CHARITY TRUSTEE ETHNICITY IN GLASGOW

An audit of BME representation on Voluntary Sector Boards

JULY 2019
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2 WHO WE ARE

The Coalition for Racial Equality and Rights is a Scottish anti-racism charity based in Glasgow. We work to eliminate racial discrimination and harassment, and to promote racial justice across Scotland.

Our key mission is to:

- Protect, enhance, and promote the rights of minority ethnic communities across all areas of life in Scotland; and
- Strengthen the social, economic, and political capital of minority ethnic communities, especially those at greatest risk of disadvantage.

CRER takes a rights-based approach, promoting relevant international, regional, and national human rights and equality conventions and legislation.

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CRER is a charity registered in Scotland (SC029007)
3 INTRODUCTION

In general, there is a chronic issue of underrepresentation of Black and minority ethnic (BME) communities across many areas of life in Scotland, including Scotland’s political, governance and decision making structures.\(^1\) The Scottish Government’s Race Equality Framework for Scotland 2016-2030\(^2\) offers significant commitments to address this underrepresentation in both public boards and charity boards funded by the Scottish Government:

- *Through our Public Boards and Corporate Diversity Programme, continue to drive forward activity to improve the diversity of Scotland’s boardrooms, including outreach activity with disabled people and minority ethnic communities.*

- *Further review the Scottish Government grant funding process to see what more can be done to promote equal opportunities, for example by making action to progress board diversity a requirement of funding.*

CRER is supportive of these goals, and recognises that work undertaken to further racial equality in public boards could potentially be applied to many sectors in Scotland. However, not enough attention is specifically being paid to the voluntary sector, and the unique role it serves in Scottish society.

Underrepresentation of BME groups on third sector boards has significant implications for racial equality. For organisations, a lack of board diversity can impact decision making and governance,\(^3\) funding opportunities,\(^4\) and public trust and engagement.\(^5\) For individuals, an increase in visible diversity of trustees can lead to better recruitment of future minority ethnic trustees and a better awareness of racial equality issues. For individuals of all ethnicities, among other benefits, serving as a trustee on a charity board provides management experience, networking opportunities, and valuable career skills.\(^6\)

Before we can achieve fair representation on charity boards, we need to better understand how far away Scotland is from equal representation. That is the impetus behind this report.

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5 NCVO (2019). [Trustee Diversity](https://www.ncvo.org.uk/developing-you/trustee-diversity);

6 Charity Careers Scotland (2019). [Benefits of Becoming a Trustee](https://charitycareers.org.uk/benefits/).
4 EXISTING RESEARCH

In 2018, Inclusive Boards (a UK-wide agency set up to support organisations develop more diverse boards) examined the gender and ethnicity of board members of the top 500 charities in the UK by income.⁷ That report found that only 6.6% of the trustees in the top UK charities were from a BME background (compared to the 14% of the UK population that is BME), and that almost two-thirds (62%) of the top charities in the UK had an all-white trustee board. The report also found that BME trustee representation was worse in the charity sector (6.6%) than BME representation in the House of Commons (8%) or in the boardrooms of FTSE 100 companies (8%).

In 2017, the Charity Commission in England and Wales published a detailed research report on characteristics of trustees in England and Wales, covering all charity trustees registered on the Charity Commission Register of Trustee Roles as at January 2017.⁸ That report found that overall, “[c]harity trustees lack diversity in age, gender, socio-economic standing and in ethnicity”; specifically, the report found that 64% of trustees in England and Wales were men and 92% were white.⁹ Citing this report, Third Force News noted that “there [was] no reason to believe that the situation in Scotland is significantly different.”¹⁰

At this time, CRER is not aware of any similar research in Scotland. While the Scottish Government published a report in 2014 entitled “Overcoming Barriers to Equality and Diversity Representation on Public, Private and Third Sector Boards in Scotland,” this report did not examine the underrepresentation of minority ethnic people on charity boards, but largely focused on women’s participation and representation on boards.¹¹

Given the dearth of data on this topic, CRER elected to undertake bespoke research, with a focus on the top charities in Glasgow by income.

