

# SCVO Scottish voluntary sector statistics: methodology

December 2019

This paper outlines the methodology and data sources used to produce SCVO voluntary sector statistics, as seen in the SCVO [data hub](#).

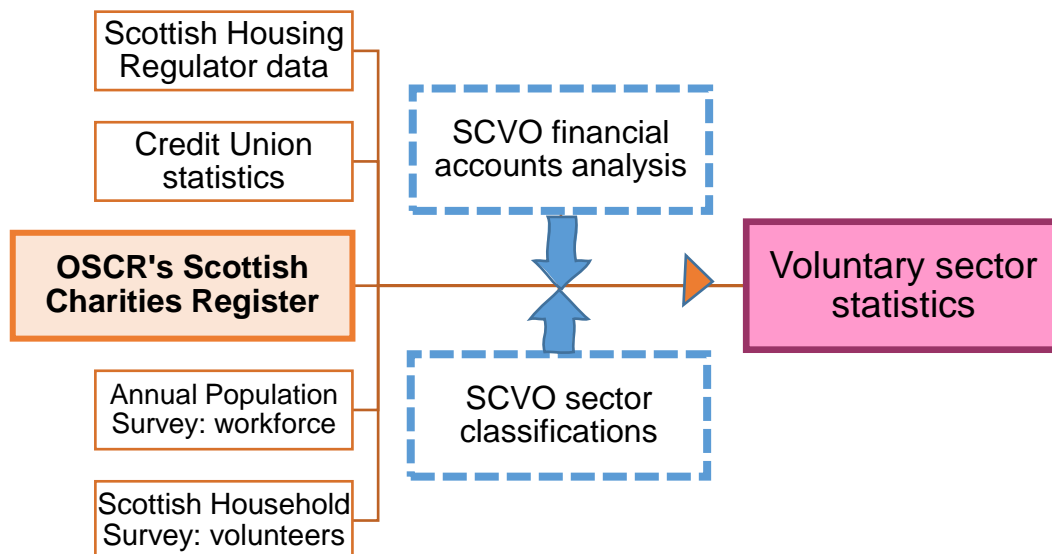
## 1. Key data sources

SCVO use OSCR's Scottish Charity Register as the core data source for our sector statistics, with additional data sourced from the Scottish Housing Regulator and Credit Union data published by the Bank of England.

- This data is used to identify the numbers of organisations and total income and expenditure figures.

SCVO then add detail and depth to the data through 1) our financial analysis of a large sample of financial accounts and 2) our sector classification data and intelligence.

- This enhanced data is used to include/exclude charities, group organisations by their primary field of work, and extrapolate financial data.



## 2. Defining 'voluntary sector' organisations

SCVO uses the following criteria when assessing whether an organisation is part of the voluntary sector (the term 'third sector' is often used interchangeably):

- ✓ Provides social, environmental or public benefit (this includes an affordability element)
- ✓ Organised, i.e. have a constitution
- ✓ Non-statutory i.e. independent from the state
- ✓ Non-profit distributing (any profits generated are re-invested in the organisation, not passed to shareholders or directors)
- ✓ Volunteer-led i.e. run by unpaid board members

### 3. Inclusions and exclusions

The SCVO statistics are based on regulated Scottish charities and voluntary organisations which meet the above criteria. The numbers of included and excluded organisations are listed in the table below.

	Number of organisations	Included in SCVO stats?
Scottish charities which meet SCVO criteria	• <b>19,965</b>	<b>INCLUDED</b>
Scottish charities which do not meet criteria: <ul style="list-style-type: none"> <li>• Cross-border charities registered with Charity Commission               <ul style="list-style-type: none"> <li>• Public bodies/Quangos</li> </ul> </li> <li>• Arms-length bodies (ALEOs) e.g. Leisure Trusts               <ul style="list-style-type: none"> <li>• Universities and colleges</li> <li>• Private schools</li> </ul> </li> <li>• Churches (<i>historically excluded</i>)</li> </ul>	• 4,330 • 1104 • 12 • 27 • 55 • 42 • 3090	<b>NOT INCLUDED</b>
Scottish Housing Associations (most of which are now registered charities)	• 145	<b>INCLUDED</b>
Scottish Credit Unions	• 89	<b>INCLUDED</b>
Non-charitable Scottish voluntary organisations	• 20,000 estimated	<b>No financial data</b>

