## OSCR
Scottish Charity Regulator
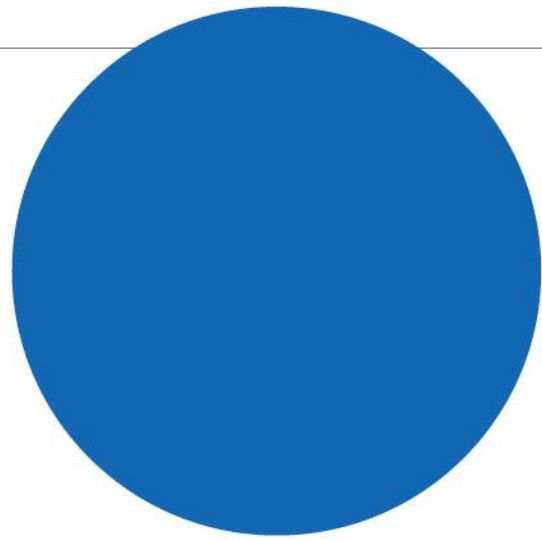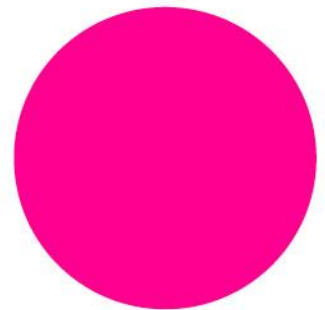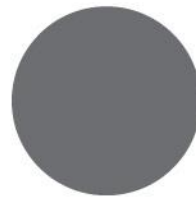
# Scottish Charity & Public Surveys
2022

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# Contents

# 1 Research background & method

The Scottish Charity and Public Surveys are a biennial, dual engagement both with charities on the Scottish Charity Register and with the Scottish general public. The research is commissioned by the Scottish Charity Regulator (often known as OSCR).

The 2022 wave of this research represents the first opportunity to understand how the relationship between the Scottish public and the charity sector has evolved since the beginning of the COVID-19 pandemic in early 2020.

## The Scottish Public Survey

The core aim of the Scottish Public Survey is to track changing levels of trust and confidence in the charity sector among the Scottish general public.

**Additionally, in 2022, the research sought to:**

- Measure levels of engagement with the Scottish charity sector, including volunteering time, donating money, and purchasing goods and services from charities

- Understand appetite for, and barriers to, becoming a charity trustee

- Measure perceived trustworthiness across different types of charity

- Explore how this perception varies across different segments of the Scottish public

- Measure awareness of OSCR, its perceived importance as a regulator, and expectations regarding how it should act

- Measure awareness and expectations of the charity register

In 2022, the Scottish Public Survey was run as a mixed-mode engagement across a quantitative online survey and a series of four online focus groups.

The online survey spoke to a representative cross-section of the Scottish public and gathered a total of 1,502[1] valid responses. Quotas and weighting were applied to the dataset to ensure that it was representative of the wider Scottish public by age, gender, region and socio-economic group.

Fieldwork took place between 4th and 22nd February 2022.

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[1] A total sample size of 1,502 represents a maximum margin of error of +/- 2.53% at the 95% confidence interval.

## Table 1: **Sample profile** – the Scottish Public Survey 2022

| | Audience | Total responses | Unweighted percentages | Weighted percentages |
|---|---|---|---|---|
| | *Total population* | *1,502* | *100%* | *100%* |
| **Gender** | Male | 685 | 46% | 48% |
| | Female | 814 | 54% | 52% |
| | Self-described | 3 | <1% | <1% |
| **Age** | 17–24 | 106 | 7% | 7% |
| | 25–34 | 201 | 13% | 14% |
| | 35–44 | 315 | 21% | 22% |
| | 45–54 | 185 | 12% | 13% |
| | 55–64 | 294 | 20% | 20% |
| | 65+ | 390 | 26% | 23% |
| **Region** | Northeast Scotland | 219 | 15% | 14% |
| | Highlands & Islands | 148 | 10% | 9% |
| | South Scotland | 224 | 15% | 14% |
| | West Scotland | 144 | 10% | 10% |
| | Central | 176 | 12% | 16% |
| | Mid-Scotland & Fife | 193 | 13% | 11% |
| | Lothians | 219 | 15% | 15% |
| | Glasgow | 179 | 12% | 12% |
| **Socio-economic group** | A | 93 | 6% | 6% |
| | B | 309 | 21% | 20% |
| | C1 | 354 | 24% | 24% |
| | C2 | 312 | 21% | 21% |
| | D | 211 | 14% | 15% |
| | E | 223 | 15% | 15% |

In addition to the online survey conducted with the Scottish general public, four focus group discussions were conducted with members of the public who had donated to charity in the last year. Two groups were conducted with low level donors and two

with high level donors.[2] Two of the groups contained donors aged 18-44 and two donors aged 45+. In total, 25 participants were drawn from across Scotland and from a variety of demographic backgrounds.

**The purpose of conducting these groups was to provide additional qualitative data on the following topics:**

- Expectations of charity behaviour and conditions for trust
- The role of charities in society
- The role of charity regulation
- Awareness and expectations of OSCR
- Barriers to becoming a charity trustee

The focus groups took place on the 1st and 8th March 2022.

## The Scottish Charity Survey

The Scottish Charity Survey gathers the views of nominated representatives of charities that are present on the Scottish Charity Register.

**The purpose of the research was to:**

- Identify and prioritise issues facing Scottish charities, including challenges posed by the COVID-19 pandemic
- Understand how OSCR can best support charities to overcome these challenges
- Quantify and evaluate the support sought and received from OSCR and other bodies operating in the third sector (TSIs, SCVO, etc)
- Find out how charities themselves understand the public's perception of the sector as trustworthy or otherwise
- Evaluate the support OSCR currently provides charities and identify areas for improvement
- Evaluate the way in which OSCR communicates with charities and identify areas for improvement
- Understand how ongoing regulation affects charities, including both the benefits and drawbacks of registration

As with the Scottish Public Survey, the Scottish Charity Survey was run as a mixed-mode engagement consisting of an online survey and a series of 15 in-depth telephone interviews.

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[2] Low level donors are defined as having donated less than £50 to charity in the last year and demonstrating lower emotional engagement with charities over a series of attitudinal questions. High level donors had donated more than £50 in the last year and demonstrated higher emotional engagement with charities over the same attitudinal questions

The online survey gathered the views of 2,347[3] charity representatives. A sampling frame of 11,948 unique charity records was drawn from the Charity Register and each charity was invited by email to participate in the research. The sampling frame was drawn in proportions representative of the full Charity Register according to income and region. The final dataset was weighted by income and region.

The figure of 2,347 completed surveys represents a 20% response rate.

Fieldwork took place between 4th and 25th February 2022.

**Table 2**: **Sample profile** – the Scottish Charity Survey 2022

| | Audience | Total responses | Unweighted percentages | Weighted percentages |
|---|---|---|---|---|
| | **Total** | **2,347** | **100%** | **100%** |
| **Years established** | Less than 4 years | 225 | 10% | 11% |
| | 4–10 years | 412 | 18% | 17% |
| | 11–25 years | 528 | 22% | 22% |
| | 26–50 years | 487 | 21% | 21% |
| | 50+ years | 659 | 28% | 27% |
| **Number of paid staff** | None | 1,289 | 55% | 59% |
| | 1–5 | 661 | 28% | 25% |
| | 6–10 | 131 | 6% | 5% |
| | 11–20 | 106 | 5% | 4% |
| | 21+ | 156 | 7% | 6% |
| **Annual income** | Up to £25k | 1,165 | 50% | 57% |
| | £25-£100k | 544 | 23% | 19% |
| | £100k+ | 632 | 27% | 23% |
| **Region** | Northeast Scotland | 301 | 13% | 14% |
| | Highlands & Islands | 406 | 17% | 16% |
| | South Scotland | 355 | 15% | 13% |
| | West Scotland | 117 | 5% | 6% |
| | Central | 138 | 6% | 8% |
| | Mid-Scotland & Fife | 332 | 14% | 11% |
| | Lothians | 374 | 16% | 16% |
| | Glasgow | 216 | 9% | 11% |
| | Outwith Scotland | 108 | 5% | 5% |

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[3] A total sample size of 2,347 represents a maximum margin of error of +/- 1.92% at the 95% confidence interval

Fifteen in-depth interviews were conducted with nominated charity representatives. These interviews were conducted over the telephone or via video conference and lasted approximately 30 minutes.

**These interviews provided additional qualitative data on the following topics:**

- The challenges faced by charities throughout the pandemic and into 2022

- Charities' expectations for the future

- Charities' use of support

- The role of charities in society

- The performance of OSCR as a regulator

Fieldwork took place between 21st February and 9th March 2022.

# 2 Executive summary

Most members of the public are donating to charity in one way or another, with goods and money the most common methods.

| Donated any 86% | Goods 59% | Money 58% | Unpaid/voluntary time 15% | Paid time 4% |

In terms of accessing the support of charities, **one in ten** members of the public had sought direct help with goods (e.g. clothes, food) in the last year.

**% using the services or activities of a charity in this way in the last year**

To be able to help people yourself
14%

To get information or advice
12%

For direct help with access to goods
9%

To campaign for a cause
9%

To take part in an activity
8%

For direct help with services
5%

For direct help with finances
5%

To access a place or a space
2%

None, don't know or prefer not to say
59%

For those who had recently donated to charity, the importance of the cause and their trust in the charity itself were the key motivations for supporting a given charity.

**% choosing each motivation**

They are doing something very important **46%**

They help people in my community **20%**

I trust the charity **35%**

I know that charity is well run **20%**

I have a personal connection to, or experience with the charity **30%**

It makes me feel good to support them **18%**

They tell me how my money will be used **15%**

They match my values, beliefs, or interests **30%**

They are a well-known charity **14%**

It allows me to help those less fortunate than me **27%**

I feel it's my duty to support them **10%**

The wider trend of increased public trust in charities seen since 2018 still holds, despite a small decrease in 2022.

**Mean score out of 10.**

7.02

6.08          6.14                                    6.80

2016          2018          2020          2022

Base in 2022: Scottish Public 1,502.

More than half of members of the Scottish public felt that they saw no change in the trustworthiness of charities in the last two years.

**% selecting each answer.**

15% **More** trustworthy

24% **Less** trustworthy

56% No change

Base in 2022: Scottish Public 1,502.

The proportion of the Scottish public that believe charities are becoming less trustworthy has decreased since 2018.

Base in 2022: Scottish Public 1,502.

2018 **44%**

2020 **29%**

2022 **24%**

**% believing that charities had become less trustworthy in the preceding two years**

Negative publicity, charity mismanagement and the perception of inappropriately large salaries, were the most common reasons stated among those who believed charities had become less trustworthy.

%

**Base:** believe that charities had become less trustworthy in the preceding two years 372. Responses 10% and over shown.

Fraudulent behaviour **22%**

Bad publicity **19%**

Abuses or safeguarding issues **18%**

High staff or executive salaries **18%**
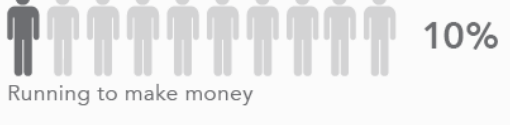
Running to make money **10%**

## Charities themselves saw little change in the public's perception of the sector as trustworthy.

% selecting each answer.

More trustworthy **20%**

Don't know **20%**

**6%**

Less trustworthy

**53%**
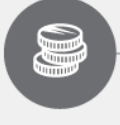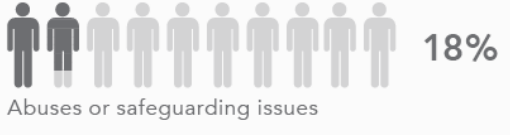
No change
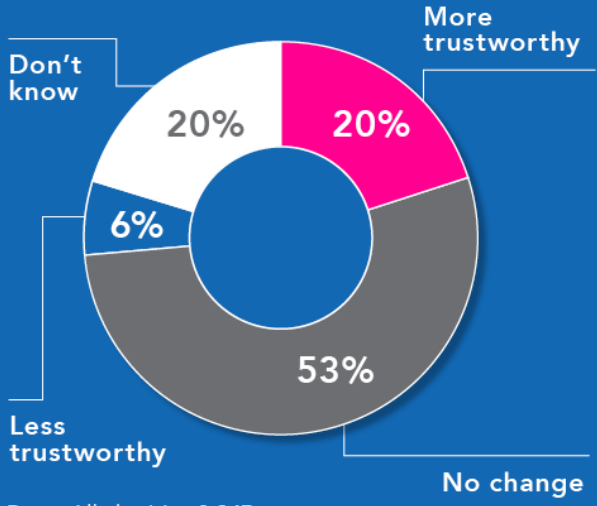
**Base:** All charities 2,347.

## Local charities, as well as those that source their funds from government and those without paid staff, continued to be perceived as the most trustworthy types of charity.

**Mean score out of 10.**

Working in your local area (and nowhere else)
6.72

Working in your local area and elsewhere
6.64

Working across more than one country
5.70

Have volunteers only
6.63

Employ paid staff
5.75

Get funding from the government
6.05

Raise funds online
5.12

Raise funds in the street
5.02
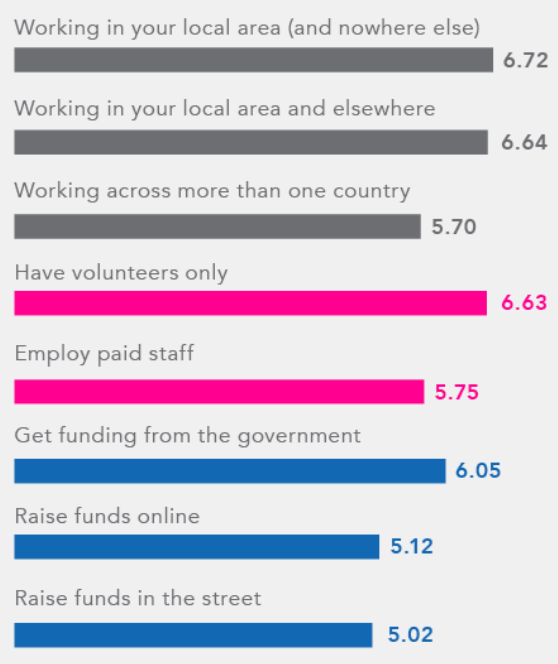
**Base:** Scottish Public 1,502.

Charities involved in medicine and health, animal welfare and poverty relief were thought to be the most trustworthy types of charities.

**Mean score out of 10.**

Base: Scottish Public 1,502.



**Medical & health**
6.79

**Animal welfare**
6.59

**Poverty relief**
6.58

**Children or young people**
6.51

**Conservation & the environment**
5.92

**Education & training**
5.70

**Overseas aid & disaster relief**
5.39

**Leisure & culture**
5.33

**Religious organisations**
4.48

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Seeing what a charity has achieved, knowing how much of a donation has gone to a cause, and knowing a charity is independently regulated were the three most common markers of trustworthiness among the Scottish public.

**% selecting each answer in their top three.**

Seeing evidence of what it has achieved
**54%**

Knowing how much of my donation goes to the cause
**54%**

Knowing that it was fully regulated by an independent body
**39%**

Knowing it is well run
**33%**

Having open access to its accounts
**27%**

Having a website where I could check that the charity is ethical and honest
**25%**

A badge that verifies that it is regulated
**17%**

Knowing the details of the charity trustees
**11%**
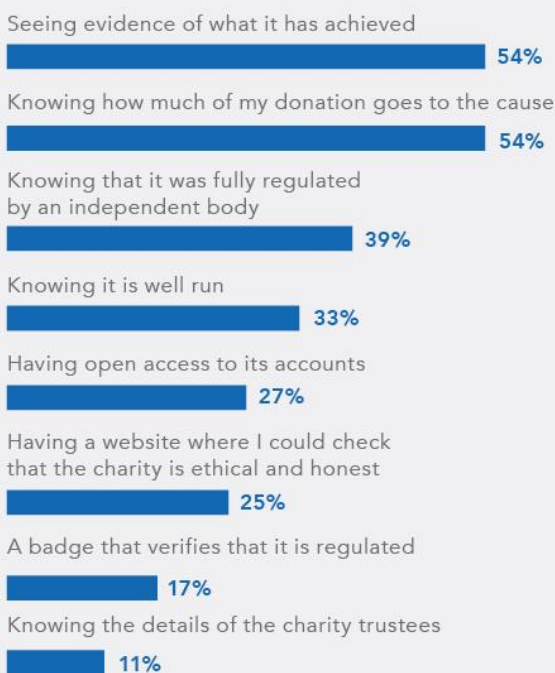
Base: Scottish Public 1,502.

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While little over a third of the public felt that most charities could be trusted without oversight, the majority did feel that most charities used their funds effectively.

**% agreeing with each statement.**

**Most charities make the most of the donations they receive**
**61%**

**Most charities can be trusted to run themselves well, without the need for monitoring**
**37%**

Base: Scottish Public 1,502.

The Scottish public saw 'filling the gaps' in service provision as the most important role charities play in Scottish society in 2022.

**Qualitative feedback**

## Filling gaps in government provision

## Others

## Alleviating poverty

Raising awareness

Providing emotional help & mental health support

Giving advice

Conducting research

Targeting specific needs

The role of charities in society was predicted to become more vital in coming years, with the COVID-19 pandemic and increased cost of living driving increased demand for charitable services.

**Qualitative feedback**

Just under **nine-in-ten** members of the Scottish public viewed the role of OSCR as either 'quite' or 'very' important.

**% selecting each answer**



Neither important nor unimportant

Very unimportant

| 50% | 38% | 9% | | |

Very important

Quite important

Quite unimportant
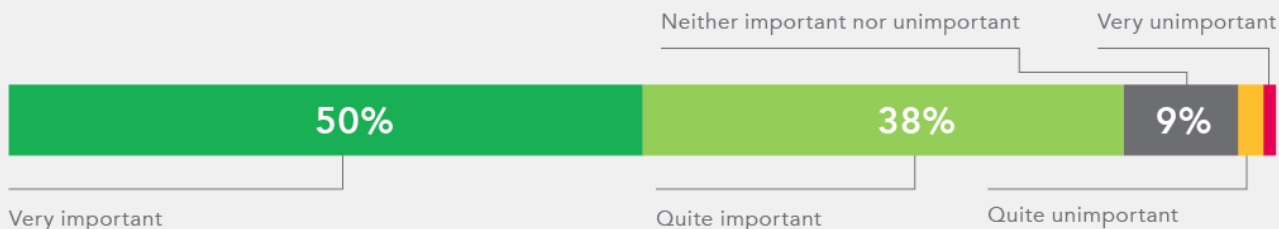
**Base:** Scottish Public, excluding 'don't know' responses 759).
Please note a reduced sample due to the scale being recalibrated during fieldwork

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Almost all charities viewed their registered status as important to their organisation.

**% selecting each answer**

Fairly unimportant

Very unimportant

| 80% | 17% | 3 | 0% |

Very important

Fairly important
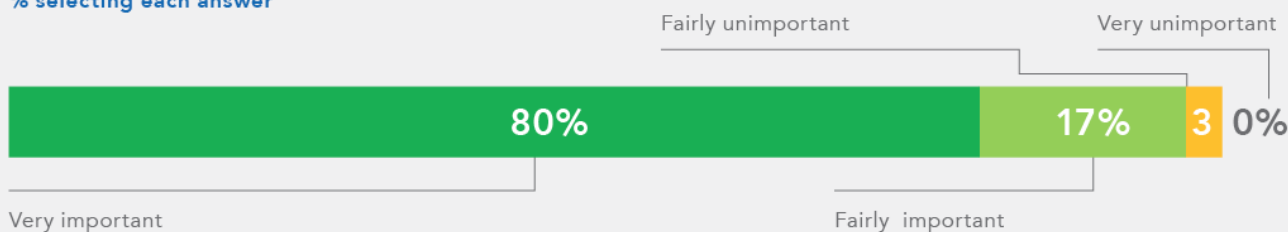
**Base:** Scottish Charities, excluding 'don't know' responses 2,347.

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These benefits usually related to accessing funding or tax relief and/or their public image.

