

Virgin Money to shut down charity fundraising platform in cost-cutting move

Virgin Money has confirmed that it will close its charity fundraising website Virgin Money Giving later this year in a cost-cutting move.

The decision, first [revealed by Sky News](#), means the site will be wound down after the London Marathon in October and will be closed for donations on 30 November.

First set up 12 years ago to coincide with Virgin Money's sponsorship of the marathon, the not-for-profit platform was positioned as a low-cost alternative to JustGiving, which is operated as a commercial enterprise.



Image:

This October's London Marathon will be the last sponsored by the lender

It has since helped 20,000 charities and over a million

fundraisers raise more than £900m online, the lender said.

Virgin Money said that at the time it was launched there was a much narrower choice of online giving platforms available, with higher costs for charities and donors, compared with today.

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Sources told Sky News that the lender decided that running the fundraising site was no longer sustainable because it was costing the bank millions of pounds each year to operate.

In a statement confirming the move, Virgin Money said it had undertaken a strategic review ahead of the marathon, which will be the last one that it sponsors.

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“Given the significant investment required in the service for it to remain competitive, and without the brand exposure provided by the London Marathon, Virgin Money has decided to wind down the platform after the 2021 London Marathon in October,” it said.

Helen Page, Chief Brand Officer at Virgin Money, said the platform had “changed the sector for the better”.



Image:

Virgin Money has been cutting jobs following its merger with Clydesdale and Yorkshire Banking Group

She added: “Following the end of our sponsorship of the London Marathon, it is the right time to bring the service to a close and help our charity partners to move to an alternative and

sustainable giving platform.”

Virgin said the site would continue to offer a full service for charities and fundraisers until the service closes for donations on 30 November.

It said that employees who are affected will be helped with trying to find other roles at the bank, with a reduction of up to 26 roles expected.

Virgin Money established the service under Dame Jayne-Anne Gadhia, the company’s former chief executive.

Under Dame Jayne-Anne, the bank set up by Sir Richard Branson was transformed in 2011 with the £775m purchase of Northern Rock from British taxpayers.

However, with the site’s parent company battling to win over investors since [the merger](#) of Virgin Money and Clydesdale and Yorkshire Banking Group, executives are now said to be seeking additional cost reduction measures.

Hundreds of [job cuts](#) have already been announced since the tie-up in 2018.