Appendix 2 - Secondary research

Table of Contents

The following documents and data were provided by ABTSI. They have been reviewed to summarise existing information on the current health and sustainability of the sector and to identify pressures, capacity gaps, opportunities for change and alignment with national and regional agendas.

1. ABTSI Scottish Government Business Plan

Roles / aims	The Business Plan positions ABTSI as: • A central source of knowledge for the third sector in A&B • A strategic voice within local and national planning structures • A capacity builder for volunteering, community organisations and social enterprises • A leadership and coordination body to align sector activity with local priorities This reflects a shift from service delivery towards strategic leadership and influence within the national decision makers.
What are the main findings?	**Volunteer challenges** • Widespread volunteer fatigue • Difficulty recruiting and retaining volunteers • Limited uptake of digital volunteering platform (despite the advantages in managing tasks and saving time). • Challenges attracting skilled trustees (e.g. treasurers) • Support need to create/promote attractive volunteer opportunities that can be promoted through the TSI's website/social media. The volunteer base is a great asset, but it is vulnerable. Succession planning and a wider skills set is needed. **Sustainability** • Heavy reliance on public sector funding

	• Limited visibility of third sector spend on service delivery - TSOs being squeezed by savings at HSCP and council level. • Increasing cost-of-living pressures • Sector capacity at management and board levels needs strengthening in financial and business planning. Financial and management pressures are compounded by a lack of recognition of TSO's services filling statutory delivery gaps. **Geographical constraints** • Small, dispersed organisations • Travel costs limiting participation in networks • Limited economies of scale • Few national or regional organisations operating locally Traditional engagement, commissioning and collaboration models may not translate effectively in Argyll and Bute's geography. **Impact** • TSO's added value is more widely recognised and represented at strategic level by ABTSI • Continue work is needed on the co-design and resource allocation processes with statutory organisations. • Support A&B Council, the IJB and other statutory partners in their response to the cost-of-living crisis and public service reform. • Work with TSOs to ensure their voice is heard at the CPP. • It is a busy social enterprise landscape; multiple intermediaries funded for similar overlapping/duplicate work, conversely gaps in provision remain • Poor quality impact data • Community directory (1,400 services) provides potential for improved network mapping and analysis, if expanded **Shared infrastructure & information** • Development of ICT, payroll and HR hosted services • Website becoming a one-stop shop • Opportunity to expand shared platform model • The new TSI website has improved access to capacity-building resources and is evolving into a central hub for sector information. Further development should strengthen links to external best practice, self-assessment tools and training opportunities. ABTSI has the opportunity to provide infrastructure provider as well as be a strategic influencer.

2. Four Area Plans prepared by TSSAs

Role / aim	4 plans covering: • Bute & Cowal • Helensburgh & Lomond • Mid Argyll, Kintyre & the Isles (MAKI)

	• Oban, Lorn & Isles (OLI). Each area plan provides an overview of common priorities, and highlights key issues relating to third sector organisations, identified by TSSAs using existing data, reports from partners, other organisations, and firsthand experience.

What are the main findings?	• Across all four geographic areas, the following priorities consistently emerge:
	    ○ Community Wellbeing
	    ○ Housing
	    ○ Transport
	    ○ Climate Change
	• Recurring themes across the plan in terms of challenges for third sector organisations include:
	    ○ Fundraising
	    ○ Volunteer recruitment and retention
	    ○ Succession planning for Board members/Trustees
	    ○ Partnership and collaboration
	    ○ Organisational sustainability/resilience
	    ○ Digital divide
	    ○ Remote rural and island locations

Strategic insight	There is strong alignment between local area priorities and the Argyll & Bute Outcome Improvement Plan. However, delivery capacity varies significantly depending on geography and organisational scale. A one-size-fits-all support model is unlikely to be effective. Area-specific differentiation is required.

3. TSI Scotland Network Improvement Project:

‘Supporting Communities through a Thriving Third Sector’

Role / aim	To outline the scope and activities of a proposed improvement project for the TSI (Scotland) Network for 2024-25
What are the main findings?	The Network has strengthened internal engagement and coordination, improved communication between CEOs, clarified shared outcomes, and developed common infrastructure such as an online learning portal. The 2024/25, priorities focus on improving impact reporting and data use (“Telling Our Story”), strengthening evaluation skills, enhancing staff induction, increasing collaboration across the Network, and embedding a culture of continuous improvement. Key initiatives supporting this include the Volunteer Wiki, a shared Online Learning Portal, and the national THRE (Third Sector Human Rights & Equalities) project, which promotes a human rights–based approach to organisational development and service delivery.
Strategic insight	The five national themes closely align with issues identified locally, particularly around data, workforce development and collaborative practice.

	The ABTSI strategy should align with and leverage national improvement infrastructure rather than duplicate effort.

4. Social Enterprise in A&B (Census Report Oct 23)

Role / aim	Presents the findings for Argyll and Bute of the 2021 Social Enterprise Census, the definitive biennial account of social enterprise activity in Scotland

What are the main findings?	Key characteristics of social enterprises in Argyll & Bute
	
	• Areas of activity:
	    ○ 24% Community Centres & Halls
	    ○ 15% Property, Energy, Utilities and Land
	    ○ 10% Tourism, Heritage & Festivals
	    ○ 10% Arts & Creative Industries (both 10%).
	    ○ Relatively few Health & Social Care social enterprises.
	
