £ 1,496.64 | £ 149.66 | £12,065.22 | £ 337.23 | £ 1,833.88 | 1.97% | 0.36% |
| 2038 | £ 98,040.98 | | £ 1,578.66 | £ 157.87 | £12,947.00 | £ 361.96 | £ 1,940.62 | 1.98% | 0.37% |
| 2039 | £ 103,413.63 | | £ 1,665.17 | £ 166.52 | £13,890.34 | £ 388.41 | £ 2,053.58 | 1.99% | 0.38% |
| 2040 | £ 109,080.70 | | £ 1,756.42 | £ 175.64 | £14,899.40 | £ 416.71 | £ 2,173.13 | 1.99% | 0.38% |
| 2041 | £ 115,058.32 | | £ 1,852.67 | £ 185.27 | £15,978.63 | £ 446.98 | £ 2,299.66 | 2.00% | 0.39% |
| 2042 | £ 121,363.51 | | £ 1,954.20 | £ 195.42 | £17,132.77 | £ 479.36 | £ 2,433.56 | 2.01% | 0.39% |
| 2043 | £ 128,014.23 | | £ 2,061.29 | £ 206.13 | £18,366.87 | £ 513.98 | £ 2,575.27 | 2.01% | 0.40% |
| 2044 | £ 135,029.41 | | £ 2,174.25 | £ 217.42 | £19,686.30 | £ 551.01 | £ 2,725.26 | 2.02% | 0.41% |
| 2045 | £ 142,429.03 | | £ 2,293.40 | £ 229.34 | £21,096.82 | £ 590.59 | £ 2,883.99 | 2.02% | 0.41% |

Table 3 Investment Total Return of 9% and % of Philanthropic Income for Endowment 15% (Oxbridge)

| | Annual Increase (millions) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 15% | 5.48% | | 5.48% | 15% | 9% | 4% | | | |
| Year | University Total Revenue not incl. Oxbridge* | | Fundraising Income** | Fundraising Income added to Endowment *** | Total Return Endowment **** | Endowment Income drawn from Endowment***** | Total Fundraising and Endowment Income****** | Proportion of new income vs total revenue (fundraising and endoment income)******* | Proportion of new income vs total revenue just endowment income ******* |
| 2025 | £ 49,000.00 | | £ 789.00 | £ 118.35 | £ 5,118.35 | £ - | £ 789.00 | 1.61% | 0.00% |
| 2026 | £ 51,685.20 | | £ 832.24 | £ 124.84 | £ 5,703.84 | £ 204.73 | £ 1,036.97 | 2.01% | 0.40% |
| 2027 | £ 54,517.55 | | £ 877.84 | £ 131.68 | £ 6,348.86 | £ 228.15 | £ 1,106.00 | 2.03% | 0.42% |
| 2028 | £ 57,505.11 | | £ 925.95 | £ 138.89 | £ 7,059.15 | £ 253.95 | £ 1,179.90 | 2.05% | 0.44% |
| 2029 | £ 60,656.39 | | £ 976.69 | £ 146.50 | £ 7,840.98 | £ 282.37 | £ 1,259.06 | 2.08% | 0.47% |
| 2030 | £ 63,980.36 | | £ 1,030.21 | £ 154.53 | £ 8,701.20 | £ 313.64 | £ 1,343.85 | 2.10% | 0.49% |
| 2031 | £ 67,486.48 | | £ 1,086.67 | £ 163.00 | £ 9,647.30 | £ 348.05 | £ 1,434.72 | 2.13% | 0.52% |
| 2032 | £ 71,184.74 | | £ 1,146.22 | £ 171.93 | £ 10,687.49 | £ 385.89 | £ 1,532.11 | 2.15% | 0.54% |
| 2033 | £ 75,085.67 | | £ 1,209.03 | £ 181.35 | £ 11,830.72 | £ 427.50 | £ 1,636.53 | 2.18% | 0.57% |
| 2034 | £ 79,200.36 | | £ 1,275.29 | £ 191.29 | £ 13,086.78 | £ 473.23 | £ 1,748.52 | 2.21% | 0.60% |
| 2035 | £ 83,540.54 | | £ 1,345.17 | £ 201.78 | £ 14,466.37 | £ 523.47 | £ 1,868.64 | 2.24% | 0.63% |
| 2036 | £ 88,118.56 | | £ 1,418.89 | £ 212.83 | £ 15,981.17 | £ 578.65 | £ 1,997.54 | 2.27% | 0.66% |
| 2037 | £ 92,947.46 | | £ 1,496.64 | £ 224.50 | £ 17,643.98 | £ 639.25 | £ 2,135.89 | 2.30% | 0.69% |
| 2038 | £ 98,040.98 | | £ 1,578.66 | £ 236.80 | £ 19,468.73 | £ 705.76 | £ 2,284.42 | 2.33% | 0.72% |
| 2039 | £ 103,413.63 | | £ 1,665.17 | £ 249.78 | £ 21,470.70 | £ 778.75 | £ 2,443.92 | 2.36% | 0.75% |
| 2040 | £ 109,080.70 | | £ 1,756.42 | £ 263.46 | £ 23,666.52 | £ 858.83 | £ 2,615.25 | 2.40% | 0.79% |
| 2041 | £ 115,058.32 | | £ 1,852.67 | £ 277.90 | £ 26,074.41 | £ 946.66 | £ 2,799.33 | 2.43% | 0.82% |
| 2042 | £ 121,363.51 | | £ 1,954.20 | £ 293.13 | £ 28,714.24 | £ 1,042.98 | £ 2,997.18 | 2.47% | 0.86% |
| 2043 | £ 128,014.23 | | £ 2,061.29 | £ 309.19 | £ 31,607.71 | £ 1,148.57 | £ 3,209.86 | 2.51% | 0.90% |
| 2044 | £ 135,029.41 | | £ 2,174.25 | £ 326.14 | £ 34,778.54 | £ 1,264.31 | £ 3,438.56 | 2.55% | 0.94% |
| 2045 | £ 142,429.03 | | £ 2,293.40 | £ 344.01 | £ 38,252.62 | £ 1,391.14 | £ 3,684.54 | 2.59% | 0.98% |

