Wave 3: Spring 2022

SCOTTISH THIRD SECTOR TRACKER

Sharing today. Thriving tomorrow.

Scotland's third sector organisations continued to face challenges in spring 2022, particularly in regard to staffing, volunteer recruitment and management, and finances. Spring 2022 also saw the cost of operating increase for most organisations. For many, this impacted their ability to deliver core services and activities.

Impact on third sector organisations

Most third sector organisations continued to face challenges (93%) into April 2022. The most common challenges faced were:

71% Issues with staffing & volunteers
Up from 62% in Dec 2021

36% Difficulty planning for the future
Down from 59% in Dec 2021

61% Financial challenges
Up from 52% in Dec 2021

Half (50%) of organisations met or exceeded their planned programme of services in the three months to April 2022. A further 43% partially achieved their plans.

64%

Almost two-thirds of third sector organisations continued to see increased demand for their services
Up from 62% in Dec 2021

Of these:

78%
had the capacity to meet most or all of this increased demand
Down from 83% in Dec 2021

For the majority of third sector organisations, online played a large part in their day-to-day management in March/April 2022.

While many expected an increase in in-person management into the summer, most expected online to remain a large part of what they do.

44%
of organisations conducted their day-to-day management mostly online

while...
32%
used an equal balance of online and in-person

76%
in total

65% of organisations expected to be conducting their day-to-day management either mostly online (28%) or as an equal balance of online and in-person (37%) in August 2022.

However, **more than half** of third sector organisations conducted most or all of their programmes or services **in-person** in March/April 2022, with many believing the proportion of in-person delivery would **increase** in the coming months.

55%
More than half of organisations delivered their programmes or services mostly or exclusively in person.

Figures exclude 'not applicable'

This was expected to increase to 67% of organisations by August 2022.

Experiences of communities

The majority, **86%**, of organisations highlighted that there were emerging needs that were worsening in their communities, consistent with December 2021 (86%):

76% in December 2021
77% Mental health & well-being

50% in December 2021
68% Financial hardship

43% in December 2021
44% Physical health

There were notable increases in the proportion of organisations reporting:

40% Food insecurity
Up from 24% in Dec 2021

45% Fuel insecurity
Up from 23% in Dec 2021

Staffing & volunteers

17% of organisations had increased the number of paid staff they employed since December 2021

3% had made redundancies since December 2021.

Between December 2021 and April 2022, volunteer numbers remained **relatively stable** for most organisations.

56% saw no change in the number of volunteers in this time

20% saw an increase and **20%** saw a decrease

Finances

23% of organisations saw their incomes reduce between December 2021 and April 2022, while **25%** of organisations experienced **increased turnover**.

63%
Down from 82% in Dec 2021

of organisations experiencing **reduced turnover** predicted that this reduction would last for at least another three months.

86% of organisations reported rising costs since December 2021, with the most common rises being:

63% of organisations reported a rise in the costs of materials or supplies...

53% Transport costs

47% Staffing costs

45% Energy costs

Of organisations seeing rising costs of any kind, 42% felt this affected their ability to deliver their core services or activities.

27%
of organisations had made use of their financial reserves between December 2021 and April 2022.

60%
of organisations had less than 6 months' financial reserves (58% in December 2021).

51%
of these believed their reserves to be either 'very important' or 'essential' to their future survival.

Most in the sector are relatively confident of their future.
In April 2022, **92%** of third sector organisations were confident that they would still be operating in 12 months' time, in line with December 2021 at **92%**.

These results are based on a survey of 457 third sector organisations based or operating in Scotland. Interviews were conducted online. The research took place between March and April 2022. Quotas and weighting have been used to ensure the final dataset represents the Scottish third sector in regard to organisation location, activity and turnover. This survey forms wave three of a longitudinal survey intended to run quarterly for a further three waves. Research and design by djsresearch.co.uk.

Sponsored by: SCVO

In partnership with: William Grant Foundation, Community Fund, Scottish Government Riaghaltas na h-Alba gov.scot

djs research