fife voluntary action

A Job Worth Doing
Full Report

A brief research report into the role of Fife's third sector as an employer

May 2018

1 Introduction

This report has been produced by Fife Voluntary Action (FVA), the Third Sector Interface for the Fife Council area. FVA is an independent charity that receives funding from key public sector agencies to ensure the third sector is robust, resilient and delivers high quality services for the people of Fife. To do this FVA is engaged in supporting, developing and representing community groups, voluntary organisations, social enterprises and volunteering.

1.1 Aims

There is currently little data available regarding the size, scale and scope of the third sector as employers in Fife. Such data is integral to understanding the challenges and opportunities facing third sector employers, distinct from the public and private sectors. This research therefore aims to:

- Quantify and improve our understanding of the profile of the third sector as employers in Fife
- Identify the key issues and opportunities facing the sector as employers in Fife
- Strengthen the collective voice of the third sector with partners in the public and private sectors

1.2 How to navigate this report

The report is divided into 11 main sections as follows:

2 The Role of the Third Sector

2.1 Defining the Third Sector

The third sector, which includes charities, social enterprises and voluntary groups, delivers essential services, helps to improve people's wellbeing and contributes to economic growth. It plays a vital role in supporting communities at a local level.[1] The third sector is an umbrella term it is also referred to as the voluntary, independent or not-for-profit sector.

Third sector organisations work independently from the public sector and cannot be state-owned, they are distinct from private enterprise as they are not primarily profit oriented.

Third sector organisations work across virtually all employment sectors. They can be of any size from very local community groups with no staff up to very large national and international charities employing thousands. Educational institutions including universities and colleges can be part of the third sector. The third sector also includes organisations such as arms-length external organisations (ALEOs) which are subject to the control and influence of local authorities but can still have charitable status if they have and pursue a charitable purpose.[2]

A common misconception of the third sector is that it consists solely of volunteers. In fact many organisations employ a core of paid, professional, and respected staff who work to achieve the charitable goals of their organisation and are critical to providing sustained service. They are able to build networks, develop strategies and provide organisational capacity to supplement and expand the work of volunteers.

Third sector organisations often act as a safety net for the most vulnerable individuals in society, with a significant focus on prevention and early intervention. This can be intentional or a beneficial side effect of activities providing a space for individuals to connect and engage with others in their community.

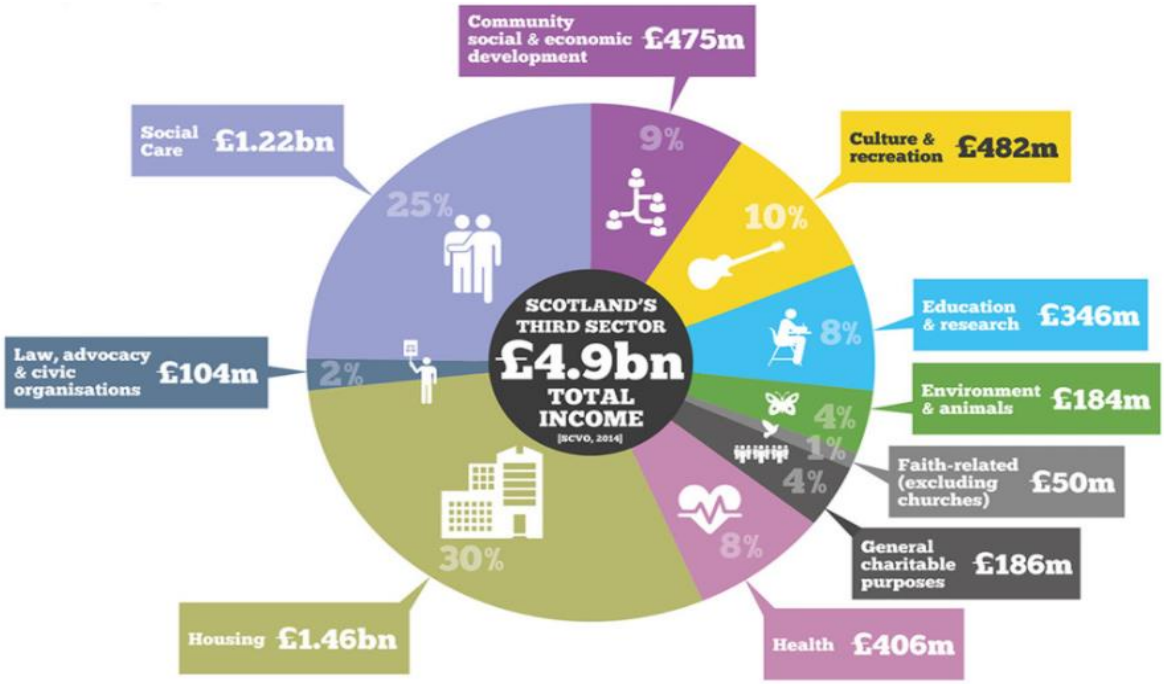
[1] Scottish government, https://beta.gov.scot/policies/third-sector/
[2] 'Arm's Length External Organisations' *OSCR* 2015

2.2 The Third Sector in Scotland and Fife

2.2.1 Charities

There are currently over 24,000 registered charities in Scotland and an estimated further 20,000 unregistered community groups. Overall the third sector contributes approximately £5bn to Scotland's economy - more than Scotland's drink industry and equivalent to the input of the creative industry.[3]

Figure 1: SCVO diagram of Scotland's third sector total income 2014[4]



Much of this income results from the work of a few large organisations and should not overshadow the difficult funding conditions many organisations find themselves facing in the wake of public funding contractions. Almost a third of Scotland's' charitable income (32.6%) is earned by the highest earning 1% of charities.[5] A large part of the third sector is the approximately 20,000 small community groups who make positive local impacts with minimal funds and often no paid staff.[6]

Fife is home to approximately 1,350 charities that are registered with the Office of the Scottish Charity Regulator (OSCR) and likely well in excess of 1,000 unregistered third sector organisations based on the ratio of Scotland's registered charities operating in Fife. Registered charities range from having no income in their most recent year of accounts to income of over £200 million for St Andrews University.[7]

Overall income from Fife's charities exceeds £470 million for those registered in Fife (NB this does not include income of charities whose headquarters are registered elsewhere but who operate in the area).

[3] SCVO, Scottish Third Sector Statistics, 2014 (http://www.scvo.org.uk/news-campaigns-and-policy/research/scvo-scottish-third-sector-statistics/)

[4] SCVO, Scottish Third Sector Statistics, 2014 (http://www.scvo.org.uk/news-campaigns-and-policy/research/scvo-scottish-third-sector-statistics/)

[5] OSCR Charity Register © Crown Copyright and database right [2017]. Contains information from the Scottish Charity Register supplied by the Office of the Scottish Charity Regulator and licensed under the Open Government Licence v.2.0.

[6] SCVO, Scottish Third Sector Statistics, 2014 (http://www.scvo.org.uk/news-campaigns-and-policy/research/scvo-scottish-third-sector-statistics/)

[7] OSCR Charity Register © Crown Copyright and database right [2017]. Contains information from the Scottish Charity Register supplied by the Office of the Scottish Charity Regulator and licensed under the Open Government Licence v.2.0.

2.2.2 Volunteers

Volunteers are a core part of the third sector and there are an estimated 1.3 million volunteers in Scotland, alongside 250,000 volunteer trustees.[8] To put that figure in context, over a quarter of adults in Scotland engage in volunteering, contributing an estimated £2 billion to Scotland's economy.[9] This involvement and investment by members of the public is one of the core assets of the third sector and one of the ways third sector organisations are able to affect change with limited financial resources.

