

OSCR

Scottish Charity Regulator

Sector Overview Report



End of Quarter 4 - 2023 Report
Data updated: 09 February 2024

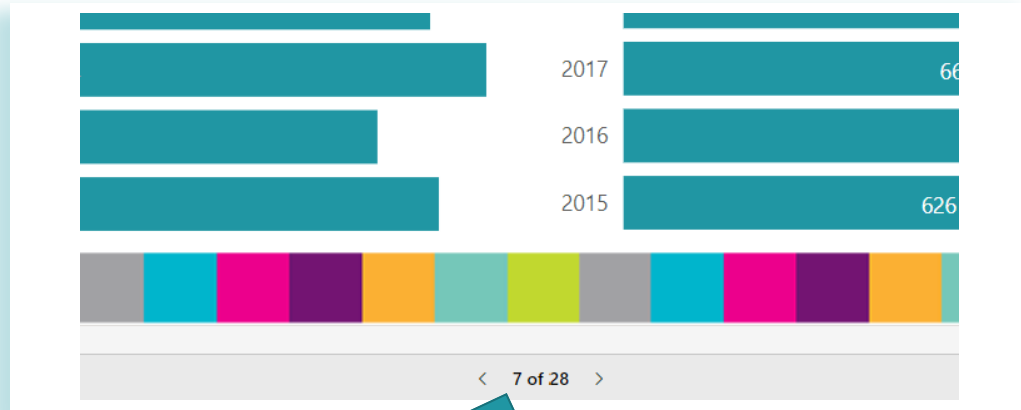
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How to use

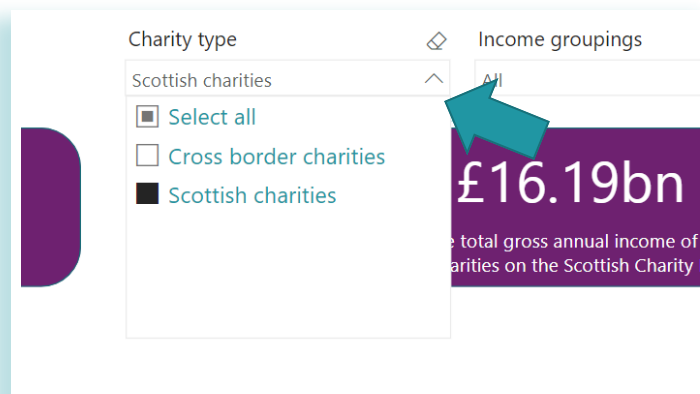
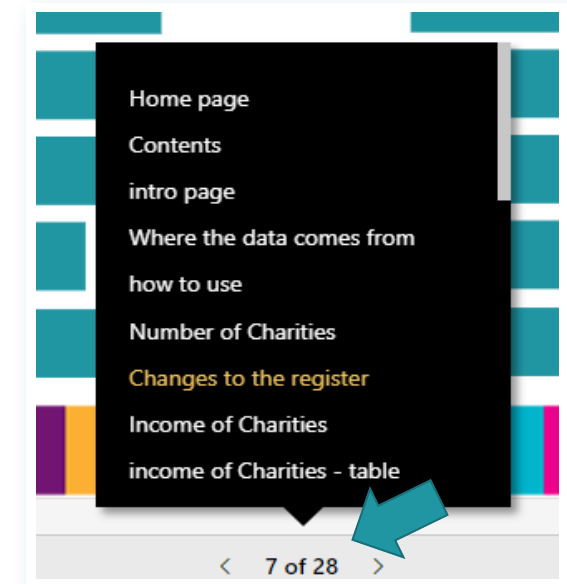


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Introduction

Welcome to OSCR's new Scottish Charity Sector Overview format. Previously this report about charities in Scotland was published as a document every couple of years, with the last one in 2021. As part of our commitment in the OSCR Strategy 2020-2023 to promote and improve transparency and information sharing, enabled by our recent investment in the development and upgrading of our digital systems, we have moved the Sector Overview Report online where it will be updated quarterly from now on.

This report details the scale and scope of the charity sector, what it looks like and what issues are influencing and challenging charities in Scotland. It gives OSCR and our stakeholders the best information possible to inform decisions and policies.

The events of recent times brought about an increased demand for good up-to-date information about the charity sector.

The overview presents a profile of charities in terms of their income, expenditure, purposes, beneficiaries, activities and operations. The data contained in this report was taken from a snapshot of the register on the 09 February 2024.



Where does our data come from?

- **OSCR Online data:** This comes from the database that holds the Scottish Charity Register. The Register is the most well used section of OSCR's website, it's the most popular thing we publish. People search for charities to find out where they are, what they do or their income and can download the entire Register for free if they wish.
- **Location Postcode data:** We use data available from the [National Records of Scotland](#) to help map Principal Contact postcodes to a host of other information, including Longitude & latitude of postcode locations and Scottish Parliamentary constituencies.
- **Annual return data:** Every charity entered into the Register is required to submit an online annual return which forms another dataset. All charities must provide certain information including their income, expenditure, staff numbers and trustee numbers, as well as responses to any other relevant questions, though the level of detail varies by size of charity.
- **Operational data:** We use an electronic records and document management system called Objective to organise the information we hold. We complete metadata for many of the document and file types which gives us categories to help count what we do, track outcomes and gives us insights on what's coming into us.
- **Surveys:** We run our [Public and Charities Surveys](#) biannually since 2014 which have provided a wealth of information over the years about public trust and confidence in charities, about awareness of regulation, about what the public and charities expect of OSCR. During the pandemic we also ran surveys to collect data from charities about the impact COVID was having on them. In previous Scottish Charity Sector Overview reports we have included a section on public trust based on the findings of the Public and Charities Survey. This is not currently included in the new overview.
- **Data quality:** The data used in this report relates to the most recent annual returns filed with OSCR. The information provided in annual returns is self-declared by charities and is not validated by OSCR. If you see an error or have any questions we would appreciate it if you would let us know by email dataresearch@oscr.org.uk. In some figures, percentages may not total 100% due to rounding.



Number of Charities

25,016

Charities on the Scottish Charity Register

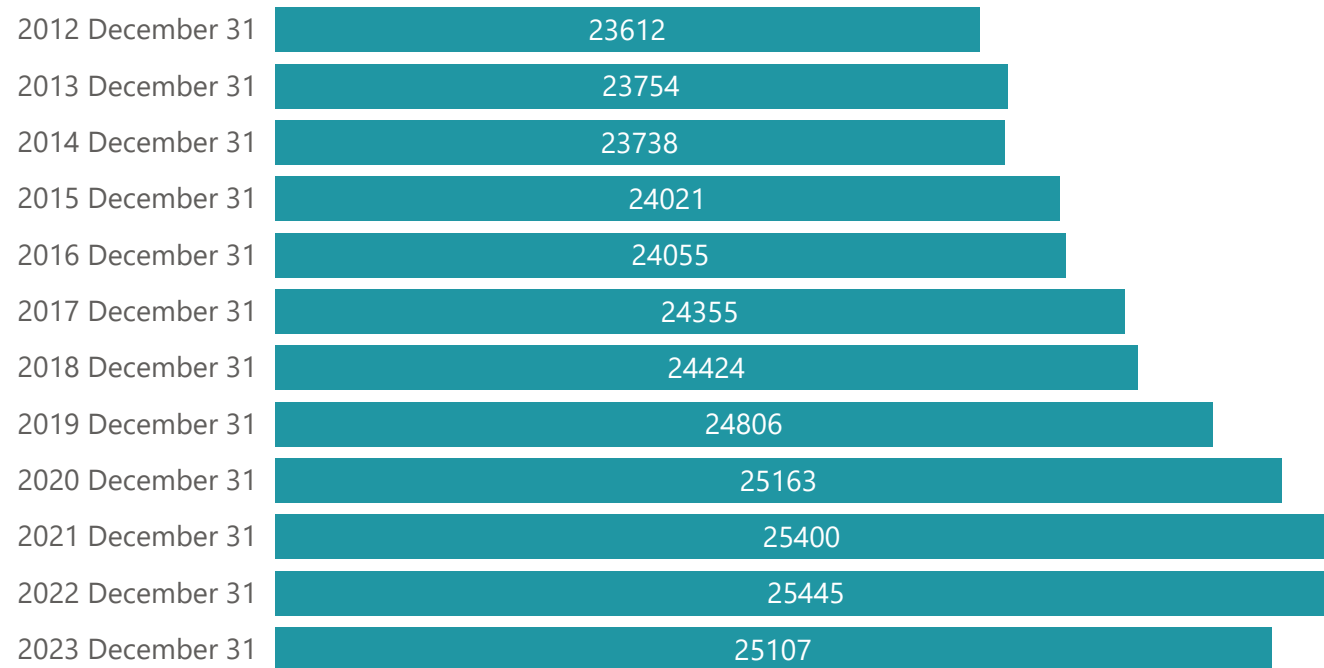
23,742

Scottish charities

1,274

Cross border charities

Charities on the register, year on year



The total number of charities on the Scottish Charity Register is more than 25,000. Most of these, more than 24,000, we call Scottish charities throughout this report because they are only registered in Scotland. But the total figure includes 1,246 Cross Border charities because they are also on another charity register e.g. the Charity Commission for England and Wales.

The total number of charities also currently includes over 2,500 defaulting charities. These are charities that have not submitted their annual returns and we do not know if they are active or not. We currently have a dedicated project team working with these charities to encourage and support them to take action appropriate to their situation which will help bring them into compliance with Scottish charity law.

Additionally, on any given day there may be charities going onto the register or coming off, so the total number of charities is never fixed.