**% selecting each benefit**

Access to different funding streams, grants or finance — **47%**

Tax breaks/rates relief (e.g. gift aid or business rates relief — **35%**

Being able to use charitable status as a quality mark, or stamp of approval — **36%**

Improving the public's trust in your charity — **35%**

**Base:** Scottish Charities 2,347.
Top four responses displayed

## Financial issues featured in the top three challenges for eight-in-ten charities.

**% selecting each answer in their top three challenges.**

Running costs
**39%**

Recruitment of volunteers
**28%**

Sustaining membership levels
**28%**

Increased need to do fundraising
**26%**

Recruitment of trustees
**25%**

Needing to find new ways to fundraise
**25%**

Meeting increased demand
**19%**

Difficulty delivering services or activities
**17%**

Finding non-Government funding (grant-giving bodies)
**14%**

General public/members donating less
**11%**

## Sourcing additional funding and looking for new volunteers were the most common reactions to the challenges charities faced in 2022.

**% selecting each answer.**

Looked for other funding
**36%**

Looked for more volunteers
**36%**

Increased efforts to recruit more members
**31%**

Sought publicity to raise awareness
**26%**

Tried different methods of fundraising
**24%**

Used financial reserves
**24%**

Moved more services or activities online
**22%**

Increased advertising
**20%**

Organised fundraising events
**20%**

Cost cutting exercises
**19%**

Reduced or suspended some services
**17%**

Advertised for/appointed new trustee(s)
**14%**

Advertised for/appointed new staff
**12%**

## Most commonly, charities looked to their colleagues or trustees in other charities for advice.

**% seeking or receiving advice from this source at least once a year**

A colleague or another charity trustee
**75%**

OSCR
**62%**

Professional, legal or accountancy advice
**60%**

Another charity or advisory body
**52%**

Local Authority
**51%**

Third Sector supporting organisations
**44%**

Parent or Umbrella body
**40%**

SCVO
**32%**

Business support advisers
**25%**

## The most frequently used sources of support were also believed to be the most useful.

**% rating the helpfulness of each source as four or five out of five.**

A colleague or another charity trustee
**80%**

Professional, legal or accountancy advice
**78%**

OSCR
**76%**

Parent or Umbrella body
**72%**

Another charity or advisory body
**64%**

SCVO
**62%**

Third Sector supporting organisations
**60%**

Business support advisers
**51%**

Local Authority
**50%**

## Almost all charities still faced disruption due to the COVID-19 pandemic, with service delivery the most pressing challenge for the sector.

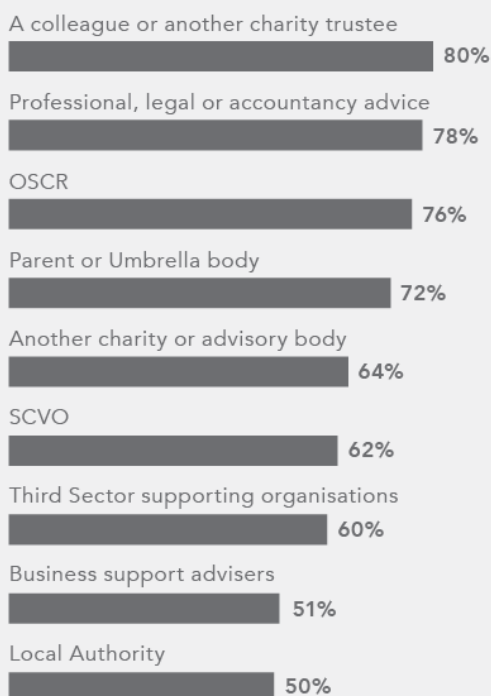**% selecting each answer.**

Unable to resume usual services/ activities due to restrictions
**55%**

Planning for the future becoming more difficult
**44%**

Difficulty fundraising
**43%**

Having to conduct meetings online
**40%**

Trying to deliver usual services/ activities remotely or online
**38%**

Creating a safe environment for the return of staff, volunteers and/or charity users as the restrictions change
**38%**

Rising costs and/or inflation
**37%**

Volunteer shortages
**29%**

Financial or cash flow constraints
**28%**

Covering essential core costs
**28%**

Burnout or exhaustion in staff, charity trustees and/or volunteers
**26%**

Meeting the demand for your services/activities
**24%**

Running the charity governance remotely
**15%**

Managing staff and/or volunteer absence in relation to Covid-19 illness or isolation
**15%**

Less than 40% of Scottish public provided were able to say with some confidence that the charity sector in Scotland had a regulator.

**% selecting each answer.**

The Scottish charity sector is regulated by an independent public body that reports directly to the Scottish Parliament

20%

The Scottish charity sector is regulated by a department within the Scottish Government

12%

The Scottish charity sector is self-regulated by an organisation set-up and funded by charities themselves

7%

There is no official regulatory body for the Scottish charity sector, but any reports of misconduct can be reported to the police

4%

The Scottish charity sector does not currently have any official legislation or regulation

2%

Don't know

55%

Just a quarter of respondents agreed they had heard of the OSCR.

%

Yes: 25%

No: 69%

Don't know: 6%

The combined impact of media activity and PR coverage, including social media activity and presence in online searches, drove 40% of the total awareness of the OSCR.

Through a charity I'm involved with
20%

Friends/family/ word of mouth
13%

Newspaper/print media/TV/media
13%

Online/ internet search
12%

Social media
7%

Online news
6%
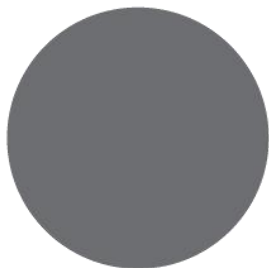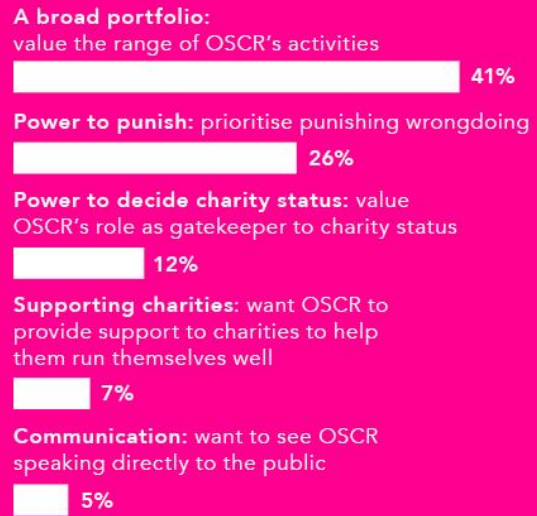
Radio
2%

Other (please specify)
10%

**Investigating misconduct and taking action against wrong doing were the most commonly chosen ways in which the Scottish public believed OSCR could maintain trust in the charity sector.**

**% selecting each answer.**

Investigating possible misconduct in charities

**52%**

Taking action when charity trustees do something wrong

**46%**

Reviewing charity accounts to improve quality and identify risk

**36%**

Making sure charities are run for the public benefit

**36%**

Supporting charities to improve the way they run themselves

**28%**

Keeping a public register of charities

**24%**

Deciding which organisations can be registered as charities

**24%**

Working to improve confidence in Scottish charities

**21%**

**Segmentation of Scottish public according to their prioritisation of OSCR's role.**

**% falling into each segment.**

**A broad portfolio:** value the range of OSCR's activities

**41%**

**Power to punish:** prioritise punishing wrongdoing

**26%**

**Power to decide charity status:** value OSCR's role as gatekeeper to charity status

**12%**

**Supporting charities:** want OSCR to provide support to charities to help them run themselves well

**7%**

**Communication:** want to see OSCR speaking directly to the public

**5%**

## Segmentation of Scottish charities according to their prioritisation of OSCR's role.

**% falling into each segment.**

**A broad portfolio:**
value the range of OSCR's activities

**32%**

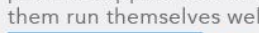**Power to decide charity status:** value OSCR's role as gatekeeper to charity status

**18%**

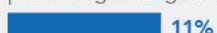**Checking finances:** value OSCR's role in reviewing charities' accounts

**15%**

**Supporting charities:** want OSCR to provide support to charities to help them run themselves well

**14%**

**Power to punish:** prioritise punishing wrongdoing

**11%**

## Comparison of attitudes between Scottish charities and the Scottish public.

**% agreeing/disagreeing with each statement.**

**The Scottish Charity Regulator needs to take much tougher action against charities than it does at the moment**

Scottish public
53%   4%

Scottish charities
35%   5%

**The Scottish Charity Regulator in Scotland should monitor charities at a high risk of wrongdoing very closely, even if this means it can't monitor lower risk charities at all**

Scottish public
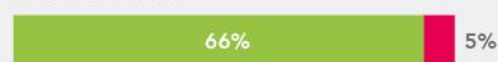63%   11%

Scottish charities
70%   13%

**If more people knew about the Scottish Charity Regulator and what it does, they would have greater confidence in the charity sector**

Scottish public
76%   5%

Scottish charities
66%   5%

**The Scottish Charity Regulator should allocate some of its limited budget to provide information & support to charities, as well as taking action against misconduct**

Scottish public
69%   7%

Scottish charities
77%   3%

● agree    ● disagree

**Overall, Scottish charities were impressed with OSCR's communications.**

# 89%

rated them good, very good, or excellent

**Base:** Scottish Charities 2,347.

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**Charity representatives most commonly had contact with OSCR as part of completing their annual return.**

% having had contact for this purpose.

| 73% | 21% | 18% | 17% | 13% |
|-----|-----|-----|-----|-----|
| Filling out an online annual return | To get in touch with any general questions | Applying for consent to proposed changes to charities | Making an application for charitable status | Queries or follow up work in connection with charity accounts |

**Base:** Scottish Charities 2,347. Responses 10% and over shown.

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**Charities were usually satisfied with the contact they had with OSCR.**

% rating the performance of each type of contact as four or five out of five.

| Filling out an online annual return | Making an application for charitable status | To get in touch with any general questions | Applying for consent to proposed changes to | Queries or follow up work in connection with charity accounts |
|------|------|------|------|------|
| 89% | 89% | 87% | 83% | 82% |

**Base:** Scottish Charities in contact for this purpose *varies*.

In terms of mode of contact with OSCR, again the online return was the most common mode, with email second.

**% having had contact by this mode.**

Completing the online annual return
**71%**

Contact by email
**51%**

eNewsletter (OSCR Reporter)
**21%**

Contact by phone
**15%**

**Base:** Scottish Charities 2,347. Responses 10% and over shown.

Again, across all modes of contact, OSCR performed well.

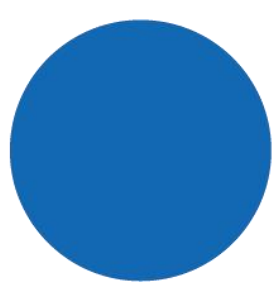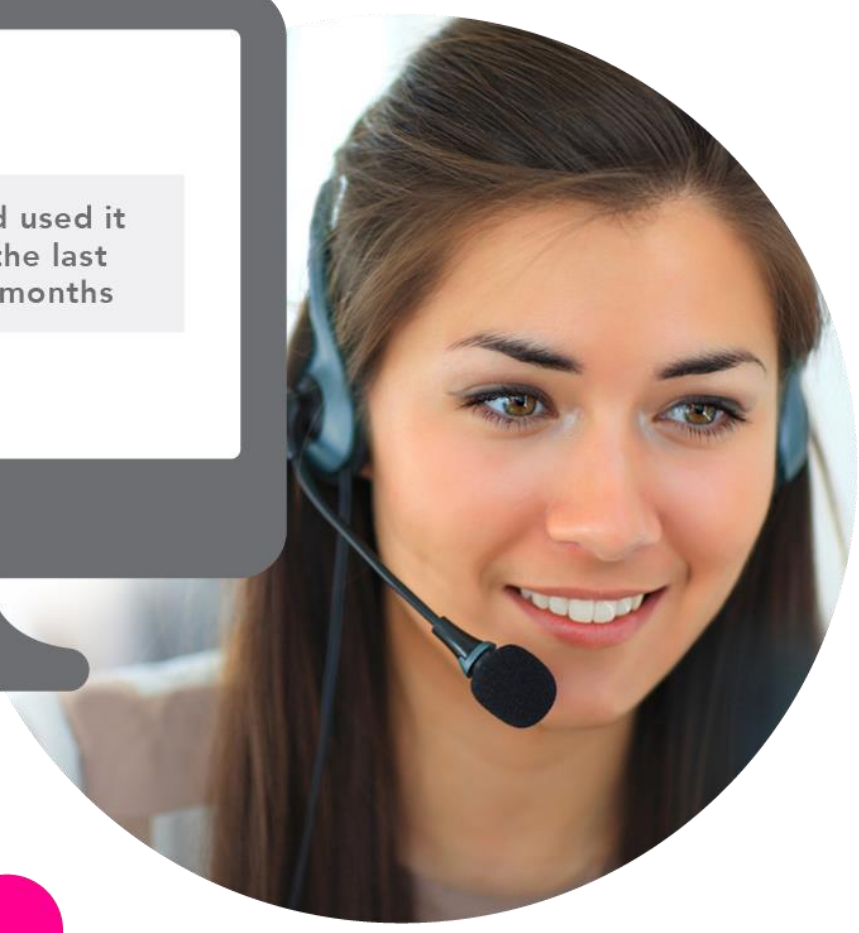**% rating the performance of each type of contact as four or five out of five.**

Completing the online annual return
**89%**

Contact by phone
**86%**

Contact by email
**84%**

eNewsletter (OSCR Reporter)
**84%**

**Base:** Scottish Charities using this mode of contact *varies*.

The OSCR website was well used by charities.

**82%**  had used it in the last 12 months
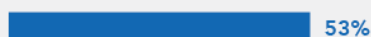
**Base:** Scottish Charities 2,347.

Again, the annual return was the primary reason for visiting the website. However, 73% had used the website to search the register for their own or another charity's record.

**% using the website for this purpose.**

To access OSCR Online to complete the online annual return, to upload the annual report & accounts, or to update charity details
**85%**

To look at my charity's register extract
**53%**

To search the charity register
**43%**

To download the Charity Trustee Information and Guidance Pack
**24%**

To look for or download general guidance about running my charity
**23%**

To look for guidance in relation to a specific issue
**19%**

To get OSCR's telephone number or other contact details
**12%**

To look for information about the charity sector in Scotland
**11%**

To look for information about what OSCR does
**10%**

Again, across all modes of contact, OSCR performed well.

**% rating this part of the website as quite or very easy to use.**

To look at my charity's register extract
**98%**

To search the charity register
**97%**

To access OSCR Online to complete the online annual return, to upload the annual report & accounts, or to update charity details
**95%**

To download the Charity Trustee Information and Guidance Pack
**95%**

To look for information about what OSCR does
**95%**

To look for or download general guidance about running my charity
**93%**

To get OSCR's telephone number or other contact details
**93%**

To look for information about the charity sector in Scotland
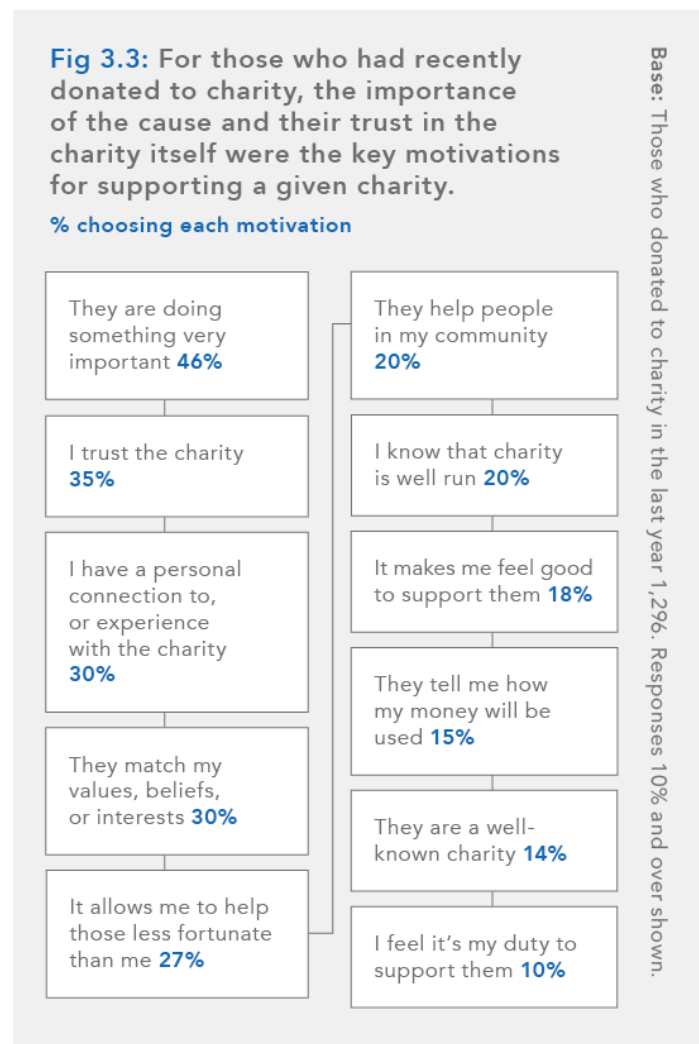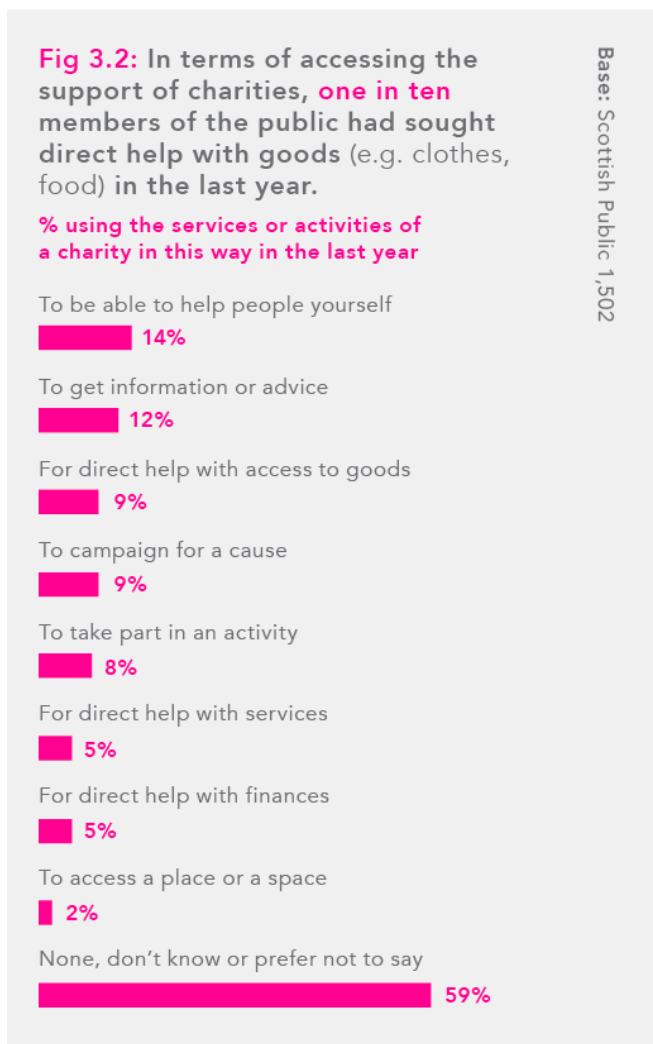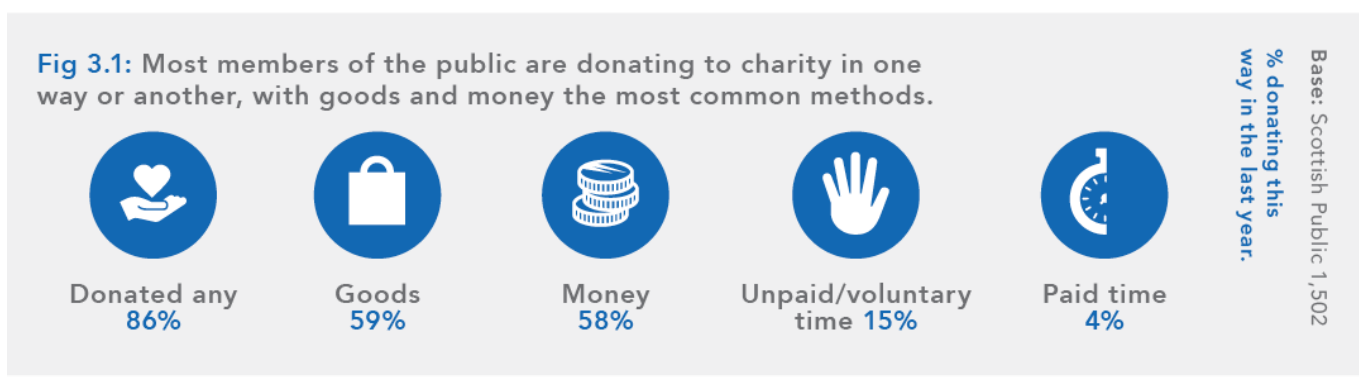**93%**

To look for guidance in relation to a specific issue
**80%**

# 3 Public engagement with charity

This chapter looks at the Scottish public's general level of engagement with charities, including the range and depth of charity involvement on an individual level, key considerations when choosing a charity to support, and common attitudes towards the role of a 'charity trustee'.