Table 4 Investment Total Return of 9% and % of Philanthropic Income for Endowment 29% (like US)

| | Annual Increase (millions) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 28.70% | 5.48% | | 5.48% | 29% | 9% | 4% | | | |
| University Total Revenue not incl. Oxbridge * | University Total Revenue* | | Fundraising Income** | Fundraising Income added to Endowment *** | Total Return Endowment **** | Endowment Income drawn from Endowment ***** | Total Fundraising and Endowment Income****** | Proportion of new income vs total revenue (fundraising and endoment income)******* | Proportion of new income vs total revenue just endowment income ******* |
| | | | | | | | | | |
| 2025 | £ 49,000.00 | | £ 789.00 | £ 226.44 | £ 5,226.44 | £ - | £ 789.00 | 1.61% | 0.00% |
| 2026 | £ 51,685.20 | | £ 832.24 | £ 238.85 | £ 5,935.67 | £ 209.06 | £ 1,041.29 | 2.01% | 0.40% |
| 2027 | £ 54,517.55 | | £ 877.84 | £ 251.94 | £ 6,721.83 | £ 237.43 | £ 1,115.27 | 2.05% | 0.44% |
| 2028 | £ 57,505.11 | | £ 925.95 | £ 265.75 | £ 7,592.54 | £ 268.87 | £ 1,194.82 | 2.08% | 0.47% |
| 2029 | £ 60,656.39 | | £ 976.69 | £ 280.31 | £ 8,556.18 | £ 303.70 | £ 1,280.39 | 2.11% | 0.50% |
| 2030 | £ 63,980.36 | | £ 1,030.21 | £ 295.67 | £ 9,621.91 | £ 342.25 | £ 1,372.46 | 2.15% | 0.53% |
| 2031 | £ 67,486.48 | | £ 1,086.67 | £ 311.87 | £ 10,799.75 | £ 384.88 | £ 1,471.55 | 2.18% | 0.57% |
| 2032 | £ 71,184.74 | | £ 1,146.22 | £ 328.97 | £ 12,100.69 | £ 431.99 | £ 1,578.21 | 2.22% | 0.61% |
| 2033 | £ 75,085.67 | | £ 1,209.03 | £ 346.99 | £ 13,536.75 | £ 484.03 | £ 1,693.06 | 2.25% | 0.64% |
| 2034 | £ 79,200.36 | | £ 1,275.29 | £ 366.01 | £ 15,121.06 | £ 541.47 | £ 1,816.76 | 2.29% | 0.68% |
| 2035 | £ 83,540.54 | | £ 1,345.17 | £ 386.06 | £ 16,868.02 | £ 604.84 | £ 1,950.02 | 2.33% | 0.72% |
| 2036 | £ 88,118.56 | | £ 1,418.89 | £ 407.22 | £ 18,793.37 | £ 674.72 | £ 2,093.61 | 2.38% | 0.77% |
| 2037 | £ 92,947.46 | | £ 1,496.64 | £ 429.54 | £ 20,914.31 | £ 751.73 | £ 2,248.38 | 2.42% | 0.81% |
| 2038 | £ 98,040.98 | | £ 1,578.66 | £ 453.08 | £ 23,249.67 | £ 836.57 | £ 2,415.23 | 2.46% | 0.85% |
| 2039 | £ 103,413.63 | | £ 1,665.17 | £ 477.90 | £ 25,820.04 | £ 929.99 | £ 2,595.16 | 2.51% | 0.90% |
| 2040 | £ 109,080.70 | | £ 1,756.42 | £ 504.09 | £ 28,647.94 | £ 1,032.80 | £ 2,789.22 | 2.56% | 0.95% |
| 2041 | £ 115,058.32 | | £ 1,852.67 | £ 531.72 | £ 31,757.97 | £ 1,145.92 | £ 2,998.59 | 2.61% | 1.00% |
| 2042 | £ 121,363.51 | | £ 1,954.20 | £ 560.86 | £ 35,177.05 | £ 1,270.32 | £ 3,224.52 | 2.66% | 1.05% |
| 2043 | £ 128,014.23 | | £ 2,061.29 | £ 591.59 | £ 38,934.57 | £ 1,407.08 | £ 3,468.37 | 2.71% | 1.10% |
| 2044 | £ 135,029.41 | | £ 2,174.25 | £ 624.01 | £ 43,062.69 | £ 1,557.38 | £ 3,731.63 | 2.76% | 1.15% |
| 2045 | £ 142,429.03 | | £ 2,293.40 | £ 658.21 | £ 47,596.54 | £ 1,722.51 | £ 4,015.91 | 2.82% | 1.21% |

