

The social value of volunteering in Scotland

Technical report March 2025



Summary of findings

The social value of weekly formal volunteering in Scotland is worth approximately £1000 per person, per year. That's roughly equivalent to £20 a week (£19.23).

Scaled to the population level, the total social value generated by formal weekly volunteering is approximately £530 million.

When combined with the economic value of the time people spend formally volunteering, it means that Scottish volunteers are contributing £2.3 billion to the Scottish economy in terms of their time and higher wellbeing (note: this does not account for the costs of volunteering). This is more than the gross value added of the arts, entertainment and recreation sector to the Scottish economy (worth £2.1 billion).

We can be confident in these results because they are **consistent** across multiple Scottish datasets and statistical methods.

Introduction

Volunteer Scotland worked with social value measurement specialists <u>State of Life</u> to explore the social value of volunteering in Scotland. We had five research questions:

- 1. Do volunteers in Scotland experience **greater wellbeing** than non-volunteers?
- 2. Does this conclusion vary by volunteering **type** (formal, informal) and **frequency**?
- 3. Do the marginal effects vary by **key socio-demographics**: gender, age, disability and deprivation (measured by the Scottish Index of Multiple Deprivation, SIMD)?
- 4. What is the **social value** attached to the wellbeing benefits of volunteering in Scotland?
- 5. How do these results **compare** with other findings?

What is social value?

In short, social value is "the impact on the wellbeing of the population" (MeasureUp). It is based on the principles of welfare economics, so it looks at the costs and benefits of social interventions on the wellbeing of a population, not just at the market effects as you would in traditional economics.

<u>Methodology</u>

The primary dataset for this research was the Scottish Household Survey (SHS). We used the 2022 dataset as the most recent full dataset (with questions on formal and informal volunteering) with the raw data available for analysis. The SHS collects data on volunteering participation, type of volunteering, frequency and intensity (number of hours) of volunteering. The SHS also measures mental wellbeing through the SWEMWBS questionnaire (the short version of the Warwick-Edinburgh Mental Wellbeing Scale), with seven questions about people's thoughts and feelings. State of Life followed these four steps to estimate the value of volunteering in Scotland:

- 1. Estimate the effect of volunteering on mental wellbeing by conducting regression analysis on volunteering on SWEMWBS
- 2. Convert the benefits on mental wellbeing into respective life satisfaction benefits (needed for the wellbeing valuation)
- 3. Value the life satisfaction benefits by applying the HM Treasury endorsed WELLBY to the findings
 - Scale the per-person benefits to the population level to estimate the total social value, by using volunteer participation rates and Scottish population data.

Why the focus on life satisfaction?

This approach to social value uses an approach called the WELLBY, which looks at life satisfaction. Therefore, the SWEMWBS data on mental wellbeing collected in the Scottish Household Survey needs to be converted to the WELLBY life satisfaction scale. This is an established and recognised method that State of Life have used in several research projects. (MeasureUp)

Results

Below is a summary of the results from State of Life's analysis, by research question. The results are from regression analysis, which is a statistical technique to explore relationships between different elements of the data at the same time. It means that we can isolate the impact of what we are interested in – the impact of volunteering on mental wellbeing – while holding everything else equal.

Question 1: Do volunteers in Scotland experience greater wellbeing than non-volunteers?

- There is a higher mean mental wellbeing (SWEMWBS) score among volunteers compared to non-volunteers, and there are more individuals with a "very good" and "excellent" score among volunteers.
- However, this difference is statistically insignificant, regardless of type, frequency or intensity of volunteering.

Question 2: Does this conclusion vary by volunteering type (formal or informal) and frequency?

- When people who volunteer formally (with a group or organisation) at least once a week are compared to those who do not volunteer weekly, the data shows that weekly volunteers experience statistically significantly higher mental wellbeing.
- The same is true for people who informally volunteer (outside of a group or organisation) at least once a week.

Question 3: Do the marginal effects vary by key sociodemographics: gender, age, disability and deprivation?