The volunteering rate in Fife is slightly below the national average with 21% of adults "reporting" involvement in volunteering in the past year. This still equates to over 8 million hours being donated.[10]

2.3 Third Sector Interfaces & Fife Voluntary Action

FVA is the Third Sector Interface (TSI) for the Fife Council area. There are 32 TSIs across Scotland, one in each Local Authority. Building on the established and core infrastructural support role TSI's have been established to provide a catalyst to the Scottish Government's ambitions for the third sector to play a greater role in public service reform, not least in planning, design and delivery of services, TSIs are positioned to act as the conduit for the third sector in relation to integration activities. The TSIs are centrally funded to provide core functions. FVA's work plan identifies the following key priorities:

1. Community groups, voluntary organisations, charities and social enterprises (third sector organisations) in Fife are well governed, managed and deliver quality outcomes
2. Providing support to, and the promotion of, volunteering
3. Third sector organisations feel better connected and are able to influence and contribute to public policy
4. We are recognised for excellence

FVA is an employer in its own right and employed 35 members of staff in 2017.

2.4 Drivers of Third Sector Growth

Government figures show that third sector employment in Scotland has grown by 20,000 employees over the past 10 years and in 2016 accounted for 3.4% of Scotland's workforce (up from 2.7% in 2006).[11] The third sector has evolved out of people coming together to help themselves and each other and to bring about change and community benefit or to address social goals, therefore third sector growth is primarily focused on fulfilling needs identified within their communities. As a result, the sector forms an important link between local communities and wider public policy and provision: identifying new areas of need and working towards new solutions.

Public policy can drive growth in the third sector in two different ways:

Firstly, for example, the Third Sector Strategy Group in Fife identifies that "Austerity measures … have constrained public expenditure… This has impacted on the nature and extent of poverty and inequality in Fife."[12] This in turn has driven an increase in third sector response. For example, in recent years this

[8] SCVO, Scottish Third Sector Statistics, 2014 (http://www.scvo.org.uk/news-campaigns-and-policy/research/scvo-scottish-third-sector-statistics/)
[9] Economic Value of Volunteering in Scotland, *Volunteer Scotland*
[10] Volunteering in Fife, *Volunteer Scotland*
[11] 'Regional Employment Patterns in Scotland: Statistics from the Annual Population Survey' *Scottish Government* 2016
[12] 'DRAFT Strategy for Fife's Third Sector' *Third Sector Strategy Group* 2017

trend has been especially visible in the increased presence and use of foodbanks, with referrals on average 17% higher in areas of full Universal Credit rollout.[13]

Conversely, public sector policy can be an engine for growth through positive investment and engagement with the third sector and community organisations.

The 2011 Christie Commission report gave clear recommendations on the need to reform public services to empower individuals and communities and tailor more efficient local solutions, improving service delivery.[14] The Scottish Government committed itself to involving the third sector, alongside other partners, in the reform process and has shifted to an outcome-based focus in response.

This can be seen in a range of recent policy initiatives such as Getting it Right for Every Child (GIRFEC), Reshaping Care for Older People (RCOP) and Self Directed Support (SDS) which increasingly recognise that individual needs vary so care must be able to adapt to provide successful outcomes.

This new approach is embodied in Scottish Government legislation such as the Community Empowerment (Scotland) Act 2015 (and Public Bodies (Joint Working) (Scotland) Act 2014) which introduced new community planning initiatives to ensure "public bodies work together and with local communities to design and deliver better services".[15]

2.5 The policy context in Fife

2.5.1 Community Planning in Fife

Driven by legislation Community Planning is evolving, the various Fife Partnerships have already prepared a local community plan for each of Fife's seven local committee areas known as the Local Outcome Improvement Plans (LOIP), the Fife Economic Strategy, the Health and Social Care Strategic Plan and other strategically themed plans with the aim of decentralising services and decision making to local areas.

2.5.2 Fairer Fife

One of Fife's major policy developments is the Fairer Fife agenda which was initiated by Fife Council to address poverty and inequality over a 15 year period. Inequality is a real problem for many people living in Fife and a barrier to economic growth, with 12.4% of the population classed as income deprived.[16] There is a clear recognition that the ambitious goals laid out in the Fairness Matters report which emerged from the process can only be achieved by developing "a shared commitment to fairness and to promote methods of joint working and understanding".[17]

FVA is involved in delivery of these ambitions as a member of Fife Partnership, representing the third sector and has lead responsibility for the ambition to see over 35,000 more volunteers in Fife by 2030. Overall the third sector is leading 10 of the 40 recommendations in the report. Ambitious action will be needed to meet the goals set out in the report and the third sector is a clear resource as many organisations have expertise in the areas of need described.

[13] 'Early Warnings: Universal Credit and Foodbanks' *The Trussell Trust 2017*
[14] Campbell Christie et al. 'Commission on The Future Delivery of Public Services' *Scottish Government* 2011
[15] Community Planning in Scotland, http://www.gov.scot/Topics/Government/PublicServiceReform/CP (accessed 21/09/17)
[16] Coryn Barclay 'Scottish Index of Multiple Deprivation 2016: Fife Facts' *Fife Council* 2016
[17] Martyn Evans et al. 'Fairness Matters' *The Fairer Fife Commission* 2015

2.5.3 The Plan for Fife 2017 - 2027

The Plan for Fife[18] aims to provide an overarching vision, by putting a Fairer Fife at the heart of all planning so that the eight Partnerships can focus on how they can work together more effectively to create a Fairer Fife.

Our Vision for Fife - A Fairer Fife

"We're responding to the Fairness Matters challenge to be ambitious for Fife. We aim to reduce inequalities and to promote fairness in everything we do. This will involve a big effort by all our partners, including the Third Sector and the business community. All our partners recognise that having a Fairer Fife will benefit everyone."

The plan identifies four priority themes to direct work over the next ten years:

- Opportunities for all
- Thriving Places
- Inclusive Growth & Jobs
- Community-led Services[19]

FVA and third sector partners are engaged in all levels of community planning and have influenced the alignment of plans to better reflect third sector priorities. There is still room for the third sector to shape a clearer place as an integral part of community planning as it grows.[20]

FVA and third sector partners are engaged in all levels of H&SC locality planning and are influencing planning and service re-design as time progresses.[21]

Opportunities for All

Opportunities for All is about ensuring that no-one is left behind. We aim to ensure that everyone can access opportunities in education, training, jobs and wider society, and have equal access to the support and advice they might need to support a fulfilling and decent life.

Thriving Places

Thriving Places are safe, well designed and maintained places that promote wellbeing, where people are proud to be, and where they have access to the services and facilities they need at different stages of their lives.

Community Led Services

Community Led Services means putting communities and service users at the heart of how we design services, and building on the strengths and assets we have in our workforce and in our communities in order to deliver valued services.

Inclusive Growth and Jobs

Growth in the local economy should benefit everyone, and shouldn't pass people and places by. We will therefore focus on improving investment, growth and participation by businesses, people and communities, particularly in the Mid-Fife area. We aim to support businesses to grow and to make sure that communities benefit from new business investment.

[18] https://www.fifevoluntaryaction.org.uk/downloads/Plan_for_Fife_2017_2027.pdf

[19] 'Plan for Fife: Local Outcome Improvement Plan 2017-2027' *Fife Partnership* 2018

[20] Oliver Escobar, 'Reimagining Community Planning in Scotland: A vision from the Third Sector' *What Works Scotland* 2015

[21] http://wordpress.fifedirect.org.uk/letstalk/fife-plan/

2.5.4 Fife Health and Social Care Partnership and the Strategic Plan

Since 2016 NHS Fife and Fife Council have been working together in a new Integrated Health and Social Care Partnership in line with Scottish Government policy.

The four Strategic Priorities laid out in Fife's H&SC Strategic Plan are:

- Prevention and Early Intervention
- Integrated and Coordinated Care
- Improving Mental Health Services
- Reducing Inequalities

2.5.5 The Third Sector Strategy Group

The role of the Third Sector Strategy Group is to support and work alongside FVA to increase the involvement, influence and contribution of the third sector in bringing about the changes needed to create a better, fairer Fife. The Third Sector Strategy Group is an independent group and consists of elected representatives from across Fife's third sector and FVA.