## 3.1. Summary

**Fig 3.1:** Most members of the public are donating to charity in one way or another, with goods and money the most common methods.

% donating this way in the last year.

Base: Scottish Public 1,502

| Donated any | Goods | Money | Unpaid/voluntary time | Paid time |
|---|---|---|---|---|
| 86% | 59% | 58% | 15% | 4% |

**Fig 3.2:** In terms of accessing the support of charities, **one in ten** members of the public had sought **direct help with goods** (e.g. clothes, food) **in the last year.**

Base: Scottish Public 1,502

**% using the services or activities of a charity in this way in the last year**

To be able to help people yourself **14%**

To get information or advice **12%**

For direct help with access to goods **9%**

To campaign for a cause **9%**

To take part in an activity **8%**

For direct help with services **5%**

For direct help with finances **5%**

To access a place or a space **2%**

None, don't know or prefer not to say **59%**

**Fig 3.3:** For those who had recently donated to charity, the importance of the cause and their trust in the charity itself were the key motivations for supporting a given charity.

Base: Those who donated to charity in the last year 1,296. Responses 10% and over shown.

**% choosing each motivation**

They are doing something very important **46%**

They help people in my community **20%**

I trust the charity **35%**

I know that charity is well run **20%**

I have a personal connection to, or experience with the charity **30%**

It makes me feel good to support them **18%**

They match my values, beliefs, or interests **30%**

They tell me how my money will be used **15%**

It allows me to help those less fortunate than me **27%**

They are a well-known charity **14%**

I feel it's my duty to support them **10%**

## 3.2. Public perceptions towards the role of charities in 2022

When asked what they understood the role, or roles, of charities to be today, a clear theme emerged amongst respondents; most commonly the key function of a charity was described as plugging a hole within the fabric of society through which the most vulnerable could fall (explored in further depth in chapter 5).

Individuals across each of the general public focus groups described the main purpose of a charity as "stepping in to fill a gap", left either by a national or local government body, or another major organisation. This act of filling a void was coupled by an acute awareness that the role of charities is steadily increasing in importance due to mounting economic pressures on both a national and global level.

> "It's like a big forest and you've got the NHS and the councils which are the big trees, but the light is still shining through in places. And that's where the charity is, that these kinds of little saplings are growing up and filling the gaps in the rooftop canopy as it were."
>
> **Member of the public, online focus group**

Changes in the size, scale and behaviours of charity organisations over time were also highlighted, with respondents noting their increased complexity and professionalism. One respondent summed up this shift in extremely visual terms, describing a charity as originally "people standing on street corners with tins and flags" and moving to what is now "quite a complicated beast".

> "It's [charity donations] part of the infrastructure now… It's not like icing on the cake anymore. It's a big chunk of the cake."
>
> **Member of the public, online focus group**

## 3.3. Preferred charity donation methods and depth of engagement

The proportion of the Scottish public who reported they have donated either money or time to a charity within the last 12 months remained high at 86% (see fig. 3.1). The slight decline of -7% points since 2020 is perhaps to be expected given the tumultuous social and economic climate of the intervening two years. Interestingly, the donation of 'Goods' (59%) overtook 'Money' (58%) by 1% point (compared to a 6% difference in favour of 'Money' in 2020), which may be linked to fewer opportunities to donate during the lockdown and the move to cashless purchasing. Conversely, with a reported increase in charity shop donations generated by the national lockdowns, the donation of goods appears to have been more resilient.[4]

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[4] https://www.independent.co.uk/life-style/charity-shops-opening-lockdown-rules-b1831917.html

Although donations remained high, less than a third of respondents were a member or paying supporter (32%) of a charity, with fewer acting as a charity volunteer (15%), trustee (4%), or paid employee (4%). This suggests that for most people, engagement with charities in the philanthropic sense is largely conducted on a relatively passive level. Just under two thirds of respondents (61%) said they do not follow any charity's activities, either via traditional communication channels or social media, which further indicates levels of interest beyond the individual act of donating are relatively limited. In 2022, 37% stated that they did follow a charity in this way.

## 3.4. Use of charity services or activities

Almost a third of respondents (29%) said they had used a service provided by a charity (e.g. charity shops, youth clubs, leisure groups), within the last 12 months. Usage of such services was highest amongst the youngest age group of 17–24-year-olds (43%).

In 2022, 9% of the Scottish public stated that they had sought a charity's direct help with access to goods in the last year (see fig. 3.2), 5% sought financial help, and 5% sought help with some type of service. In all, 12% of the Scottish public had used a charity to gain information or advice.

Again, it was the youngest in society who found themselves accessing this support most often, be it information or advice (22%), goods (27%), finances (15%), or services (15%). This suggests that the youngest in society currently have a keen need for charitable support.

## 3.5. Frequency of contact with charities

Unsurprisingly, perhaps, frequency of contact with charities was highest amongst those who give their time unpaid, with 50% of volunteers agreeing they provide support once a week or more often. On the opposite end of the scale, the majority of those who donate money do so on a far less regular basis; 81% stated they donate either once a month or less often. In this digital age, and with physical money being rendered almost obsolete for many during the pandemic, it is interesting that cash remained the most popular method of donation (50%), with direct debit and standing orders in second place (32%) and online donations third (28%).

## 3.6. What is most important to the public when choosing a charity

Key motivations for choosing a charity (see fig. 3.3) remained consistent year-on-year, with doing something important (46%), being trustworthy (35%), having a personal connection to the cause (30%), and matching personal values (30%) all core motivators.

"I have a regular standing order to a charity that's close to my heart. That's the cancer research charity."

**Member of the public, online focus group**

## 3.7. Motivations for donating to charity

Although donating to charity brings little or no material benefit for the individual, it is clear the act of giving itself generates a level of personal satisfaction and helps fulfil a perceived moral obligation. Almost three quarters (71%) of respondents agreed they "feel like I'm making a real difference" when they donate to charity and almost two thirds (61%) agreed they feel a "moral responsibility" to support some causes.

"…you naturally gravitate towards the big brands, you know, the ones that are on your high street, because they're the ones that are in your eye… and there's probably a lot of local charities that I don't even know exist."

**Member of the public, online focus group**

Almost a third of respondents (34%) agreed they conducted a lot of research before deciding whether to donate to a charity (36% of those who had donated in the last year), which suggests that the recipient of the donation is most definitely as important as the act itself for the donor. Propensity to research a charity before donating was higher among the youngest members of the public, with 53% of 17–24-year-olds agreeing with this statement. Likelihood steadily decreased with age, with only 25% of the oldest, 65+, group likely to research before donating.

Interestingly, the sense of satisfaction and moral responsibility achieved by the act of giving rarely extended deep enough to drive donors to play an active part within a charity organisation. Four per cent of respondents said they currently held an active role as a charity trustee or member of a charity board or management committee, with a further 5% stating that they had done so within the last five years. Almost nine-in-ten (86%) said they have not considered such a role within the last three years.

### 3.8. Barriers to consideration and uptake of charity trustee positions

Charities themselves highlighted the recruitment of trustees as a key challenge they face (see chapter 7). However, it is clear from the attitudes and opinions expressed by the Scottish public that a trustee recruitment drive must be supported by a campaign of engagement and education if it is to be effective.

Limited understanding of what a trustee/ board role would entail, and a lack of awareness, were two of the main barriers to consideration; 39% of respondents said they had never thought about taking a trustee role and almost a third (31%) stated they don't know enough about what it would involve. Unwillingness to take on more responsibility (30%) and lack of time (29%) were two further barriers to uptake of such positions.

> "I would have no idea what you would…do day to day, like how much time it would take or what your responsibilities would be sort of day to day. So that would probably be quite a barrier."
>
> **Member of the public, online focus group**

A sense of trepidation regarding the seniority and/or expertise, and perceived pressure, required of a trustee role were also detected amongst some of the focus group participants. This again highlights the need for greater communication and education around the role of a charity trustee specifically if organisations are to see increased success in recruitment.

> "[There's] too much pressure to get everything right. I don't want the responsibility."
>
> **Member of the public, online focus group**

> "I work full time and have a child. So, it's just busy life, and I wouldn't be able to give it the time at the moment."
>
> **Member of the public, online focus group**

# 4  Public perceptions of the trustworthiness of charities

This chapter looks at how trustworthy the Scottish public believes the charity sector to be, and how that differs between types of charity and across different demographic groups. This chapter also attempts to address the dynamics behind the public's trust in the charity sector, to identify what bolsters trust and what undermines it.

## 4.1.  Summary

**Fig 4.1:** The wider trend of increased public trust in charities seen since 2018 still holds, despite a small decrease in 2022.

Mean score out of 10.

6.08 — 2016
6.14 — 2018
7.02 — 2020
6.80 — 2022

**Base in 2022:** Scottish Public 1,502.

**Fig 4.2:** More than half of members of the Scottish public felt that they saw no change in the trustworthiness of charities in the last two years.

% selecting each answer.

15% More trustworthy
24% Less trustworthy
56% No change

**Base in 2022:** Scottish Public 1,502.

**Fig 4.3:** The proportion of the Scottish public that believe charities are becoming less trustworthy has decreased since 2018.

% believing that charities had become less trustworthy in the preceding two years

**Base in 2022:** Scottish Public 1,502.
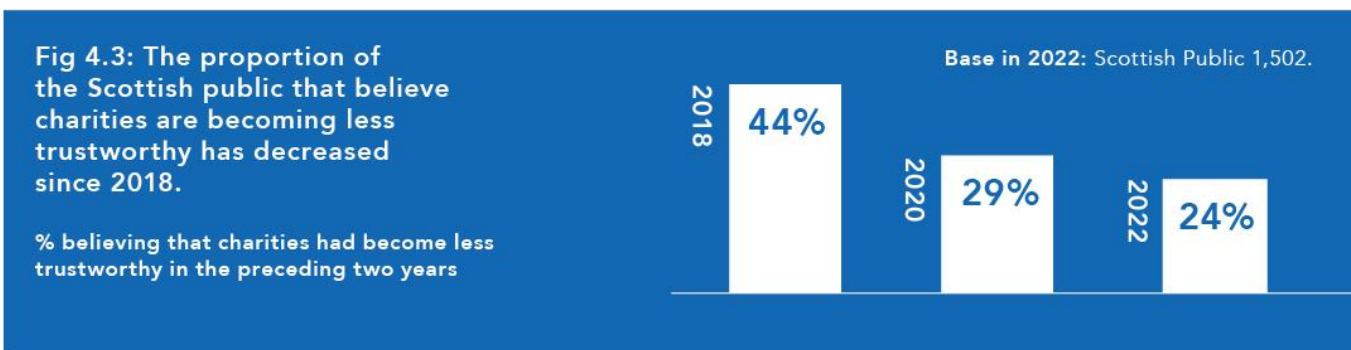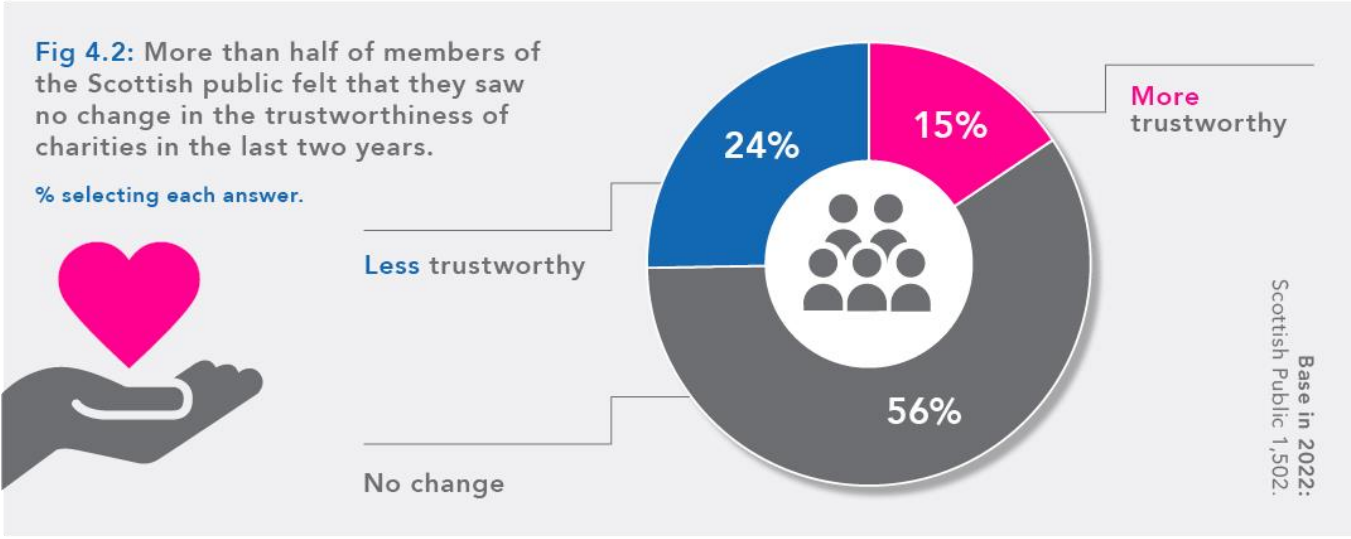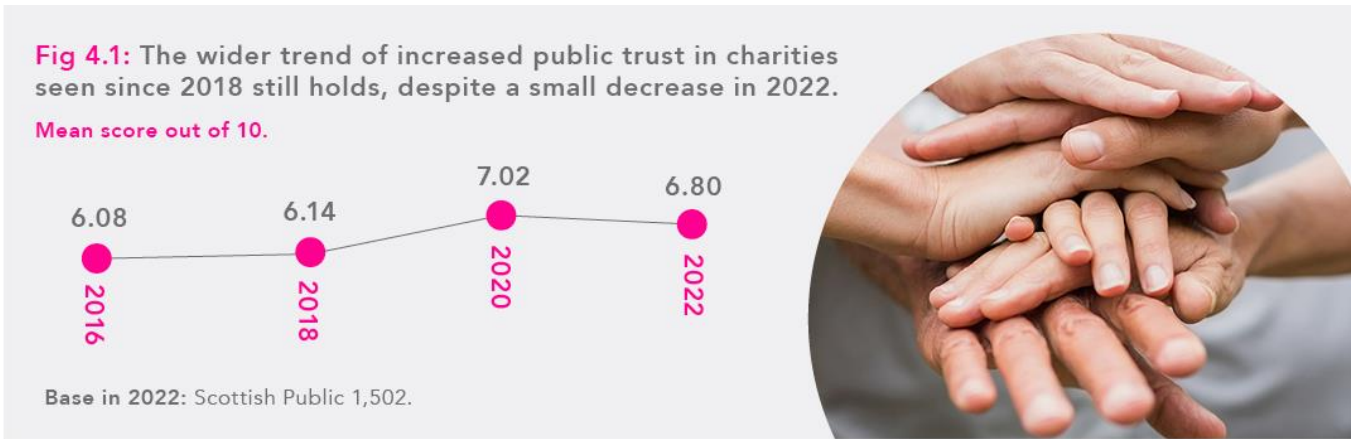
2018 — 44%
2020 — 29%
2022 — 24%

**Fig 4.4:** Negative publicity, charity mismanagement and the perception of inappropriately large salaries, were the most common reasons stated among those who believed charities had become less trustworthy.

%

**Base:** believe that charities had become less trustworthy in the preceding two years 372. Responses 10% and over shown.
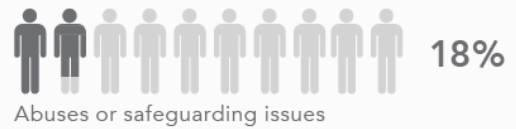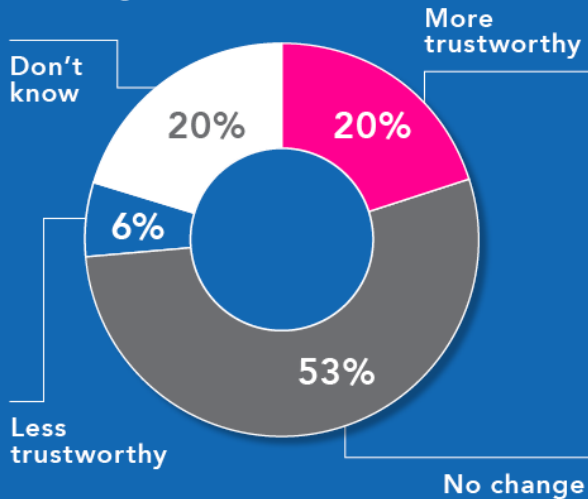
**22%** Fraudulent behaviour

**19%** Bad publicity

**18%** Abuses or safeguarding issues

**18%** High staff or executive salaries

**10%** Running to make money

**Fig 4.5:** Charities themselves saw little change in the public's perception of the sector as trustworthy.

% selecting each answer.

Don't know **20%**

More trustworthy **20%**

**6%**

Less trustworthy

**53%**

No change

**Base:** All charities 2,347.

**Fig 4.6:** Local charities, as well as those that source their funds from government and those without paid staff, continued to be perceived as the most trustworthy types of charity.

**Mean score out of 10.**

Working in your local area (and nowhere else)
6.72

Working in your local area and elsewhere
6.64

Working across more than one country
5.70

Have volunteers only
6.63

Employ paid staff
5.75

Get funding from the government
6.05

Raise funds online
5.12

Raise funds in the street
5.02

**Base:** Scottish Public 1,502.

**Fig 4.7:** Charities involved in medicine and health, animal welfare and poverty relief were thought to be the most trustworthy types of charities.

**Mean score out of 10.**

**Base:** Scottish Public 1,502.

Medical & health
**6.79**

Animal welfare
**6.59**

Poverty relief
**6.58**

Children or young people
**6.51**

Conservation & the environment
**5.92**

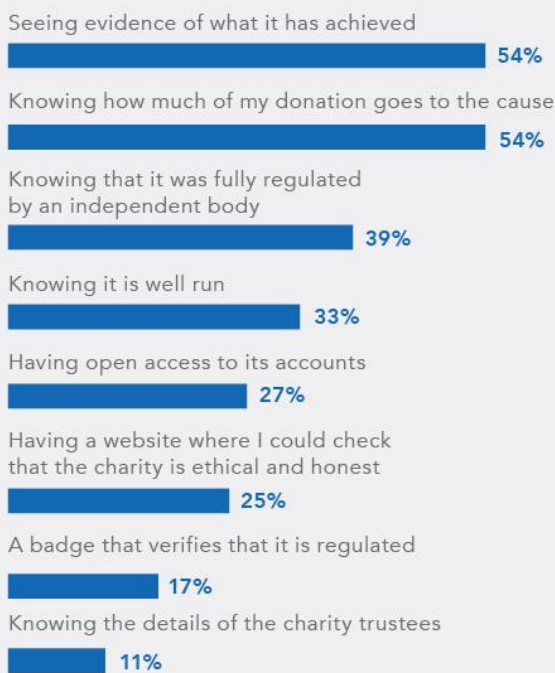Education & training
**5.70**

Overseas aid & disaster relief
**5.39**

Leisure & culture
**5.33**

Religious organisations
**4.48**

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**Fig 4.8:** Seeing what a charity has achieved, knowing how much of a donation has gone to a cause, and knowing a charity is independently regulated were the three most common markers of trustworthiness among the Scottish public.

**% selecting each answer in their top three.**

Seeing evidence of what it has achieved
**54%**

Knowing how much of my donation goes to the cause
**54%**

Knowing that it was fully regulated by an independent body
**39%**

Knowing it is well run
**33%**

Having open access to its accounts
**27%**

Having a website where I could check that the charity is ethical and honest
**25%**

A badge that verifies that it is regulated
**17%**

Knowing the details of the charity trustees
**11%**

**Base:** Scottish Public 1,502.

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**Fig 4.9:** While little over a third of the public felt that most charities could be trusted without oversight, the majority did feel that most charities used their funds effectively.

**% agreeing with each statement.**

Most charities make the most of the donations they receive
**61%**

Most charities can be trusted to run themselves well, without the need for monitoring
**37%**

**Base:** Scottish Public 1,502.

## 4.2.  Background to public perceptions of trustworthiness in the sector

The 2020 edition of this research[5], established that, for the Scottish public, trust is an essential motivator when choosing a specific charity to support, second only to the charity's cause itself.