# Appendix 4- Conceptual Matching Incentive Scheme for Higher Education Endowment

A tiered matching scheme, informed by international practice, could be adopted to encourage endowment growth across the higher education sector, with stronger incentives directed towards institutions at earlier stages of development. Two broad delivery models are possible. The first is fully funded by the government. The second involves a partnership between the government and a principal co-funder, such as a leading company, foundation, or philanthropist, that provides matched support. This partner could be recognised through joint naming or through the allocation of themed funds across academic disciplines.

This paper outlines a combined model: government, a central benefactor and institutional fundraising operating together within a single framework. Simplicity is a core design principle.

## Funding Structure

- Government commits £50 million per annum for five years.
- A central donor commits £25 million per annum for five years.
- Total matched funding available: £375 million over five years.

## Matching Tiers

Eligibility and match rates are determined by existing endowment levels:

- Endowment above £500 million: not eligible.
- Endowment £100 million to £499 million: 1:4 match.
- Endowment £25 million to £99 million: 1:3 match.
- Endowment below £25 million: 1:2 match.

## Allocation Rules

- £25 million is allocated annually to each tier.
- No institution may receive more than £3 million in match funding in any single year.
- A cumulative institutional cap of £10 million applies over the lifetime of the scheme.
- Funding is awarded on a first-come, first-served basis each year, with a gift agreement signed and the first instalment received in the year.
- No commitments may be made against future years' allocations.
- Donation pledges must be fulfilled within three years.

## Institutional Requirements

Participating institutions must meet the following conditions:

- Endowment assets must be wholly or partly pooled with other similar institutions, e.g., universities, to achieve scale and improve investment performance, benchmarked against peers. Universities should aspire to build a way of working that achieves a Total Return of 8% or more on average over ten years.
- A total return investment approach must be adopted within five years of drawing the first match.
- Annual training on endowment management must be delivered for finance staff, fundraisers and academic leaders.
- Annual impact reporting must be provided to donors.
- Gift agreements must be structured to remain robust over time.
- Appropriate due diligence, gift acceptance, naming and endowment policies must be in place.

## Fund Structure

- Matched funding from the government and the central donor will form a single institution unrestricted fund, named in honour of the central donor.
- Donor contributions may be restricted and named in line with best practice, but matched funds must remain unrestricted.