2.6 In Summary

- The third sector is an acknowledged key player in delivering outcomes for Fife.
- The third sector is an umbrella term used to describe a range of community groups, voluntary organisations, social enterprises from Universities to individual volunteers who are involved at all levels within organisations and groups in direct and indirect activities.
- The third sector contributes approximately £5bn to Scotland's economy and has grown by 20,000 employees over the past 10 years.
- Fife's third sector accounted for around 1,350 registered and an estimated 1,000 unregistered third sector organisations in 2016.
- Volunteers contribute approximately 8 million hours to services in Fife.
- The third sector has lead responsibility for 10 of the 40 recommendations in the Fairness Matters Report for Fife and is a key contributor to all four themes of the Plan for Fife.

3 Methodology

3.1 Research Design

The information in this report was gathered through a combination of desk-based research, an online survey and follow-up telephone interviews with respondents.

Potential third sector employers were identified from the FVA database, the Office of the Scottish Charity Regulator (OSCR) register of charities based in Fife (with expenditure over £25,000) and information from FVA's payroll service. Organisations were directly invited to take part in the survey by email. The survey was also sent out to all contacts in the FVA directory as part of the weekly e-bulletins and advertised on social media.

3.2 About the survey

The survey asked about the following key areas:

- Scale and in which localities in Fife they operate
- Funding: approximate income for the year 2015/2016, and funding sources
- Staff contracts: type of staff contracts and the length, staff job roles
- Living Wage accreditation, use of Employment Recruitment Incentives (ERIs) and apprenticeships
- Challenges and advantages facing employers
- Equalities data: age, gender, disability, sexual orientation and ethnicity
- Volunteering

3.3 Summary of Responses

We received a total of **110** responses. **104** responses were from third sector employers, of which **90** were fully completed and **14** partially complete. We received **5** responses from third sector organisations who do not employ staff but completed the volunteer information sections of the survey. There was **1** response which was omitted from results as the organisation had yet to employ staff in Fife.

Table 1: Breakdown of survey responses

Responses	Employer	Non-employer
Fully complete	90	4
Partially Complete	14	1
Not included	1	-

3.4 Comparator data

OSCR data is taken from 2015/2016 charitable annual returns for organisations registered in Fife.

NOMIS is a service provided by the Office for National Statistics which gives detailed and up-to-date UK labour market statistics. NOMIS data is taken from the period 2015/2016 were possible.

4 Survey Results Analysis - Organisational Context

This section provides an overview of the organisations that responded to our survey and the scale of third sector employment in Fife.

4.1 Third Sector employment in Fife

OSCR figures from 2016 suggest that Fife has approximately 7,300 third sector employees, employed by 352 registered charities.[22] This figure does not include third sector organisations who employ staff that are not registered charities or organisations out with Fife who have staff in Fife.

According to NOMIS, in Fife approximately 171,400 people are in employment. Therefore this equates to approximately 4.25% of Fife's workers.[23] It is worth noting that this includes approximately 2,400 staff working at St Andrew's University and a further 770 at Fife College, *neither* of which responded to this survey.

Extrapolating from these figures this survey captures data from around 29% (104) of organisations employing staff in the sector and 35.4% (2,606) of third sector employees working in Fife.[24]

4.2 Organisational scale and staff numbers

We asked organisations whether they were 'local', 'regional' (i.e. working in 2 or more local authority areas) or 'national'.

A total of 100 organisations completed this question.

Three quarters of employer respondents were local organisations operating solely in the Fife Council area with 18% being larger national organisations and 8% operating at the regional level. One respondent was an ALEO (Arm's Length External Organisation) of Fife Council. 4 organisations did not answer this question.

Table 2: Organisations' scale by organisation and staff numbers – local, regional or national

Geographical Scale	No. of Orgs	No. of staff
Local	74	1309
Regional	8	661
National	18	636
TOTAL	**100**	**2606**

According to our survey local organisations employ just over half (50.2%) of employees in the third sector in Fife. National and regional organisations account for the remaining workforce in a fairly even split with 25.4% being employed by a regional and 24.4% by a national organisation

[22] © Crown Copyright and database right [2017]. Contains information from the Scottish Charity Register supplied by the Office of the Scottish Charity Regulator and licensed under the Open Government Licence v.2.0.
[23] NOMIS – July 2016-June 2017
[24] © Crown Copyright and database right [2017]. Contains information from the Scottish Charity Register supplied by the Office of the Scottish Charity Regulator and licensed under the Open Government Licence v.2.0.

4.3 Size of third sector employers in Fife

We asked organisations how many staff they employed, specifically in Fife. This means that we have a Fife-specific view of the workforce for regional and national organisations.

Table 3: Respondents by size of employment in Fife.

Scale	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Local	36	29	2	1
regional	2	2	1	1
national	10	5	0	1
TOTAL for survey	**48**	**36**	**3**	**3**
OSCR data for Fife[25]	**293**	**53**	**6**	**7**
Fife business comparison[26]	8095	945	140	35

Of the local employers, the majority were micro-enterprises with 36 organisations (53%) employing up to 9 staff members. A further 29 (43%) were classed as small businesses, employing between 10 and 49 staff. There were 2 medium organisations with between 50-249 staff and only 1 large employer with 250+ staff in Fife.

Any conclusions that are drawn from employee numbers are Fife specific, as Table 3 shows 10 of the national organisations active in Fife have indicated a staff size of less than 10 employees. This is not representative of their overall staff composition and we expect that they would be considered medium to large employers.

According to data from OSCR, the vast majority of third sector organisations registered in Fife are micro in size (employing fewer than 10 staff).

[25] © Crown Copyright and database right [2017]. Contains information from the Scottish Charity Register supplied by the Office of the Scottish Charity Regulator and licensed under the Open Government Licence v.2.0.
[26] NOMIS

4.4 Third sector employers by industry

The survey asked respondents to identify the 'industry sector' that reflected the kind of work they do against the UK Standard Industrial Classification (SIC) Hierarchy used by the Office for National Statistics.

A total of 100 organisations answered this question of which 4 were unable to select an industry that they felt appropriately described their work.

Third sector employment appears to be concentrated in a relatively small number of industries compared to the workforce at large.

Table 4: Comparison of workforce by industry.[27]

Industry	No. of Orgs	No. Staff	% Staff	Fife businesses % staff
Accommodation and food service activities	4	13	0.5%	6.6%
Administrative and support services (includes office admin, employment agencies)	2	60	2.3%	4.6%
Agriculture; forestry and fishing	1	17	0.7%	0.1%
Arts; entertainment and recreation	7	435	16.7%	5.5%
Education	15	122	4.7%	8.1%
Financial and insurance activities (includes credit unions)	2	13	0.5%	2.6%
Health and social work	51	1350	51.8%	17.8%
Manufacturing	1	6	0.2%	12.0%
Other service activities (includes religious and other membership organisations)	7	55	2.1%	-
Professional; scientific and technical activities	1	6	0.2%	4.6%
Real estate activities (incl. housing associations)	4	483	18.5%	0.7%
Transportation and storage	1	2	0.1%	2.6%
Not sure	4	44	1.7%	
TOTAL	**100**	**2606**	**100%**	**65%**

Human Health and Social Work Activities is by far the largest third sector industry in our survey, accounting for 51.5% of third sector employers and 51.8% of staff. This includes organisations such as advocacy groups, those who provide a social care function (often for a specific subgroup of individuals) and groups working to support vulnerable people.

The health and social work industry is an important employer in Fife, employing 17.8% of the workforce across the public, private and third sectors - above the Scottish average of 16%. [28]

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[27] NOMIS

[28] Alexander McTier and Alan McGregor, 'Fife Workforce Modelling Report' *University of Glasgow Training & Employment Research Unit* 2015

Education is the next largest reported sector, accounting for 15.2% of employers in our survey though it only employs 4.7% of the staff total. Examples of organisations who selected this category include playgroups, and organisations who are an information resource for a specific topic.

Arts, entertainment & recreation and *other service activities* each represent another 7.1% of organisations but diverge hugely, employing 16.7% and 2.1% of reported staff respectively. These organisations include, for example, 'Kingdom Off Road Motorcycling Club', 'Places of worship in Scotland (POWiS)' and 'StAnza, Scotland's International Poetry Festival'.