Trust was found to be centred around the perceived transparency of an organisation, which, in itself, was built upon a combination of clear evidence of delivering public good and openness regarding its internal processes and finances. In addition, a clear purpose, a good cause, personal experience with the charity, and its profile and reputation, all served to underpin the perceived trustworthiness of a charitable organisation.

**Fundamentally, a trustworthy charity, as conceived by the Scottish public, is one that:**

• Delivers the public good it promises

• Uses its resources properly and efficiently

• Operates in an ethical fashion, including in the way it raises its funds

• Shows sincere appreciation for the donations it receives

## 4.3. What drives overall trust in 2022?

### 4.3.1. Public ideas regarding trust

Many of the themes around trust that emerged in 2022 were recognisable from previous waves of this research, with transparency (both in terms of operations and finances) and visible impact central to the perceived trustworthiness of charities. More than half of the Scottish public (54%) stated that seeing evidence of what a charity has achieved would incline them to feel that a particular charity was trustworthy (see fig. 4.8), with a similar number attracted by knowing how much of their donation would go to the cause itself (54%).

> "I get the report at the end of the year from [charity], where they break down what they've spent all the money on. Yeah, it's highly visible. So, you can see how much has gone to research, how much has gone on awareness, and stuff like that. And, for me, particularly in medical charities, it's really good to see a lot going into research."
>
> **Member of the public, online focus group**

Although it was not top of mind amongst members of the public in either 2020 or 2022, 'knowing that the charity is independently regulated' ranked as third most effective means of informing trust once prompted, with 39% of the public choosing this.

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[5] https://www.oscr.org.uk/media/3990/2020-07-27-scottish-charity-and-public-surveys-2020-report-june-2020-v2.pdf
pp.13-20

While, historically, the Scottish charity sector has seen low levels of high-profile safeguarding problems, it is still the case that such bad-news stories harm public trust and live long in the public consciousness. This can harm the image of Scottish charities, even when the charities involved are not regulated in Scotland or operate outside of Scotland.

The 2020 research[6] identified high-profile safeguarding stories from the previous 2-4 years to be, in part, responsible for encouraging some to believe that charities were becoming less trustworthy. This continued to be picked up into the 2022 research, with references to these cases made in both the survey free text questions and the online focus group discussion.

However, given the fact that the most frequently referenced cases are now 4-8 years old, there should be optimism that this particular cause for cynicism will continue to diminish. We should note that, at this time, we do not hold any conclusive data about the extent to which different types of case endure in the public consciousness to varying extents.

Other key concerns remained consistent with previous research, too. For instance, excessive CEO pay and other unnecessary administrative overheads were sources of frustration for many, as they lessened the impact of the public's donations and suggested an unacceptable level of financial benefit for those involved.

> "That's my problem with charities. Ninety per cent of what's raised don't actually reach the people that they're supposed to go to, at all."
>
> **Member of the public, online focus group**

Numerous respondents cited how reports of high earning charity CEOs had coloured their views on charity organisations, fuelling a latent level of mistrust. Although it was acknowledged that salaries would need to be of a certain level to attract the best and most talented leaders, there was a great deal of scepticism around the earnings of charity bosses and concerns that these high wages could be at the expense of the charity itself. Overall it seems the Scottish public want reassurance that their donations are going to what they perceive as the right place.

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[6] Ibid. p.25

Conferring charity status to "undeserving" types of organisations (for example, private schools) or organisations that exist primarily to reduce an individual or organisation's tax burden was thought to make the sector less trustworthy.

### 4.3.2. Public opinions about charities

Despite reasonably high levels of public trust in charities (see section 4.4), only one third (37%) believed that most charities can be trusted to run themselves well without the need for monitoring (see fig. 4.9). A similar proportion (36%) disagreed with this sentiment, with one in ten (11%) members of the public strongly disagreeing.

However, this does not translate into cynicism regarding the effectiveness of charities, in the public view. Almost two-thirds (61%) of the Scottish public believed that charities make the most of the donations they receive, with only 13% disagreeing that they do.

The message here is reasonably clear. Without monitoring, the public has a keen awareness of the potential for charities to abuse their privileged status. However, in real terms they do see the charities around them delivering meaningful public good.

The belief that charities can be trusted without oversight is more prevalent among younger members of the public, with half (49%) of 17-24s believing this to be true, compared to just a third (30%) who do not. Confidence in this principle wanes with age, with only a third (32%) of those aged over 65 agreeing with the statement compared with 41% who disagree.

In general, those who have donated to charity in the last 12 months (39%) were more likely than those who did not (22%) to agree that charities could be trusted without oversight. However, a strong contingent of this group (35%) still believed this was not the case, despite their demonstrated willingness to give.

Women (64%) were a little more likely than men (58%) to agree that charities make the most of the money they are donated.

Individuals who are involved or have contact with a charity (67%) were more likely to believe that charities used their donations well, compared to those who are not (54%). Similarly, those who had donated (time, goods or money) to a charity in the last 12 months (65%) were more likely to agree with this sentiment than those who had not (35%).

### 4.3.3. Statistical analysis of trust in charity (Key Driver)

In 2022, regression analysis was undertaken to identify which areas of knowledge, behaviour, and attitudes, when taken together, have the greatest influence on overall trust in charities.[7] The areas that are found to have a positive correlation with overall trust in charities were then ranked in order of the strength of this correlation (See fig. 4.10).

The most influential factor was found to be agreement with the statement 'most charities make the most of the donations they receive'. People who agreed with this statement tended to report high levels of overall trust in charities. This fits logically with what we know about the stated importance of demonstrated social impact as a fundamental element of public trust.

This analysis also found that 'feeling like I'm making a real difference' and 'most charities can be trusted to run themselves well, without the need for monitoring' were strong indicators of trust in charity. The second of these is interesting from a regulatory perspective, as it suggests that promoting instances of high performing governance may be as effective as promoting action taken against wrongdoing in promoting public trust. In fact, over promotion of instances of wrongdoing may suppress this core driver of public trust, unintentionally.

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[7] The overall 'goodness of fit' of this model is strong with R-square=0.617 (which means that the 14 key drivers listed below together explain 61.7% of the variance in trust). The key drivers come from a range of the different questionnaire sections including attitudes and behaviours, as well as knowledge of OSCR and what it does.

## Fig. 4.10: Drivers of overall trust in charities, ranked by relative importance

| Rank | Item | Relative importance[8] |
|------|------|------------------------|
| 1 | *Agree* that most charities make the most of the donations they receive | 0.23 |
| 2 | *Agree* that I feel like I'm making a real difference to a good cause when I donate to charity | 0.18 |
| 3 | *Agree* that most charities can be trusted to run themselves well, without the need for monitoring | 0.17 |
| 4 | Supported a charity through volunteering or donations in the last 12 months | 0.14 |
| 5 | *Agree* that there's enough information available about charities for me to know if a charity is well run or not | 0.12 |
| 6 | *Disagree* that charities often make people reliant on handouts | 0.11 |
| 7 | *Believe* that the Scottish charity sector is regulated by an independent public body that reports directly to the Scottish Parliament | 0.09 |
| 8 | *Agree* that I feel that I have a moral responsibility to support some causes | 0.09 |
| 9 | *Agree* that a badge on all of its advertising/ website that verifies that it is regulated would help me trust charities | 0.08 |
| 10 | Regularly follow a charity's activities, via a newsletter, social media updates, visiting their website or in some other way? | 0.07 |
| 11 | *Believe* that OSCR plays important role | 0.06 |
| 12 | *Believe* that knowing that it was fully regulated by an independent body would help me trust charities | 0.05 |
| 13 | Has used a service provided by a charity in the last 12 months | 0.05 |
| 14 | *Agree* that I do a lot of research about charities before I donate to them | 0.04 |

Scottish Public. **Base:** n=1,502.

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[8] Relative importance is a derived measure that shows how influential a particular driver is upon the measured variable 'Overall trust in Charities'. As an example, the relative importance of 'make the most of donations' is 0.23, meaning that it is almost twice as influential on overall trust in charities than 'there's enough information available about charities', which has relative importance of 0.12, and more than three times as influential as the 10th driver 'I regularly follow a charity's activities' which has relative importance of 0.07.

## 4.4.  Overall trust and confidence in the Scottish charity sector

In 2020, Scotland saw a substantial jump in the extent to which the public say they trusted charities (see fig 4.1). On a scale from zero ('do not trust them at all') to 10 ('trust them completely'), the 2020 research registered an average score of 7.02, up from 6.14 in 2018 and 6.08 in 2016.

Since then, the sector has witnessed a slight decrease in overall trust, going into 2022, which now stands at 6.80. While in itself, this represents a small but statistically significant decrease in public trust since 2020, it by no means suggests a return to the lower levels of trust seen prior to 2020. Furthermore, this should be understood in the context of diminishing public trust in UK NGOs more widely.[9]

As noted in previous years, trust in charities was higher among women (6.95) in 2022 than men (6.63).

Those aware of OSCR (7.34) had much higher levels of trust in the sector than those who were not (6.58).

Historically, this research has found younger members of the public holding slightly higher levels of trust in charities than older members. In 2020 and 2022, comparison between younger and older members of the public did not show any statistically significant differences by age. However, as is noted below, older members of the public do demonstrate lower levels of trust towards a number of different categories of charity (see sections 4.6 and 4.7) as well as a higher propensity to feel that the trustworthiness of the sector as a whole has decreased in the last two years (see section 4.5).

### 4.4.1. The donor/non-donor trust gap

Having contact with the charity sector also correlated with higher trust in charities overall. Those who are involved with or have contact with a charity (7.31), as well as those who have donated time, money or goods in the last year (7.07), rated their trust in charity higher than those who had not (6.26 and 5.00, respectively). In fact, those who hadn't donated to charity in the last year were the only subgroup of the population to show a substantial minority scoring their trust as three or lower, with 26% doing so compared to just 4% of those who had donated.

This does lend credibility to the view that, for many, trust in charities, interest in their work, and the motivation to donate are closely tied.

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[9]https://www.edelman.co.uk/sites/g/files/aatuss301/files/202201/2022%20Edelman%20Trust%20Barometer_UK.pdf?utm_campaign=UK%20Trust%20Barometer%202022&utm_source=UK%20website%20&utm_content=UK%20Report  p.5

### 4.4.2. Importance versus trust

As noted in chapter 5, the already high level of importance the public place upon the charity sector increased further throughout the COVID-19 pandemic, and was predicted to continue to intensify in the near future.

While it is currently outside the scope of this research to explain how perceived importance and public trust interact, it is worth noting that this recognition of the increased importance of Scotland's charities has not materialised into higher levels of public trust.

## 4.5.  Changing trust levels

### 4.5.1. Public perceptions

Even in light of a slight fall in overall levels of public trust in charities in 2022 (see section 4.4), fewer members of the Scottish public held the belief that the charity sector had become less trustworthy over the course of the last two years than in 2020 or 2018 (see fig 4.3). In 2018, more than two-in-five (44%) members of the public felt that charities had become less trustworthy in the preceding two years. This reduced to 29% in 2020 and again in 2022 to 24%, representing a marked drop in cynicism regarding declining standards within the sector.

Despite this, fewer members of the public felt that the trustworthiness of the sector had actually increased than in 2020 (15% cf. 20%), although this still represents a statistically significant increase since a low point in 2018 (8%). It should be noted that the 2018 research coincided with a high-profile and widely reported safeguarding failure involving a UK charity.

With the perception of decreasing trustworthiness within the charity sector still largely tied to negative publicity and high-profile safeguarding failures (see fig 4.4), it is reasonable to suggest that the lack of recent negative stories from the sector (see section 4.3.1) is, in part, responsible for this improvement.

For those who felt charities had become more trustworthy than two years ago, the most common reasons cited were 'the service they provide to good causes' (20%) and 'being more open or transparent' (15%).

Overall, in 2022, 56% of the public felt that there had been no change in the trustworthiness of charities in the last two years, with a further 4% stating that they did not know (see fig. 4.2).

Older members of the public were more likely to believe that charities had become less trustworthy in the last two years; with one third (34%) of over 65s believing this to be the case, compared to 26% of those aged between 55 and 64 and only 20% of those under 55.[10]

Men (28%) were also more likely than women (21%) to believe that trustworthiness in the sector had declined in the last two years.

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[10] It is not within the scope of this research to determine whether this pattern is reflective of trust in other organisations or if it is limited to the charity sector

### 4.5.2. Charities' perceptions

Charities themselves felt that little had changed in the way that the public perceived the trustworthiness of the sector (see fig. 4.5). Over half (53%) reported having seen no change in levels of public trust over the last two years, with a further 20% stating that they did not know if levels of trust had changed or not.

Reassuringly, one-in-five (20%) charities felt that public trust had increased, slightly up from 15% in 2020. Only 6% felt that public perceptions of trustworthiness had decreased (down notably from 17% in 2020).

For those who rely on public support, and who felt that the public perceived charities as *more* trustworthy compared to two years ago (20% of all charities), more than half (57%) believed that this had translated into greater public support for their charity.

Typically, those relying on public support and who believed public trust had *fallen* (6% of all charities) did not report any negative impact on the support they received from the public as a result; with 57% seeing no change in support and a further 12% having seen *increased* public support, regardless. In all, only one fifth (20%) of these charities believed that the public support their charity receives had decreased as a result of lower public trust, representing 1% of all Scotland's charities.

## 4.6. Perceived trustworthiness across different charity types

### 4.6.1. By geographical scope

In keeping with historical trends, the Scottish public views local charities as among the most trustworthy in the sector (see fig. 4.6). In 2022, the research sought individual trust scores for both 'charities that work in your local area (and nowhere else)' (6.72 out of 10) and 'charities that work in your local area and elsewhere' (6.64). Both types of local charity were felt to be more trustworthy than those working across more than one country (5.70).

International charities scored particularly poorly with those over 45 years old (45-54 5.57, 55-64 5.48, 65+5.39), compared to those under 35 (17-24 6.14, 25-34 6.23).[11]

In previous waves of this research, it has been noted that international charities had suffered from a convergence of qualities that naturally led to lower levels of public trust.[12] These include past proximity to safeguarding issues, perceptions of low administrative transparency, higher overheads and salaries, and, by definition, lower visibility of their work to donors.

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[11] 35-44s sat between both groups at 5.81

[12] https://www.oscr.org.uk/media/3990/2020-07-27-scottish-charity-and-public-surveys-2020-report-june-2020-v2.pdf p.23

## 4.6.2. By source of income

How a charity raises its funds also affected the perceived trustworthiness of the organisation (see fig. 4.6), with those receiving funding from the Government (6.05), deemed more trustworthy than those sourcing funds from the public, either online (5.12) or in the street (5.02).

Here again, older members of the public were less trusting than their younger counterparts. Trust in charities who raise money online diminished with age (17-24 5.85, cf. 65+ 4.44). Charities who get their funding from the Government (17-24 6.36, 25-34 6.54 cf. 35-44 6.05, 45-54 5.89, 55-64 6.07, 65+ 5.75) and those who seek funding in the street (17-24 5.93 cf. 25-34 5.11, 35-44 5.05, 45-54 4.96, 55-64 5.03, 65+ 4.72) saw lower trust among those over 35 and 25 years old, respectively.

Men displayed lower levels of trust than women in regard to charities who raise funds online (4.88 cf. 5.33), as well as those who get their funding from the Government (5.87 cf. 6.21).

## 4.6.3. By staffing structure

The staffing structure of a charity affected its perceived trustworthiness (see fig. 4.6), with charities employing paid staff (5.75) scoring lower than those run by volunteers only (6.63).

Again, men were less likely than women to trust charities who employ paid staff (5.57 cf. 5.90), with trust also diminishing with age (17-24 6.52 cf. 65+ 5.40).

Reflecting the pattern seen in regard to overall trust in charities, those who were involved or had contact with, as well as those who had donated money, goods or their time in the last year, showed higher levels of trust towards each specified type of charity, regardless of geographic scope, income source or staffing structure.

## 4.6.4. Changes since 2020

Since 2020, the perceived trustworthiness of the following types of charity has decreased:

- Charities with volunteers only (2020 7.18 cf. 2022 6.63)
- Charities who get their funding from the Government (2020 6.58 cf. 2022 6.05)
- Charities who operate across more than one country (2020 5.98 cf. 2022 5.70)
- Charities who employ paid staff (2020 5.98 cf. 2022 5.75)

No statistically significant change was seen in the perceived trustworthiness of charities who raise funds in the street, who remain the least trusted of those measured.

As such, the largest decreases were attached to those charities that enjoy higher perceived trustworthiness overall.

There was no direct comparison for 'charities who work in your local area (and nowhere else)' or 'charities who work in your local area and elsewhere'. However, in

2020, 'charities that work in your local area' scored an average of 7.09; higher than both types of locally operating charity in 2022 (6.72 and 6.64, respectively).

There is no comparison at all for charities seeking donations online in the 2020 data.

## 4.7. Perceived trustworthiness across different charity activity type

While the broad nature of the charity sector made it infeasible to measure public perceptions of the trustworthiness of every type of charity by activity, nine common activities were selected to be measured in 2022 (see fig. 4.7).

The highest level of perceived trustworthiness lay with medical and health charities, scoring 6.79 out of 10. This was followed by animal welfare charities (6.59), poverty relief charities (6.58), and children and/or young people's charities (6.51).

Notably lower levels of perceived trustworthiness were recorded against charities involved in conservation and/or the environment (5.92) and those, such as colleges and universities, involved in education and training (5.70). This decreased further for those involved in overseas aid/disaster relief (5.39) and those in the leisure and/or cultural sphere (5.33).

The lowest levels of perceived trustworthiness, among the charity activities measured, were attributed to religious organisations (4.48). More than one third (36%) of the public assigned a 'low' level of trust to religious organisations, defined as a score between zero and three out of 10. This compares to 10% of the public rating medical and health charities negatively, and only 7% for the charity sector taken as a whole.

Here again, older members of the public demonstrated lower levels of trust, compared to younger people. The starkest differences were seen regarding trust in overseas aid/disaster relief charities, which saw a mean average difference of 1.40 between the youngest and oldest (17-24 6.31 cf. 65+ 4.91), and charities involved in education and training, which saw a 1.35 difference in mean average score (17-24 6.51 cf. 65+ 5.16).

Charities involved in poverty relief (17-24 7.26 cf. 65+ 6.12), supporting children and/or young people (17-24 7.11 cf. 65+ 6.08), leisure and/or culture (17-24 5.88 cf. 65+ 4.80), and animal welfare (17-24 6.91 cf. 65+ 6.07), all saw similar trends, with trust diminishing with age.

The youngest age group, 17 to 24-year-olds, were notably more positive about religious organisations (5.26) than any other age group.
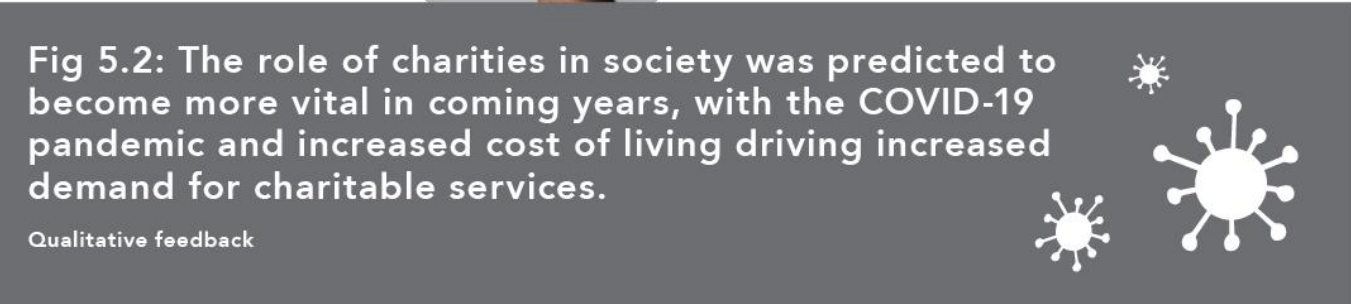
The only type of charity measured that bucked this trend were medical and health charities, which saw similar levels of trust, regardless of age.

# 5 The perceived importance of charities in 2022

This chapter looks at the importance placed on charities and their role in society by the Scottish public. It also notes how that role has changed in the last two years and how it may continue to change in the near future.