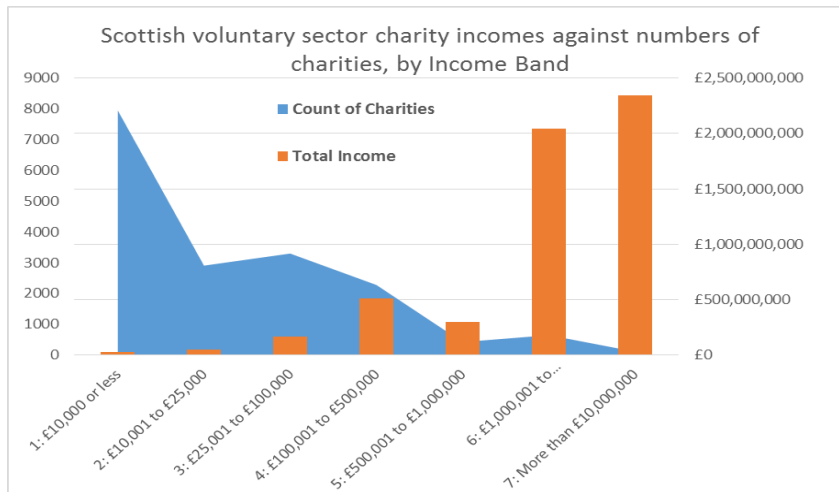
### 4. Classification system

SCVO uses the International Classification of Non-Profitmaking Organisations (ICNPO) to classify voluntary organisations – see [The International Classification of Non-profit Organizations](#) for further details.

This internationally agreed taxonomy allows Scottish data to be compared with other UK areas. See for example the NCVO UK Almanac's [number of voluntary organisations by ICNPO category](#).

### 5. Sampling frame for financial accounts analysis

As the figure below shows, the Scottish voluntary sector is one defined by a large number of charities with very small financial footprints, and a small number of large charities.



80% of the sector's financial activity is concentrated in the c. 750 charities with annual turnovers over £1m, and it is at the top end of the income bands where we see the greatest year on year changes in income amounts and sources. At the other end of the income spectrum we have thousands of smaller charities which can be grouped into similar income profile types - such as scouts and guides, small trusts, sports, hobby and membership clubs.

The SCVO's accounts analysis model therefore adopts an inverted proportional approach, aiming to analyse the accounts of all large charities, and smaller samples from each of the smaller income bands.

Care is taken to try to ensure that the sample within each band is representative of both key **organisational types** and **geography**.

The financial data extracted from the accounts is then weighted accordingly.

2019 sampling frame							
ID	Band	Voluntary sector charities with data	Sample size aimed for %	Sample size aimed for	Actual Accounts analysed 2019	Actual sample % 2019	Weighting
0	New charities / no data	2161	0%	0			
1	£10,000 or less	8223	1%	82	68	0.8%	120.93
2	£10,001 to £25,000	2815	3%	84	59	2.1%	47.71
3	£25,001 to £100,000	3323	5%	166	124	3.7%	26.80
4	£100,001 to £500,000	2166	10%	216	173	8%	12.52
5	£500,001 to £1,000,000	440	25%	140	78	18%	5.64
6	£1,000,000 to £10,000,000	546	50%	273	140	26%	3.9
7	More than £10,000,000	67	100%	67	60	90%	1.12
	Sub-Total	<b>19741</b>		<b>1028</b>	<b>702</b>		
	Housing Associations	<b>145</b>			<b>145</b>		
	<b>TOTAL ANALYSED</b>				<b>847</b>		

## 6. Financial and workforce fields collected by SCVO

INCOME	EXPENDITURE
<b>Total Income</b>	<b>Total Expenditure</b>
<i>VOLUNTARY INCOME</i>	Grant Expenditure
<b>General Public Donations</b>	Generating Funds
<b>Legacies</b>	Charitable activities
<b>Charitable Trust Grants</b>	Governance Costs
<b>Lottery</b>	<i>Capital Expenditure</i>
<b>Private Sector Grants</b>	
<b>Public Sector Grants</b>	STAFFING
Local Authority Grants	Total Staff Cost
Scottish Government Grants	Salaries
NHS / HSCP Grants	Social security costs
European Grants (Leader etc)	Pension costs
Other public sector grants	Other staff costs
EARNED - CHARITABLE ACTIVITIES	Total Staff (headcount)
Total Charitable Activities	Paid Full Time Staff
Sales (Gen Public)	Paid Part Time Staff
Sales (Priv Sector)	Staff FTE
Sales (Vol Sector)	Chief Officer salary band
Fundraising	
Trading Subsidiary	ASSETS & FUNDS
<b>Public Sector Contracts</b>	<b>Total Assets</b>
Local Authority Contracts	Fixed Assets
Scottish Government Contracts	Tangible Fixed Assets
NHS Contracts	Investments
European Contracts	Current Assets
Other public sector contracts	Stock
Rental Income	Debtors
	Cash
EARNED - OTHER INCOME	Liabilities within 1 year
Trading to generate funds	Liabilities more than 1 year
Investments / Income	Pension Liabilities
Loan Finance	
Rental income other	Total Funds
Other Income	Restricted Funds
	Unrestricted Funds
	Endowment Fund