Changes to the register

745

Scottish charities registered in
2023

57

Cross border charities registered
in 2023

1,131

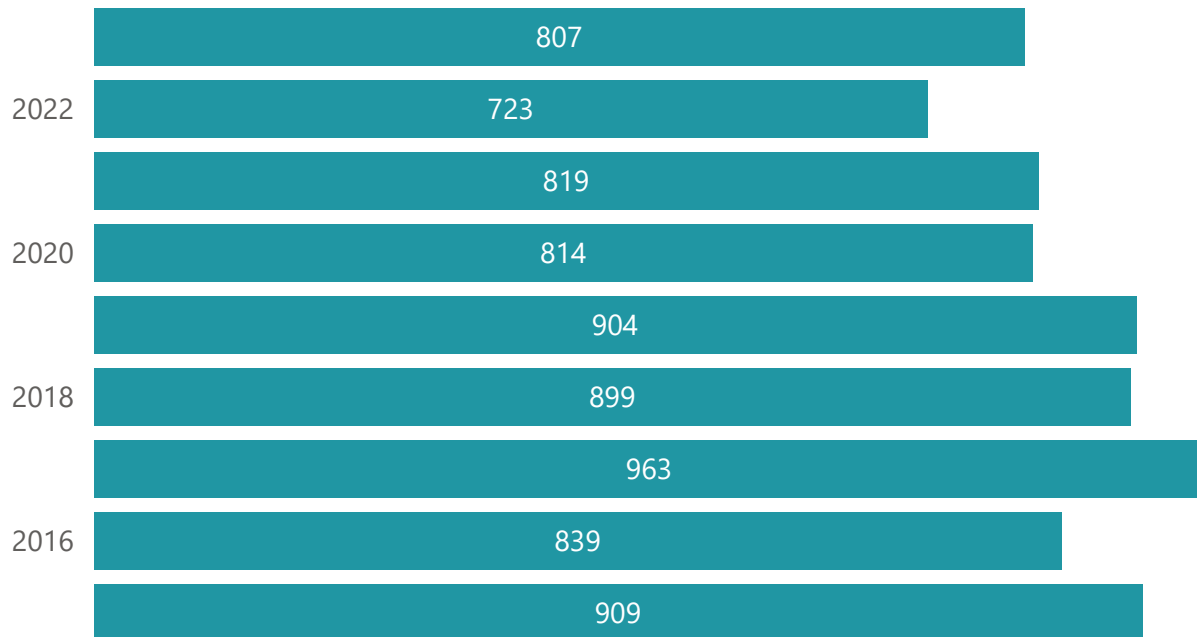
Scottish charities removed in
2023

14

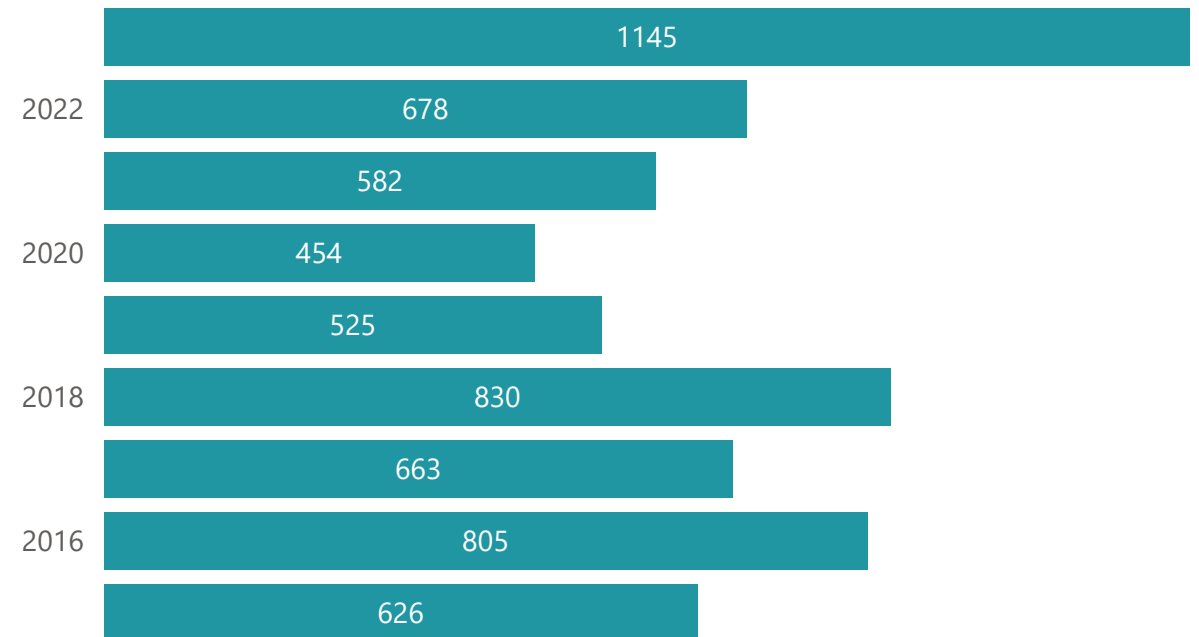
Cross border charities removed in
2023

The overall number of charities on the Scottish Register has continued to increase since our sector overview of 2021. However, the figures also show that the rate of increase slowed with a decrease in the numbers of organisations applying for charitable status in 2021 and 2022. Conversely, the number of charities removed from the register for 2021 and 2022 increased steadily although overall numbers were lower than they had been previously.

Charities registered each year



Charities removed from the register



Changes to the register - New charities

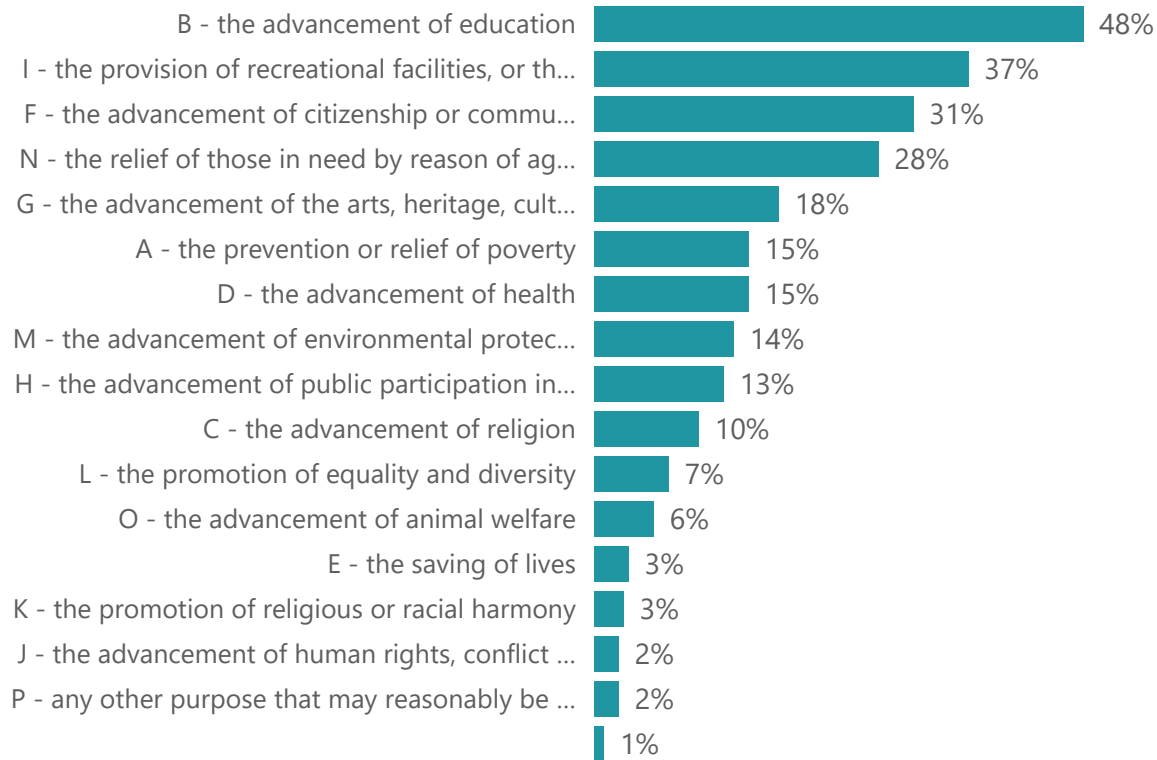
We continue to register new charities every day. The information below shows data relating to charities registered (and removed) in the last quarter (July 2023 - September 2023).

194
Scottish charities registered in the last quarter

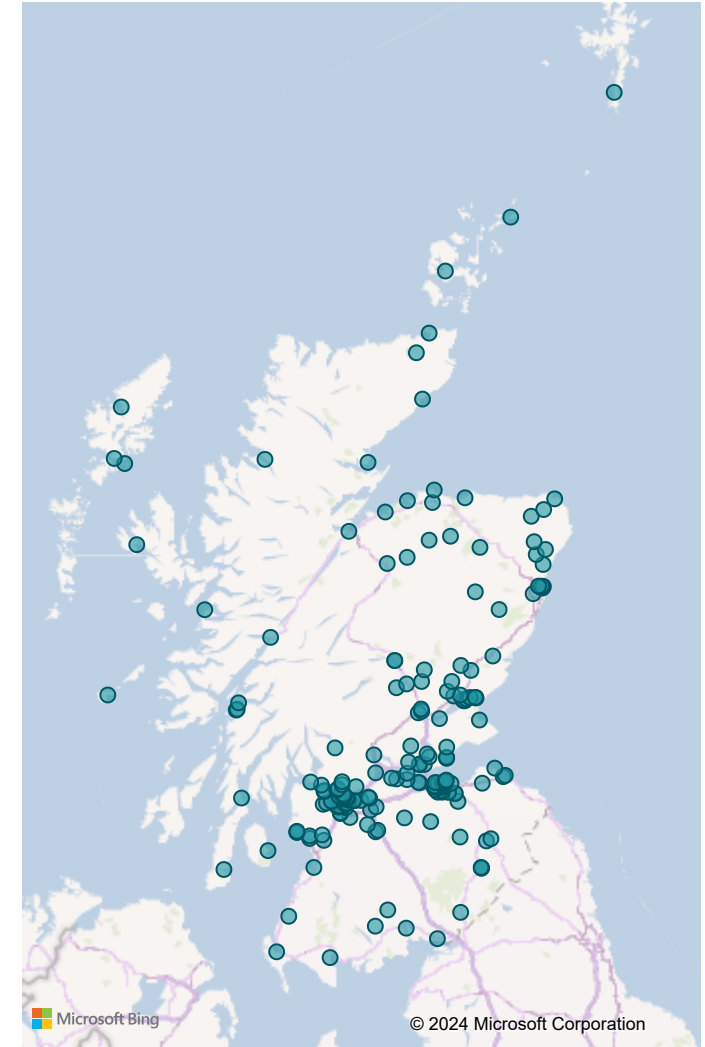
283
Scottish charities removed in the last quarter