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⁸ While the Charity Commission (which regulates English and Welsh charities) gathers and publishes trustee information, the Office of the Scottish Charity Regulator (which regulates Scottish charities) does not keep a register of Scottish charity trustees.
¹⁰ Keatinge, A. (2017). We should all do our bit for trustee diversity. Third Force News.
5 METHODOLOGY

5.1 SAMPLE SELECTION
We selected the sample pool of charities for this research via a filtering process of the total charities registered with the Office of the Scottish Charity Regulator (OSCR).12 First, we downloaded the entire database of all charities registered with OSCR (as of the date13 of the initial download, the register contained information on 24,478 charities). This register contained a number of “download fields” describing various aspects of each charity. To select our sample, we filtered the entire OSCR database by three conditions:

<table>
<thead>
<tr>
<th>Download Field</th>
<th>Filter Applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constitutional Form of Charity</td>
<td>Company (the charity is registered with Companies House)</td>
</tr>
<tr>
<td>Main Operating Location of Charity</td>
<td>Glasgow City</td>
</tr>
<tr>
<td>Most Recent Annual Income of Charity</td>
<td>Over £100,000.00</td>
</tr>
</tbody>
</table>

We chose these filters for the following reasons:
- **Company (the charity is registered with Companies House)** – Companies House, the United Kingdom’s registrar of companies, gathers and publishes details (including information on directors14) on organisations registered as companies. This filter was chosen so that we could collate a complete and accurate list of trustees for the charities in our sample. It was necessary to use Companies House as a source for this list because OCSR does not gather or publish information on trustees, and not all charities in our sample independently publish information on their trustees.

- **Glasgow City / Over £100,000.00** – These filters were chosen to narrow the sample to charities more likely to have ethnically diverse boards. We chose Glasgow because it has the highest BME population in Scotland and is the largest city in Scotland, and charities with a large income (which we designated at over £100,000) were assumed to have a higher chance of having a greater number of total trustees.

After applying these filters, we were left with 432 charities that met our sample criteria. Six of these charities were removed from the sample because, as of 1 April 2019, they were either dissolved or had been converted to a different constitutional form which precluded us from accessing trustee information from Companies House. This resulted in a final sample of 426 charities.15

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13 Download date: 17 August 2018.
14 Board directors of charities registered as companies are also called charity trustees. The National Council for Voluntary Organisations (2018). What Is A Trustee?
15 As of the date of the Companies House data download, 7 of the 426 charities were in the process of some sort of insolvency, winding up, strike off, or other dissolution process. However, as these 7 charities were still listed as “Active” on Companies House as of 1 April 2019, they are included in this report.
5.2 IDENTIFICATION OF TRUSTEE CHARACTERISTICS
We identified ethnicity and gender for each of the trustees for all 426 of the charities in our sample pool through a combination of survey responses and observational analysis. We conducted an email survey between October 2018 and March 2019, which asked the following:

<table>
<thead>
<tr>
<th>Email Survey Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How many people do you have on your Board of Management or Trustees?</td>
</tr>
<tr>
<td>2. If you’re aware of or have equality information, what’s the breakdown of your Board by ethnicity? If possible, please let us know the breakdown for these categories (although if you collect information by more specific ethnicity groups, we would welcome that data as well):</td>
</tr>
<tr>
<td>- White UK (including Scottish/English/Welsh/Northern Irish)</td>
</tr>
<tr>
<td>- White Minority Ethnic</td>
</tr>
<tr>
<td>- Non-white Minority Ethnic</td>
</tr>
<tr>
<td>- Prefer Not to Say</td>
</tr>
<tr>
<td>- Unknown</td>
</tr>
</tbody>
</table>

We also downloaded and analysed Companies House profiles for each charity. Where possible, we cross-referenced survey responses with information published on Companies House and/or on individual charity websites.

For each charity, CRER recorded:

- Total number of current trustees
  - Number of white male trustees
  - Number of white female trustees
  - Number of BME male trustees
  - Number of BME female trustees

This information was then collated into an Excel document, which compared the percentage of BME trustees for each charity, as well as the breakdown by gender for white and BME trustees. These percentages were also compared to the percentages of the white and non-white populations in Glasgow as recorded by the 2011 Scottish Census.

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16 By “observational analysis,” we refer to using ‘observational’ data collection methods as described by the Equality and Human Rights Commission in its publication Barriers to participation in standing for election to local government in Scotland (2019), in which “researchers collect and categorise data based on the characteristics and behaviour they observe, rather than the characteristics and behaviour self-reported by the research participant.” Our observational analysis was conducted using desk-based research on individual trustees and name recognition algorithms. CRER recognises that this process can be subject to inaccuracies. However, without full monitoring and reporting of trustee ethnicity, this method of analysis is the best possible option at this time.