- Weekly formal and informal volunteering appears to have a stronger and more consistent impact on wellbeing for males compared to females. However, the opposite is true for informal volunteering several times a week.
- The effect of weekly formal volunteering on mental wellbeing was larger for people living in SIMD Q3 and Q4.
- The effect of volunteering on mental wellbeing for people with a disability or long-term health condition was seven times larger than for people without.

• There was no significant difference in effect sizes for informal volunteering on mental wellbeing between age groups.

Question 4: What is the social value attached to the wellbeing benefits of volunteering in Scotland?

By using the WELLBY method of wellbeing valuation, a monetary value can be attached to any wellbeing improvements of volunteering that have been identified in the data. The social value of weekly formal volunteering is estimated to be £1000 per person, per year. This means that weekly formal volunteers are getting a boost to their wellbeing equivalent to £19.23 every week.

To scale up the per-person WELLBY value to the population level, State of Life multiplied the weekly formal volunteer participation rate in the Scottish Household Survey by the adult population in Scotland in 2022, then multiplied the WELLBY value by the estimated number of volunteers to get the total value of volunteering in Scotland. Therefore, scaled to the population level, where approximately 530,000 adults (16+) formally volunteer weekly, an estimated annual social benefit of £530 million is generated.

And if we add in the <u>economic value</u> of the hours people spend formally volunteering weekly (£1.8 billion), it means that Scottish volunteers are contributing £2.3 billion to the Scottish economy in terms of their time and higher wellbeing. (Note: this does not account for the costs of volunteering.) When we compare this to the <u>gross value added</u> of different sectors of the Scottish economy, it is equivalent to the value of the arts, entertainment and recreation sector (£2.1 billion).

Wellbeing Valuation and the WELLBY

Wellbeing Valuation is an approach that uses statistical analysis of large and existing questionnaire datasets to value the effect on wellbeing from changes in life circumstances and life satisfaction. This is done by calculating the increase in income that would be necessary for an equivalent increase in wellbeing.

The **WELLBY** is short for "Wellbeing-adjusted Life Year". It is defined as a one-point change in life satisfaction on a Likert scale between 0 to 10, for an individual for one year. The WELLBY endorses the widely held view that overall life satisfaction is the best way to measure personal wellbeing, and this approach is endorsed by the HM Treasury. One WELLBY is given a value of £13,000 (2019) or £15,300 when adjusted for inflation (2023). (MeasureUp)

Question 5: How do these results compare with other findings?

To check the validity of these results, State of Life compared the findings with other datasets, including those which have a Scottish sample and ask directly about life satisfaction. The Understanding Society survey is a UK household longitudinal

survey which includes questions about volunteering. State of Life built on their previous research (Happy Days, 2021), using the Understanding Society data to estimate the effects of volunteering, and restricted the sample to Scotland. This analysis revealed that:

- The positive impacts for formal volunteering on wellbeing are consistent
- The estimated monetary range for the wellbeing value of weekly formal volunteering is between £500 and £2800. For volunteering in the past 12 months, the range is narrower, at £800 to £1400.
- Although the fixed-effects coefficients in the Scottish sample are not statistically significant, their values align with the UK-wide coefficients, which are.
- Supported by strong positive pooled OLS findings, we settle on an estimate of £1000 per person, per year for the social value of volunteering.
- This result is consistent with the SHS-derived WELLBY value, which also values weekly formal volunteering at £1000.

This means we can be confident in these results because they are consistent across multiple Scottish and wider UK datasets and statistical methods.

A note of caution

As with any research, there are some caveats to bear in mind. Firstly, it is possible that some effect sizes were not picked up due to small sample sizes, which causes a lack of power to detect a real difference. For example, there may be a significant effect on monthly volunteering on wellbeing, but it is not being picked up. Secondly, mental wellbeing outcomes could be being influenced by other factors that we are not able to control for because they are unobserved in the data (e.g. personality or optimism). Therefore, there could be another explanation as to what is driving these findings. Conducting analysis of multiple Scottish datasets with different statistical methods has mitigated a number of these factors.



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