Charitable Purposes

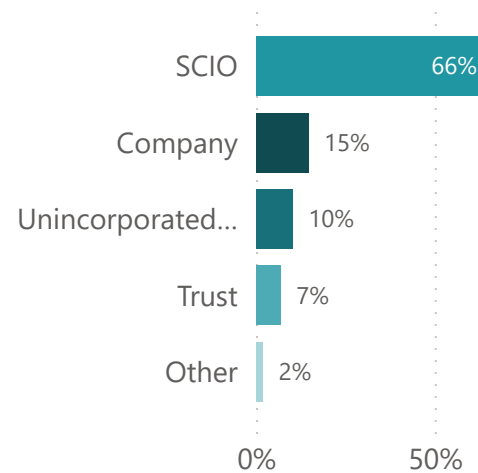
*See filter for charity data shown



New charities



Legal form

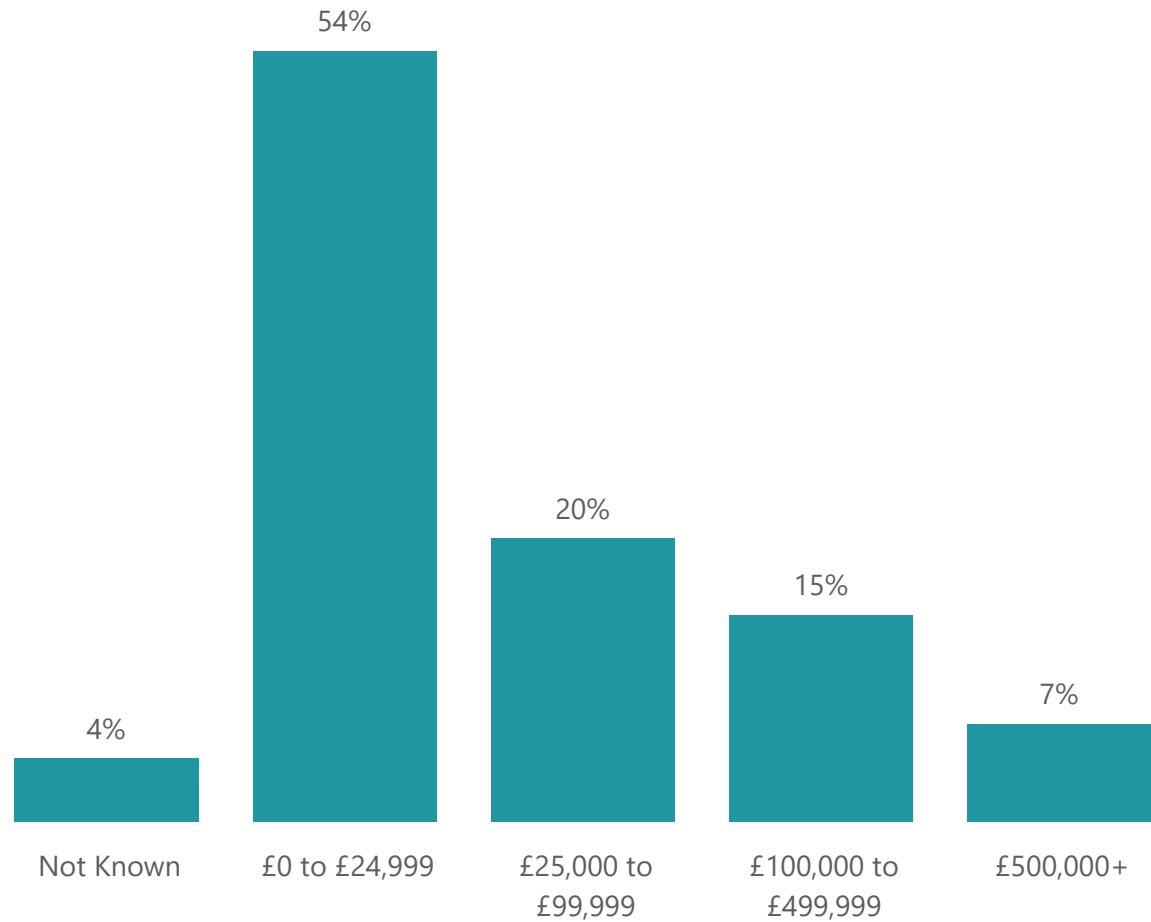


Profile of charities by income

Charity type
Scottish charities

Charities by latest income

*See filter for charity data shown



The bar graph shows one of the main features in the profile of charities on the Scottish Charities Register. It shows clearly that by far the greatest proportion of charities on the Register have incomes below £25,000 per annum. The inverse is true of the smallest proportion of charities having the highest incomes of £500,000 or more.



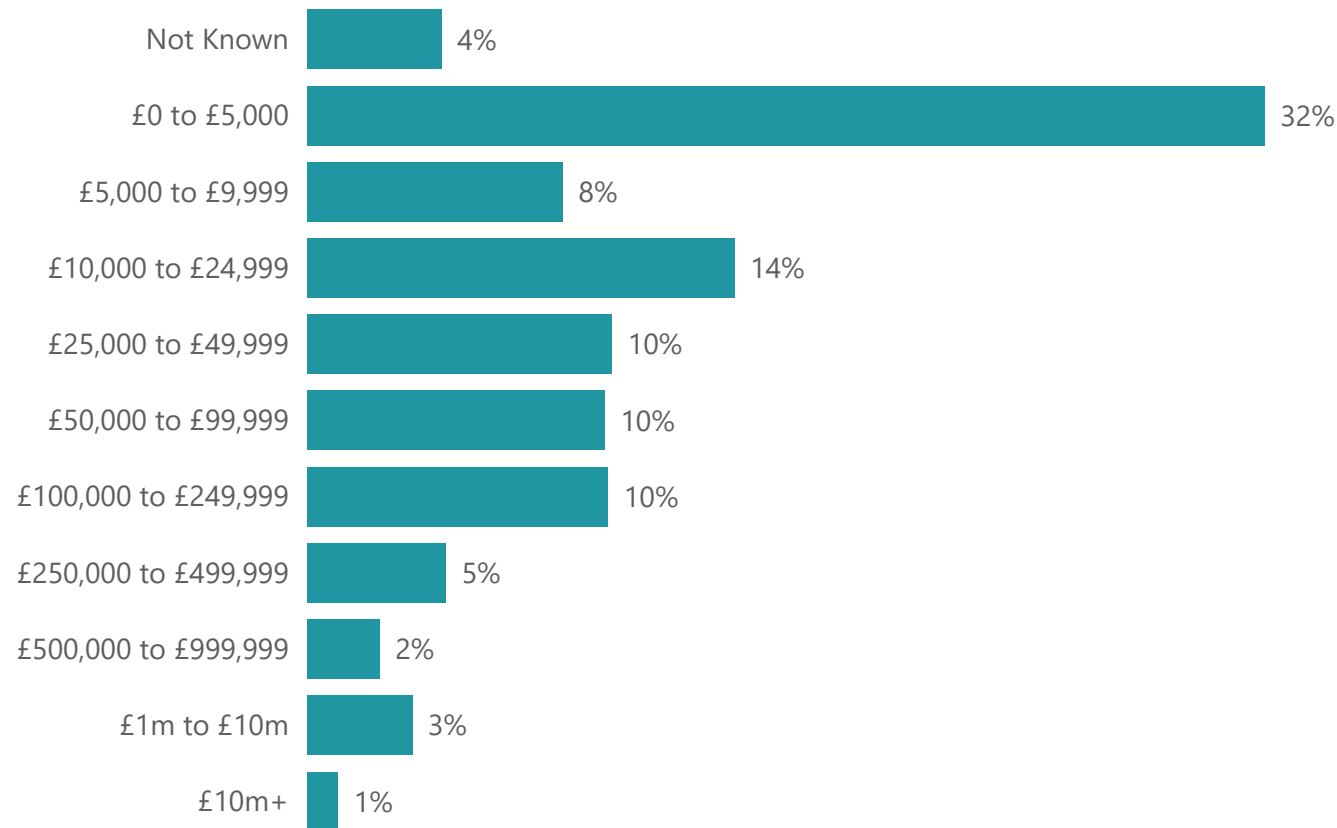
Breakdown of charities by income band

Charity type

Scottish charities

Detailed income groupings of charities

*See filter for charity data shown



7,514
Scottish charities with a gross annual income of under £5,000

This shows a further breakdown of the charities with an income below £25,000. It shows quite clearly that the majority of these have an income of £5,000 or less.

More than a third of Scottish charities have an income of less than £5,000



Income breakdown by numbers on the register

Charity income band breakdown

*See filter for charity data shown

Type (groups) income Groupings	Cross border charities		Scottish charities		Total	
	Count	%	Count	%	Count	%
Not Known	72	0.29%	1056	4.22%	1128	4.51%
£0 to £5,000	56	0.22%	7514	30.04%	7570	30.26%
£5,000 to £9,999	25	0.10%	2005	8.01%	2030	8.11%
£10,000 to £24,999	32	0.13%	3353	13.40%	3385	13.53%
£25,000 to £49,999	36	0.14%	2393	9.57%	2429	9.71%
£50,000 to £99,999	57	0.23%	2334	9.33%	2391	9.56%
£100,000 to £249,999	106	0.42%	2362	9.44%	2468	9.87%
£250,000 to £499,999	104	0.42%	1089	4.35%	1193	4.77%
£500,000 to £999,999	127	0.51%	568	2.27%	695	2.78%
£1m to £10m	443	1.77%	825	3.30%	1268	5.07%
£10m+	216	0.86%	243	0.97%	459	1.83%
Total	1274	5.09%	23742	94.91%	25016	100.00%

The income profile of charities on the Register remains steady with;

- the largest number are small charities with incomes of £0 to £25,000
- the smallest number of charities report incomes of £500,000 or more

The profile of Scottish charities remains similar to that of the overall Scottish Charity Register profile

Scottish income of cross border charities

It is not possible to accurately determine the proportion of income and expenditure accounted for by their Scottish activities using OSCR's data. However, in our 2012 review of cross border monitoring we found that the estimated proportion of Scottish activities varied widely, but with an average of 13.5% of the UK total. We cautiously estimate that around 10% of cross border income and expenditure are associated with Scottish activities. When added to the total gross annual income of Scottish charities, this gives an estimated total income of the Scottish charity sector of £14.80 billion.