17 All Companies House profiles were downloaded between the 9th and 15th of April 2019.

18 Though the survey requested information broken down by White UK (including Scottish / English / Welsh / Northern Irish), as well as White Minority Ethnic groups (and smaller groups if available), the survey responses were not robust enough to support analysis of smaller population groups. Accordingly, CRER used only the categories of white (men and women), and BME (men and women) for this report.
5.3 **Scope of Research**

There are a number of topics related to BME trustee representation beyond the scope of this report. Specifically, this research did not consider:

- Barriers to BME trustee recruitment, from either organisational or individual perspectives
- Evaluation of charities’ trustee recruitment and retention processes (including application, shortlisting, appointment, and leaving data)
- Comparisons between the percentages of BME service users and BME trustees per charity (i.e. how well boards represent the communities those charities serve)
- Specific comparisons between the percentages of BME trustees across varying types of charities (including equalities organisations), or between the charity sector and the public and private sectors

5.4 **Key Terms for this Report**

In order to conduct analysis by type of charity, CRER uses a number of key terms throughout this report. These include the following:

- “All Charities”\(^{19}\) – Refers to data from all 426 charities in our sample pool
- “Race Charities” – Refers to data from a subset of 18 charities in the sample pool that were either race equality organisations or organisations with a specific focus on BME communities
- “General Charities” – Refers to data from the other 408 charities in the sample pool that are not Race Charities

\(^{19}\) Similarly, throughout this report, any references to “Glasgow’s charities,” “all charities in Glasgow,” or “all trustees in Glasgow” are limited to the charities in our sample pool.
6 POPULATION DATA

The 2011 Scottish Census determined that BME groups constitute 4.0% of the population of Scotland, and 11.6% of the population of Glasgow. CRER anticipates that, as the Census is now over 8 years old, these figures will have increased significantly.

7 QUALITATIVE DATA

Few charities responded to CRER’s survey with more information than just the ethnicity breakdown of the charity’s trustees. However, available responses indicated a general acknowledgment that there is a significant problem with the underrepresentation of BME trustees in Glasgow.

A sampling of the qualitative responses to our survey include the following:

- Several charities indicated that they were interested in ways to increase board diversity, but at the time of the survey had few or no BME trustees.
- Several charities indicated that they were in the process of recruiting trustees from minority ethnic communities, but at the time of the survey had no BME trustees.

8 QUANTITATIVE DATA

CRER analysed the available quantitative data in two ways. First, we considered how charities compare in terms of distribution of BME trustees within charities (i.e. organisational representation). Next, we considered how BME groups are represented by comparing overall proportion of the total trustee populations to equivalent Census data, and by comparing trustee representation between groups (i.e. individual representation).

This analysis is found in the following sections, broken down by:

1) All Charities; and
2) Race Charities compared to General Charities.
8.1 ORGANISATIONAL REPRESENTATION

8.1.1 All Charities
CRER’s analysis of the ethnicity of charity boards in Glasgow revealed that very few charities have a proportionate representation of BME trustees on their boards.

As the chart below illustrates, most boards in Glasgow are predominately made up of white trustees. **80% of all of the charities in Glasgow (341) have no BME trustees at all.** Only 5% of all charities in Glasgow (20 charities) have a board with 50% or more BME trustees, and 2% of charities have a board entirely made up by BME trustees (9 charities).

By comparing this data to Glasgow’s BME population, the picture of underrepresentation of BME trustees becomes even clearer:

This data shows that only 55 of the 426 charities have more than 11.6% trustees from a BME background (the Glasgow BME population from the 2011 Census). Put another way, **87% of Glasgow’s charities have trustee boards with a lower proportion of BME trustees than the BME population in Glasgow.**
8.1.2 Charities, Adjusted by Type of Charity

Of the 20 Glasgow charities that have 50% or more BME trustees, 16 of those are Race Charities. This suggests that BME trustees in Glasgow are concentrated in just a few organisations, divided by thematic areas. By analysing the Race Charities and the General Charities separately, this differentiation can be more clearly observed.

<table>
<thead>
<tr>
<th>Percentage of BME Trustees</th>
<th>Race Charities</th>
<th>General Charities</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% BME Trustees</td>
<td>1</td>
<td>340</td>
</tr>
<tr>
<td>0.01% - 24.9% BME Trustees</td>
<td>0</td>
<td>54</td>
</tr>
<tr>
<td>25% - 49.9% BME Trustees</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>50% - 74.9% BME Trustees</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>75% - 99.9% BME Trustees</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>100% BME Trustees</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Total Charities</td>
<td>18</td>
<td>408</td>
</tr>
</tbody>
</table>

Most General Charities are entirely led by white trustees. Specifically, 83.3% of General Charities have all-white boards, compared to only one Race Charity with an all-white board.