## Eligible Uses

- Endowment income must support existing institutional activity, not the creation of new programmes or positions.
- The scheme excludes legacy pledges or gifts towards the likes of prize funds.
- The running costs of buildings may be endowed.
- A minimum gift to form a named restricted fund is £100,000

Institutions are encouraged to maintain appropriate pricing discipline in fundraising. Indicative minimum endowment levels are:

- Undergraduate scholarship: £100,000
- Postgraduate scholarship: £500,000
- Postdoctoral position: £750,000
- Lectureship: £1 million
- Chair: £2 million
- Building naming 1/3 of cost

## Potential Impact

A government investment of £250 million over five years, combined with a central donor contribution of £75 million, could stimulate substantial new giving. A reasonable projection suggests that institutions could generate an additional £1.5 billion in endowment.

If the current endowment base of non-Oxbridge universities is estimated at £5 billion, this would represent an increase of approximately 30 per cent. If a Total Return of 9% is achieved through more effective management and investment, then after the five years of the scheme, income could be £135 million, meaning the government investment would be repaid in less than two years; this money would exist forever. Over time, improved scale, governance and pooled investment strategies could further enhance returns, enabling sustained growth through compounding.

Post the end of the scheme, and sustained success, it is hoped that universities might consider replacing the government match with an internal match from other windfall activity, such as royalties or spin-outs.

The most significant shift would be the legacy, cultural, and educational change among academic and professional services employees, fundraisers, and donors.

Example table Table 6 and 7:

| | Total Minimum for endowment | Donor Contribution | Tier 2 Unrestricted Match Contribution | Tier 3 Unrestricted Match Contribution | Tier 4 Unrestricted Match Contribution |
|---|---|---|---|---|---|
| **A UG scholarship** | 100,000.00 | 100,000.00 | 25,000.00 | 33,333.33 | 50,000.00 |
| **A PhD Scholarship** | 500,000.00 | 500,000.00 | 125,000.00 | 166,666.67 | 250,000.00 |
| **A Post-Doctoral Student** | 750,000.00 | 750,000.00 | 187,500.00 | 250,000.00 | 375,000.00 |
| **A Lecturer** | 1,000,000.00 | 1,000,000.00 | 250,000.00 | 333,333.33 | 500,000.00 |
| **A Chair** | 2,000,000.00 | 2,000,000.00 | 500,000.00 | 666,666.67 | 1,000,000.00 |

| | | | one year | five years | annual | annual |
|---|---|---|---|---|---|---|
| | Total match | Total Donations | Total Donor contribution and match | Total Donor contribution and match | Total Return 9% | Disbursement 4% |
| **Tier 2** | 25,000,000.00 | 100,000,000.00 | 125,000,000.00 | 625,000,000.00 | 56,250,000.00 | 25,000,000.00 |
| **Tier 3** | 25,000,000.00 | 75,000,000.00 | 100,000,000.00 | 500,000,000.00 | 45,000,000.00 | 20,000,000.00 |
| **Tier 4** | 25,000,000.00 | 50,000,000.00 | 75,000,000.00 | 375,000,000.00 | 33,750,000.00 | 15,000,000.00 |
| **Total** | **75,000,000.00** | **225,000,000.00** | **300,000,000.00** | **1,500,000,000.00** | **135,000,000.00** | **60,000,000.00** |

# Appendix 5- Endowment and Fundraising Modelling Including Match

The tables from Appendix 3 are recast, including the matching scheme from Appendix 4.

| | |
|---|---|
| * | HESA data (HESA 2025) on all university income, not including Oxbridge, shows an average 5.47% increase in total university income over several years |
| ** | CASE Insights UK 23-24 showed that when Oxbridge was removed, a region of £800 million was given as philanthropy to UK universities |
| *** | CASE Insights UK 23-24 showed an approximate 10% of income from philanthropy was endowment from all institutions |
| **** | Estimated/ hypothetical total return on endowment excluding Oxbridge |
| ***** | Estimated/ hypothetical drawdown for activity from endowment income |
| ****** | When income from philanthropy and income from endowment are added to form a total income |
| ******* | % total income that is endowment and philanthropy of the total income of all universities |

**All numbers are illustrative and conceptual.**

Table 8: Investment Total Return of 9% and % of Philanthropic Income for Endowment 15% (like including Oxbridge) include the impact of the match. Blue shows the match repaid. Annually, from this point, the government matches the income from the increased endowment (£50 million+).

