



The Scottish third sector tracker

Researching rising costs using a longitudinal panel survey

3 November 2022

- **Background**
- **Methodology**
- **Key findings**
- **Advantages & limitations of the study**

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Background

Background

- The tracker was established in 2021 to understand the impact of covid-19 on third sector organisations in Scotland
- SCVO manage the project on behalf of funders and are supported by an advisory group of public, academic and third sector researchers
- The research is conducted by an independent consultancy company

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Methodology

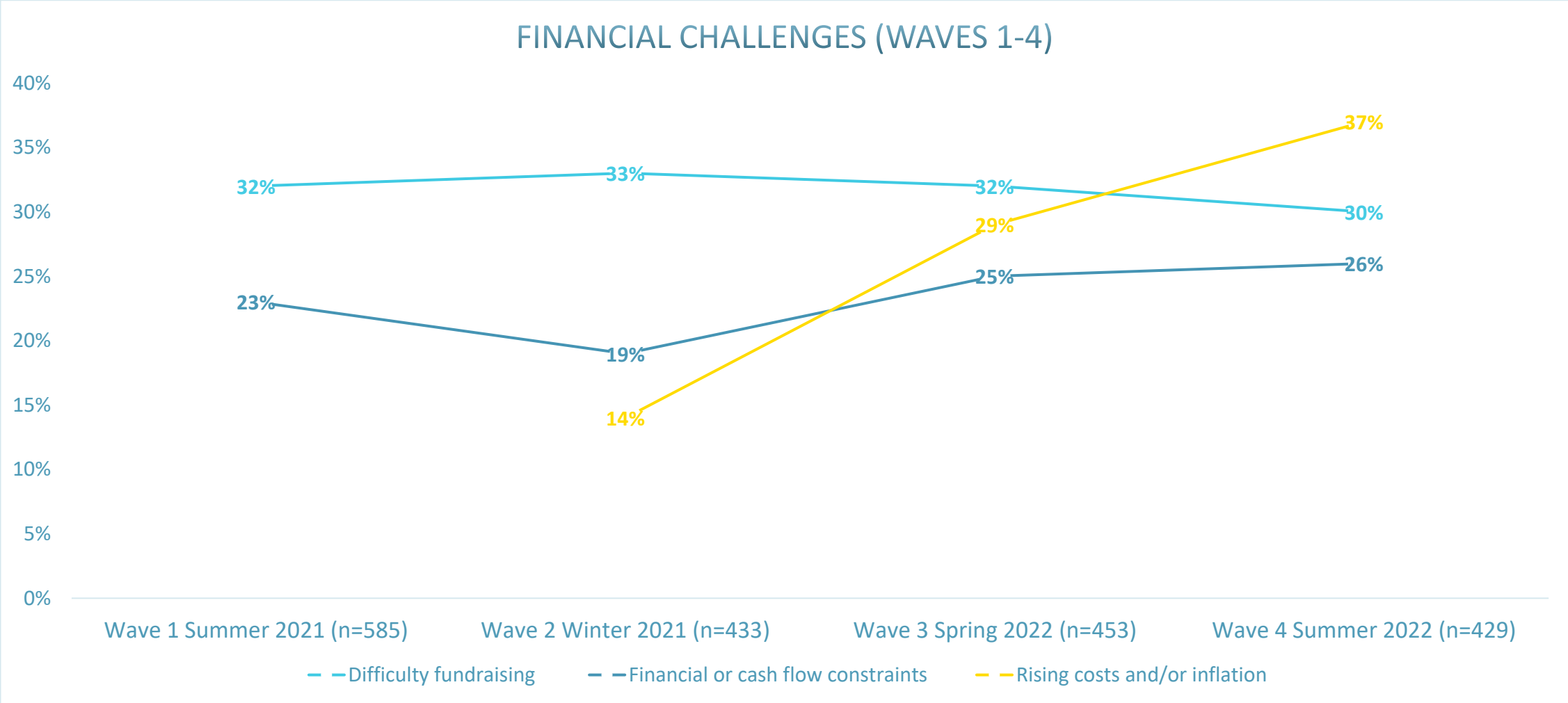
Methodology

- Longitudinal panel survey
- Weighted, representative sample of the sector
- Runs quarterly
- Online
- Senior Staff
- Quantitative and qualitative

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Key findings

Financial challenges



Rising costs for TSOs

93% of organisations reported rising costs since April 2022, with the most common rises being:

Up from 86% in April 2022



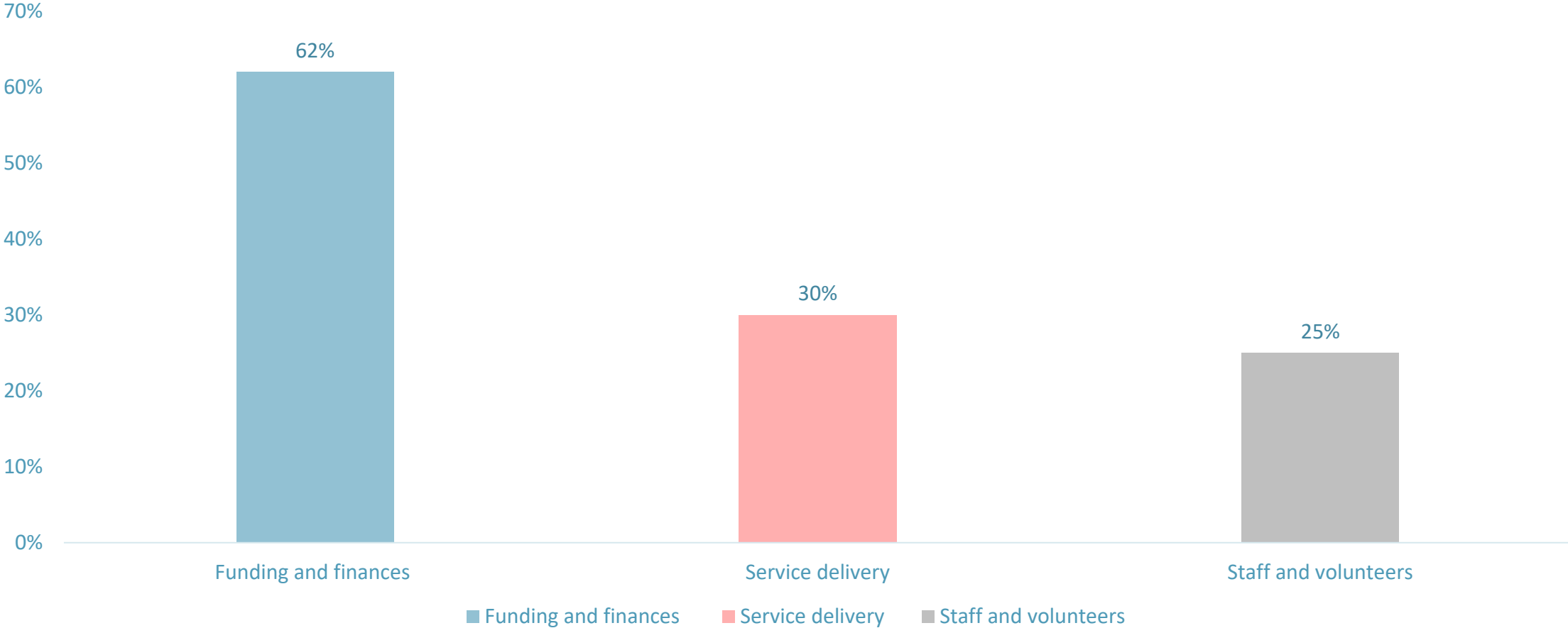
*Of organisations incurring this type of cost

37% reported that rising costs were among their three biggest current challenges

Of organisations seeing rising costs of any kind, **43%** felt this was having a negative impact on their ability to deliver their core services or activities

Main challenges posed by rising costs

Challenges posed by rising costs (n=143)



Funding & financial sustainability



“...running sport and leisure venues means that rising energy costs are a concern. Usage and income have not returned to pre-COVID levels and income will not cover the rising rates.”



“Rising costs are not matched by increases in contract funding leading to loss making across the board and subsequent pressure on reserves or sustainability.”



“We are struggling to generate the same levels of fundraising income due to rising costs of organising fundraising events.”

Service delivery



“The rising cost[s] will prevent us from doing some of the work we have planned as prices rise, we need to re-structure budgets and work to suit these costs.”



“The rising costs are unsustainable whilst retaining low charges to customers to ensure accessibility, rising costs will lead to a reduction in service outputs.”



“[Rising costs] are increasing [the] cost of delivering our services (running costs) to an increasing client base...”

Staff & volunteers



“Cost of living [is] not matched by income received meaning that staff are disadvantaged, and staff retention and recruitment are seriously adversely impacted upon.”



“We want to look after our staff and provide cost of living increases to their wages to ensure they can continue to work for us and aren’t too stressed.”



“There is a need to secure additional funding to meet the rising costs of volunteer expenses as we see an increased demand...we have also had to increase our recruitment for volunteers, especially volunteer drivers.”

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Advantages & limitations of the study

- Advantages

- Longitudinal – track changes
- Cause and effect
- Panel – same organisations
- Representative – wider sector
- Qual & quant data
- Flexible

- Limitations

- Wasn't specifically designed for this purpose
- Limited question set
- Attrition & response rates
- Respondents profile
- Self-completion online
- Data analysis
- Expensive & time consuming

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Homepage:

<https://scvo.scot/policy/research/scottish-third-sector-tracker>

Join the tracker:

<https://interviewer.djsresearch.com/scripts/dubinterviewer.dll/Frames?Quest=78910>

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Thank you

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