For the remaining General Charities that have some BME representation, most are led by a board with a white trustee majority. However, while General Charities are mostly led by white-majority boards, Race Charities are mostly led by BME-majority boards. Only about one percent of General Charities have a majority BME trustee board, compared to the 88.9% of Race Charities that are led by a board with a BME trustee majority.

While a third of Race Charities have all-BME boards, this figure drops to less than one percent for General Charities. This suggests that BME trustees are being funnelled into Race Charities rather than being distributed amongst other types of charities.
8.2 INDIVIDUAL REPRESENTATION

8.2.1 Trustees of All Charities
CRER’s research indicates that BME groups are significantly underrepresented in charity trustee roles in Glasgow. The boards of the 426 charities, taken together, have a total of 3,138 trustee positions. 185 of these positions are filled by BME trustees, which represents 5.9% of all trustees in Glasgow. This rate is only about half the proportion of the overall BME population in Glasgow (11.6% in 2011).

The complete breakdown of all trustee positions by gender and ethnicity is provided in the following table. This table also includes a comparison to the relevant proportion of Glasgow’s population in 2011 (disparity points), and a proportionality calculation that illustrates the rate of trustees per a 50,000 population of that group. Red text indicates underrepresentation.

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20 It is possible that some of the trustees included in this research serve on more than one charity, and thus occupy more than one trustee role. For the purposes of this paper, each trustee role is recorded individually. Further research would be needed to investigate how many trustees serve on multiple boards, and the impact, if any, of ethnicity on those trends.
Total Glasgow Trustee Population, by Gender and Ethnicity (All Charities)

<table>
<thead>
<tr>
<th></th>
<th>Number of Trustees</th>
<th>Proportionality**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Trustees (All Charities)</td>
<td>3,138</td>
<td>264.5</td>
</tr>
<tr>
<td></td>
<td>%, Total Trustees</td>
<td>%, Glasgow Population*</td>
</tr>
<tr>
<td>Men</td>
<td>1,639</td>
<td>52.2%</td>
</tr>
<tr>
<td>Women</td>
<td>1,499</td>
<td>47.8%</td>
</tr>
<tr>
<td>Total White</td>
<td>2,953</td>
<td>94.1%</td>
</tr>
<tr>
<td>Total BME</td>
<td>185</td>
<td>5.9%</td>
</tr>
<tr>
<td>Total White Men</td>
<td>1,535</td>
<td>48.9%</td>
</tr>
<tr>
<td>Total White Women</td>
<td>1,418</td>
<td>45.2%</td>
</tr>
<tr>
<td>Total BME Men</td>
<td>104</td>
<td>3.3%</td>
</tr>
<tr>
<td>Total BME Women</td>
<td>81</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

*From 2011 Census figure for equivalent population category
**Rate of trustee representation per 50,000 population in the equivalent Census category

By comparing the proportionality rates of the individual groups of trustees, specific patterns of underrepresentation can be observed.

When considering All Charities, the rate of trustee service for white people is 281.5 trustees per 50,000 white people, compared to only 134.7 BME trustees per 50,000 BME people. Put another way, white people are 2.1 times more likely than BME people to be trustees for all charity types in Glasgow.

While both BME men and BME women are underrepresented on charity boards, BME women face slightly higher rates of underrepresentation than BME men. Specifically, white men are 2.1 times more likely than BME men, but 2.5 times more likely than BME women, to be trustees.

Women, taken together, have lower rates of trustee representation than men (244 female trustees per 50,000 women compared to 286.5 male trustees per 50,000 men). However, BME women are only half as likely as white women to be trustees. This is likely impacted by an intersection of gender and racial inequality.
8.2.2 Trustees, Adjusted by Type of Charity

The overall BME trustee rate in Glasgow across All Charities is 5.9%. However, this figure is skewed by the fact that almost half of all BME trustees in Glasgow (49.2%) are concentrated in the boards of the eighteen Race Charities, compared to only 1.6% of white trustees that serve on the boards of Race Charities.\textsuperscript{21}

This concentration causes the BME trustee rate for Race Charities to be over eleven times higher than the BME trustee rate in All Charities (66.4% compared to 5.9%), and over twenty times higher than in General Charities (66.4% compared to 3.1%).

These charts illustrate that BME trustees are 20 times more likely to be a trustee of either a race equality organisation or an organisation with a specific BME community focus than to be a trustee of any other type of charity.

The full datasets of the ethnicity and gender of Glasgow’s charity trustees, separated by type of charity, is as follows.