Real estate is also an important industry for the third sector as it includes housing associations, of which 4 are Fife based (Kingdom Housing Association, Fife Housing Group, Glen Housing Association and Ore Valley Housing Association). There are approximately 20 other housing associations who have housing in Fife.

4.5 Social Enterprises

Social enterprises can be described as businesses that operate to combat social problems or improve local communities and reinvest any profits into the business and local area.[29] For this question we simply asked organisations if they identified themselves as a social enterprise.

A total of 105 organisations responded to this question.

Table 5: Organisations self-identifying as social enterprises

Coverage	Yes	No	Not sure
local	14	51	13
regional	2	5	1
national	5	10	4
TOTAL	**21**	**66**	**18**
%	**20%**	**63%**	**17%**

Just over a fifth of respondents identified themselves as a social enterprise, the majority of which are local.

18 respondents (almost one fifth) said they were 'not sure' if they were a social enterprise or not. This suggests that despite significant investment in this area there is still a need to raise the profile of what constitutes a social enterprise. The Fairer Fife Commission recognised the potential of Social Enterprise in providing local, good quality employment opportunities and recommended investment in development capacity.[30]

Almost two thirds responded that they did not consider themselves a social enterprise.

[29] 'Social Enterprise in Fife: A Report for Fife Council' *Social Value Lab* 2014
[30] Martyn Evans et al. 'Fairness Matters' *The Fairer Fife Commission* 2015

4.6 Geographical Coverage

We asked organisations to indicate which area(s) their organisation delivers services in, to gain a snapshot of current activity. They were able to tick as many as felt applicable

	Fife Wide	Cowdenbeath	Dunfermline	NE Fife	Glenrothes	Kirkcaldy	Levenmouth	SW Fife
Local	29	6	7	18	12	12	8	6
Regional	7	0	0	0	0	0	0	0
National	15	0	0	2	1	1	1	1
Total	**51**	**6**	**7**	**20**	**13**	**13**	**9**	**7**

54% of respondents to this section (51 organisations) work Fife wide. Those organisations who do not work across the whole of Fife were asked to indicate which of the 7 localities they delivered services in; 27 organisations work in only one locality and 13 indicated they worked across more than one.

North East Fife has the highest level of local provision in our survey results with 21% (20) of third sector employers working in the locality. Cowdenbeath has the least with only 6% (6) of organisations delivering a local service.

Of the 27 organisations who only deliver services in a single locality the majority (20) are focused on North East Fife.

4.7 Key findings

- OSCR figures from 2016 suggest that Fife has approximately 7,300 third sector employees, employed by 352 registered charities.
- The vast majority of third sector organisations registered in Fife are micro in size (employing fewer than 10 staff).
- This report includes data from 104 (around 29%) organisations employing staff in the sector and 2,606 (approximately 35.4%) third sector employees working in Fife.
- The majority of respondents (74%) were local and employ 50.2% of staff included in the survey.
- *Human Health and Social Work Activities* is by far the largest third sector industry in our survey, accounting for 51.5% of third sector employers and 51.8% of staff.
- 20% of respondents self-identified as social enterprises.
- According to our survey North East Fife has the highest level of third sector services (21%). Cowdenbeath has the least with only 6% (6) of organisations delivering a local service.

5 Survey Results Analysis - Finance and Funding

This section provides an overview of income size and funding sources of third sector employers in Fife.

5.1 Overall Income

Information from OSCR returns for 2016 states that the total income for 2015/16 for the 352 charities registered in Fife was over £440 million (of which £230 million is accounted for by St Andrews University and Fife College alone).[31]

86 organisations responded to this section. Between them they had a total Fife based income of £46 million in the financial year 2015/16.

A further 9 respondents who were national or regional were unable to provide a breakdown of the proportion of their income that is specifically for Fife.

5.2 Organisations by income size – relevant to Fife

We asked organisations what their approximate income was for the year 2015/16.

A total of 95 responded of which 9 were unable to provide data at a local level and so are not included in the data below.

Income	No orgs	<25k	25-100k	100k-1m	1m+	10m+
Local	73	6	21	38	6	2
Regional	6	0	0	2	3	1
National	7	1	2	2	2	0
Total	**86**	**7**	**23**	**42**	**11**	**3**

Nearly half of respondents report an annual income of £100,000 - £1 million, with a quarter (23) earning £25,000-£100,000.

Total reported income for all 86 respondents was over £46 million.

5.3 Funding Sources

Respondents were asked to provide a breakdown of their funding sources for their income in 2015/16 against a list of options which can be seen in full in table 10 below.

93 organisations responded to this question.

[31] © Crown Copyright and database right [2017]. Contains information from the Scottish Charity Register supplied by the Office of the Scottish Charity Regulator and licensed under the Open Government Licence v.2.0.

Table 8: Funding sources

Funding sources	No. orgs funded by source	% orgs funded by source	Average % of income derived from source (if used)
Local Authority	68	73%	46%
Earned income	43	46%	37%
Scottish Government	36	39%	33%
Health Body	27	29%	31%
Business Sector	5	5%	30%
Donations	36	39%	22%
Lottery	26	28%	22%
Other	30	32%	21%
Charitable Trusts	32	34%	15%
European Money	9	10%	14%
UK Government	5	5%	8%

Note: organisations were able to tick as many as were relevant

Most organisations seek funding from a range of sources, on average between three and four of the listed options. Only 10 organisations receive their funding from a sole source and this can vary amongst the options above.

Almost ¾ of respondents to our survey received funding from the Local Authority. On average this accounted for 45% of their income this varied significantly with only 2 organisations 100% reliant on the local authority.

46% of respondents have some form of earned income from sources such as room hire and providing paid services accounting for a significant average of 37% of income.

Donations are another important source of funding (36 used) but bring in a much lower proportion of income for these organisations (22%). The least commonly used source of funding for Fife's third sector employers is the UK Government which funds 5 of those in our survey for an average of 8% of their yearly income.

5.4 Key findings

- OSCR data for 2016 shows a total income for charities registered in Fife of over £440 million. This includes St. Andrews University and Fife College.
- Combined Fife-based income for survey respondents in 2015/16 was in excess of £46million.
- 16% (14) had an income of over £1million.
- Local authorities are a significant source of funding, contributing to the income of 73% of respondents with earned income in second place as contributing to most organisations income.

6 Survey Analysis - Staff

This section analyses data on staff contracts and occupational roles in the sector. The 2016 UWS-OXFAM Partnership Decent Work report points out that it is important for the third sector to take a critical look at its own employment practices to see if we are providing fair and decent work.[32]

Our survey recorded a total of 2,606 staff employed by 100 third sector employers. This accounts for approximately 35.4% of third sector employees in Fife.[33]

6.1. Staff Contracts

We asked respondents how many employees they have working in Fife on full time or part time contracts. Part time is defined as anyone working less than 35 hours a week.

A total of 91 respondents answered this questioned.

Table 9: Type of employment for third sector staff

	No. orgs	Full-time	%	Part-time	%	Self Employed	%	Total staff
Local	68	591	23%	624	24%	94	4%	1309
Regional	7	240	9%	420	16%	1	0.03%	661
National	16	424	16%	204	8%	8	0.3%	636
Total	**91**	**1255**	**48%**	**1248**	**48%**	**103**	**4%**	**2606**

This data shows an almost even split in the number of staff employed on a full time (48.2%) and part time (47.8%) basis. This differs somewhat in comparison to NVCO figures which found that 63% of paid staff in the third sector work full-time and 37% work part time.[34] Scotland wide figures for the sector show a slightly higher proportion of full time workers at 60% but there has been a 6% shift towards part time working since 2007.[35]

This data also shows a much higher proportion of part time workers than in other sectors, with the private and public sector employing 26% and 28% of their staff on a part time basis respectively.[36]

According to Scottish Government findings, Fife has an above average number of underemployed workers, with 9.5% indicating they would like the opportunity to work more hours.[37]

[32] Francis Stewart, Hartwig Pautz and Sally Wright 'Decent Work for Scotland's Low-Paid Workers: A Job to be Done' *UWS-OXFAM Partnership* 2016

[33] © Crown Copyright and database right [2017]. Contains information from the Scottish Charity Register supplied by the Office of the Scottish Charity Regulator and licensed under the Open Government Licence v.2.0.