Gross annual income

Charity type

£15.55bn

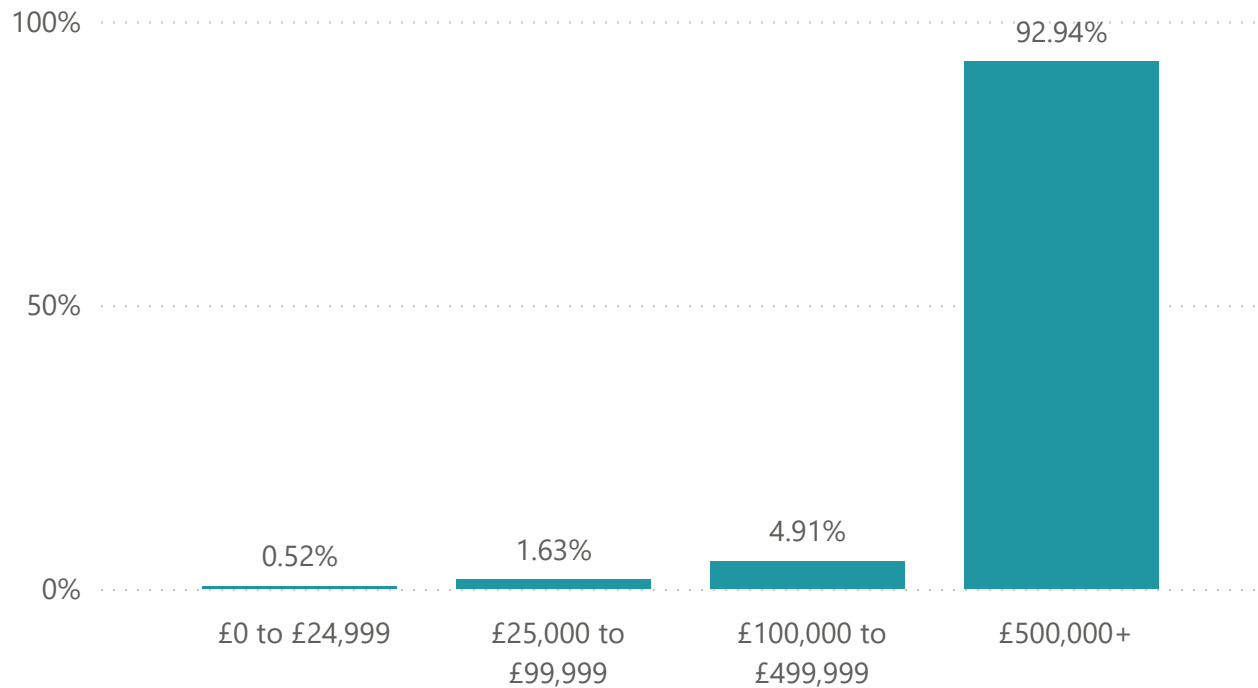
Total gross annual income of Scottish charities on the Scottish Charity Register

£17.62bn

UK-wide total gross annual income of cross border charities on the Scottish Charity Register

Proportion of Income of charities

*See filter for charity data shown



Charities with income of £500,000 or more make up 9% of those included on the Scottish Charity Register, but account for around 96% of the total gross annual income of all charities registered in Scotland.

For charities based only in Scotland, the picture is similar, but a lower proportion of larger charities means that charities with incomes of £500,000 or more make up around 92% of the total gross annual income. For cross border charities, almost all of the income is accounted for by those in the £500,000 or more income group.

More than half the charities on the Scottish Charity Register collectively account for less than 0.5% of the gross annual income for the sector. However, it should be noted that the level of income does not in any way reflect the level of activity of these charities or their importance to their beneficiaries, communities and civil society.



Breakdown of gross income by type of charity

	£0 to £24,999		£25,000 to £99,999		£100,000 to £499,999		£500,000+		Total	
	Sum of income	%	Sum of income	%	Sum of income	%	Sum of income	%	Sum of income	%
Cross border charities	-£62.26M	-0.19%	£5.34M	0.02%	£56.37M	0.17%	£17,618.87M	53.12%	£17,618.31M	53.12%
Scottish charities	£80.16M	0.24%	£253.23M	0.76%	£764.13M	2.30%	£14,449.89M	43.57%	£15,547.41M	46.88%
All charities on the Scottish Charity Register	£17.89M	0.05%	£258.57M	0.78%	£820.50M	2.47%	£32,068.76M	96.69%	£33,165.72M	100.00%

Influence of different groups on overall income figures

There are certain types of charity that have a large influence on the overall income figures for Scottish charities. These include higher education charities, further education charities, registered social landlords and arms-length external organisations (ALEOs).

- **There are 18 Scottish universities** included in the higher education group. These account for 31.2% of the total income of Scottish charities regulated by OSCR.
- **24 of Scotland's further education colleges** are also registered charities and these account for 5.9% of all Scottish charity income.
- **Many registered social landlords or housing associations are charities.** These bodies are also regulated by the Scottish Housing Regulator. There are 149 registered social landlords on the Scottish Charity Register. The combined latest gross annual income of charitable registered social landlords accounts for 14.3% of the total income of Scottish charities on the Scottish Charity Register.
- **Arm's-Length External Organisation (ALEOs)** can be described as separate organisations used by councils to deliver services. There is no official definition of an ALEO and no definitive list. On the basis of limited desk-based research we estimate there are around 53 charitable ALEOs on the Scottish Charity Register. These are often the largest charity in particular local authority areas and have a combined income of around £581m or 4.4% of the total gross annual income of Scottish charities.

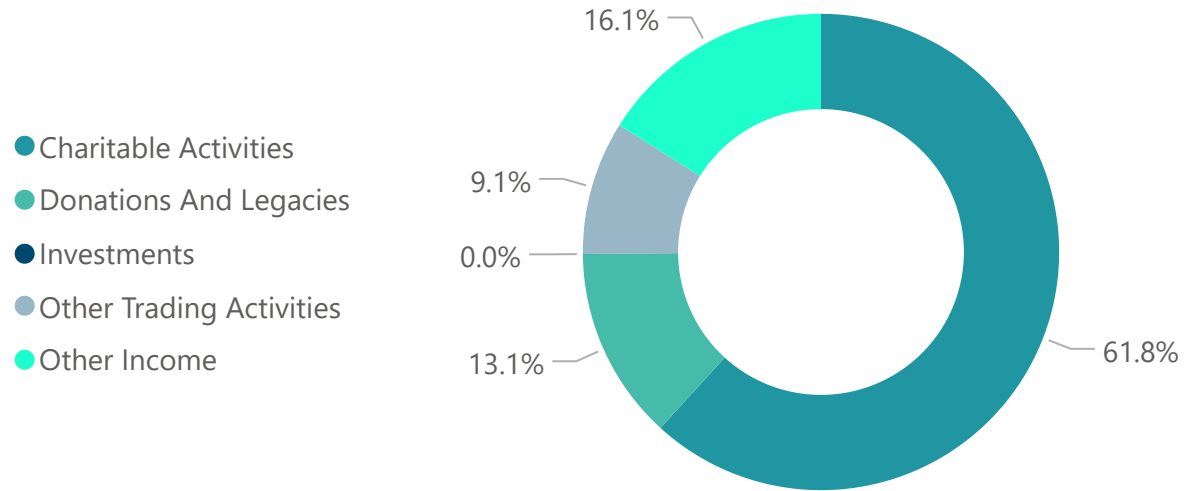


Breakdown of types of income

Charity type

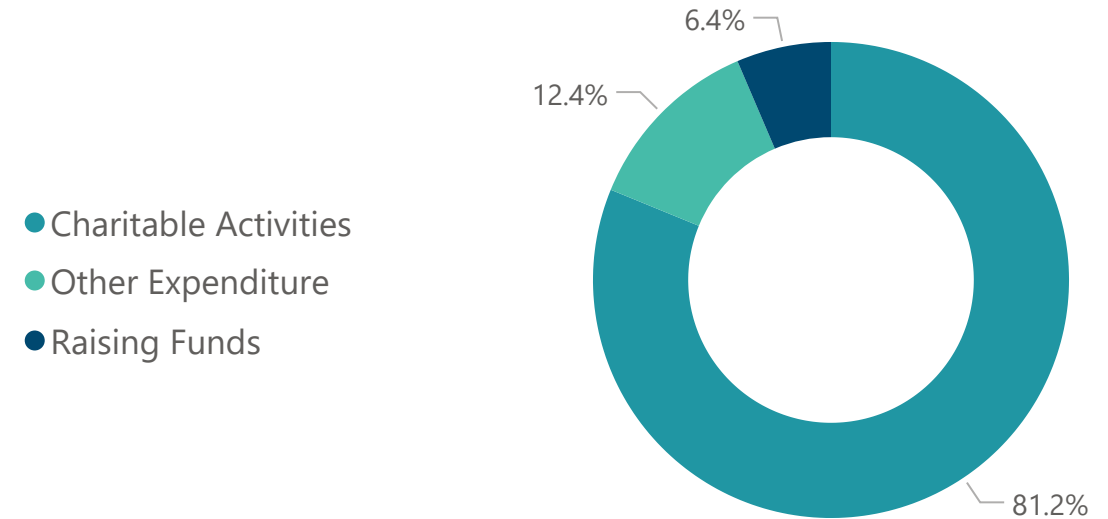
Income breakdown of charities with an income over £250,000

*See filter for charity data shown



Expenditure breakdown of charities with an income over £250,000

*See filter for charity data shown



Charities with an income of £250,000 are required under our annual monitoring regime to provide additional information in relation to their income and expenditure.