| | Annual Increase (millions) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 15% | 5.48% | | 5.48% | 15% | 9% | | 4% | | | |
| Year | University Total Revenue not incl. Oxbridge* | | Fundraising Income** | Fundraising Income added to Endowment *** | Total Return Endowment **** | Hypothetical Endowment Match | Endowment Income drawn from Endowment ***** | Total Fundraising and Endowment Income******** | Proportion of new income vs total revenue (fundraising and endoment income)******* | Proportion of new income vs total revenue just endowment income ******* |
| 2025 | £ 49,000.00 | | £ 789.00 | £ 118.35 | £ 5,118.35 | | £ - | £ 789.00 | 1.61% | 0.00% |
| 2026 | £ 51,685.20 | | £ 832.24 | £ 124.84 | £ 6,003.84 | £ 300.00 | £ 204.73 | £ 1,036.97 | 2.01% | 0.40% |
| 2027 | £ 54,517.55 | | £ 877.84 | £ 131.68 | £ 6,975.86 | £ 300.00 | £ 240.15 | £ 1,118.00 | 2.05% | 0.44% |
| 2028 | £ 57,505.11 | | £ 925.95 | £ 138.89 | £ 8,042.58 | £ 300.00 | £ 279.03 | £ 1,204.98 | 2.10% | 0.49% |
| 2029 | £ 60,656.39 | | £ 976.69 | £ 146.50 | £ 9,212.91 | £ 300.00 | £ 321.70 | £ 1,298.39 | 2.14% | 0.53% |
| 2030 | £ 63,980.36 | | £ 1,030.21 | £ 154.53 | £ 10,496.61 | £ 300.00 | £ 368.52 | £ 1,398.73 | 2.19% | 0.58% |
| 2031 | £ 67,486.48 | | £ 1,086.67 | £ 163.00 | £ 11,604.30 | | £ 419.86 | £ 1,506.53 | 2.23% | 0.62% |
| 2032 | £ 71,184.74 | | £ 1,146.22 | £ 171.93 | £ 12,820.62 | | £ 464.17 | £ 1,610.39 | 2.26% | 0.65% |
| 2033 | £ 75,085.67 | | £ 1,209.03 | £ 181.35 | £ 14,155.84 | | £ 512.82 | £ 1,721.86 | 2.29% | 0.68% |
| 2034 | £ 79,200.36 | | £ 1,275.29 | £ 191.29 | £ 15,621.15 | | £ 566.23 | £ 1,841.52 | 2.33% | 0.71% |
| 2035 | £ 83,540.54 | | £ 1,345.17 | £ 201.78 | £ 17,228.83 | | £ 624.85 | £ 1,970.02 | 2.36% | 0.75% |
| 2036 | £ 88,118.56 | | £ 1,418.89 | £ 212.83 | £ 18,992.26 | | £ 689.15 | £ 2,108.04 | 2.39% | 0.78% |
| 2037 | £ 92,947.46 | | £ 1,496.64 | £ 224.50 | £ 20,926.06 | | £ 759.69 | £ 2,256.33 | 2.43% | 0.82% |
| 2038 | £ 98,040.98 | | £ 1,578.66 | £ 236.80 | £ 23,046.21 | | £ 837.04 | £ 2,415.70 | 2.46% | 0.85% |
| 2039 | £ 103,413.63 | | £ 1,665.17 | £ 249.78 | £ 25,370.14 | | £ 921.85 | £ 2,587.02 | 2.50% | 0.89% |
| 2040 | £ 109,080.70 | | £ 1,756.42 | £ 263.46 | £ 27,916.92 | | £ 1,014.81 | £ 2,771.23 | 2.54% | 0.93% |
| 2041 | £ 115,058.32 | | £ 1,852.67 | £ 277.90 | £ 30,707.34 | | £ 1,116.68 | £ 2,969.35 | 2.58% | 0.97% |
| 2042 | £ 121,363.51 | | £ 1,954.20 | £ 293.13 | £ 33,764.13 | | £ 1,228.29 | £ 3,182.49 | 2.62% | 1.01% |
| 2043 | £ 128,014.23 | | £ 2,061.29 | £ 309.19 | £ 37,112.10 | | £ 1,350.57 | £ 3,411.86 | 2.67% | 1.06% |
| 2044 | £ 135,029.41 | | £ 2,174.25 | £ 326.14 | £ 40,778.32 | | £ 1,484.48 | £ 3,658.73 | 2.71% | 1.10% |
| 2045 | £ 142,429.03 | | £ 2,293.40 | £ 344.01 | £ 44,792.38 | | £ 1,631.13 | £ 3,924.53 | 2.76% | 1.15% |

Table 9: Investment Total Return of 9% and % of Philanthropic Income for Endowment 29% (like US). Blue shows the match repaid.