[34] Low Pay in the Charity Sector, *Living Wage Foundation* *https://www.livingwage.org.uk/sites/default/files/Living-Wage-Report.pdf*, accessed 19/12/17

[35] 'Regional Employment Patterns in Scotland: Statistics from the Annual Population Survey' *Scottish Government* 2016

[36] 'Regional Employment Patterns in Scotland: Statistics from the Annual Population Survey' *Scottish Government* 2016

[37] 'Regional Employment Patterns in Scotland: Statistics from the Annual Population Survey' *Scottish Government* 2016

We also asked how many staff in Fife are employed on permanent, temporary, sessional or zero hour's contracts. A total of 91 replied to this question.

Table 10: Prevalence of contract type

Contract type	No. orgs	Permanent	%	Temp	%	Sessional	%	Zero-hours	%	Total staff
Local	68	868	33%	205	8%	65	2%	220	8%	1358
Regional	7	632	24%	29	1%	0	0%	0	0%	661
National	16	525	20%	17	1%	90	3%	0	0%	632
Total	**91**	**2025**	**76 %**	**251**	**10%**	**155**	**6%**	**220**	**8%**	**2651**

Seven organisations in Fife use zero hours contracts but one organisation alone accounts for 203 of the 220 staff (8%) employed on them.

At a UK level around 33% of third sector organisations employ staff on zero-hours contracts therefore our survey shows that Fife compares favourably.

Over half of third sector employers (55%) employ at least one member of staff on temporary contracts. This accounts for 10% of employees.

Local organisations are more likely to employ staff on temporary contracts.

6.2 Occupational Roles

We asked respondents to quantify how many staff were employed in management/senior, back office, front line/client facing and other roles, with space to add further detail if they wished.

We used occupational roles from NOMIS for ease of comparison.

A total of 89 organisations responded to this question.

According to our survey the third sector in Fife has an occupation profile that diverges from the picture of Fife in general.

Table 11: Occupations roles

Role	No. orgs	Management & Senior	%	Admin	%	Frontline / Client-facing	%	Other	%	Total
Local	67	175	7%	142	5%	952	35%	119	4%	1388
Regional	6	52	2%	85	3%	479	18%	45	2%	661
National	16	90	3%	24	1%	519	19%	1	0%	634
Total	**89**	**317**	**12%**	**251**	**9%**	**1950**	**73%**	**165**	**6%**	**2683**
Fife employees (from NOMIS)		69,900	41%	15,300	9%	41,000	24%	44,000	26%	171,400

It would appear that Fife's third sector has a low level of management and senior staff, accounting for only 12% of the workforce. Managers in the third sector are also likely to be involved in front facing roles alongside their colleagues as a number of organisations indicated their staff engaged in both roles.

The average staff to management ratio is 1 manager/senior staff member to 7.5 more junior employees. This covers a huge range of circumstances from senior staff with no management responsibilities to those who are managing in excess of 20 staff. Approximately 14% (11) of third sector employers in our survey have a staff to management ratio of over 10.

A clear majority (73%) of third sector staff are involved in a front line, client facing role. 6% of staff were classed as ‘other’ roles, of this at least 1% are engaged in elementary roles such as cleaning and driving.

6.3 Key Findings

- The third sector is more likely to employ staff on part-time contracts (47.8%) than private (26%) and public (28%) sector employers.
- The majority (76%) of employees are on a permanent contract, while 10% are temporary and 6% on a sessional contract. 8% are on zero hours contract.
- Local organisations were much more likely to employ staff on temporary contracts so transactional costs may have a disproportionate impact on these organisations.
- A clear majority (73%) of third sector staff are involved in a front line, client facing role.

7 The Third Sector as Contributors to Fairer Employment in Fife

The third sector is an acknowledged partner in delivering outcomes in Fife and plays a key contributory role in achieving the many of the recommendations in the Fairer Fife Report.

This section looks at how third sector employers contribute to the inclusive growth and jobs agenda in Fife by analysing if they are accredited living wage employers, use employer recruitment incentives and/or apprenticeships.

7.1 Accredited Living Wage

Fife Council has committed to becoming a living wage region, in line with Recommendation 11 of the Fairness Matters report.[38] Fife Voluntary Action has been an accredited living wage employer since 2015.

The Real Living Wage is separate to the government's 'national living wage' which is the legal minimum wage for over 25's. The Real Living Wage is an hourly rate of pay, calculated every year according to the cost of living in London and the UK. In 2011, the Living Wage Foundation was established to accredit organisations who pay the Living wage to workers and onsite contractors (e.g. cleaners, security and catering staff) with the 'Living Wage Employer Mark'.[39]

There are currently 947 accredited living wage employers in Scotland with the third sector accounting for 231 (24.4%) of these employers.[40]

We asked organisations if they were accredited as Living Wage Employers.

A total of 90 organisations answered this question.

Table 12 Proportion of self-identified accredited Living Wage Employers in Fife in our survey

Self-identified Living Wage employer	Yes	%	No	%	Not Sure	%
Local	22	25%	34	38%	12	13%
Regional	2	2%	4	4.5%	0	0
National	9	10%	4	4.5%	3	3%
Total	**33**	**37%**	**42**	**47%**	**15**	**16%**

The data shows that, overall, local employers are more likely to be accredited living wage employers.

According to Scottish Living Wage there are 52 accredited living wage employers in Fife: 28 – Private Sector, 23 - third sector and 1 Public Sector[41].

[38] Martyn Evans et al. 'Fairness Matters' *The Fairer Fife Commission* 2015
[39] Low Pay in the Charity Sector, *Living Wage Foundation* https://www.livingwage.org.uk/sites/default/files/Living-Wage-Report.pdf, accessed 19/12/17
[40] "Accredited Employers", *Living Wage Foundation* http://scottishlivingwage.org/accredited, accessed 1/9/17
[41] http://scottishlivingwage.org/accredited (6/6/2018) IMPORTANT NOTE Some organisations have been allocated to the wrong sector on the website and so these figures have been adjusted accordingly.

7.2 Employer Recruitment Incentives (ERIs)

The third sector is often described as a 'gateway employer'. Employer Recruitment Incentives (ERIs) can play a key role in supporting organisations to take risks on recruiting new staff. ERIs in Fife pay some or all of an employee's salary for an agreed time period usually between 6-12 months. ERIs include Scotland's Employer Recruitment Incentive (SERI), Fife Job Contract (FJC) and Community Jobs Scotland (CJS) which is specifically for third sector employers in Scotland.

We asked organisations if they had used any ERIs in the last 3 years, and if so how many. A total of 90 employers responded to this question.

Table 13: Employers using ERIs.[42]

Use of ERI	Yes	No	Not sure	How many times used?
Local	25	36	7	72
Regional	2	4	0	1
National	2	13	1	1
Total	**29**	**53**	**8**	**74**
%	32%	59%	9%	

A third of employers (29) who answered this question had used an ERI in the past three years, creating a total of 74 positions. Of those who had used an ERI 24% (6 employers) had used an incentive 5 or more times.

The clear majority of organisations who had used an ERI in Fife were local with 25 organisations making use of them.

There also appears to be a correlation between organisations who had used an ERI and accredited living wage employers. 12 organisations (41%) who had used an ERI were also accredited.

[42] 2 organisations declared that they had used ERIs but were unsure of the exact number used in the previous 3 years.

7.3 Apprenticeships

We asked employers whether or not they had created an apprenticeship position in the last three years.

A total of 94 responded to this question.

Table 14: Apprenticeship positions in the last three years.

Use of Apprenticeships	Yes	No	Not sure	How many?
Local	10	58	2	37
Regional	3	4	0	8
National	0	16	1	0
Total	**13**	**78**	**3**	**45**
%	14%	83%	3%	

A total of 45 apprenticeship positions have been established over the past three years by 13 different organisations.

Again local organisations are much more likely to make use of apprenticeships.