Registered social landlords and cross border charities complete a different annual return and do not provide this information. The Charity Commission for England and Wales and the Scottish Housing Regulator provide additional information for these charities.



Expenditure of charities

15.77bn

Total gross annual expenditure of Scottish Charities on the Scottish Charity Register

17.20bn

UK-wide total gross annual expenditure of cross border charities on the Scottish Charity Register

Proportion of expenditure of charities

*See filter for charity data shown



The expenditure profile of charities on the Register also remains steady, showing the greatest expenditure is by large organisations with more than half the gross annual expenditure made by a small number of high income charities.

As with gross annual income, the gross annual expenditure of charities on the Scottish Charity Register increased between 2021 to 2023. Similarly, it is likely that any increase in expenditure will have been uneven across the sector, with some types of charities actually experiencing a decrease in expenditure.



Breakdown of expenditure

Number of Charities on the Scottish Charity Register by expenditure band

Gross Expenditure Groupings (wide)	£0 to £24,999		£25,000 to £99,999		£100,000 to £499,999		£500,000+		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%
Cross Border charities	103	8.61%	97	8.11%	216	18.06%	780	65.22%	1196	100.00%
Scottish Charities	12545	56.48%	4660	20.98%	3394	15.28%	1612	7.26%	22211	100.00%
All Charities on the Scottish Charity Register	12648	54.04%	4757	20.32%	3610	15.42%	2392	10.22%	23407	100.00%

Cross border charities report their overall UK-wide expenditure to OSCR. These are mainly large household name charities with activities and operations across the whole of the UK and their profile is very different to Scottish charities. For this group more than half have reported annual incomes of £500,000 or more.

The gross annual income for cross border charities taken UK-wide, continues to exceed the total gross income of all charities on the Scottish Charity Register.



Charity trustees

Charity type

All

Income Groupings

All

226,644

Charity trustees across all Scottish charities

10

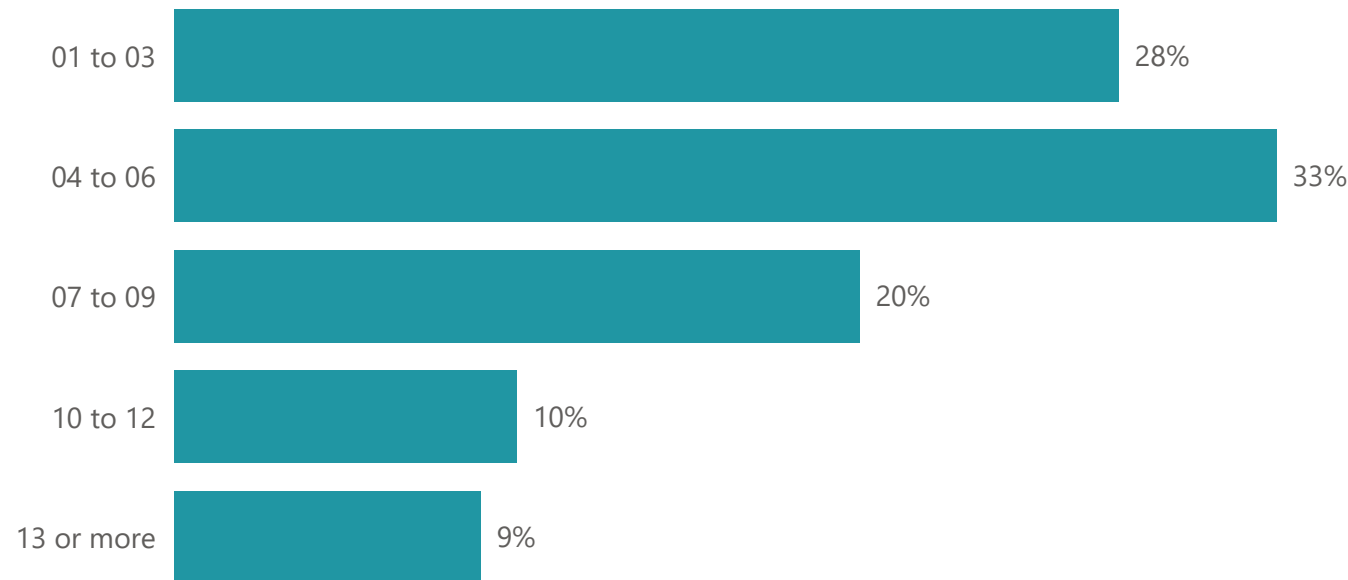
The average number of charity trustees in a Scottish charity

5

The most common number of charity trustees in Scottish charities

Charity trustees

*See filter for charity data shown



Charity trustees are the people in overall control and management of the charity. They may be called directors, management committee members or committee members and they are all volunteers. They are responsible for running the charity well.

OSCR data shows that there are currently 237,182 trustees of charities on the Register. This data comes from charities' annual returns and therefore the accuracy of this number is dependent on the information submitted to OSCR by charities.

The number of trustees of any given charity may fluctuate over time and consequently the total number of trustees of all the charities on the Scottish Charity Register will not be fixed.



number of charity trustees

Charity Trustees

Number of trustees	01 to 03		04 to 06		07 to 09		10 to 12		13 or more		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Cross Border charities	108	0.46%	277	1.18%	316	1.35%	312	1.33%	183	0.78%	1196	5.11%
Scottish Charities	6430	27.47%	7353	31.41%	4428	18.92%	2061	8.81%	1939	8.28%	22211	94.89%
All charities on the Scottish Charity Register	6538	27.93%	7630	32.60%	4744	20.27%	2373	10.14%	2122	9.07%	23407	100.00%

The average (mean) number of charity trustees for Scottish charities is 7, with the most common (median) of 5. The figures for all charities on the Scottish Charity Register are slightly higher with a mean of 8 and a median of 6. This is because Cross border charities have a mean and median number of trustees of 9.

OSCR does not currently keep a register or database of individual charity trustees. We cannot tell from our annual return data the extent to which individuals may be charity trustees for more than one charity.



Paid staff

Charity type

Scottish Charities

Income Groupings

All

213,389

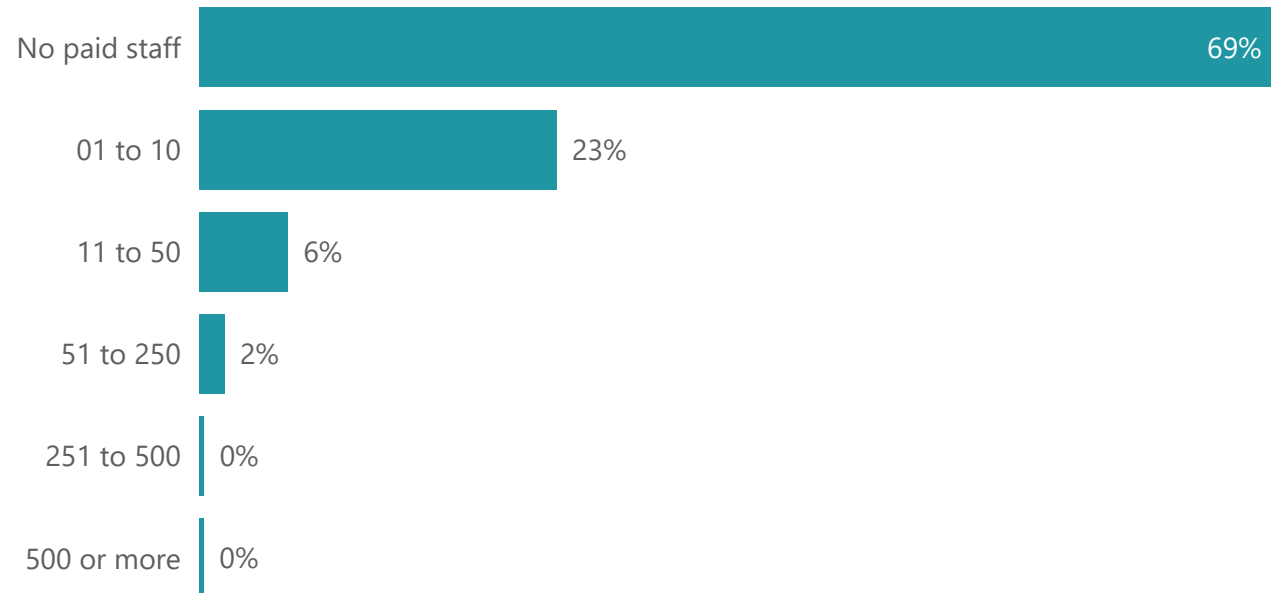
Paid staff employed by Scottish charities

10

The average number of paid staff in Scottish charities

Paid staff

*See filter for charity data shown



The data on staff comes from charities' annual returns and therefore the accuracy of this number is dependent on the information submitted to OSCR by charities. The number of paid staff of any given charity may fluctuate over time and consequently the total number of paid staff of all the charities on the Scottish Charity Register will not be fixed and may not be fully accurate.

For Scottish charities, this percentage is slightly higher (69%). Cross border charities tend to be larger and only 20% report no paid staff in their most recent annual return.

It should also be noted that currently two thirds of charities on the Scottish Charity Register employ no paid staff and are run entirely by volunteers, including the charity trustees.