| | Annual Increase (millions) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 28.70% | 5.48% | | 5.48% | 29% | 9% | | 4% | | | |
| Year | University Total Revenue not incl. Oxbridge* | | Fundraising Income** | Fundraising Income added to Endowment *** | Total Return Endowment **** | Hypothetical Endowment Match | Endowment Income drawn from Endowment ***** | Total Fundraising and Endowment Income****** | Proportion of new income vs total revenue (fundraising and endoment income)******* | Proportion of new income vs total revenue just endowment income ******* |
| 2025 | £ 49,000.00 | | £ 789.00 | £ 226.44 | £ 5,226.44 | | £ - | £ 789.00 | 1.61% | 0.00% |
| 2026 | £ 51,685.20 | | £ 832.24 | £ 238.85 | £ 6,235.67 | £ 300.00 | £ 209.06 | £ 1,041.29 | 2.01% | 0.40% |
| 2027 | £ 54,517.55 | | £ 877.84 | £ 251.94 | £ 7,348.83 | £ 300.00 | £ 249.43 | £ 1,127.27 | 2.07% | 0.46% |
| 2028 | £ 57,505.11 | | £ 925.95 | £ 265.75 | £ 8,575.97 | £ 300.00 | £ 293.95 | £ 1,219.90 | 2.12% | 0.51% |
| 2029 | £ 60,656.39 | | £ 976.69 | £ 280.31 | £ 9,928.12 | £ 300.00 | £ 343.04 | £ 1,319.73 | 2.18% | 0.57% |
| 2030 | £ 63,980.36 | | £ 1,030.21 | £ 295.67 | £ 11,417.32 | £ 300.00 | £ 397.12 | £ 1,427.34 | 2.23% | 0.62% |
| 2031 | £ 67,486.48 | | £ 1,086.67 | £ 311.87 | £ 12,756.75 | | £ 456.69 | £ 1,543.36 | 2.29% | 0.68% |
| 2032 | £ 71,184.74 | | £ 1,146.22 | £ 328.97 | £ 14,233.82 | | £ 510.27 | £ 1,656.49 | 2.33% | 0.72% |
| 2033 | £ 75,085.67 | | £ 1,209.03 | £ 346.99 | £ 15,861.86 | | £ 569.35 | £ 1,778.39 | 2.37% | 0.76% |
| 2034 | £ 79,200.36 | | £ 1,275.29 | £ 366.01 | £ 17,655.44 | | £ 634.47 | £ 1,909.76 | 2.41% | 0.80% |
| 2035 | £ 83,540.54 | | £ 1,345.17 | £ 386.06 | £ 19,630.49 | | £ 706.22 | £ 2,051.39 | 2.46% | 0.85% |
| 2036 | £ 88,118.56 | | £ 1,418.89 | £ 407.22 | £ 21,804.45 | | £ 785.22 | £ 2,204.11 | 2.50% | 0.89% |
| 2037 | £ 92,947.46 | | £ 1,496.64 | £ 429.54 | £ 24,196.39 | | £ 872.18 | £ 2,368.82 | 2.55% | 0.94% |
| 2038 | £ 98,040.98 | | £ 1,578.66 | £ 453.08 | £ 26,827.14 | | £ 967.86 | £ 2,546.52 | 2.60% | 0.99% |
| 2039 | £ 103,413.63 | | £ 1,665.17 | £ 477.90 | £ 29,719.49 | | £ 1,073.09 | £ 2,738.26 | 2.65% | 1.04% |
| 2040 | £ 109,080.70 | | £ 1,756.42 | £ 504.09 | £ 32,898.34 | | £ 1,188.78 | £ 2,945.20 | 2.70% | 1.09% |
| 2041 | £ 115,058.32 | | £ 1,852.67 | £ 531.72 | £ 36,390.90 | | £ 1,315.93 | £ 3,168.61 | 2.75% | 1.14% |
| 2042 | £ 121,363.51 | | £ 1,954.20 | £ 560.86 | £ 40,226.94 | | £ 1,455.64 | £ 3,409.84 | 2.81% | 1.20% |
| 2043 | £ 128,014.23 | | £ 2,061.29 | £ 591.59 | £ 44,438.96 | | £ 1,609.08 | £ 3,670.37 | 2.87% | 1.26% |
| 2044 | £ 135,029.41 | | £ 2,174.25 | £ 624.01 | £ 49,062.47 | | £ 1,777.56 | £ 3,951.81 | 2.93% | 1.32% |
| 2045 | £ 142,429.03 | | £ 2,293.40 | £ 658.21 | £ 54,136.30 | | £ 1,962.50 | £ 4,255.90 | 2.99% | 1.38% |

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