Seven employers in our survey have an income that indicates they are likely to be affected by the Apprenticeship Levy, of which 3 are national, 2 regional and 2 local.[43]

Third sector uptake of apprenticeships is significantly lower than uptake of ERIs or the living wage accreditation.

Three employers indicated they were accredited living wage employers *and* had used both ERIs and apprenticeships in the past 3 years.

[43] The apprenticeship levy is a new tax introduced in April 2017 by the UK government requiring all employers with a wage bill of over £3 million pay 0.5% of their total wage bill. 'UK Government apprenticeship levy', http://www.gov.scot/Topics/Education/skills-strategy/apprenticeship-levy (accessed 21/9/17)

7.4 Volunteering as a Stepping Stone to Employment

We asked organisations how many of their current staff started out as volunteers within their organisation and how many of their former volunteers had moved into employment either with themselves or other organisations.

A total of 85 organisations responded to this question[44].

Table 15: volunteers who moved into employed or started as staff.

	No. organisations	Staff who started as volunteers?	Volunteers who moved into employment?
Local	64	106	141
Regional	5	2	0
National	16	8	5
Total	**85**	**116**	**146**

At least 116 staff who are currently employed in 85 third sector organisations in Fife originally started out as volunteers in their current place of work.

For people moving into employment from volunteering the figure is higher, with 146 volunteers noted as moving on in this way. Some organisations commented it is not an outcome they measure so the figure is likely to be greater still.

It is crucial to recognise that many organisations work with volunteers who are not looking for employment.

Again, local organisations are far more likely to engage in this transition.

7.5 Key findings:

- 36% of respondents reported themselves as accredited living wage employers.
- Local organisations appear far more likely to be involved in fair work agenda accounting for the largest portion of accredited living wage employers, creating 72 (97%) ERI posts and 37 (82%) of apprenticeships.
- 29 third sector employers had used an ERI in the past three years, creating 74 positions.
- 45 apprenticeship positions have been established in the past three years by 13 different third sector organisations.
- 116 staff who are currently employed in 85 third sector organisations in Fife originally started as volunteers. Local employers appear far more likely to be involved in this transition.

[44] A total of 7 organisations out of the 85 who responded did not know how many volunteers moved into employment and 1 organisation did not know if any staff member started out as volunteers. Some organisations were unsure if any volunteers moved into employment, others were unsure of the exact number.

8 Third Sector Employee Equalities Information

This section looks at the protected characteristics of third sector staff in Fife.

We asked third sector employers to provide information on a number of equalities indicators, we used the same questions used by Fife Council in their employee data to ensure opportunity for comparison in the future.

These questions were marked as optional due to an awareness it may be difficult for organisations to collate this information.

8.1 Age

Respondents were asked to provide information on the age ranges of their employees if they were able.

74 organisations responded to this question.

Table 16: Age composition of workforce.

Age Composition	16-24	%	25-34	%	35-44	%	45-54	%	55-64	%	65+	%	**Total**
Local	266	12%	214	10%	209	10%	238	11%	150	7%	29	1%	1106
Regional	40	2%	83	4%	93	4%	130	6%	80	4%	7	0.3%	433
National	160	7%	99	5%	77	4%	126	6%	110	5%	24	1%	596
Total	**466**	**22%**	**396**	**19%**	**379**	**18%**	**494**	**23%**	**340**	**16%**	**60**	**3%**	**2135**

The third sector employs a relatively high number of young people aged 16-24, they make up 22% of the workforce.[45] The largest age group of employees however is 45-54 year old who accounts for 23% of the workforce. Over the next 10-15 years this may become a challenge as the sector will need to adapt to an aging workforce.

The high number of young employees is mostly distributed amongst the larger employers in Fife. Almost three quarters of young employees are employed by just two organisations.

8.2 Gender

We asked organisations to outline the gender balance of their workforce. A total of 81 employers responded to this question.

Table 17: Gender composition of workforce.

	Female	%	Male	%
Local	806	32%	419	17%
Regional	469	19%	202	8%
National	396	16%	221	9%
Total	**1671**	**66%**	**842**	**34%**

[45] Local Area Labour Markets in Scotland - Statistics from the Annual Population Survey 2012, Scottish Government, 2013

Employment in the third sector is heavily weighted towards women, accounting for two thirds of the workforce represented in our survey. This very closely matches Scottish figures from 2013 which estimated women made up 64% of the workforce[46] and is broadly comparable with findings from the National Council for Voluntary Organisations (NCVO) who state hat 65% of third sector workers are female and around 35% are male.[47]

Despite the over representation of female workers in the sector, they are disproportionately affected by low wages. The Living Wage Foundation found that females are more likely to experience low pay in the charity sector with 30.4% earning less than the Living Wage, compared to 21% of men. This is higher than the UK average across sectors – with 27% of women in low paid work.[48]

8.3 Disabilities

We asked employers how many, if any, employees had identified as having a disability, long-term illness or health condition.

A total of 38 organisations responded to this question.

Employees are not required to inform their employer of this information so our data for this question does not reflect the full view.

Employers were aware of 111 employees across 38 employers who have a disability, long-term illness or health condition, with at least one organisation reporting that this described all their employees.

Table 18: Employees with disabilities.

	Orgs	Total staff	No. staff with a disability	%	Not known
Local	28	414	66	16%	0
Regional	4	417	16	4%	1
National	6	574	29	5%	0
Total	**38**	**1405**	**111**	**8%**	**1**

It is clear that the majority of those with a disability are employed by local organisations. However, these figures are best viewed as a minimum indicator for the sector. In order to get more accurate data it is suggested that the sector undertake more in depth analysis of this issue.

8.4 Sexual identity

We asked how many, if any, employees identified themselves as LGBT (lesbian, gay, bisexual or transgender)

A total of 13 organisations said they knew of 17 staff members who identified as LGBT, this equates to 0.6% of the 2606 staff included in the survey. Three organisations said they did not know. We expect that many do not capture this data effectively or employees don't feel comfortable disclosing such personal data. This would therefore mean there are more LGBT workers but their sexual identity is not recorded.

[46] Local Area Labour Markets in Scotland - Statistics from the Annual Population Survey 2013, Scottish Government, 2014
[47] Low Pay in the Charity Sector, *Living Wage Foundation* https://www.livingwage.org.uk/sites/default/files/Living-Wage-Report.pdf, accessed 19/12/17
[48] Low Pay in the Charity Sector, *Living Wage Foundation* https://www.livingwage.org.uk/sites/default/files/Living-Wage-Report.pdf, accessed 04/01/18

8.5 Ethnicity

We asked how many employees were known to be of the following racial or ethnic group using the following categories: white, mixed or multiple ethnic group, Asian, Asian Scottish or Asian British, African, Caribbean or Black, other ethnic group.

A total of 72 employers provided information on ethnicity of their staff. Almost all identified this as incomplete.

Table 20: Ethnicity of workforce.

	No. orgs	Total staff	White	Mixed or multiple ethnic group	Asian, Asian Scottish, Asian British	African, Caribbean or Black	Other ethnic group	Don't know
Local	55	617	600	6	5	1	5	0
Regional	4	46	46	0	0	0	0	0
National	13	115	114	0	0	0	1	0
Total	**72**	**778**	**760**	**6**	**5**	**1**	**6**	**0**
%		100%	97.7%	0.7%	0.6%	0.1%	0.7%	0%

Overall we were provided with information on the ethnicity of 30% of staff in the survey. Of these 97.7% were of a white background this data concurs with the 2011 census in Fife which suggested that white backgrounds accounted for 96.1% of the population. While this survey found that just short of 1% of third sector staff were of Asian, Asian Scottish or Asian British background the 2011 census in Fife found that people of Asian, Asian Scottish or Asian British backgrounds made up 2.7% of the population. Less than 1% of third sector employees in our survey were African, Caribbean or Black, mixed or multiple ethnic group or other. The Fife census of 2011 found 1.3% of workers fell into other ethnic groups.[49] This suggests the third sector broadly mirrors the population overall.