	• 257 social enterprises in Argyll & Bute, 4% of Scottish total
	• 74% operate in rural areas (across Scotland, most are found in urban areas)
	• 51% turnover below £50k – smaller compared to the rest of Scotland
	• Strong asset base (£166m net assets) - more assets (£397m) than liabilities (£232m)
	• £47.3m (est) contribution to the economy, employing 1,482 full time employees.
	• Trading income significantly increased - total income was £106m, and increase by 22% compared to 2017, similar to the national picture (+26%).
	• £63m generated from trading (more than double their 2017 level), significantly outperforming the national increase of 19% over the same period.
	• High dependence on grant funding, the largest source of external finance (79%)
	• Fewer start-ups than national average
	• 22 years active on average - younger social enterprises than national average
	• Sector slightly less confident about future outlook, than the rest of Scotland
	
	• Reported barriers to development:
	    ○ 64% declining funding
	    ○ 58% increasing cost
	    ○ 52% limited capacity to develop trading activities

Strategic insights	The social enterprise sector in A&B is asset-rich but capacity-constrained.
	There is strong trading growth, but support is needed in:
	• Workforce development
	    • Talent attraction
	    • Environmental sustainability
	    • Service development
	Support needs to shift from grant-seeking towards workforce development, innovation and trading resilience.

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5. *Review of preventative services (Mapping)*

Role / aim	This research aims to support the improvement of family and children's services in Argyll and Bute through valuable insights into the status of preventative services.
What are the main findings?	• Need for **better coordination between voluntary and statutory services**, including joint planning, information-sharing, and shared casework. • Importance of **investing in the third sector workforce**—including training, reflective supervision, and reasonable caseloads. • More early help, accessible in communities. • Support for families around confidence, emotions and everyday struggles. • Wider access to general family and early years support. • Sustain community activities for children and young people. • Ensure longer-term, flexible funding for the voluntary sector.
Strategic insights	The third sector is central to prevention, but funding and commissioning models remain reactive and short-term. ABTSI's strategic role may include influencing commissioning reform and strengthening the preventative narrative.

6. *The Health of the Sector: Volunteering and Cost of Living Survey*

(Dec 2022, updated March 2023)

Role / aim	A snapshot of how the cost-of-living crisis and post-pandemic pressures were affecting volunteers and volunteer-involving organisations (VIOs) across Argyll and Bute.

What are the main findings?	• An experienced, but ageing and stretched volunteer base with limited success in recruiting younger members.
	
	• Cost-of-living pressures are significant, inc rising fuel, food and heating costs.
	• Rising operating costs are outpacing funding and fundraising potential
	
	• Capacity strain and rising expectations.
	  ◦ Fewer volunteers available
	  ◦ Increasing demand and unmet need
	  ◦ Public sector reform creating expectations that third sector will "fill the gap"
	  ◦ Exhaustion across the sector
	  ◦ There is a sense of cumulative pressure rather than a single crisis driver.
	
	• Opportunities for strengthening volunteer support include:
	  ◦ An Argyll-wide volunteer incentive scheme (majority support)
	  ◦ Shared training and volunteer development
	  ◦ Better links with schools and further education
	  ◦ Clearer volunteer support structures and management
	  ◦ Some interest (though mixed) in volunteer management apps
	  ◦ There was also support for partnership working and shared services approaches.

Strategic insights	**Volunteer sustainability is a risk** – there is a need for targeted recruitment, succession planning and barrier removal.

	Financial instability - there is a need for stronger business modelling, income diversification and financial management support. **Cost-of-living pressures** are affecting volunteer wellbeing, but not their support. However it may be a barrier to younger and lower-income volunteers coming forward. **Greater collaboration and shared infrastructure** - There is appetite for shared training, volunteer development and shared systems. An opportunity for ABTSI in a convening and enabling role. The sector is absorbing growing demand as public services become for stretched. ABTSI needs to be able to evidence this for future influencing funding and prevention agendas.

7. *Towards a 2024-2029Strategy, Summary Position Statement,*

Argyll and Bute TSI – March 2024 v1

Role / aim	This document sets out ABTSI's position ahead of developing its 2024–2029 Strategy.
What are the main findings?	**Significant organisational changes** since 2021: shift from service provider to strategic infrastructure body; reduced staffing and footprint; stronger governance and financial controls. **Improved systems and digital capability**, including a community directory, database, funding platform and enhanced communications. **Stronger networks and volunteering focus**, including Volunteer Friendly accreditation and conferences, but no area-wide volunteering strategy yet. **Identity and positioning remain unclear** to parts of the sector; risk of initiative overload and reliance on one main funder. **Rising sector pressures**: volunteer shortages, funding fragility, small-scale organisations lacking infrastructure, slow social enterprise growth. **Financial sustainability gap emerging**, with operating deficit requiring new income streams.
Strategic insights	• ABTSI has stabilised and strengthened internally but now needs more strategic focus and a clearer identity. • New income streams are a priority, due to a reliance on Scottish Government funding and a projected deficit. • There is an opportunity to expand shared services and consultancy support (e.g. payroll, HR, ICT, governance, business modelling) to strengthen sector resilience. • ABTSI's convening and influencing role should be strengthened, particularly in relation to Community Planning, prevention, Community Wealth Building and national reform agendas. • Future strategy must balance core infrastructure support with strategic leadership, ensuring capacity-building, voice and collaboration remain central in a context of rising demand and limited resources.