Charitable activities

Charity type
Scottish charities

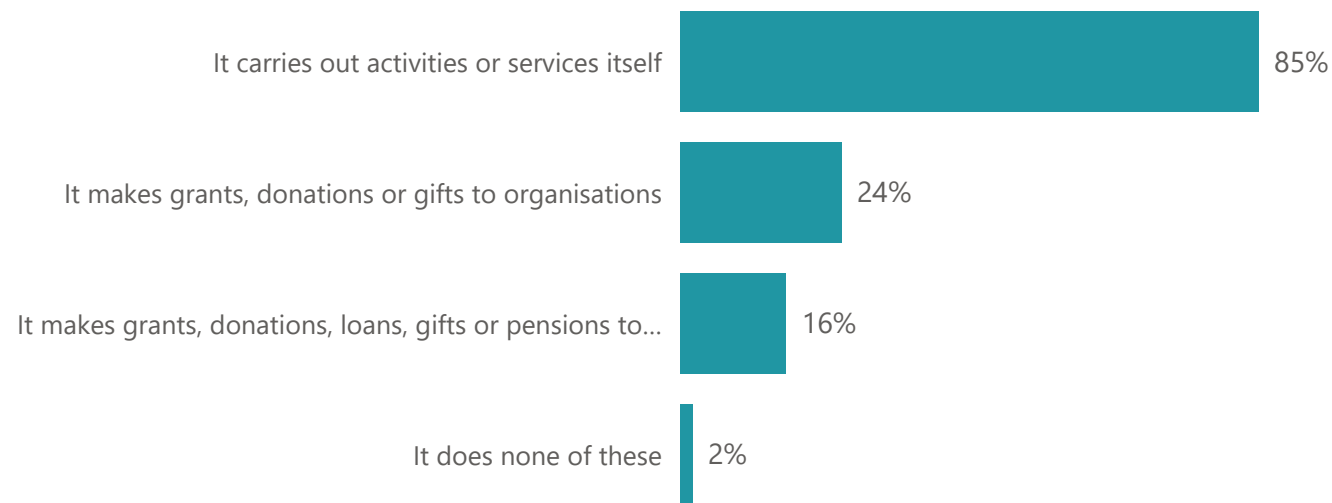
Income groupings
All

The Scottish Charity Register lists the types of activities undertaken by charities. Charities can deliver activities themselves or fund others to do so. A charity can also report that it undertakes more than one type of activity. Activities include the delivery of services.

Charities most commonly carry out activities or services themselves with 85% of charities falling into this category. A quarter of charities (24%) make grants, donations or gifts to organisations, while 16% make grants, donations or gifts to individuals.

Types of Activities undertaken by charities

*See filter for charity data shown



Types of Activities undertaken by charities

*See filter for charity data shown

Types of Activities	Number of charities	%
It carries out activities or services itself	20124	84.76%
It makes grants, donations or gifts to organisations	5607	23.62%
It makes grants, donations, loans, gifts or pensions to individuals	3683	15.51%
It does none of these	418	1.76%



Activities undertaken

Income groupings

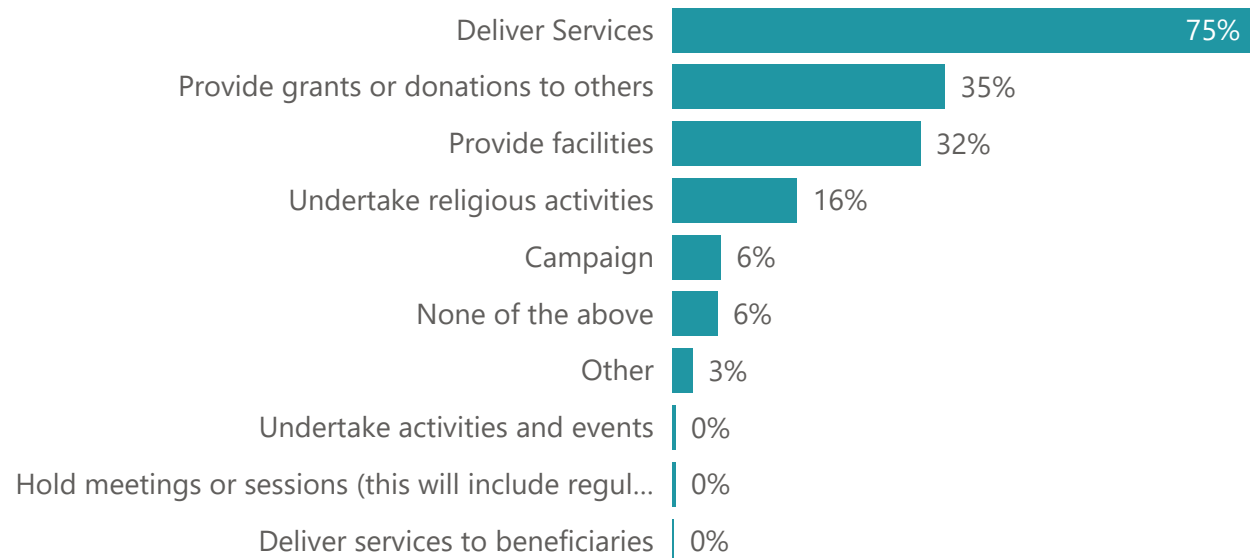
All

Since 2016, OSCR's annual return has asked charities whether they undertake any of the following activities in order to achieve their purpose as set out on the Scottish Charity Register:

Delivering services is the most common way for a charity to achieve their purposes (75%). One in three charities **provide facilities** (32%). This data is not gathered for cross border charities and registered social landlords.

Activities undertaken to achieve purposes

*See filter for charity data shown



Achieved Purposes	Number of charities	%
Deliver Services	16196	74.94%
Provide grants or donations to others	7564	35.00%
Provide facilities	6875	31.81%
Undertake religious activities	3463	16.02%
Campaign	1348	6.24%
None of the above	1248	5.77%
Other	566	2.62%
Undertake activities and events	91	0.42%
Hold meetings or sessions (this will include regul...)	90	0.42%



Beneficiary Groups

Charity type
 Scottish charities

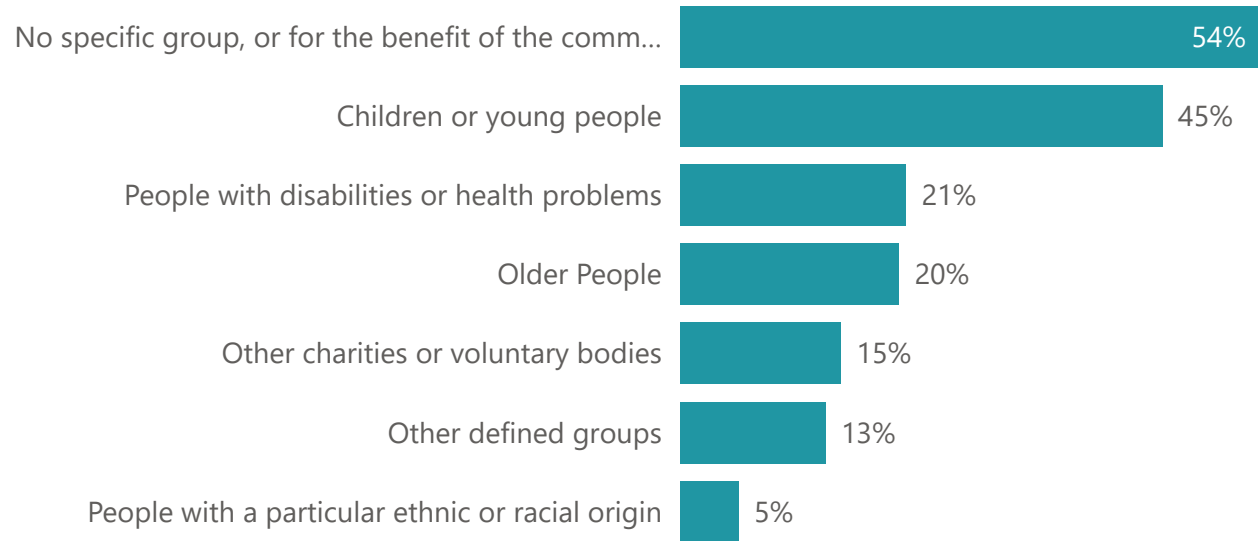
Income groupings
 All

Over half of charities (54%) say they are not established for a specific group of beneficiaries or are for the benefit of the community. Just under half (45%) benefit children and young people. Among the smallest number of beneficiary groups on the register are people of a particular ethnic or racial origin, with 5% of charities identifying them as the main focus of their activities.

Charities can be established to support multiple beneficiary groups, with the average being 1.8 beneficiary groups.

Beneficiary Groups

*See filter for charity data shown



Beneficiary Groups

Number of charities %

Beneficiary Groups	Number of charities	%
No specific group, or for the benefit of the community	12850	54.12%
Children or young people	10646	44.84%
People with disabilities or health problems	4983	20.99%
Older People	4827	20.33%
Other charities or voluntary bodies	3545	14.93%
Other defined groups	3201	13.48%
People with a particular ethnic or racial origin	1285	5.41%