8.6 In Summary:

- 21.8% of the workforce are 16-24 year olds while 45-54 year olds make up 23.1%.
- 66% of third sector employees in Fife are female and 34% are male.
- 111 employees across 38 employers identified as having a disability, long-term illness or health condition.
- 17 employees from 13 employers identified themselves to their employer as lesbian, gay or bisexual or transgender.
- Almost 98% of third sector employees were from a white background.

[49] 'Scotland's Census Area Profiles', *Scotland's Census* http://www.scotlandscensus.gov.uk/ods-web/area.html, accessed 5/9/17

9 Survey Analysis
– The View from the Third Sector

The section provides an overview of organisational sustainability and challenges as employers.

9.1 Trends in Growth

9.1.1 Respondents were asked how many staff they employed in Fife three years ago. 89 responded. Employers were asked to indicate this on a 5 point scale ranging from a lot less to a lot more staff.

Table 21: Change in staff compared to three years ago

	Have a lot fewer	Now have fewer staff	Same	have more staff	Have a lot more staff	No employees 3 years ago
Local	2	4	26	16	20	2
Regional	0	2	1	1	2	1
National	0	6	7	1	1	2
Total	**2**	**12**	**34**	**18**	**23**	**5**
%	2%	13%	36%	19%	25%	5%

49% of those that responded (46) indicated that they had been able to grow to some degree over the three-year period. Another 38% (34) reported employing 'about the same' number of staff with a sizeable minority of 15% (14) who now employ less staff.

9.1.2 We asked organisations to indicate their plans over the next 12 months. This was a multiple choice question and respondents were asked to tick as many as apply.

88 organisations responded to this question.

Table 22: Organisational plans

	No. orgs	Develop new projects	Extend existing services	Invest in training and up skilling staff	Recruit additional/ new staff	Recruit more volunteers	Close services/ projects	Reduce organisational size
Local	66	40	37	39	26	42	4	4
Regional	6	6	4	5	4	3	1	0
National	16	10	4	8	6	6	3	0
Total	**88**	**56**	**45**	**52**	**36**	**51**	**8**	**4**
%		67%	51%	59%	41%	58%	9%	5%

Nearly two thirds (64%/56) of respondents are planning to develop new projects, and half (51%/45) intending to extend existing services. For some organisations this is part of a cycle where "change is ongoing with some projects coming to an end and new ones starting".

Responses also showed a significant commitment to recruiting (41%/36 orgs) and training (59%/52 orgs) staff. This is a higher level of staff investment than SCVO found in their recent third sector forecast for 2017 survey for Scotland's third sector as a whole.

One of the major themes that emerged from comments on this question was how organisations are struggling to secure funding and how many plans depend on uncertain sources of income. 10% of organisations (9) reported negative plans for the next 12 months, with one service closing down completely as "lack of funds have driven [them] to decide to close this project".

9.1.3 Organisations were asked to indicate how many of their staff posts' funding would end in the next 12 months. 81 organisations responded to this question.

Table 23: The future of staff funding

	No. orgs	Total Staff	Funding ending in 12 months	%
Local	60	1273	230	18%
Regional	6	661	4	1%
National	15	618	16	3%
Total	**81**	**2552**	**250**	**10%**

Taken as a percentage of staff from employers who provided a response, 10% of their workforce are funded for less than 12 months. Local organisations are disproportionately affected by this issue.

A large number of these may receive renewed funding but this is not guaranteed which presents third sector employers with a raft of challenges.

One respondent commented that yearly funding is limiting as it means they *"can only offer a relatively short-term post in case the funding for year 2 isn't confirmed"* which can discourage interest in applying for a position and makes planning for the next financial year a real challenge.

9.2 The Challenges of Being a Third Sector Employer

Respondents were asked to rank the challenges they faced as an employer in recruiting and retaining staff, where 1 is the most important factor from a list of options. They were asked to select options they felt applied to their organisation. Some commented they felt none applied.

81 responded to this question.

Table 24: Ranking of challenges facing third sector employers in recruiting and retaining staff

What are the biggest challenges you face as an employer in recruiting and retaining staff? Please rank as many or as few options as you feel affect your organisation, with 1 being the most important.		
Answer Options	Rating Average	No. of Employers affected
Short term funding and contracts	1.45	51
Competing with the public sector's terms and conditions	2.80	30
Too few applicants for advertised roles	2.92	38
Political uncertainty	3.18	17
Competing with the private sector's terms and conditions	3.29	24
Lack of capacity to invest in staff development	3.56	27
Lack of capacity to invest in training new staff	3.56	25
The responsibilities of employing staff (HR, payroll etc.)	3.95	20
Recruiting a diverse workforce	4.25	12
Absences due to sickness and ill health	4.68	19
Line management skills and capacity	5.21	14
Too many applicants for advertised roles	5.30	10
Absences due to maternity/paternity leave	8.25	8
Absences due to caring responsibilities	9.67	6

77 respondents answered this question.

By a clear margin short term contracts and funding were identified as the biggest challenge facing third sector employers in our survey. Two thirds (51) of those who responded thought that it was a challenge affecting their organisation, and half of all who responded (38) ranked it as the most important challenge. Comments include *"we currently have no long term secure funding".*

The second most highly ranked challenge for employers was competing with the public sector's terms and conditions which affected 39% (30) of employers surveyed. Comments revealed a sense of the third sector feeling *"unable to compete"* as they are *"turned down by applicants…when they see our terms and conditions".*

The third most important challenge affecting 49% (38) of employers was having too few applicants for advertised roles which had affected half of third sector employers in our survey. Comments in response to this question reveal that the challenge here may be slightly more complex, put very succinctly in one response there are *"Too many unsuitable applicants for jobs. Not enough suitable applicants for jobs"*

A small number of organisations (10) commented that they received high numbers of applications from jobseekers *"which for a small charity [is] quite difficult to administer."*

9.3 Advantages of being a third sector employer

Respondents were also asked to rank the **advantages** they feel they offer as a third sector employer, once again with 1 being the most important factor from a list of options.

82 respondents answered this question.

Respondents selected an average of 6.2 advantages from the list provided, compared with 3.8 challenges.

"A genuine desire to create a difference"

The biggest advantages third sector employers felt they offered were value based. Job purpose and meaning was ranked as important by over 90% (69) of third sector employers with just over a third (35%, 26 orgs) of respondents selecting it as the most important advantage they offer. It was closely followed by shared ethics/values with employees (30%, 25) and the third most important factor was socially worthwhile work (20%, 15).

"The third sector is a dynamic and diverse place to work - many organisations are highly professional and have high-skilled roles within them, but the reliance and uncertainty of grant funding also makes it a risky place for people to work and less attractive than other sectors potentially"

Table 25: Ranked advantages offered by third sector employers in recruiting and retaining staff

What are the biggest advantages you feel you offer as a third sector employer? Please rank as many or as few options as you feel affect your organisation, with 1 being the most important.		
Answer Options	Rating Average	No. of Employers affected
Job purpose and meaning	2.07	69
Shared ethics/values with employees	2.89	65
Socially worthwhile work	3.47	57
Flexible working	3.72	39
Supportive management	4.16	51
Fair, predictable pay	4.81	27
Development and use of employee skills	5.00	38
A non-discriminatory, safe workplace	5.41	46
Job security	6.16	19
Varied work	6.34	35
Fair pay vs senior staff	6.58	12
A diverse workforce	7.35	17
No excessive hours/unpaid overtime	7.50	16
Opportunities for progression	7.50	14
Additional benefits (childcare vouchers, cycle to work schemes etc.)	7.64	11
Support after absence	7.95	20

79 respondents answered this question.

9.4 Industry-specific issues for Health & Social Care

As the largest third sector industry in Fife there are some trends affecting Human Health and Social Care organisations that diverge from the overall picture presented above.

Table 26: Challenges for human health and social work organisations.