8. PESTLE analysis: Factors affecting ABTSI, July 2025

Role / aim	A strategic overview of the macro-environment to inform ABTSI's strategy development, service priorities and support offer to the sector.
What are the main findings?	• Public sector reform and funding devolution create opportunities, but public sector financial pressures are increasing demand on third sector organisations while reducing available funding. • Financial sustainability across the sector is fragile, with inflation, real-terms funding cuts and procurement barriers disproportionately affecting small rural organisations. • Demand for third sector services is increasing, driven by the cost of living, unmet need, social isolation and pressures on statutory services. • Volunteer and workforce sustainability is a growing challenge, particularly due to ageing volunteers and difficulty attracting younger people. • Digital skills and rural infrastructure gaps limit operational efficiency, access and scalability, though shared digital platforms offer opportunities. • Rurality, climate commitments and regulatory requirements add complexity, increase operating costs and require more capacity.
Strategic insights	• The third sector play an increasingly bigger role in service delivery • Financial resilience and sustainability are major strategic risks, requiring stronger organisational capacity, diversification and support. • ABTSI has a key role in strengthening sector infrastructure, particularly through shared services, digital platforms, training and collaboration. • Volunteer recruitment, retention and succession planning must be strategic priorities. • ABTSI is well positioned to act as a strategic enabler and convenor, helping the sector respond to reform, rural challenges and emerging policy opportunities.

9. Positive Destinations Programme (April 2025)

Role / aim	Positive Destinations provides mentoring and volunteering opportunities for people aged 16+ who face barriers to personal development and employment.
What are the main findings?	The programme has received 103 referrals since December 2022. Outcomes include participants moving into employment, education, self-employment, and volunteering. Funding of £60,630 has been secured through the UK Shared Prosperity Fund for 2025–2026 to support 20 participants, with further funding applications submitted.
Strategic insights	There is clear demand and positive outcomes evidenced. Operational improvements have increased the quality of outcomes. Reliance on short-term external funding is an ongoing risk, and securing additional funding and mentor capacity is critical.

10. Shared Services Scotland: Start Up Proposal (Nov 2025)

Role / aim	Outlines plans to pilot a national shared services model providing third sector organisations with access to shared professional support (e.g. finance, HR, governance, legal and marketing). The proposal seeks investment for a 12-month test phase to design and trial a coordinated support system intended to strengthen organisational resilience, reduce

	operational risk, and create a scalable national infrastructure for the social enterprise sector.
What are the main findings?	The proposal identifies several systemic challenges across the third sector: • Uneven access to support: Business and operational support is fragmented and varies geographically. • Organisational fragility: Many organisations face crisis due to weaknesses in core functions such as finance, governance and HR. • Skills and capacity gaps: Staff and volunteers often lack specialist operational expertise. • Increasing compliance pressures: New policy expectations (e.g. EDI, Net Zero, Community Wealth Building) are adding complexity without additional capacity. • System inefficiency: Existing expertise is dispersed across organisations and not coordinated effectively. Overall, the evidence suggests resilience challenges are structural rather than organisationally specific.
Strategic insights	• **Shift toward shared infrastructure:** Sector support is moving toward collaborative, system-level solutions rather than individual organisational support. • **Growing importance of organisational resilience:** Strong back-office capacity is now seen as critical sector infrastructure. • **Collaboration as a delivery model:** Future support is likely to be delivered through partnerships across national and local actors. • **Brokerage and coordination roles increasing:** Diagnostic and client-management approaches are replacing ad hoc support. • **Value of local intelligence:** TSIs remain key partners due to trusted relationships and place-based knowledge.

11. Social Media Report

(Hootsuite June 2024 – July 2025, Facebook/Instagram Only)

Role / aim	To communicate with third sector organisations by promoting opportunities for funding, recruitment and other activities. The report looked at content reach, engagement trends, follower growth, and identified which types of posts drove the most impact.

What are the main findings?	• 213,487 unique users reached
	• 4.57% average engagement (strong for public/third sector accounts)
	• Highest engagement driven by:
	    o Job opportunities
	    o Funding calls
	    o Event reminders
	• Photo-led posts significantly outperform other formats
	• Engagement peaks over 20–30% when content aligns with immediate sector needs

Strategic insight	• The audience is highly responsive to practical, opportunity-based content. • Communications are strongest when aligned to live sector needs. • LinkedIn data gap limits understanding of reach among decision-makers.

	• Identical cross-platform content may limit impact. Communications strategy should differentiate by audience type (volunteer, staff, board member, statutory partner) and by channel.