## 5.1. Summary



**Fig 5.1:** The Scottish public saw 'filling the gaps' in service provision as the most important role charities play in Scottish society in 2022.

**Qualitative feedback**

Filling gaps in government provision

Others

Alleviating poverty

Raising awareness

Providing emotional help & mental health support

Giving advice

Conducting research

Targeting specific needs

**Fig 5.2:** The role of charities in society was predicted to become more vital in coming years, with the COVID-19 pandemic and increased cost of living driving increased demand for charitable services.

Qualitative feedback

## 5.2.  Role of charities

As noted in section 2.2, the Scottish public recognised the essential role that charities play within society. Where they perceived local and central government services to be strained, thinly spread, or incomplete, charities were valued for the role they play in "filling the gaps".

The importance of the charity sector to local government, specifically, was clearly understood by the public.

> "I think they're a huge resource to the local sector, to local councils.
> A lot of times councils wouldn't be able to run without working with them hand-in-hand."
>
> **Member of the public, online focus group**

Members of the public also recognised that the nature of many charities, which are often set up in order to address an issue close to someone's heart, made them ideal for addressing gaps in service left by the public and private sectors because the audience is too niche or small to be addressable.

> "…addressing vulnerabilities within the community that government services, like the NHS, etcetera, often will fall short of. Either because it's not their mandate… or the vulnerability is just not large enough… affecting people but not in large numbers."
>
> **Member of the public, online focus group**

Outside of this role of filling gaps in public sector service provision, the public saw charities' next most important role as addressing and/or alleviating poverty. The go-to example for this was the proliferation of foodbanks in the last decade, which have only become more important throughout the COVID-19 pandemic. In these cases, charities prevented suffering and kept people alive.

Other key roles recognised by the public were:

- Raising awareness about important issues (both to Government through lobbying and to the public through information campaigns)
- Providing emotional support to people
- Mental health and suicide prevention
- Providing practical advice to people
- Conducting research, especially medical research, and collecting social statistics
- Target specific needs and the interests of minority groups

## 5.3. Changing role of charities

The role of charities was predicted to become even more important within the coming years as issues related to the COVID-19 pandemic, the increased cost of living, the conflict in Ukraine, and other macroeconomic changes continue to make the lives of the most vulnerable more challenging.

The on-going COVID-19 pandemic was believed to have exacerbated inequalities that affect the most vulnerable and made local charities such as food and clothes banks more needed and visible.

> "…I think, because in the pandemic, people were stuck in local areas, you couldn't go elsewhere. So, I think, therefore, you became much more acutely aware of what was going on in your community. I think clothing banks have become even more important, and I think respite care for people who are long-term ill or disabled as being really [important] because that was massively affected due to COVID."
>
> **Member of the public, online focus group**

> "I would probably say that there's even more of a reliance now, charities are even more essential. If that's even possible, like you know, there are so many people that depend on certain charities to eat or to clothe their children or, you know, so I would say that it's just even more acute now, I would say over the last 2 years."
>
> **Member of the public, online focus group**

Others noted that healthcare charities will play a crucial role as the NHS begins to work through back-logs caused by the closure of services through the height of the pandemic.

Often referring again to the importance of food and clothes banks within local communities, the public was conscious of the impact that the rising cost of living will have upon the most financially vulnerable.

> "I think the food banks have become very, very prominent, I suppose the law charity as such, they don't all come under the one umbrella. And some people just can't afford to feed their families. And, if it wasn't for people donating these kids would be going hungry, adults would be going hungry. So, if it wasn't for people, I don't know where we would be."
>
> **Member of the public, online focus group**

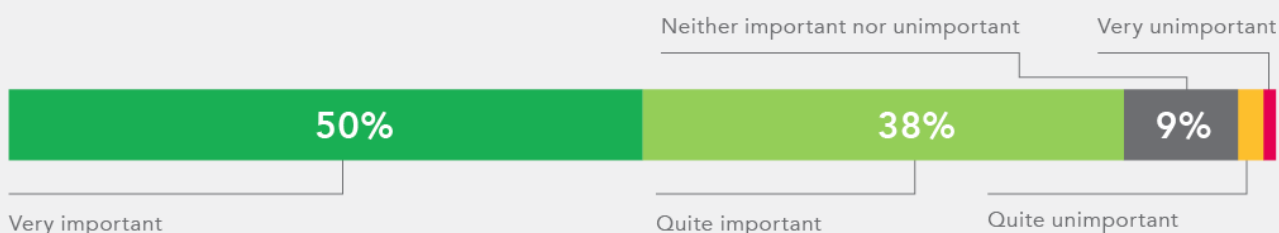# 6 The perceived importance of charity regulation in 2022

This chapter looks at how important the Scottish public views charity regulation to be. It also explores Scottish charities' views on the importance of registered charity status to them.

## 6.1. Summary

**Fig 6.1:** Just under **nine-in-ten** members of the Scottish public viewed the role of OSCR as either 'quite' or 'very' important.
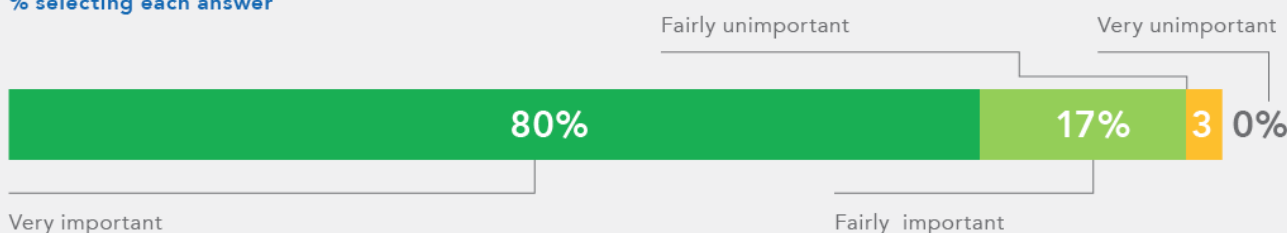
% selecting each answer

| | |
|---|---|
| Neither important nor unimportant | Very unimportant |

| 50% | 38% | 9% | |
|---|---|---|---|

Very important / Quite important / Quite unimportant

**Base:** Scottish Public, excluding 'don't know' responses 759).
Please note a reduced sample due to the scale being recalibrated during fieldwork

**Fig 6.2:** Almost all charities viewed their registered status as important to their organisation.

% selecting each answer

| | |
|---|---|
| Fairly unimportant | Very unimportant |

| 80% | 17% | 3 | 0% |
|---|---|---|---|

Very important / Fairly important

**Base:** Scottish Charities, excluding 'don't know' responses 2,347.

**Fig 6.3:** These benefits usually related to accessing funding or tax relief and/or their public image.

% selecting each benefit

**Base:** Scottish Charities 2,347. Top four responses displayed

| Access to different funding streams, grants or finance | **47%** | Tax breaks/rates relief (e.g. gift aid or business rates relief | **35%** |
|---|---|---|---|
| Being able to use charitable status as a quality mark, or stamp of approval | **36%** | Improving the public's trust in your charity | **35%** |

## 6.2. Public perceptions of the importance of the role of OSCR

Despite low levels of awareness of the Scottish Charity Regulator and its specific functions (see chapter 8), the public has historically believed the role of OSCR to be an important one.

In 2022, 88%[13] of the Scottish public felt that the role that OSCR plays is either quite (38%) or very (50%) important (see fig. 6.1).[14] This does, however, represent a statistically significant decline in perceived importance since 2020, when 95% of the public stated OSCR's role was quite (25%) or very (70%) important.

In 2022, only 3% of the public stated that they felt the role of OSCR is unimportant, similar to 2020 (1%).

Older members of the public (55-64 93%, 65+ 91%) were more likely to feel that the role of OSCR is important than their younger counterparts (17-24 82%, 25-34 83%).

Members of the public from an 'A' (94%) and 'B' (93%) socio-economic background were more likely than those from a DE (84%) household to believe that OSCR's role is important.

Perceptions of the importance of OSCR's role did not vary in a statistically significant way by gender.

Those who had donated to charity in the last 12 months (90%) were much more likely than those who hadn't (79%) to feel that OSCR's role is an important one.

As noted in section 4.3.1, after seeing evidence of good works and knowing how much of a donation goes to a good cause, knowing that a charity is fully and independently regulated was the third most common indicator of trustworthiness for the public. Furthermore, in section 4.3.2, we have already established that the public were unconvinced in the sectors' ability to act correctly without monitoring.

## 6.3.  Why do the public believe OSCR's role to be important?

In 2020, the authors of this research noted that the public held two core concerns when asked to consider a hypothetical unregulated charity sector.[15] The first of these was a fear that fraudulent organisations or individuals would more easily be able to operate under the guise of a charity. The second, that charities themselves would become less trustworthy and honest.

In 2022, these views, as well as the wider importance of charity regulation, were explored in more detail as part of the qualitative focus group discussions.

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[13] Excludes 'don't know' responses

[14] Please note a reduced sample due to the scale being recalibrated during fieldwork

[15] https://www.oscr.org.uk/media/3990/2020-07-27-scottish-charity-and-public-surveys-2020-report-june-2020-v2.pdf p.36

Some members of the general public referred to very low awareness of OSCR, feeling that a basic assumption that charities *were* being regulated would maintain some level of trust in the sector.

"I think there's an assumption of when you're dealing with that level of money, that it'd be a regulatory body…I just assumed that the charity commission would be the same people that investigating [wrongdoing]."
**Member of the public, online focus group**

However, for most, the primary concern tied to an unregulated charity sector was an increase in fraudulent and poorly run charities. This ties in to the public's scepticism regarding self-monitoring in the sector.

"[It would be] an absolute nightmare because you always hear [about] all these scammers, all of those scammers would be charities."
**Member of the public, online focus group**

It was noted that without adequate action taken against fraud and other wrongdoing, many legitimate charities would struggle to compete for funds in an already busy charity marketplace.

Other members of the public referenced the fact that having faith in regulatory oversight, makes the process of donating to charity feel less fraught and, therefore, encourages donations while reducing the need to research before doing so.

"I think [knowing the sector is regulated] would definitely instil a bit more confidence in people to donate."
**Member of the public, online focus group**

## 6.4. The importance of registered charity status to charities

Status as a registered charity remains crucial for most charities (see fig. 6.2). Near universally (97%), charities stated that their charity status was 'fairly' (17%) or 'very' (80%) important to their organisation.[16]

This is true across all charities, regardless of their size, age or location, with no group of charities featuring fewer than 95% of members stating their charity status to be important to them.

Overall, this is very similar to the results seen in 2020, when 96% of charities rated their charity status as important to them. However, in 2022, there was a small but statistically significant increase in the proportion of charities rating their status as 'very' important (80% cf. 75% in 2020).

## 6.5. The benefits of registered charity status to charities

When asked about the top three benefits of charity registration, the most commonly cited single benefit was a financial one: having access to different funding streams, grants or loans (see fig. 6.4). This was cited as a key benefit by half (47%) of charities.

This benefit was most pertinent to charities that had been established most recently, with 57% of charities established in the last four years including access to different funding sources in their top three benefits of registration.

Conversely, those charities established more than 50 years ago were the least likely to include this benefit in their selection, with only 40% doing so. These long-established charities were more likely to see tax breaks and/or rates relief (52%) as a key benefit of registration, something only cited by a quarter of charities under 26 years old (<4 years 29%, 4-10 years 26%, 11-25 years 26%) and a third (35%) of those between 26 and 50 years old.

More than half (52%) of charities with an annual income in excess of £25,000 cited access to different funding sources as a benefit of charity status. While, at 43%, this was also the most popular benefit selected by charities with an income under £25,000, it was less commonly chosen than those with a higher income. This may, in part, be due to the fact that many small charities do not rely on formal funding streams, grants or finance to fund their activities.

As well as strongly valuing access to different funding options, the middle income bracket charities (£25,000-£100,000 per year) also strongly valued the tax and/or rate relief that charity status confers, with almost half (46%) selecting this benefit, compared to just a third of both smaller and larger charities (Under £25,000 and £100,000+ both 33%).

In all, two-thirds (65%) of charities cited either both tax and/or rates relief or access to different funding sources as a top three benefit of charity status.

---

[16] Excludes 'don't know' responses

## Fig. 6.4: Benefits of registered charity status

| | In top three benefits % |
|---|---|
| Access to different funding streams, grants or finance | 47% |
| Being able to use charitable status as a quality mark, or stamp of approval | 36% |
| Tax breaks/rates relief (e.g. gift aid or business rates relief) | 35% |
| Improving the public's trust in your charity | 35% |
| Increased assurance for the people who use the charity | 28% |
| Increased credibility | 26% |
| Being part of a group of regulated organisations | 19% |
| Being recognised for working with a particular group; representing or championing beneficiaries | 18% |
| Ability to seek guidance/signposting/support from OSCR | 16% |
| Improving the image of the organisation | 16% |

All charity stakeholders. **Base:** n=2,347. Up to three responses selected.

Taken across the range of benefits selected by charities, we see how registered charity status can boost organisation's credibility and/or profile, with nine-in-ten (89%) charities citing a benefit related to this.

Only charities established more than 50 years bucked this trend, with a slightly reduced proportion, 82%, selecting a benefit related to improved credibility or profile.

Among the specific benefits related to credibility and/or profile, being able to use charity status as a mark of quality (36%) and improving public trust in the charity (35%) were the most commonly chosen.

Of particular interest to OSCR, charities established between 11 and 26 years ago (41%) were more likely than those younger (<4 years 32%, 5-10 years 36%) or older (26-50 years 34%, 50+ years 30%) to identify 'improving the public's trust in your charity' as a core benefit of registration.

Only 2% of charities cited no benefits to their registered status, with a further 1% stating that they did not know what benefits they received.

## 6.6.  The disadvantages of registered charity status to charities

Given the opportunity to describe any disadvantages of holding charity status in their own words, the majority of charities declined to do so (see fig. 6.5), either saying that there were no drawbacks (36%), they did not know (34%), or using this opportunity to further promote the benefit of charity status (12%).

Where disadvantages were stated, these most often related to the administration (9%), bureaucracy (7%), or additional time (6%) involved in maintaining their charity status.

### Fig. 6.5: Disadvantages of registered charity status

|  | % |
| --- | --- |
| No drawbacks | 36% |
| Referred to benefits of charity status | 12% |
| Paperwork/administration/admin burden | 9% |
| Increased regulation/red tape/bureaucracy | 7% |
| Additional work/time-consuming/laborious | 6% |
| Don't know | 34% |

All charity stakeholders. **Base:** n=2,347. Open response.

# 7 Challenges faced by charities in 2022

This chapter looks at the challenges that charities in Scotland face and identifies the sources of support they have sought to address them.

## 7.1. Summary

**Fig 7.1: Financial issues featured in the top three challenges for eight-in-ten charities.**

% selecting each answer in their top three challenges.

Running costs — 39%
Recruitment of volunteers — 28%
Sustaining membership levels — 28%
Increased need to do fundraising — 26%
Recruitment of trustees — 25%
Needing to find new ways to fundraise — 25%
Meeting increased demand — 19%
Difficulty delivering services or activities — 17%
Finding non-Government funding (grant-giving bodies) — 14%
General public/members donating less — 11%

Base: Scottish Charities 2,327. Responses 10% and over shown.

**Fig 7.2: Sourcing additional funding and looking for new volunteers were the most common reactions to the challenges charities faced in 2022.**

% selecting each answer.

Looked for other funding — 36%
Looked for more volunteers — 36%
Increased efforts to recruit more members — 31%
Sought publicity to raise awareness — 26%
Tried different methods of fundraising — 24%
Used financial reserves — 24%
Moved more services or activities online — 22%
Increased advertising — 20%
Organised fundraising events — 20%
Cost cutting exercises — 19%
Reduced or suspended some services — 17%
Advertised for/appointed new trustee(s) — 14%
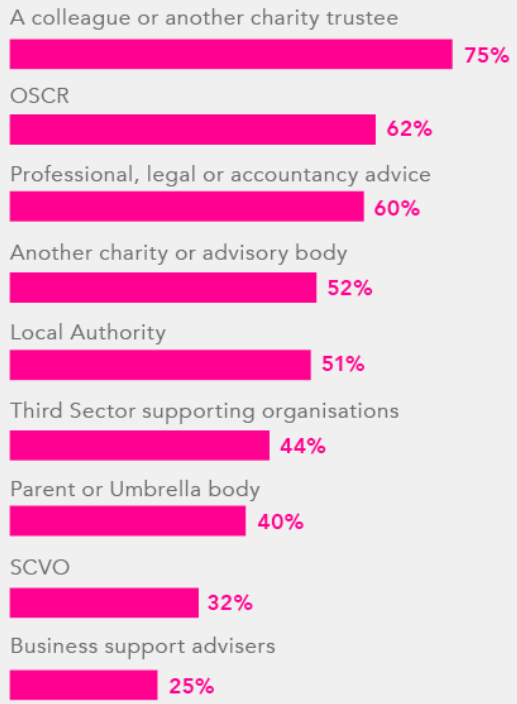Advertised for/appointed new staff — 12%

Base: Scottish Charities that facing at least one issue 2,298. Responses 10% and over shown.

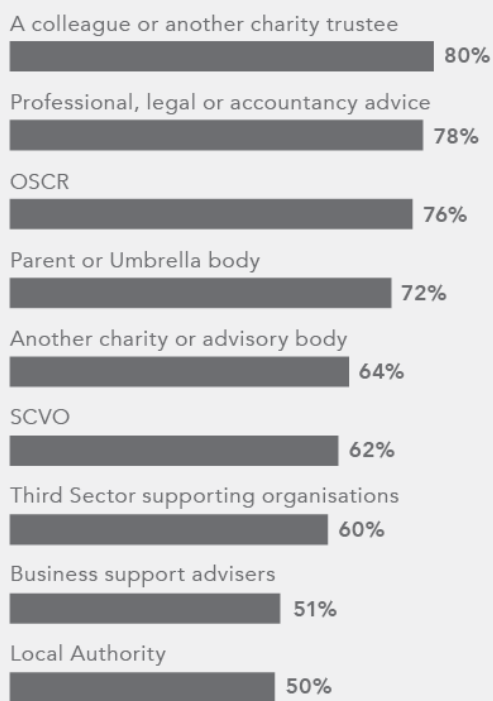## Fig 7.3: Most commonly, charities looked to their colleagues or trustees in other charities for advice.

**% seeking or receiving advice from this source at least once a year**

A colleague or another charity trustee
**75%**

OSCR
**62%**

Professional, legal or accountancy advice
**60%**

Another charity or advisory body
**52%**

Local Authority
**51%**

Third Sector supporting organisations
**44%**

Parent or Umbrella body
**40%**

SCVO
**32%**

Business support advisers
**25%**

## Fig 7.4: The most frequently used sources of support were also believed to be the most useful.

**% rating the helpfulness of each source as four or five out of five.**

A colleague or another charity trustee
**80%**

Professional, legal or accountancy advice
**78%**

OSCR
**76%**

Parent or Umbrella body
**72%**

Another charity or advisory body
**64%**

SCVO
**62%**

Third Sector supporting organisations
**60%**

Business support advisers
**51%**

Local Authority
**50%**

## Fig 7.5: Almost all charities still faced disruption due to the COVID-19 pandemic, with service delivery the most pressing challenge for the sector.

**% selecting each answer.**

Unable to resume usual services/activities due to restrictions
**55%**

Planning for the future becoming more difficult
**44%**

Difficulty fundraising
**43%**

Having to conduct meetings online
**40%**

Trying to deliver usual services/activities remotely or online
**38%**

Creating a safe environment for the return of staff, volunteers and/or charity users as the restrictions change
**38%**

Rising costs and/or inflation
**37%**

Volunteer shortages
**29%**

Financial or cash flow constraints
**28%**

Covering essential core costs
**28%**

Burnout or exhaustion in staff, charity trustees and/or volunteers
**26%**

Meeting the demand for your services/activities
**24%**

Running the charity governance remotely
**15%**

Managing staff and/or volunteer absence in relation to Covid-19 illness or isolation
**15%**

## 7.2. Most important issues facing charities

In-line with previous years, the most pressing challenges faced by charities in 2022 were financially driven (see fig. 7.1). In all, 80% of charities reported that financial issues surrounding funding and running costs were among their top three challenges. The in-depth qualitative interviews support this view that financial issues are particularly challenging for some charities.

> "Funding. For the last six years we've been lucky enough to be funded by the National Lottery Community Fund, but you can't keep expecting them to fund you to keep the project going. You never know where the funding is coming from and even if you're going to get it."
>
> **Online interviewee/charity**

Interestingly, financial challenges appeared to be particularly pressing for longer established charities (85% of those that have been running for 50+ years). Financial issues were still prevalent for newer charities but appeared to be less of an issue for charities that have been running for between 4-10 years (75%).