What are the biggest challenges facing you as an employer in the health and social care industry? Please rank as many or as few options as you feel affect your organisation, with 1 being the most important.		
Answer Options	Rating Average	No. of Employers affected
Short term funding and contracts	1.62	29
Absences due to sickness and ill health	2.14	7
Too many applicants for advertised roles	2.20	5
The responsibilities of employing staff (HR, payroll etc.)	2.27	11
Recruiting a diverse workforce	2.33	6
Too few applicants for advertised roles	2.37	19
Political uncertainty	2.50	8
Competing with the public sector's terms and conditions	2.60	15
Line management skills and capacity	3.00	5
Absences due to caring responsibilities	3.00	2
Lack of capacity to invest in staff development	3.08	13
Competing with the private sector's terms and conditions	3.29	14
Lack of capacity to invest in training new staff	3.50	12
Absences due to maternity/paternity leave	4.00	3

41 respondents answered this question

Absences are an issue of greater concern within health and social care. Despite the fact health and social care organisations only account for 52% of third sector organisations in Fife, they account for 88% of the concern around maternity/paternity absences, 67% of carer absences and 63% of ill health absences. This reflects trends of increasing levels of absence and high levels of long term absence in the industry noted by the Integration Joint Board.[50]

Political uncertainty appears to be a challenge that is of less concern to the industry, with an average rating 2 points lower at 5 and health and social care employers' only accounting for 29% of those concerned.

Organisations working in health and social care agree that flexible working, fair, predictable pay, and additional benefits are important but rank them at least 1 point less important than overall figures. On the other hand support after absence and opportunities for progression are advantages that are more widely considered important by over a point. This increased weighting assigned to support after absence is interesting in the light of the greater challenge posed by absences in health and social care.

[50] 'Minutes of the Health & Social Care Integration Joint Board Meeting 27th July 2017' *Fife Health and Social Care Partnership* 2017

10. Survey Analysis – Volunteers

This section provides an overview of volunteers and their value to third sector organisations in Fife. In this section we are looking at organisations with paid staff and volunteers, not volunteer led organisations without paid staff.

10.1 Board Members

We asked organisations how many board members they had.

Table 27: total board members

	No. respondents	Number of board members
Local	67	514
Regional	6	58
National	11	128
Total	**84**	**700**

The 84 organisations who responded had 700 board members. The average number of board members reported was 8 though board sizes ranged quite widely from 3 to 28 members.

10.2 Volunteers in Service Delivery

Organisations were asked if they involved volunteers other than board members in service delivery.

Of the organisations employing staff, 79% (70) also engaged volunteers in their activities. Of these 4 then reported that though they involved volunteers they did not currently have any in Fife.

Table 28: organisations involving volunteers other than board members

	Yes	%	No	%
Local	59	66%	9	10%
Regional	4	5%	2	2%
National	7	8%	8	9%
Total	**70**	**79%**	**19**	**21%**

10.3 Volunteer Numbers in Fife

We asked organisations how many volunteers (excluding Board members) they had in Fife.

Table 29: number of non-Board volunteers in Fife

	Number of organisations with non-Board volunteers in Fife	Number of non-Board volunteers in Fife
Local	59	1,619
Regional	3	21
National	7	111
Total	**69**	**1,751**

69 organisations reported involving 1,751 non-board member volunteers in their work. There is huge variation in the numbers of volunteers, with numbers ranging from 1 to one organisation with 200 volunteers. The average volunteers per organisation is 25.

Combined this means that across the 93 organisations who completed the volunteer information section of the survey there are 2,451 volunteers.

We also asked respondents to estimate how many hours on average per week all volunteers (including board members) in Fife contribute to their organisation. 70 organisations responded.

A total of 3,592 hours each week are donated, an average of 1.4 hours per volunteer. Each organisation benefits from an average of 49 hours of volunteering a week, the equivalent of 1.4 full time staff hours.

Using the Volunteer Scotland calculator for the economic value of volunteering these hours represent the equivalent of £2.6 million a year of additional resources available to third sector organisations and represents the equivalent time investment of 121 FTE jobs a year.[51]

There are estimated to be around 2,350 third sector organisations in Fife and 8.5 million hours of help volunteered, worth an estimated £112.5 million. If the ambitions of the Fairer Fife Commission are achieved volunteering hours in 2030 will reach 12.5 million a year and be worth almost £200 million to Fife

10.4 Volunteer Equalities Information

Respondent information indicates that volunteers are most likely to be in the 65+ (37%) or 16-24 (18%) age range. This represents groups who are most likely to be out of work through retirement or young people seeking experience and skills.

Table 30: The age range reported for volunteers

Ages	**16-24**	**%**	**25-34**	**%**	**35-44**	**%**	**45-54**	**%**	**55-64**	**%**	**65+**	**%**	**Don't know**	**%**
Local	177	18%	63	6%	82	8%	96	10%	109	11%	341	34%	28	28%
Regional	0	0%	1	0.1%	4	0.4%	3	0.3%	8	0.8%	6	0.6%	15	2%
National	2	0.2%	1	0.1%	2	0.2%	8	0.8%	27	3%	23	2%	0	0%
Total	**179**		**65**		**88**		**107**		**144**		**370**		**43**	

The gender difference amongst volunteers is slightly greater than amongst employees, with 71% female and 29% male.

Table 31: Gender composition of volunteers

	Female	%	Male	%
Local	514	58%	210	24%
Regional	13	1%	24	3%
National	74	8%	47	5%
Total	**601**		**281**	

[51] 'Calculating the Economic Value of Your Volunteers' *Volunteer Scotland*, http://www.volunteerscotland.net/policy-and-research/resources/economic-value-of-volunteering-in-scotland/, accessed 5/9/17

Equalities information for the other indicators were poorly reported on and as far as we can see more or less mirror the findings of employee equalities information in section 7.7.

10.5 In summary:

- Of the organisations employing staff, the survey found 79% (70) also engaged volunteers in their activities.
- A total of 3592 hours each week or 186,784 hours per annum are donated to 70 organisations, an average of 1.4 hours per volunteer.
- This equates to the equivalent of £2.6 million a year of additional resources.
- Volunteers are most likely to be in the 65+ (37%) or 16-24 (18%) age range.

11. Conclusions

Our look at employment in the third sector in Fife arrived at the following conclusions:

- the third sector is a sizeable contributor to employment in Fife, it has grown over the last 10 years and has the potential to grow even further
- the sector has a key role to play in delivering the Fairer Fife vision as employers as well as service providers
- volunteering is a significant and proven route into employment both within and outwith the sector
- volunteers contribute substantially both directly and indirectly to the activities of third sector employers
- the organisations that responded to the survey reported more growth in activity rather than decline over the past three years
- the sector leverages considerable funds into Fife
- the sector makes wide use of ERIs and apprenticeships
- the sector is a significant Accredited Living Wage employer
- Human Health and Social Work Activities is the largest industry in third sector employment
- the sector has difficulty matching the terms and conditions of other sectors in certain industries and this is exacerbated by the transactional costs of working with current fixed budgeting constraints. (i.e. year-on-year funding arrangements)

Recommendations

Based on our survey, Fife Voluntary Action makes the following recommendations:

- we (third sector organisations) need to raise awareness of the contribution we make to local fair employment and the local economy
- we also need to raise awareness of the essential role we play in the area of Human Health and Social Work Activities and the specific challenges involved, especially as our public sector partners rely on us to deliver more and help them meet the challenges they face
- politicians and public sector partners must find better ways of supporting and investing in the third sector as a deliverer of highly valued public services and our ability to provide good quality, sustained employment
- volunteering needs to be better recognised and promoted as a significant route to employment (and improved health and wellbeing)
- the sector needs to continue to lead the way as accredited living wage employers in our local communities.

Fife Voluntary Action will therefore:

- continue to work with public sector partners to support them in their ambition to move to longer term funding commitments
- support the sector to identify funding opportunities and lever in funding
- promote the uptake of employer recruitment incentives, apprenticeships and living wage accreditation amongst local and national third sector employers active in Fife
- continue to develop our dedicated team who support people into volunteering as a stepping stone to employment
- continue to promote the benefits of volunteering and encourage its uptake, leading on the Fairer Fife recommendation to increase volunteering numbers by more than 35,000 by 2030.

fife voluntary action

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