Scottish Third Sector Key Statistics

From housing associations, social care providers and grant-making trusts, through to non-governmental organisations (NGOs) and social enterprises, right down to the grassroots level of residents associations, community sports and arts groups, the third sector plays a vital role in shaping Scotland. We build the networks and relationships that contribute significantly to Scotland’s economy and quality of life, making Scotland a better place to live.

This document aims to give you a quick overview of the third sector in Scotland based on SCVO¹ and OSCR data for 2009-10.

The figures show that the economic crisis is beginning to affect charities, voluntary organisations and social enterprises. Rising inflation, teamed with static income means that the sector has to do more with less, and in some cases organisations are dipping into reserves to fund crucial projects.

Small grassroots organisations have taken the biggest hit, with nearly 62% seeing a decrease in income between 2009 and 2010.

Public sector contracts and grants have been a good source of income to the sector (42%). This has allowed third sector organisations to do what they do best – working in partnership with individuals and communities to deliver valuable services that people really want. However, as we see local budgets tighten, this source of funding is coming under threat.

The shape of the third sector

There are approximately 45,000 voluntary organisations in Scotland employing 137,000 staff (93,000 FTE). During 2008-09, 1.2m adults (28%) in Scotland volunteered.

Between 2009 and 2010, the sector’s income remained static at £4.4bn - the first time there has not been growth since records began in 1998.² However, if we exclude housing associations from these figures charities and voluntary organisations across Scotland have seen their income drop by £96m between 2009-2010.

Figure 1: Income growth of the third sector 1998-2010

¹ SCVO data based on a weighted sample of 983 organisations
² This is in actual terms and does not account for inflation.
**Income Breakdowns**

Larger organisations tend to get the biggest proportion of their income from commercial contracts, and smaller ones from self-generated sources.  

![Income Breakdown by Size of Organisation, 2009](image)

**Public sector contracts and grants** make up around 42% of the sector’s income. This is a mixture of commercial contracts to deliver services and small grant funding, which is often targeted at providing services which help and support the most vulnerable, hard to reach people in society.

Around 60% of the third sector received no income from the public sector.

**Income vs Expenditure**

In 2009 40% of organisations surveyed spent more on providing their services than they received. This means organisations making up shortfalls by using financial reserves.

**Costs**

The sector spent £4.24 billion carrying out its activities in 2008-09. Over half of this expenditure was made up of staff salaries and associated staff costs.

**Assets**

Total Assets managed by the sector in 2009-10 was **£9.4 billion**. If organisations continue to use reserves to make up shortfalls in income, this will go down in the coming years.

The Total Assets figure can be broken down as follows:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Sector (excluding HAs)</td>
<td>£4.965bn</td>
</tr>
<tr>
<td>Housing Associations</td>
<td>£4.235bn</td>
</tr>
<tr>
<td>Credit Unions</td>
<td>£0.231bn</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£9.432bn</strong></td>
</tr>
</tbody>
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3 SCVO survey, based on a weighted survey sample of 542 organisations for 2009.