Financial concerns were also more prominent amongst charities with paid staff. More charities with paid staff felt funding and running costs were an issue (86%) than those with no paid staff (76%). This emphasises the financial pressure that comes with supporting ongoing payroll.

In parallel to 2020 findings, Government funding was the most commonly selected issue by charities with the largest turnovers (£100k+ 17%). Indeed, in comparison to charities with smaller turnovers (up to £25k 4%), larger charities had greater concern in general regarding funding and running costs (77% cf. 84%).

As well as concerns over finances, charities also reported concerns over operational and administrative issues. These issues were particularly pressing for younger charities (72% of those between 4 and 10 years old). Whilst these issues were still prevalent amongst longer established charities it was to a much lesser extent (50% of those 50+ years old).

Operational and administrative issues also appeared to be more of an issue for charities with a higher number of paid staff. Charities with 11-20 paid members of staff were more likely to report operational and admin issues than charities with 1-5 paid employees (77% cf. 58%).

Also, in accordance with previous findings, recruitment appeared to be an important issue faced by charities. Recruitment was a concern for around half of charities (50%). This primarily related to the recruitment of volunteers (28%) but also to the recruitment of trustees (25%).

The recruitment of volunteers was of particular concern for smaller charities: those with no paid employees (35%) and those with incomes under £25k (35%). The recruitment of trustees also appeared to be of particular concern for smaller charities: those with no paid employees (28%) and those with incomes under £25k (29%).

Smaller charities also raised the issue of trustee recruitment in their in-depth online interviews. The pool of willing trustees is small, and charities can risk either waiting a long time to bring an appropriate person on-board or ending up with the wrong person for the role.

> "A lot of people don't want to take up the role [of trustee]. They see it as a trap that they can't step back from once they've agreed. It took a long time to find a replacement and we lost a lot of experience."
>
> **Online interviewee/charity**

At its most extreme, well-functioning small charities can find themselves unable to continue operating purely on the basis of their inability to replace retiring trustees with an appropriately skilled, experienced and invested individual.

> "We're considering our own future. Our trustees are getting older and I don't know if we could hand [the charity] over to someone who doesn't have a connection to the organisation. We would need to merge with another similar charity."
>
> **Online interviewee/charity**

## 7.3. Steps taken to address these issues

In terms of addressing funding issues (see fig. 7.2), a third of charities reported that they had looked for other funding (36%). This was more so the case for newer charities that have been active for less than 4 years (46%) than for longer established charities in operation for 50+ years (26%). Larger charities were also more likely to have looked for other funding opportunities: those with 21+ paid employees (57%) and those with incomes of £100k+ (56%).

The same can be said for addressing recruitment issues, where a third of charities reported that they had looked for more volunteers (36%). This was significantly more common amongst charities that rely on volunteers as they have no paid staff (40%) in comparison to those with 21+ paid employees (20%).

## 7.4. Third party support

The most popular sources for third party support in terms of seeking advice (see fig. 7.3) at least once a year were:

- A colleague or another charity trustee (75%)
- OSCR (62%)
- Professional, legal or accountancy advice for charities (60%)
- Another charity or advisory body (52%)
- Local Authority (51%)

Seeking advice or support was much more common for newly established charities (charities less than 4 years old) and also for those with more paid employees (particularly with 6+ staff).

Whilst SCVO (32%), third sector supporting organisations (44%) and business support advisors (25%) had been approached by charities they were approached less frequently in comparison to the most popular sources of third-party support.

Third party organisations were generally regarded as 'helpful' (see fig. 7.4). Support from a colleague or another charity trustee received the highest score for satisfaction (80%), closely followed by professional, legal or accountancy advisors (78%).

Three quarters (76%) of those seeking support from OSCR found this helpful.

Local authority support received the highest number of 'unhelpful' responses (21%) in comparison to other third-party support organisations.

## 7.5. Challenges caused by the COVID-19 pandemic

The COVID-19 pandemic has had a clear impact upon charities over the past few years (see fig. 7.5), with 95% of charities reporting that they had experienced challenges that had affected their ability to achieve its purpose.

A large proportion of charities reported issues with their ability to deliver services (74%) and issues surrounding staff, volunteers and trustees were also commonly reported (67%).

> "We're starting to get back to where we were, but we're not there yet. We've not been able to operate [because of COVID restrictions] and we've missed shows. This also means we've lost fundraising opportunities."
>
> **Online interviewee/charity**

Charities with greater numbers of paid employees (21+) appeared to experience more issues with regards to finance (80%) in comparison to charities with no paid employees (60%). Similarly, charities with greater financial turnover (over £25k) were significantly more likely to report financial issues (74%) in comparison to charities with smaller incomes (up to £25k) (61%).

In-depth interviews with charities highlighted how some of the smallest charities were largely sheltered from the financial impact of the pandemic due to their lack of reliance on continual funding to operate. Typically, these groups were funded through certain investments, funds, or high value patrons, and saw this unaffected through the pandemic. This, coupled with frozen overheads as they were not operating, meant that, from a financial point of view, they were not put at risk. For these, the primary impact was not being able to deliver against their primary purpose.

In addition to financial issues, charities with greater numbers of paid employees (11-20 90%, 21+ 89%) also appeared to experience more issues with regards to staffing, volunteers and trustees in comparison to charities with no paid employees (59%). This was also the case for charities with a larger financial turnover (£100k+ 76%) in comparison to charities with smaller incomes (Under £25k 60%).

## 7.6.  Additional support from OSCR

In regard to assistance with the challenges posed by the pandemic, 73% felt that there was no additional support OSCR could specifically provide. This may suggest that whatever support needs that OSCR has provided over the course of the pandemic have been sufficient, or that, simply, charities did not view OSCR as a natural source of the assistance that was required in response to these challenges.

Of those who did feel greater support could be provided by OSCR the most common suggestion of how this could be done was via securing more sector funding (5%) and by providing more communication/advice (5%).

## 7.7.  The general public's view

Members of the general public were aware of many of the challenges that charities were facing, with the focus group discussions showing members of the Scottish public largely in tune with the struggles of many charities.

Many members of the public picked up on the issue of recruitment, particularly for volunteer positions. This is consistent with findings from the Scottish Charity Survey in that charities with no paid employees were more concerned about recruitment issues.

"The charity shops have to close early because they have no staff. And they obviously have no staff, because it's volunteers. It's a shame to see so many things just shutting because there's nobody to carry on and do the job."

**Member of the public, online focus group**

Similarly, issues surrounding funding were also picked up on in the focus group discussions with the general public. Some suggested that a charity may struggle to raise funds, and this ultimately can lead to financial uncertainty. As well as this, with rising living costs, many people may not have money readily available to donate to charities.

"Think inflation's going to be [an issue], people's donations are going to be going down. So how do we get funds again? Because fuel poverty is going to be insane for people…we're not going to have £20 for the standing order, just not going to have it."

**Member of the public, online focus group**

Some noted how demand for the services that charities offer has greatly increased over the last two years, with many feeling that this demand is only going to increase. This additional demand, some felt, could present charities with a challenge in itself, whereby they are required to offer greater support to more people and with increasingly limited funds.

"I think we'll be more reliant on them over the next 5 years. Like, I think, with the pandemic, a lot of people are struggling in different areas from poverty, buying clothes to even to things like mental health, and even just like your general health, a lot of people don't see their GPs, they can't get appointments at hospitals, and these issues, are going to be a lot bigger when they need treatment."
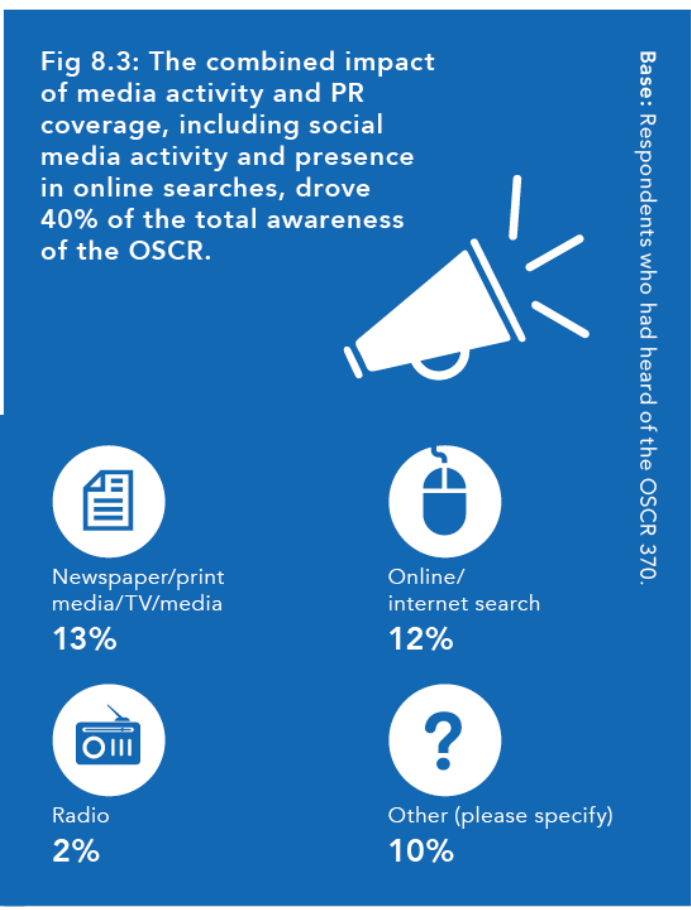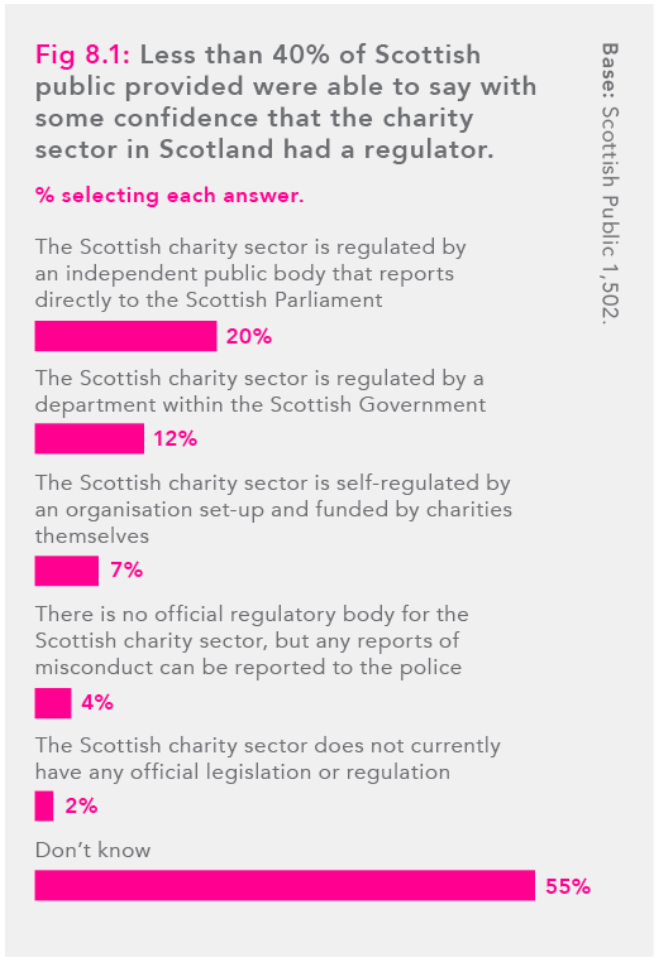
**Member of the public, online focus group**

# 8 Awareness of OSCR

This section explores how the Scottish public would approach finding out about a charity, expressing concerns about a charity, personal experience of charity misdemeanours and awareness levels of OSCR.

## 8.1. Summary

**Fig 8.1:** Less than 40% of Scottish public provided were able to say with some confidence that the charity sector in Scotland had a regulator.

**% selecting each answer.**

The Scottish charity sector is regulated by an independent public body that reports directly to the Scottish Parliament
**20%**

The Scottish charity sector is regulated by a department within the Scottish Government
**12%**

The Scottish charity sector is self-regulated by an organisation set-up and funded by charities themselves
**7%**

There is no official regulatory body for the Scottish charity sector, but any reports of misconduct can be reported to the police
**4%**

The Scottish charity sector does not currently have any official legislation or regulation
**2%**

Don't know
**55%**

**Fig 8.2:** Just a quarter of respondents agreed they had heard of the OSCR.

%

Yes: 25%    No: 69%

Don't know: 6%

**Fig 8.3:** The combined impact of media activity and PR coverage, including social media activity and presence in online searches, drove 40% of the total awareness of the OSCR.

Through a charity I'm involved with
**20%**

Friends/family/ word of mouth
**13%**

Newspaper/print media/TV/media
**13%**

Online/ internet search
**12%**

Social media
**7%**

Online news
**6%**

Radio
**2%**

Other (please specify)
**10%**

## 8.2. Research methods, reporting concerns and perceptions of the charity sector in Scotland

Unsurprisingly, the top source cited by respondents when asked where they would go to find information about how a charity operates, or what the charity does, is 'Internet/Online' (25%). This was equalled by 'nowhere in particular', with a quarter (25%) of respondents choosing this non-specific form of enquiry, and by 'don't know (also 25%). This tendency to opt for a general search approach when researching a charity could be due to the lack of urgency of such enquiries made by members of the public.

Although only 9% of respondents said they would go to a regulatory body to obtain information about a charity, this was one of the highest scoring answers when asked where they would go to express concerns. In this scenario, 15% of respondents said they would go to a regulator or ombudsman compared to just 6% choosing 'Internet/Online'. However, even in this context, almost a fifth (19%) of respondents said they would go 'nowhere in particular' to report concerns about a charity and a further 42% said they did not know. This could suggest either a lack of knowledge of the proper channels through which to report concerns or, perhaps more accurately, a lack of personal experience i.e. never having needed to report a charity, knowing what specific action to take simply isn't on their radar.

A similar lack of depth in actionable knowledge is expressed through the statements selected by respondents to best represent the nature of the charity sector in Scotland (see fig. 8.1). Although a fifth of respondents agreed with the statement 'The Scottish charity sector is regulated by an independent public body that reports directly to the Scottish Parliament' (20%), over half simply said they 'don't know' (55%).

Despite this, two-fifths (38%) assumed some type of regulatory oversight to be in place.

## 8.3. Awareness of OSCR

There has been no statistically significant change in awareness of OSCR since the 2020 survey (see fig. 8.2), with a quarter (25%) of respondents now stating they had heard of the Scottish Charity Regulator (vs 24% in 2020). Although the size of the audience who agree they 'know a lot' about the organisation is still relatively small at 18% of those who had heard of OSCR, this has increased significantly since the 2020 survey where only 10% of those aware of OSCR agreed with this statement.

Men (30%) were more likely than women (20%) to have heard of OSCR, as were those from 'A' (41%) and 'B' (32%) socio-economic backgrounds (C1 25%, C2 21%, DE 20%).

Having involvement or contact with a charity was an indicator of higher awareness of OSCR (32% cf. 18%). Similarly, those who had donated money, goods or time to charity in the last year were more often aware of OSCR than those who had not (27% cf. 14%).

Given the function of OSCR, it is perhaps to be expected that those who were aware of the organisation often said they first heard about OSCR (see fig. 8.3) through a charity they were involved with (20%).

"It's only [through working for a charity] that I ever heard the word OSCR and I don't know an awful lot about what it does."
**Member of the public, online focus group**

Despite the specialist nature of OSCR, TV advertising was deemed the best way to let more people know about the organisation, with 42% of respondents choosing this form of communication. This is perhaps due more to the perceived gravitas of TV advertising as opposed to the suitability of OSCR's message for this medium. Use of OSCR's own website (38%), PR coverage on TV and Radio (36%) and social media tweets and postings (33%) were also deemed important channels to engage more people; these routes would be far better suited to spreading awareness of OSCR both in terms of cost and targeting the right audience.

## 8.4.  Awareness of the Scottish Charity Register

Awareness levels of the Scottish Charity Register were slightly higher than those of OSCR itself, with 29% saying they had heard of it.

As with awareness of OSCR itself, awareness of the Register was higher among men (33%), 'A' (44%) and 'B' (36%) socio-economic groups, those involved or in contact with a charity (36%), and those who had donated in the last year (31%).

Three quarters (73%) of those familiar with OSCR were also aware of the Register.

"The mere fact that nobody in this room has ever heard of them is not a good sign."
**Member of the public, online focus group**

Of those who *had* heard of the Register only 34% agreed they had used it, which could suggest there is a lack of understanding of what information the Register can provide. Relatively basic information about charity organisations, including what they do and who they support (70%), whether they are registered (61%) and key details such as financial records (52%) and contact details (50%), were deemed the most useful material that the register could provide.

## 8.5. Scepticism, trust and regulation

When asked if they had experienced a charity breaking their trust, focus group participants frequently cited examples which received significant media attention such as Oxfam's sexual misconduct claims exposed in 2018. However, a clear theme did emerge within all the focus groups: the importance of financial transparency and the impact of a charity's financial behaviours on trustworthiness.

The importance of financial transparency formed a key part of the discussion around the regulation of Scottish charities, and, despite scepticism around requirements for financial transparency, there was a general assumption that existing regulatory bodies would naturally oversee finances as part of their remit. However, this assumption was supported by little evidence as, although most participants thought there must be governing bodies in place, few could name a specific organisation.

> "You tend to assume there are checks and balances in place."
>
> **Member of the public, online focus group**

Participants expressed a similar level of uncertainty when asked how they might go about reporting concerns with a charity; there was an assumption that the proper authorities were already in place but a lack of awareness about who exactly has that authority.

It appears that the Scottish public are most likely to take action with their wallets if they have concerns with a charity, choosing to stop their personal donations first and foremost rather than report them. Although there was an acknowledgement that the impact of withdrawing an individual donation would be small, this act of stopping support was seen, in a small way, as taking a moral stand.

> "Not donating to them in the future probably wouldn't do anything actively. But I just wouldn't do anything in the future."
>
> **Member of the public, online focus group**

The importance of word of mouth, specifically telling friends/colleagues/family members about concerns with a charity, was also regarded as a key way to highlight misdeeds; the motivation of spreading information could be, in part, to stimulate a more collective response to donation withdrawal.

Reporting a charity to an official organisation was deemed necessary if someone had serious concerns although, again, most respondents appeared unsure how to go about such a task.

> "I'd report them to the charities commission if they were really terrible."
>
> **Member of the public, online focus group**

> "I don't think I'd know what to do, or who to report or whatever. I just don't think that information is out there."
>
> **Member of the public, online focus group**

# 9 Public and charities' expectations and evaluation of Scottish charity regulation

This chapter explores the expectations of the Charity Regulator, as set by the public and the charities it regulates. The chapter also looks into how well charities feel OSCR is performing against these expectations.

## 9.1. Summary

**Fig 9.1:** Investigating misconduct and taking action against wrong doing were the most commonly chosen ways in which the Scottish public believed OSCR could maintain trust in the charity sector.