Charitable Purposes

Charity type

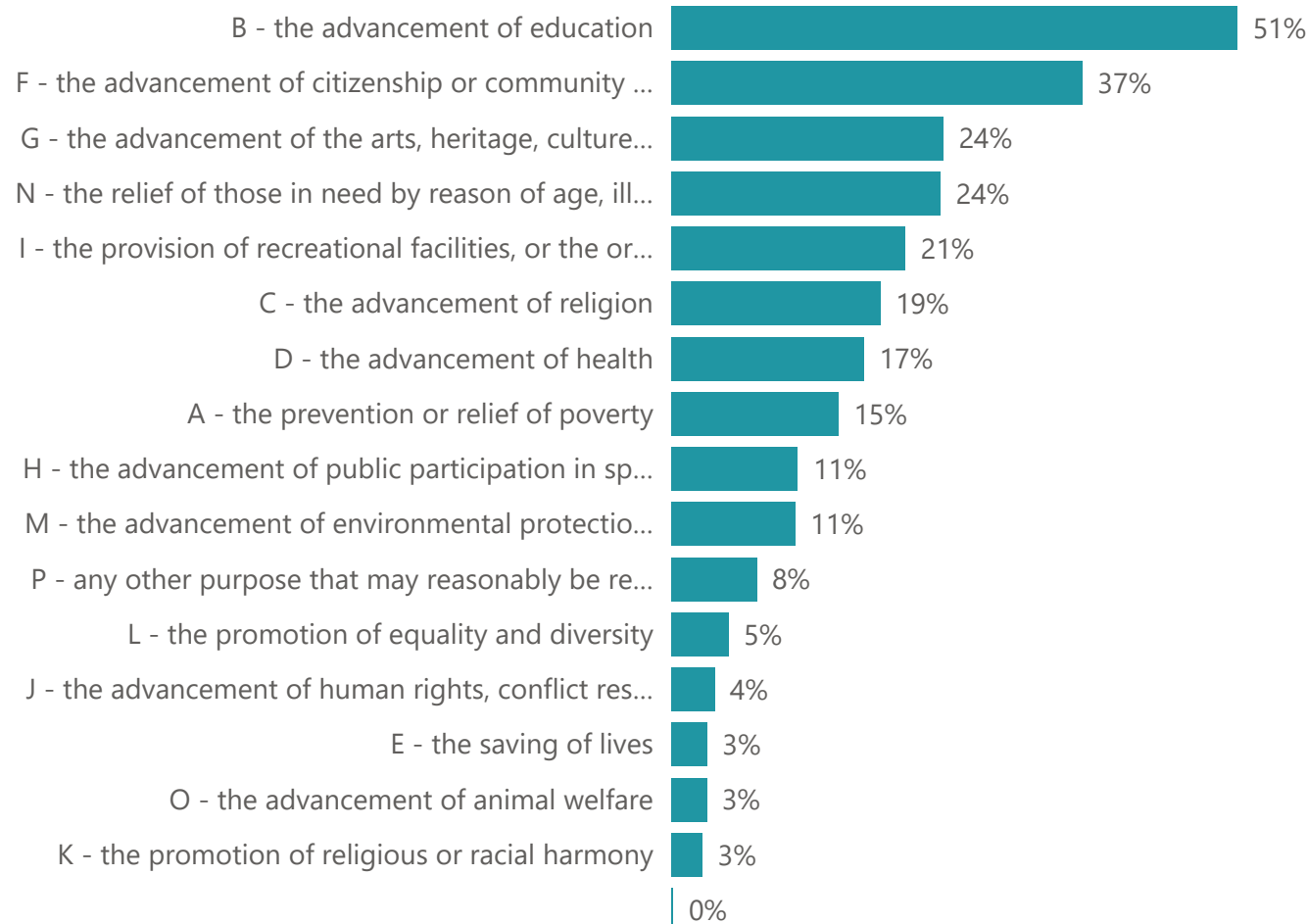
Scottish charities

Income groupings

All

Charitable Purposes

*See filter for charity data shown



There are 15 distinct charitable purposes set out in the Charities and Trustees Investment (Scotland) Act 2005 and one analogous purpose. Just over a third of all charities on the register have one charitable purpose (34%) and a further third (33%) have two. Charities can have multiple purposes and there is no main purpose ranking or order among purposes. The average number of purposes per charity is 2.5.

The three most common charitable purposes in 2023 are:

1. The advancement of education (51%)
2. The advancement of citizenship or community development (37%)
3. The advancement of arts, heritage, culture or science (24% up from 23% and 4th place in 2021)

The least common charitable purposes in 2023 are the same as in 2021:

1. Saving of lives (3%)
2. Advancement of animal welfare (3%)
3. Promotion of religious or racial harmony (3%)



Legal form

Charity type

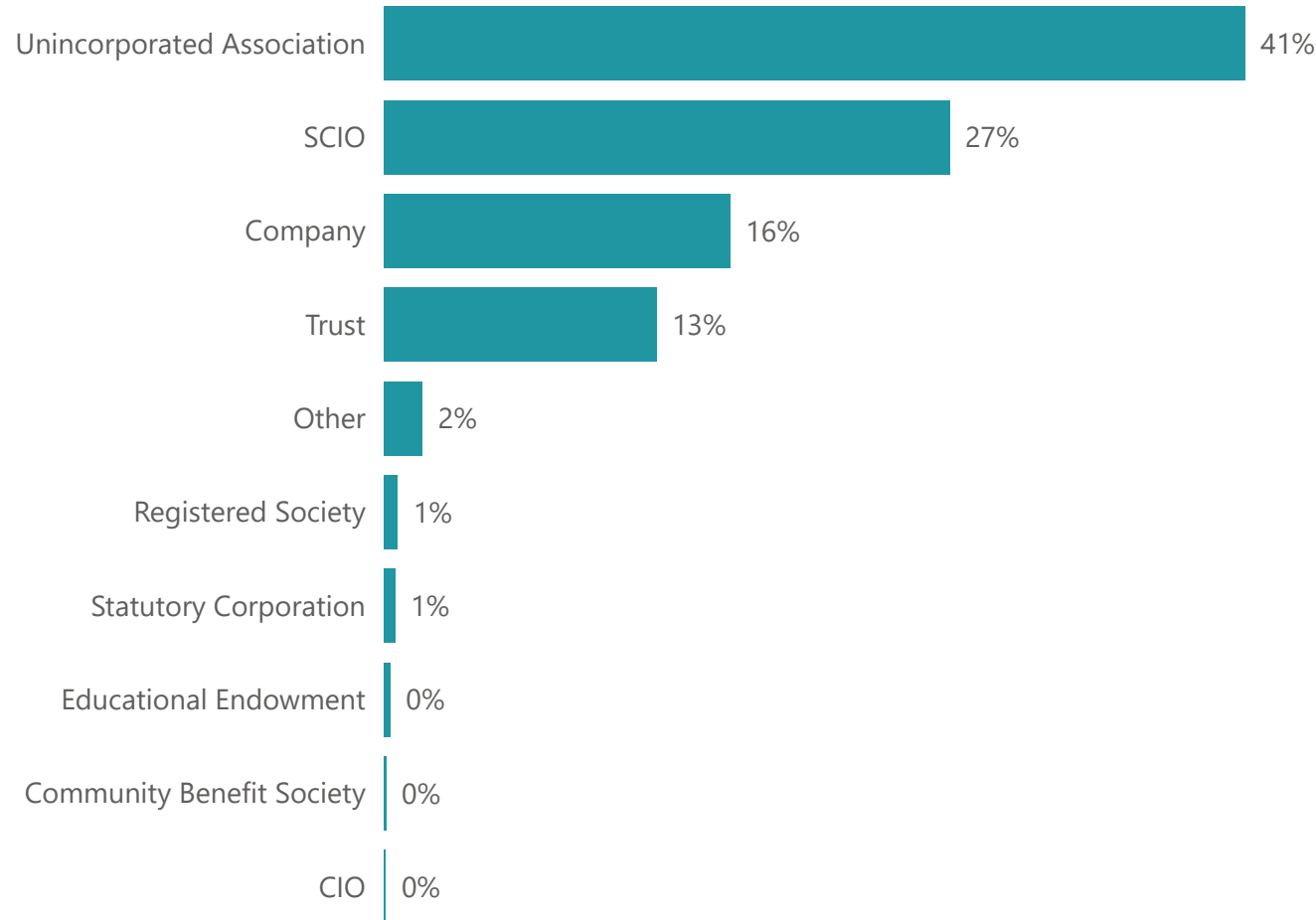
Scottish charities

Income groupings

All

Charities by Legal form

*See filter for charity data shown



Unincorporated associations are the most common legal form for Scottish charities and make up over 40% of Scotland's charities.

Scottish Charitable Incorporated Organisation (SCIO) is the second most common legal form for Scottish Charities. The SCIO is a legal form specific to Scottish Charities that was introduced in 2011. It provides a degree of protection against personal liability for its charity trustees and reassurance for those entering into contracts with it. SCIOs account for one in four Scottish charities (27%). Unlike charities that are limited companies, SCIOs have OSCR as a single regulator.

Legal form	Count	% of charities
Unincorporated Association	9656	40.67%
SCIO	6341	26.71%
Company	3881	16.35%
Trust	3054	12.86%
Other	433	1.82%
Registered Society	155	0.65%
Statutory Corporation	124	0.52%
Educational Endowment	73	0.31%
Community Benefit Society	24	0.10%
Total	23742	100.00%