\textsuperscript{21} Of the total 185 BME trustees in Glasgow, 91 serve on the boards of Race Charities. Of the total 2,953 white trustees in Glasgow, 46 serve on the boards of Race Charities.
As described in the prior section, when considering all types of charities, all BME men and women are significantly less likely to be trustees than white men and women. However, this trend is magnified in General Charities, and reversed in Race Charities.

**Race Charities**: Unlike in All Charities (where white people are 2.1 times more likely to be trustees than BME people), in Race Charities BME people are **15.1 times more likely to be trustees than white people**. Both BME men and BME women as individual groups are significantly more likely than white men to be trustees in Race Charities. Specifically, BME men are 13.3 times and BME women are 13.2 times more likely than white men to be trustees of Race Charities.
The group least represented in Race Charities is white women. Unlike in All Charities, where BME women are only half as likely as white women to be trustees, in Race Charities, **BME women are 17.4 times more likely than white women to serve as trustees.**

**General Charities:** The trends in General Charities are similar to those in All Charities. However, in General Charities, white women face slightly less underrepresentation than in All Charities, while the rates of underrepresentation for BME people are much higher than in All Charities.

This summary graph illustrates the underrepresentation of women and BME groups (shown in red text) in Race Charities and General Charities, compared to All Charities taken together:
9 **Key Findings**

1. This research shows that BME communities are significantly underrepresented in trustee roles in Glasgow, both by organisational and individual representation. Moreover, the research suggests that BME trustees are being funnelled into Race Charities rather than being distributed amongst other types of charities. Specifically:
   - 80% of All Charities in Glasgow have all-white trustee boards, compared to only 2% that have a board entirely made up by BME trustees.
   - 87% of All Charities in Glasgow have trustee boards with a lower proportion of BME trustees than the BME population in Glasgow.
   - 95% of All Charities in Glasgow have a white-majority board. However, while General Charities are overwhelmingly led by white-majority boards, Race Charities are mostly led by BME-majority boards.
   - While a third of Race Charities in Glasgow have all-BME boards, less than one percent of General Charities have all-BME boards.
   - 5.9% of all the charity trustees in Glasgow are from a BME community, only about half the proportion of the overall BME population in Glasgow.
   - Almost half of all BME trustees in Glasgow (49.2%), but only 1.6% of white trustees, serve on the boards of Race Charities. This concentration causes the BME trustee rate for Race Charities to be over eleven times higher than the BME trustee rate in All Charities (66.4% compared to 5.9%), and over twenty times higher than in General Charities (66.4% compared to 3.1%).
   - BME trustees are 20 times more likely to be a trustee of either a race equality organisation or an organisation with a specific BME community focus than to be a trustee of any other type of charity.
   - White people are 2.1 times more likely to be trustees than BME people in All Charities (and 4.0 times more likely in General Charities). However, in Race Charities, BME people are 15.1x more likely to be trustees than white people.

2. While all BME people are less likely than white people to be trustees, this research shows that BME women face greater barriers to fair representation than BME men. Specifically:
   - In All Charities, white men are 2.1 times more likely to be trustees than BME men, but 2.5 times more likely to be trustees than BME women.
   - In General Charities, white men are 3.9 times more likely to be trustees than BME men, but 5.2 times more likely to be trustees than BME women.
   - Even in Race Charities, where BME men and women have greater trustee representation than white people, BME men have a slightly higher likelihood of being trustees than BME women.
3. Women of all ethnicities are underrepresented on Glasgow’s charity boards. Specifically, men are 17.4% more likely to serve as trustees than women. While this pattern is the same in General Charities, the rate of underrepresentation increases in Race Charities, where all men are 22.6% more likely to serve as trustees than all women.

4. This research shows that BME women face greater barriers to fair representation than white women in most charities in Glasgow. Even with the general underrepresentation on charity boards of all women compared to all men, white women are still 2.1 times more likely to be trustees than BME women in All Charities, and 4.4 times more likely to be trustees than BME women in General Charities. Only in Race Charities do BME women have a greater likelihood of being trustees than white women (17.4 times the likelihood).

5. While this research was limited to Glasgow’s charity boards, we are not aware of any reason to believe that these trends would not be present at a national level across the whole of the voluntary sector.

6. In line with the commitment made in the Race Equality Framework, the Scottish Government (as well as other funding bodies) should pay close attention to representation on third sector boards. Specifically, funding bodies should consider amending their grant funding conditions as soon as possible to explicitly include a requirement for charities to take action towards board diversity. This would encourage charities to monitor and document progress towards fair representation of trustees, and further the overall ambition to create a more equal Scotland.