**% selecting each answer.**

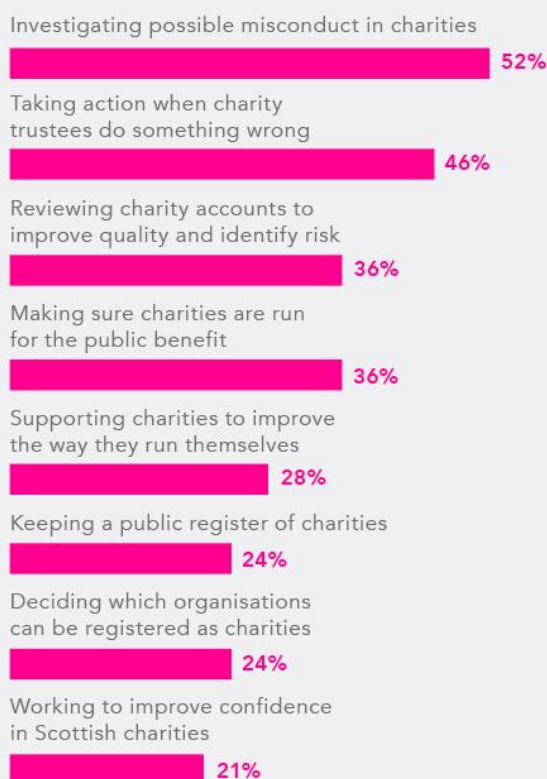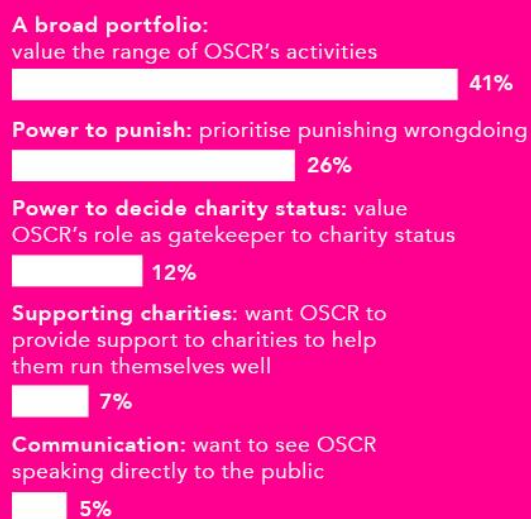Investigating possible misconduct in charities
**52%**

Taking action when charity trustees do something wrong
**46%**

Reviewing charity accounts to improve quality and identify risk
**36%**

Making sure charities are run for the public benefit
**36%**

Supporting charities to improve the way they run themselves
**28%**

Keeping a public register of charities
**24%**

Deciding which organisations can be registered as charities
**24%**

Working to improve confidence in Scottish charities
**21%**

**Base:** Scottish Public 1,502.

**Fig 9.2:** Segmentation of Scottish public according to their prioritisation of OSCR's role.

**% falling into each segment.**

**A broad portfolio:** value the range of OSCR's activities
**41%**

**Power to punish:** prioritise punishing wrongdoing
**26%**

**Power to decide charity status:** value OSCR's role as gatekeeper to charity status
**12%**

**Supporting charities:** want OSCR to provide support to charities to help them run themselves well
**7%**

**Communication:** want to see OSCR speaking directly to the public
**5%**

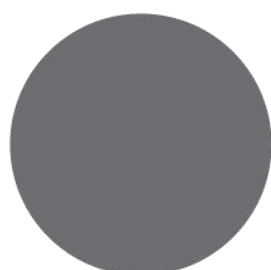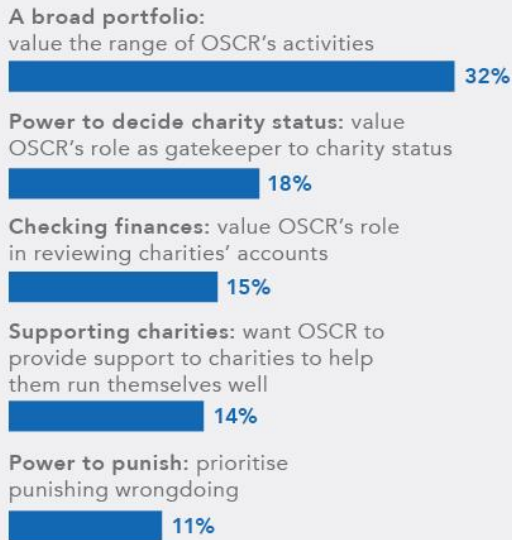**Base:** Scottish Public 1,502. Ten per cent did not submit sufficient data.

## Fig 9.3: Segmentation of Scottish charities according to their prioritisation of OSCR's role.
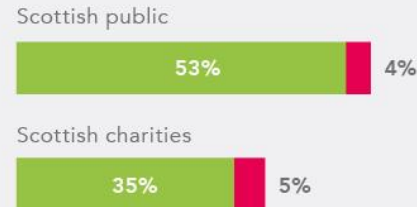
**% falling into each segment.**

**A broad portfolio:** value the range of OSCR's activities

32%

**Power to decide charity status:** value OSCR's role as gatekeeper to charity status

18%

**Checking finances:** value OSCR's role in reviewing charities' accounts

15%

**Supporting charities:** want OSCR to provide support to charities to help them run themselves well

14%

**Power to punish:** prioritise punishing wrongdoing

11%

## Fig 9.4: Comparison of attitudes between Scottish charities and the Scottish public.

**% agreeing/disagreeing with each statement.**

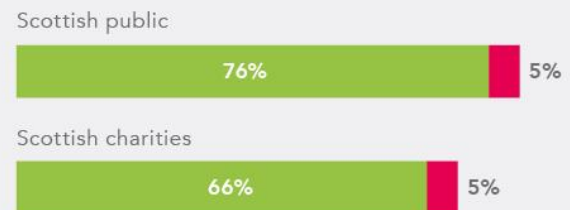The Scottish Charity Regulator needs to take much tougher action against charities than it does at the moment

Scottish public

53%  4%

Scottish charities

35%  5%

The Scottish Charity Regulator in Scotland should monitor charities at a high risk of wrongdoing very closely, even if this means it can't monitor lower risk charities at all

Scottish public

63%  11%

Scottish charities

70%  13%

If more people knew about the Scottish Charity Regulator and what it does, they would have greater confidence in the charity sector

Scottish public

76%  5%

Scottish charities

66%  5%

The Scottish Charity Regulator should allocate some of its limited budget to provide information & support to charities, as well as taking action against misconduct

Scottish public

69%  7%

Scottish charities

77%  3%

● agree  ● disagree

## 9.2. General expectations of OSCR

### 9.2.1. General expectations from the public

In interpreting the expectations of the public regarding charity regulation, we should do so in the context of low awareness of OSCR or with the way in which charity regulation is applied in Scotland. As such, these results provide a wealth of information about what the public wants from a charity regulator, although they may well be heightened in a research situation compared to the 'real' world.

As an introduction to the concept of formal charity regulation, members of the public participating in the focus group discussions were asked whether they expected charities to have to abide by different rules to other organisations and, if so, what these rules should be.

Almost universally, those consulted wanted the charity sector to abide by an additional set of rules. Typically, these rules fell under two broad themes: enforced transparency and the ethical use of funds.

The first of these themes, enforced transparency, was most often targeted towards financial matters. This included regular third-party audits of charities' finances, public posting of charities' accounts online, and making it mandatory for charities to work with an independent specialist, such as a registered accountant, to sign their accounts off.

> "I think [charities] should have an external person that deals with all the finances… So, they don't have a [bias]."
>
> **Member of the public, online focus group**

However, the expectations of transparency were not limited to a charity's finances. Some members of the public also expected to see evidence of good stewardship in terms of:

- Annual checks into how they are operating and what they have achieved

- Active vetting of individuals who are involved in the charity

- Making specific details of what the charity has achieved with its funds available to the public

> " [the charity should make available] evidence, [its] aspirations and [its] targets for the year, and then [it would] mark the targets, and how successful [it has] been at achieving [its] targets."
>
> **Member of the public, online focus group**

The second theme, the ethical use of funds, involved a series of suggested measures aimed at ensuring the maximum value was derived from donations, but, also, that the use of these funds was in-line with the values of the charity.

Most notably, members of the public were keen to see rules in place that limit the amount of public donations that are spent on administrative overheads. Typically, this was conceived as a minimum percentage of donations going directly to the cause.

> "I think that that there could be compliance around how much a charity is allowed to spend on overhead, whether that be 20%-25% of whatever. [we] talked about the big salaries… I do think it's important to have those regulations."
>
> **Member of the public, online focus group**

Connected to this, was a suggested cap on CEO wages.

> "A lot of the chief execs only work two days a week. So, they're on the board of charity and they get paid huge amounts of money. I don't think that should be allowed."
>
> **Member of the public, online focus group**

**Other ways in which the ethical use of funds manifested were:**

- Ensuring ethical investment, including the ability to bar or veto investments in inappropriate businesses or sectors
- To reduce the ability for people to evade tax through the charity sector

The top three ways in which the public (through the online survey) believed OSCR could 'maintain, protect and enhance' public trust in the sector (see fig. 9.1) were investigating possible misconduct (52%) and taking action when trustees do something wrong (46%). Reviewing charity's accounts (36%) and the general act of ensuring charities are run for the public benefit (36%) were prioritised by over a third.

In contrast, for charities themselves, supporting charities to run themselves well (51%) and making sure charities are run for the public benefit (47%) were more commonly believed to positively influence public trust in charities than investigating wrongdoing (33%) and taking action against trustees (23%). Just under one-in-four (37%) believed that maintaining the public register of charities bolstered public trust.

When taken as a whole, the process of identifying risk, investigating wrongdoing and taking action[17] (62%) was more commonly valued by charities that have been established the longest, selected by 69% of those established for at least 50 years compared to those who registered as a charity less than four years ago (48%). Newer charities were more likely to expect public trust to be bolstered by support being made available to charities to help them run themselves well (59%).

## 9.3. A segmentation of priorities

### 9.3.1. A segmentation of the public

Through asking survey respondents to allocate importance 'points' against a broad remit of OSCR's current responsibilities and services, this research has segmented the Scottish public according to their priorities. Primarily, this allows us to understand the different attitudinal groups within Scottish society and their size. This is important for understanding where a 'one size fits all' approach is liable to fail. Secondly, it allows us to find out a little about these groups, including how they feel about other issues relating to charity and charity regulation.

The segmentation identified five distinct groups within Scottish society (see fig. 9.2).

1. **'A broad portfolio' (41% of the public)**: People in this group tended to assign similar points across most of OSCR's different activities and recognise the value and importance in each of the 9 areas.

2. **'Power to punish' (26% of the public)**: This group prioritised OSCR's power to take action when organisations are not meeting the required standards. This group was less likely than others to prioritise 'communicating with the public to build confidence in the Scottish charity sector' or 'OSCR keeping policy makers (such as government) up to date'.

3. **'Power to decide charity status' (12% of the public)**: This group prioritised OSCR's ability to determine which organisation should be given charity status. This group gave less importance to 'public awareness'.

4. **'Supporting charities' (7% of the public)**: This group prioritised OSCR's role in helping to support charities with the knowledge and advice that they need to run well. This group were the least likely to assign points to punitive actions such as 'taking action against charities' and 'informing public of actions taken'.

5. **'Communication' (5% of the public)**: This group prioritised OSCR's role in communicating with the public to build confidence in the Scottish charity sector. They gave less importance to 'reviewing charity accounts to improve quality and identify risk'.

Ten per cent of those surveyed did not submit sufficient data to be segmented.

As the largest segment, accounting for two in five (41%) members of the public, the **Broad portfolio** group mapped closely to the same demographic profile as the wider Scottish public and were largely in-line with the majority public opinion.

---

[17] Combining 'reviewing charity accounts to improve quality and identify risk', 'investigating possible misconduct in charities', and 'taking action when charity trustees do something wrong'

Where this group did stand out was in terms of its higher levels of trust in the charity sector, with almost half of this group (47%) having scored their trust as eight or more out of 10 (cf. 40% public average).

This group were also more likely to have personally used a service provided by a charity, such as charity shops and leisure groups (34% cf. 29% general public).

The **Power to punish** segment, who prioritised taking action against charities not meeting a required standard, made up a quarter (26%) of the Scottish public and held much stronger views on how they would like OSCR to act. They may wish to see quite aggressive action taken against wrongdoing.

This group was notably different to the wider public. Demographically, they were older (29% over 65 cf. 23% general public) and more affluent (34% 'AB' SEG cf. 27% general public).

This segment strongly values the role of OSCR (57% 'very important' cf. 47% general public). However, it showed low levels of trust in charities themselves, with only 31% having scored their trust as eight or more out of 10 (cf. 40% public average) and 35% believing the sector has become a less trustworthy place in the last two years (cf. 24% public average).

The **Power to decide** segment (12%), who were most keen for OSCR to stand as gatekeepers to charity status, were a little more male (55% cf. 48% general public) and affluent (33% 'AB' SEG cf. 26% general public) than the wider Scottish public.

While their trust in charities was broadly in line with the Scottish average, they were the group most likely to have heard of OSCR (35% cf. 25% general public) and to value its role (60% 'very important' cf. 50% general public).

Those members of the **Supporting charities** segment, who valued OSCR's role as a support source for the sector, were relatively few; making up just 7% of the population. Their stance may, in part, be explained by the fact that they were more likely to be involved with a charity, either as a trustee (9% cf. 4% general public) or volunteer (18% cf. 13% general public), than the wider public.

They were the segment most likely to *strongly disagree* that charity makes people reliant on handouts (29% cf. 23% general public) and to *strongly agree* that they feel like they make a real difference when they donate (31% cf. 26% general public).

The smallest group (5%), **Communication**, who felt OSCR's central role is communicating to the public to increase trust, were the least likely segment to fall into the 65+ age category (17% cf. 23% general public). They were also much more likely to be female than the wider public (58% cf. 52% general public), and much more likely to come from a 'DE' socio-economic background (49% cf. 29% general public).

This group was the least likely to have donated goods to charity in the last year (50% cf. 59% general public) or to have used a service provided by a charity, such as charity shops and leisure groups (22% cf. 29% general public).

Their trust in charities was low, with only a third (35%) having scored their trust as eight or more out of 10 (cf. 40% public average).

### 9.3.2.  A segmentation of charities

Using the same segmentation framework as established in the Scottish Public Survey, each response to the Scottish Charity Survey was allocated to one of the segments (see fig. 9.3).

While there were some similarities between the public and charity representative segmentation proportions, for instance Broad portfolio remaining the single largest group (albeit at a smaller 32% of charities), there were some notable differences between the two audiences.

The Power to punish segment was much smaller within the charity population, with only 11% falling into this group, compared to 26% of the general public.

More common among charities were those that wanted to see OSCR act as an effective gatekeeper, with 18% of charities falling within this segment (compared to 12% among the public).

'Checking finances', a segment not present in the public data and which valued OSCR's role of reviewing charity accounts and maintaining the register, made up 15% of the charity population, just ahead of the Supporting charities segment at 14% (cf. 7% of the Scottish public).


## 9.4.   Charities' views of OSCR's performance

OSCR continues to be highly trusted to perform in all its key functions, especially to keep a reliable charity register (92%, decreased since 2020 96%), to regulate the Scottish charity sector fairly (87%, decreased since 2020 94%).

Eight-in-ten were confident that OSCR can be trusted to support charities to run themselves well (83% decreased since 2020 87%), provide assurance to the Scottish public about the overall trustworthiness of the sector (82%), and to decide which organisations should qualify to be a charity (80% decreased since 2020 84%).

Where fewest charities actively voiced confidence in OSCR was in its ability to raise awareness of the scope, scale and diversity of the sector (74%) and investigating charities accused of wrongdoing (73% decreased since 2020 78%).

Those charities who did not say that OSCR can be trusted to perform these actions typically said that they do not know whether OSCR can be trusted or not to do so. Fewer than 5% of charities actively stated levels of low trust in OSCR across each of these measures.

Further analysis of respondent's perceptions of OSCR reveal that charities really trust OSCR to support their organisation fairly (96%),

Fewer were confident in OSCR's ability to minimise the burden of regulation (77%), however, and to support their charity in being more effective (69%). Just over half (57%) agreed that the Scottish Charity Register should feature more information about charities.


## 9.5.   Strategic options for OSCR

### 9.5.1.  Taking action public action against wrongdoing

An important decision for OSCR is the extent to which it prioritises, and publicises, the action it takes against wrongdoing in the sector. The evidence from these surveys suggests this to be a fine balance.

There is a clear appetite for OSCR to publicly take action among the Scottish population:

- Over half (53%) agreed (see fig. 9.4) that OSCR needed to take tougher action than it currently does (cf. 4% disagree)

- A notable 26% of the Scottish public fell into a segment that clearly wished for OSCR to centre its role around pursuing action in cases of wrongdoing

However, as noted in chapter 4, high profile cases of bad publicity clearly does damage to the public's view of the sector and reduces trust. It may be unavoidable that by promoting the tough action OSCR is taking, it may bring such cases more keenly to the public's attention.

This research (see section 4.3.2) also found that 'feeling like I'm making a real difference' and 'most charities can be trusted to run themselves well, without the need for monitoring' were strong indicators of trust in charity. The second of these is interesting from a regulatory perspective, as it suggests that promoting instances of high performing governance may be as effective as promoting action taken against wrongdoing in promoting public trust. In fact, over promotion of instances of wrongdoing may suppress this core driver of public trust, unintentionally.

Charities were much less enthusiastic about the prospect of OSCR taking a tougher stance against wrongdoing (35% agree cf. 5% disagree) than the general public (see fig 9.4).

### 9.5.2. Supporting the sector

Both charities (77% agreed) and the Scottish public (69%) strongly supported OSCR's role as a source of support and information to the charity sector, even if this draws resources away from the task of taking action against misconduct (see fig. 9.4).

### 9.5.3. Targeting risk versus whole-of-sector monitoring

Similarly, both charities (70% agreed) and the public (63%) were supportive of an approach where OSCR's monitoring was more focussed on high-risk charities at the expense of monitoring every charity in the sector annually.

> "They should also do regular audits or checks on charities. I don't even know if they do that. I [was] under the impression that they didn't necessarily always revisit a charity."
>
> **Member of the public, online focus group**

This was particularly popular with older members of the public (65+ 70%).

The focus group discussions established that members of the public, typically, do not expect whole-of-sector monitoring, in any case. They are most likely to think that a charity's records and activities would only be subject to scrutiny as part of a random spot-check of the sector by the regulator or after a report of suspected wrongdoing.

> "I don't know how closely they can regulate that I think.
> I think they can only really look into someone if they get complaints."
>
> **Member of the public, online focus group**

### 9.5.4. Raising the profile of OSCR

A repeated question for OSCR has been the extent to which it should pursue higher awareness among the public with a view to demonstrating its oversight of the sector and, from that, establishing it as a trustworthy source.

It seems clear that greater public awareness of charity regulation would benefit the perceived trustworthiness of the sector. Two-thirds (66%) of charities and three-quarters (76%) of the Scottish public agreed that the public would have greater confidence in the sector if they knew more about OSCR and what it does.

However, achieving this benefit is unlikely to be as simple as boosting OSCR's brand awareness, at least in isolation.

While awareness of OSCR was relatively low, many members of the public did still assume some regulatory oversight of the sector was in place, even if they could not name OSCR itself (see chapter 8). This is further confounded by the fact that the Charity Commission in England & Wales enjoys higher brand awareness (54% in 2021[18]), with many in Scotland presuming the Commission to cover Scottish charities, also. It may be expected that increasing awareness among those who already presume a regulator to exist or believe the Charity Commission to be that regulator would have a lesser impact on trust than doing so among those who presume no regulator at all.

As noted in section 9.5.1, there is the potential that raised awareness of OSCR invites a greater profile for wrongdoing in the sector, which may ultimately undermine trust.

Two core assets that OSCR has that strongly communicate trust to the public are the Charity Register and charity number. As noted in chapter 8, the Register enjoys slightly higher brand recognition than OSCR itself.

The Register and the charity number benefit from both a visibility and a direct and obvious connection to the trustworthiness of the charity itself (i.e., that it is registered, by implication, vetted and regulated).

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[18] https://www.gov.uk/government/publications/public-trust-in-charities-and-trustees-experience-of-their-role/public-trust-in-charities-2021-web-version

A common recommendation from the public was a feature on the Charity Register that would allow the public to view a charity's 'score' much the same way as they would an online review site. The charity's rating would be based on aspects of its operations such as its good governance, financial transparency, administrative efficiency, and, even, public reviews.

> "Some kind of rating system… like a five-star rating, like you get if you're applying for an insurance product. You can get these ranking of just how reliable the insurance company is, or how often it pays out. Something like that for charities. What percentage of the donations go to the end result? It's almost crowd sourced and everyone gets to vote."
>
> **Member of the public, online focus group**

# 10 Charities communication with OSCR

This chapter explores charity's experiences of communicating with OSCR and using OSCR Online.