Legal form

Charity type

All

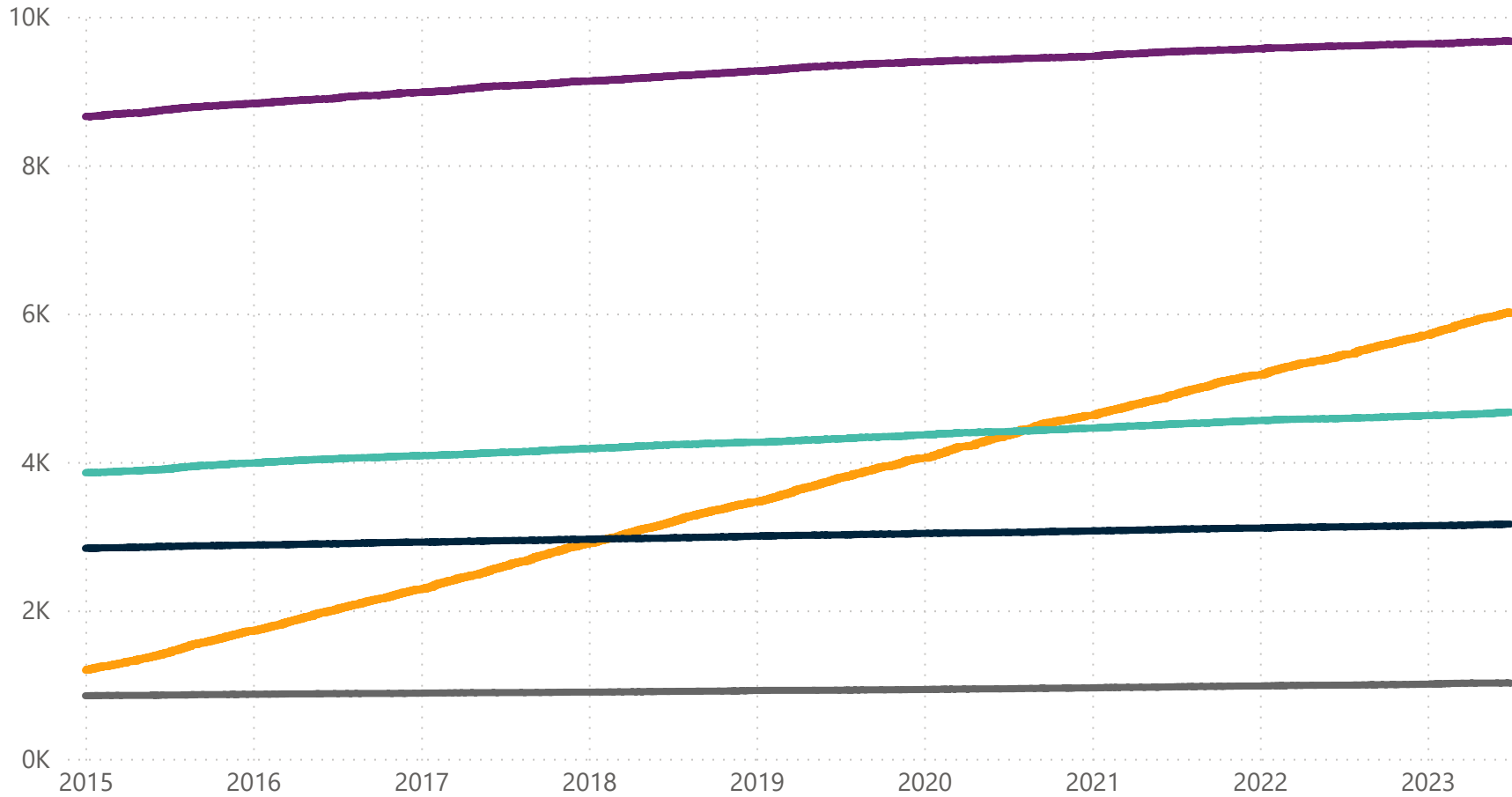
Income groupings

All

Registered charities - by legal form

* See filters for charity data shown

● Unincorporated Associations Count ● SCIOs Count ● Trust Count ● Companies Count ● Other Count



This line chart shows the shape of the register by the legal form of all charities on the register at that time.

Unincorporated associations, companies and SCIOs are all gradually increasing year on year, with SCIOs having the biggest increase.

Since their introduction in 2011, there has been a gradual increase in the popularity of the SCIO legal form.



Geographical Spread

Charity type
 Scottish charities

Income groupings
 All

Over two fifths (40%) of Scottish charities operate locally at a specific place, community or neighbourhood.

A further 25% operate within one local authority area.

Scottish charities with an international focus to their work who operate in the UK and overseas, or overseas only, make up 11% of Scotland's charities.

Geographical Spread

*See filter for charity data shown



Geographical Spread

Geographical Spread	Count	%
A specific local point, community or neighbourhood	9807	41.3%
Wider, but within one local authority area	5908	24.9%
More than one local authority area in Scotland	2613	11.0%
UK and overseas	2231	9.4%
Operations cover all or most of Scotland	1362	5.7%
Scotland and other parts of the UK	1214	5.1%
Overseas only	389	1.6%
One or a few bases or facilities servicing people who come from a broad area	218	0.9%



Local Authority

Charity type
 Scottish charities

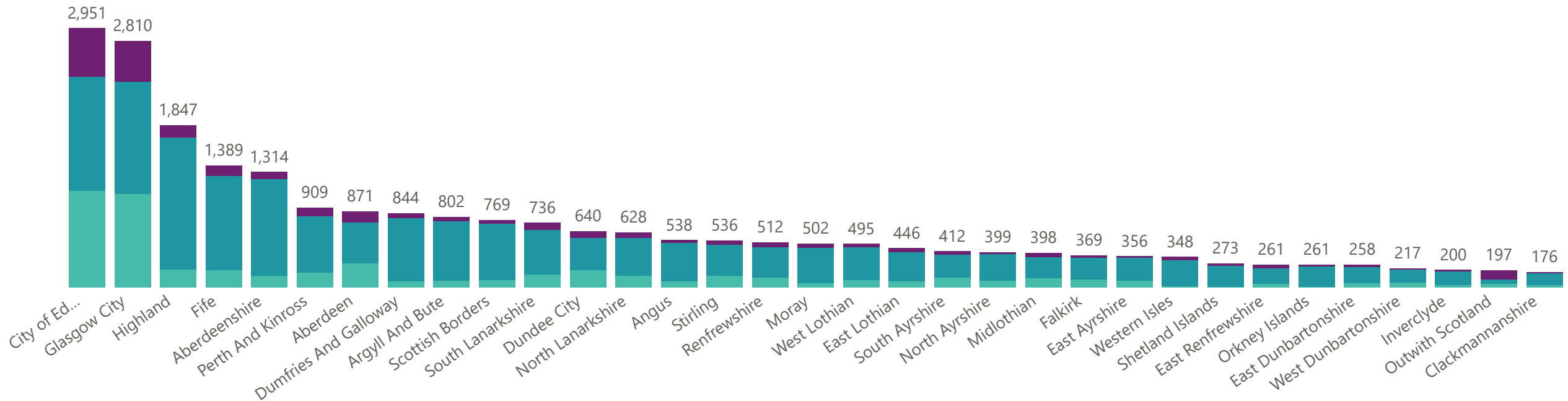
Income groupings
 All



Charities by local authority area

*See filter for charity data shown

● International ● Local ● National



Charities are asked where their head office or main operations are located. The largest number of charities can be found in Scotland's major cities, Edinburgh and Glasgow, followed by Highland region. Highland region contains the largest number of local charities (grouped as those where the geographical spread of their activities is a specific neighbourhood, within one local authority area or those with one or a few bases).

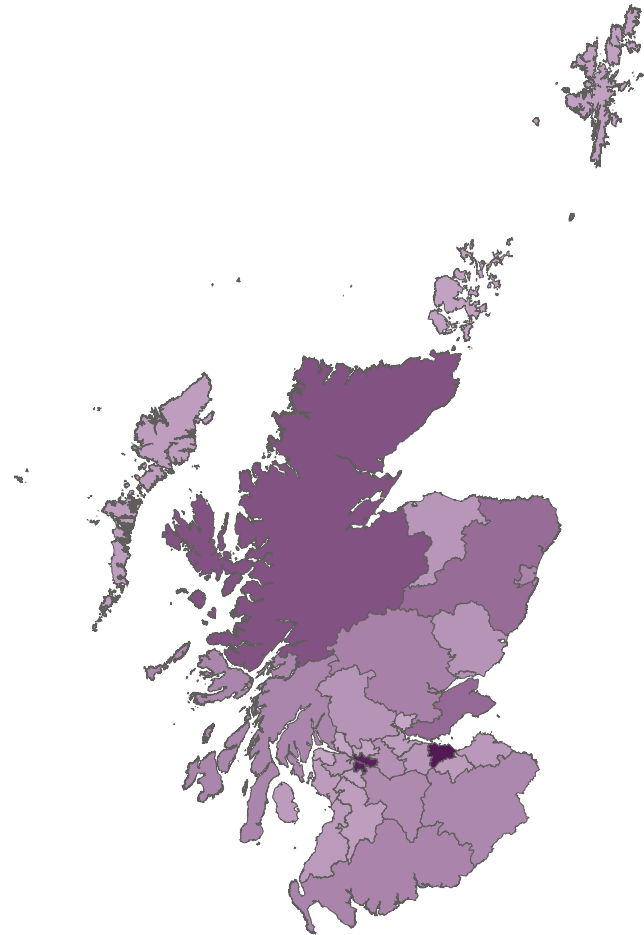
The chart also includes those with a head office or main operating location outwith Scotland.



Local Authority map

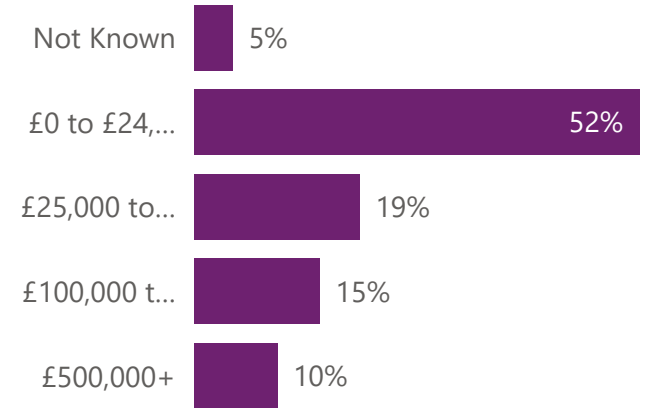
Charities by local authority area

Select a local authority area to filter data charts



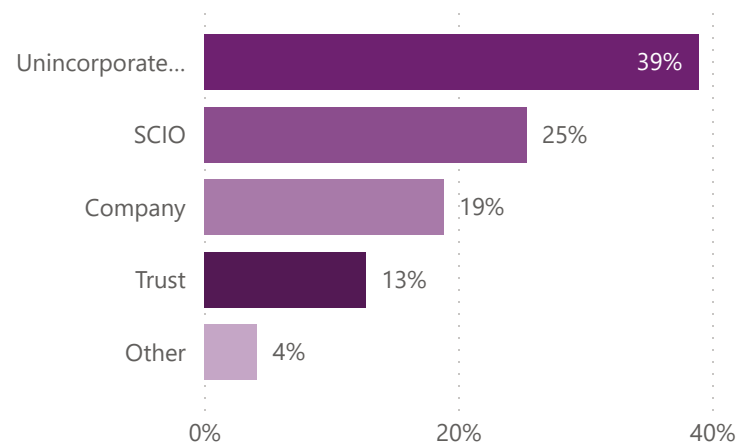
Charities by latest income

In the selected area



Legal form

In the selected area



Charities are asked where their head office or main operations are located. The largest number of charities can be found in Scotland's major cities, Edinburgh and Glasgow, followed by Highland region. Highland region contains the largest number of local charities (grouped as those where the geographical spread of their activities is a specific neighbourhood, within one local authority area or those with one or a few bases).