## 10.1. Summary

**Fig 10.1: Overall, Scottish charities were impressed with OSCR's communications.**

# 89%

rated them good, very good, or excellent

**Base:** Scottish Charities 2,347.

**Fig 10.2: Charity representatives most commonly had contact with OSCR as part of completing their annual return.**

**% having had contact for this purpose.**

| 73% | 21% | 18% | 17% | 13% |
|-----|-----|-----|-----|-----|
| Filling out an online annual return | To get in touch with any general questions | Applying for consent to proposed changes to charities | Making an application for charitable status | Queries or follow up work in connection with charity accounts |

**Base:** Scottish Charities 2,347. Responses 10% and over shown.

**Fig 10.3: Charities were usually satisfied with the contact they had with OSCR.**

**% rating the performance of each type of contact as four or five out of five.**

| Filling out an online annual return | Making an application for charitable status | To get in touch with any general questions | Applying for consent to proposed changes to | Queries or follow up work in connection with charity accounts |
|-----|-----|-----|-----|-----|
| 89% | 89% | 87% | 83% | 82% |

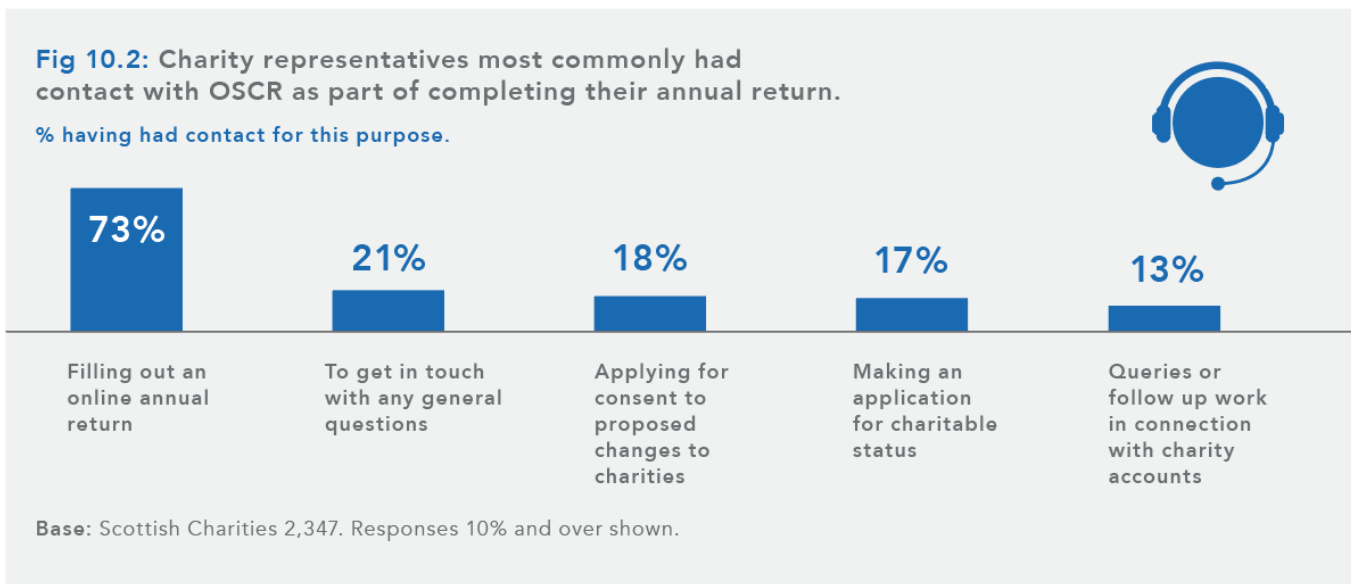**Base:** Scottish Charities in contact for this purpose *varies*.

**Fig 10.4:** In terms of mode of contact with OSCR, again the online return was the most common mode, with email second.

**% having had contact by this mode.**

| | | | |
|---|---|---|---|
| Completing the online annual return **71%** | Contact by email **51%** | eNewsletter (OSCR Reporter) **21%** | Contact by phone **15%** |

**Base:** Scottish Charities 2,347. Responses 10% and over shown.

**Fig 10.5:** Again, across all modes of contact, OSCR performed well.

**% rating the performance of each type of contact as four or five out of five.**

| | | | |
|---|---|---|---|
| Completing the online annual return **89%** | Contact by phone **86%** | Contact by email **84%** | eNewsletter (OSCR Reporter) **84%** |

**Base:** Scottish Charities using this mode of contact *varies*.

**Fig 10.6:** The OSCR website was well used by charities.

**82%** had used it in the last 12 months
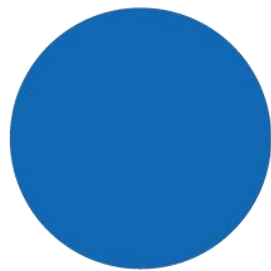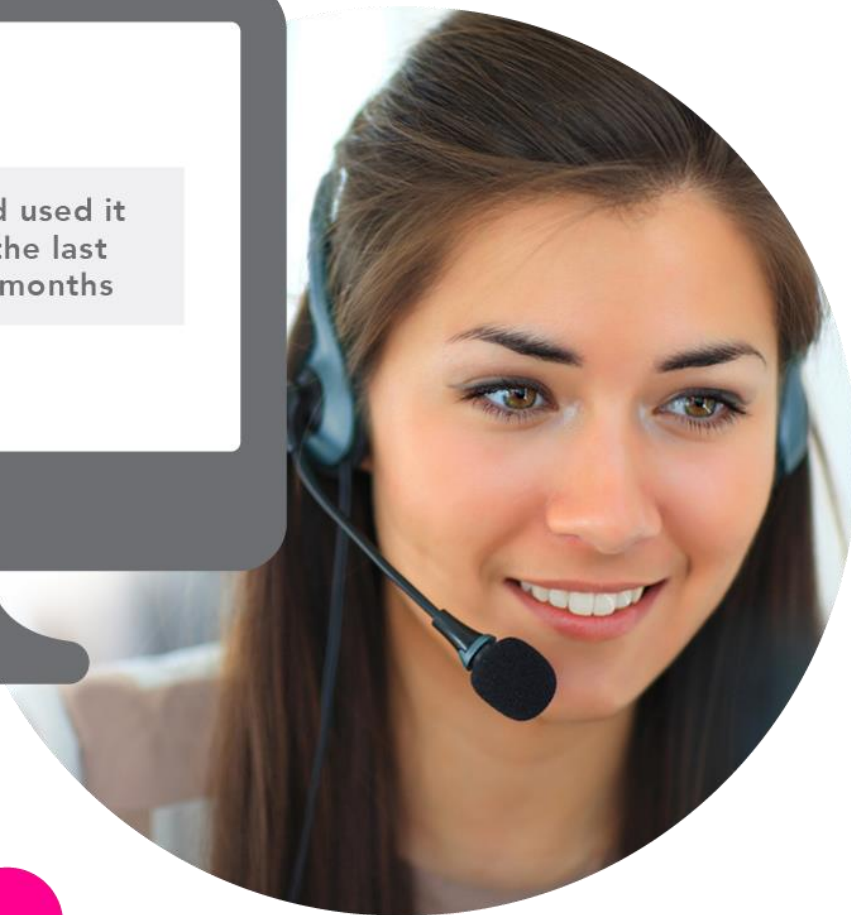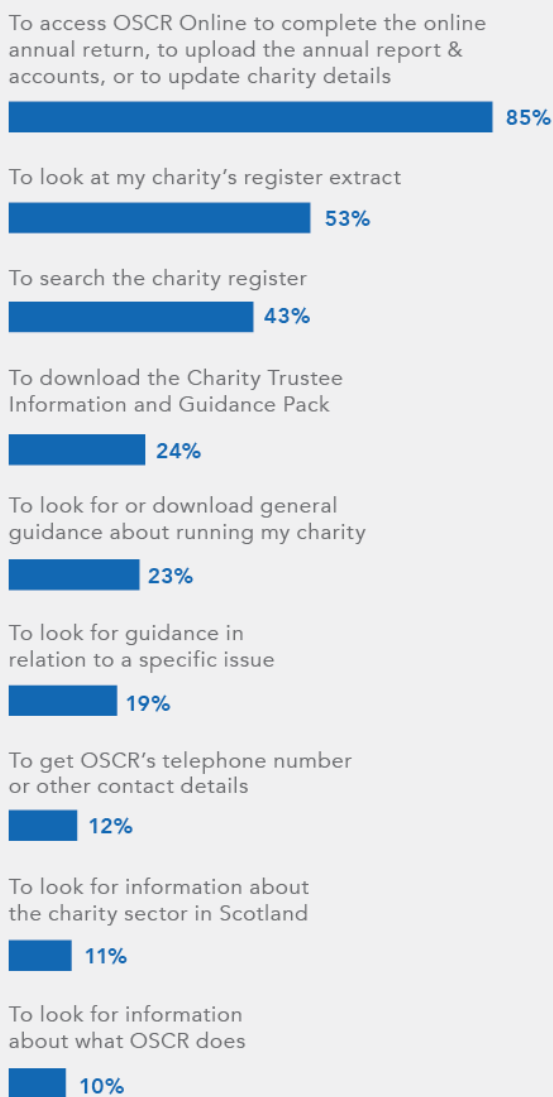
**Base:** Scottish Charities 2,347.

**Fig 10.7:** Again, the annual return was the primary reason for visiting the website. However, 73% had used the website to search the register for their own or another charity's record.
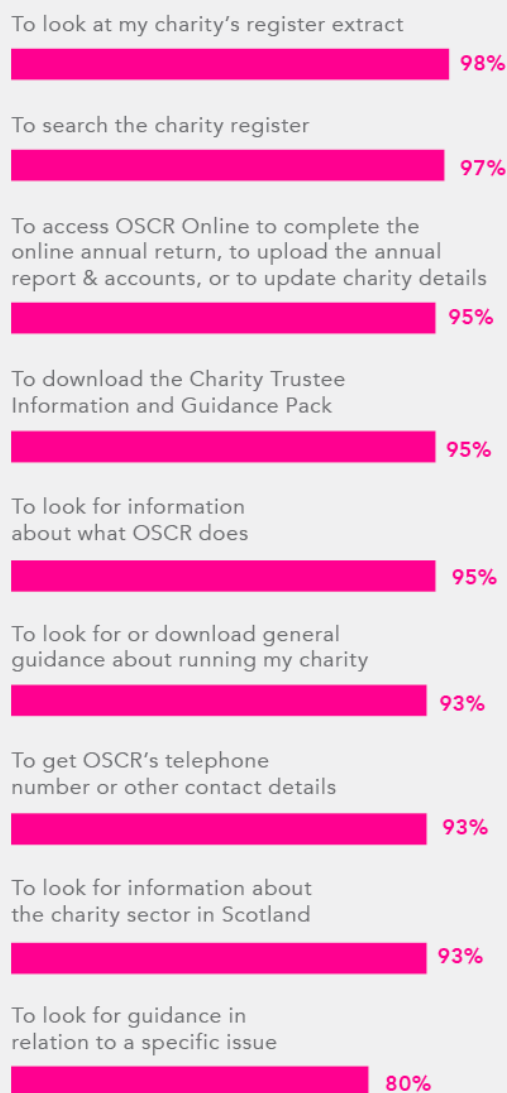
**% using the website for this purpose.**

To access OSCR Online to complete the online annual return, to upload the annual report & accounts, or to update charity details
**85%**

To look at my charity's register extract
**53%**

To search the charity register
**43%**

To download the Charity Trustee Information and Guidance Pack
**24%**

To look for or download general guidance about running my charity
**23%**

To look for guidance in relation to a specific issue
**19%**

To get OSCR's telephone number or other contact details
**12%**

To look for information about the charity sector in Scotland
**11%**

To look for information about what OSCR does
**10%**

**Fig 10.8:** Again, across all modes of contact, OSCR performed well.

**% rating this part of the website as quite or very easy to use.**

To look at my charity's register extract
**98%**

To search the charity register
**97%**

To access OSCR Online to complete the online annual return, to upload the annual report & accounts, or to update charity details
**95%**

To download the Charity Trustee Information and Guidance Pack
**95%**

To look for information about what OSCR does
**95%**

To look for or download general guidance about running my charity
**93%**

To get OSCR's telephone number or other contact details
**93%**

To look for information about the charity sector in Scotland
**93%**

To look for guidance in relation to a specific issue
**80%**

## 10.2. Overall satisfaction with communications

Charities continued to rate OSCR's overall communication methods highly, with 89% of respondents rating the communication they received as either good, very good or excellent. However, this figure is slightly lower than the 2020 measure of 93%. Satisfaction is highest (95%) amongst those at longer running charities (50+ years).

## 10.3. Charities' contact with OSCR

Filling out an online annual return continued to be the most common reason for contact with OSCR (see fig10.2), with nearly three-quarters of charities (73%) citing this as the reason for contact, (down 17% points since 2020). This figure was lower amongst newly established charities (less than four years), whereby only 51% contact OSCR for this reason. As expected, younger charities were more likely than others to contact OSCR to make an application for charitable status (55% cf. 17% overall) or to get in touch with any general questions (28% cf. 21% overall).

OSCR was rated well across the board in terms of its performance in relation to each of the reasons for contact (see fig. 10.3). For charities who may have contacted OSCR with regards to filling out an online annual return, 89% rated their service as good or excellent. Longer running charities were significantly more likely to rate this experience as good (93%). Similarly, those who got in touch with any general questions were satisfied with the level of service they received, with 87% rating their experience as excellent or good.

## 10.4. Mode of contact with OSCR

The most common mode of contact charities had with OSCR in the past 12 months (see fig. 10.4) was via completing the annual return (71%). This was particularly the case for longer running charities (50+ years) who were significantly more likely to report this as their avenue of contact with OSCR (75%) in comparison to newly established charities (less than 4 years) (48%). The second most common type of contact was communications via email (51%). Interestingly, this type of contact was more common amongst newly established charities (67%) than longer running charities of 50+ years (47%).

One in five (21%) had received a newsletter from OSCR. With the newest charities (under 4 years 26%) the most likely to have done so.

Fifteen percent of charities had been in touch by phone. Those at younger charities (<4 years established) were significantly more likely to get in touch by phone (23% cf. 15% overall).

Only a small proportion reported that they have had no contact with OSCR at all (9%).

Satisfaction with the most common avenues of communication was high (see fig. 10.5). Nine in ten (91%) for that the contact they had regarding their annual return was good or excellent, with 84% stating this was the case for email contact, and 86% for contact by phone.

For those who had received an OSCR newsletter, 84% thought it was good or excellent.

"OSCR do e-mail us on a regular basis with sort of newsletters. So, I think is a good thing and they're helping to keep themselves, at least in front of the charity sector."

**Online depth interview/charity**

## 10.5. Charities and the OSCR website

82% of respondents had visited the OSCR website in the past 12 months, which is a 4%-point decrease compared to 2020 (see fig. 10.6). Despite the decline, visiting OSCR's website appeared to be popular amongst younger charities (<4 years established), who were significantly more likely to have visited the OSCR website than longer running charities (92% cf. 78%).

"Yes, I find it quite user friendly. I mean, as web sites go, it's a good one."

**Online depth interview/charity**

The two main reasons for accessing the OSCR website (see fig. 10.7) were to complete the annual return (85%) and to search the charity register (73%). The newest charities were more likely to be searching the charity register (79%), looking for guidance documents (46%) and looking for information (23%) than the more established charities. Additionally, charities with an income of over £100k were significantly more likely to use OSCR's website to search the charity register (79%) in comparison to charities with incomes of up to £25k (61%).

The website continued to be rated well with regards to ease of use (see fig. 10.8). The vast majority rated it quite or very easy to: look at their charity's register extract (98%), submit their annual return (95%) and/or to search the charity register (97%).

## 10.6. Charities and tasks completed online

In the past 12 months, the majority of respondents (86%) had personally completed the online annual return on behalf of their charity. Less than one-in-ten had used the website for the following: notification of changes form (7%), application of consent (6%) and/or online application to become a charity (5%). As before, younger charities were less likely than others to have used the website to complete the online annual return (56%) and were more likely to have used it for the following reasons: apply to become a charity (26%), change the name or purpose of their charity (13%), or to submit a notification of changes form (11%).

# 11 Conclusions & recommendations

## 11.1. The role and influence of OSCR upon the public's Trust in Charities

The Scottish Charity Regulator's vision is for "a trusted and respected Scottish charity sector which positively contributes to society" and its purpose is "to hold charities in Scotland to account and help the charity sector to improve so that the public have trust and confidence in charities"[19]. It has a responsibility to oversee the sector and ensure that acceptable standards of governance are being met. Effective regulation of the sector should enable a public view of the sector's trustworthiness that reflects the reality on the ground.

The Scottish public is broadly in favour of a regulatory approach that allocates OSCR's resources to support and advise the sector. This approach should also continue to be well received by Scottish charities, who already recognise the importance of receiving support and guidance from OSCR andtrust the organisation to maintain the Charity Register effectively.

The Scottish public and charities are, however, less aligned over the question of whether OSCR should further toughen the action it takes in response to wrongdoing. Around half of the public would like OSCR to toughen the action it takes against wrongdoing, with a quarter falling into a segment that prioritises this part of OSCR's role above all others.

This should be understood in the context of low awareness of how charity regulation in Scotland is structured and delivered. For many, their view that OSCR should be tougher in its regulatory approach is not informed through experience but, what is more likely, through a feeling that regulation can always be a little tighter. Further research would need to be conducted to understand the precise nature of this view, however.

Furthermore, while the presence, or at least expectation, of charity regulation in Scotland clearly *does* provide reassurance to the Scottish public of the trustworthiness of the charity sector, the most important foundations for public trust are those over which charities themselves have the greatest influence. Most notably these include preventing high-profile misconduct cases or safeguarding issues and providing transparency to the public, both in terms of their social impact and financial management.

From this research, it is evident that trust has, historically, been affected by proximity to high-profile safeguarding cases to a much greater extent than through adaptations to OSCR's regulatory style.

As such, the most effective and appropriate relationship for OSCR to have with public trust in the sector is likely to be one that is indirect and that balances both support

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[19] Scottish Charity Regulator Corporate Plan 2020-2023 https://www.oscr.org.uk/media/3953/oscr-corporate-plan-2020-2023.pdf

for charities and regulatory action. This research supports a regulatory approach that emphasises:

- Helping charities understand how to run themselves effectively, honestly, and transparently

- Providing frameworks and tools for providing transparency (e.g. the public Charity Register, charity number)

- Reassuring the public that where standards are not met, adequate action can and will be taken to halt wrongdoing and dissuade further cases

Taken as a whole, this does present a challenge for OSCR, in that it is unlikely to be able to satisfy the competing preferences of charities and the public, especially in an environment where awareness of the specifics of regulation is so low.


## 11.2. Publicising OSCR's work and actions

Where OSCR investigates cases of suspected wrongdoing, the organisation has a duty of transparent and fair reporting to the public. However, the nature, tone, and scale of this messaging is a topic that requires some consideration from OSCR. As noted above, the role of OSCR is not to intervene to boost trust directly, but to work with charities, in both a supportive and regulatory capacity, to foster a sector in which the public's trust is well-founded and proportionate.

With a notable segment of the Scottish public strongly prioritising firm regulatory action as part of OSCR's approach, being seen publicly to take action may improve the image of OSCR among these individuals. However, it is also likely to diminish trust among many if it serves to raise the profile of cases disproportionately.

More widely, this leads on to a discussion about the value of promoting OSCR itself to the Scottish public with a view to reassuring the public that the charity sector is being overseen in a direct and effective manner. This research shows that not only do many members of the public feel more reassured knowing the sector is regulated, but they also believe others will be too if they are made aware of OSCR and its work.

As such, it is reasonable for OSCR to aspire to greater public awareness as a means of providing greater reassurance to the public. Additional benefits of this approach include greater transparency within the sector, associated with greater awareness of the Charity Register, and, also, better understanding of how to raise a concern about a charity, something currently poorly understood by the public.

However, the 2022 Scottish Public Survey demonstrates that investing in greater awareness of OSCR does have risks attached:

- There may be some inefficiency in the extent to which this investment will boost reassurance among the public, many of whom already assume there to be some kind of regulation of the sector in place, even if they are unfamiliar with OSCR itself.
- Raising the profile of OSCR is likely to be accompanied by greater awareness of the cases of wrongdoing that OSCR is addressing. This, in itself, is not a negative thing as it adds to transparency within the sector, but it may still contribute to the public feeling *less* reassured.

OSCR may wish to prioritise investment in public awareness of the Charity Register and the significance of the registered charity number system as an alternative means of increasing public awareness of regulation in Scotland, as they may be more direct, meaningful, and, effective.

## 11.3. Targeting high risk cases

Currently, OSCR checks a sample of register charities accounts throughout the year[20], as well as investigating wrongdoing when suspected or raised. This research sought to understand the extent to which the Scottish public and Scottish charities would support a move to providing more intensive monitoring of higher risk organisations at the expense of universal monitoring of the sector.

Despite divisions existing elsewhere, there was a popular consensus among both the public and charities that the approach of targeted monitoring of high-risk charities was acceptable.

Further to this, the qualitative engagement with the public identified that many believe that charity regulation is already conducted on the basis of either randomised spot-checks or reactively in response to third party concerns about wrongdoing.

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[20] https://www.oscr.org.uk/managing-a-charity/annual-monitoring/

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