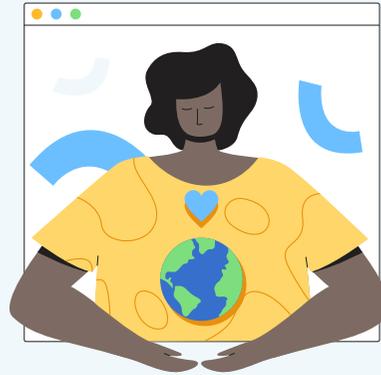




Charity Digital Skills Report 2025



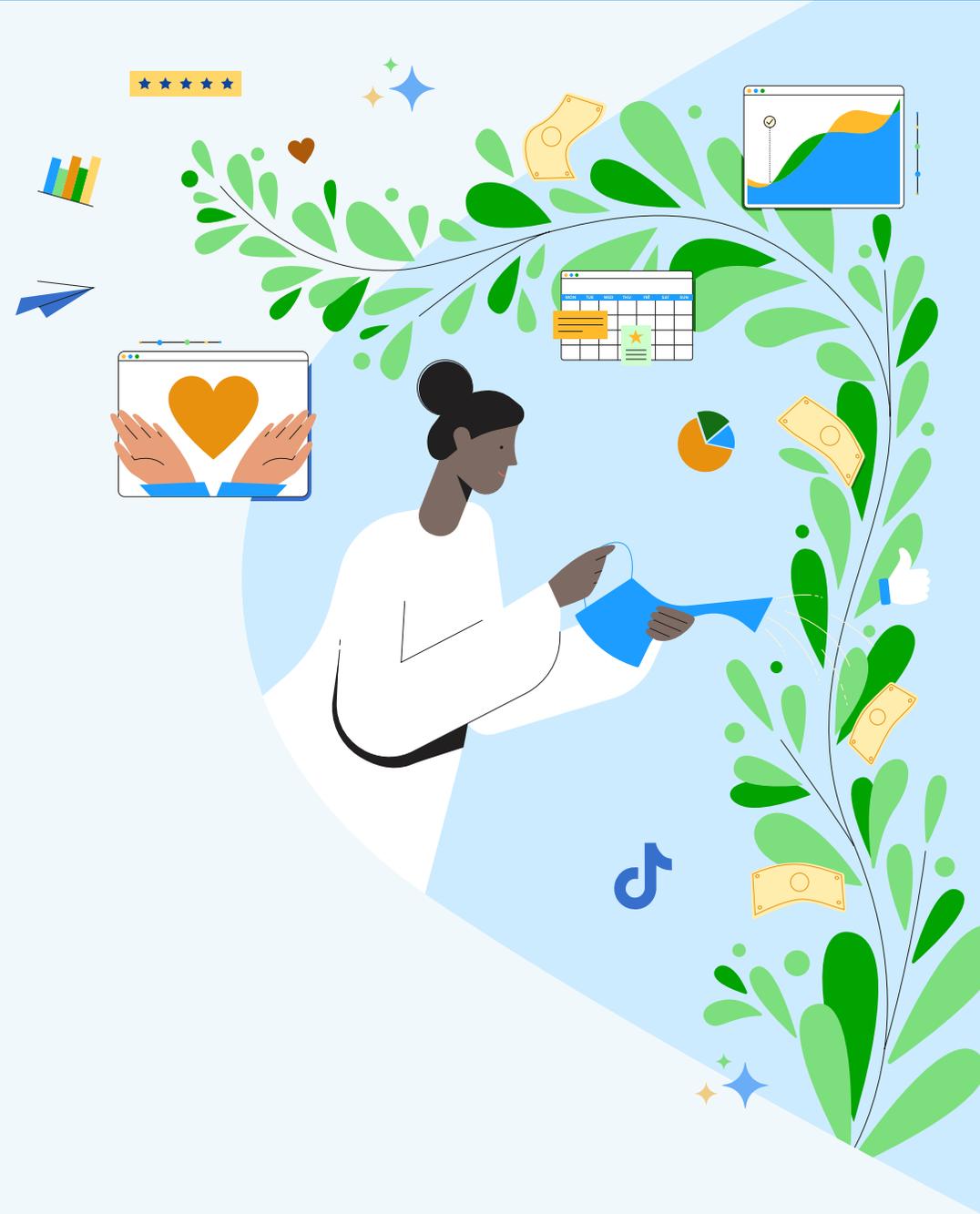


Charity Digital Skills Report 2025

#CharityDigiReport



Introduction



Introduction

This is the ninth Charity Digital Skills Report, the annual barometer of digital and AI adoption, skills, attitudes, funding and support needs across the sector. Every year since 2017 we've had the privilege of hearing how charities' experiences with digital are developing and what they need in terms of funding and support. We know how challenging this year has been for the sector and we are very grateful to the 672 charities who took the time to contribute their invaluable insights, along with those who took part in the discovery phase and testing of the survey. All of them have helped us understand where we can gather data that will be most helpful to the sector now.

The 2025 report would not have been possible without our report partners [Catalyst](#), [Digital Candle](#), [Lightful](#), [Microsoft](#) and [Torchbox](#). They have all been incredible sources of guidance as we developed the report.

In 2025, our aims were to:

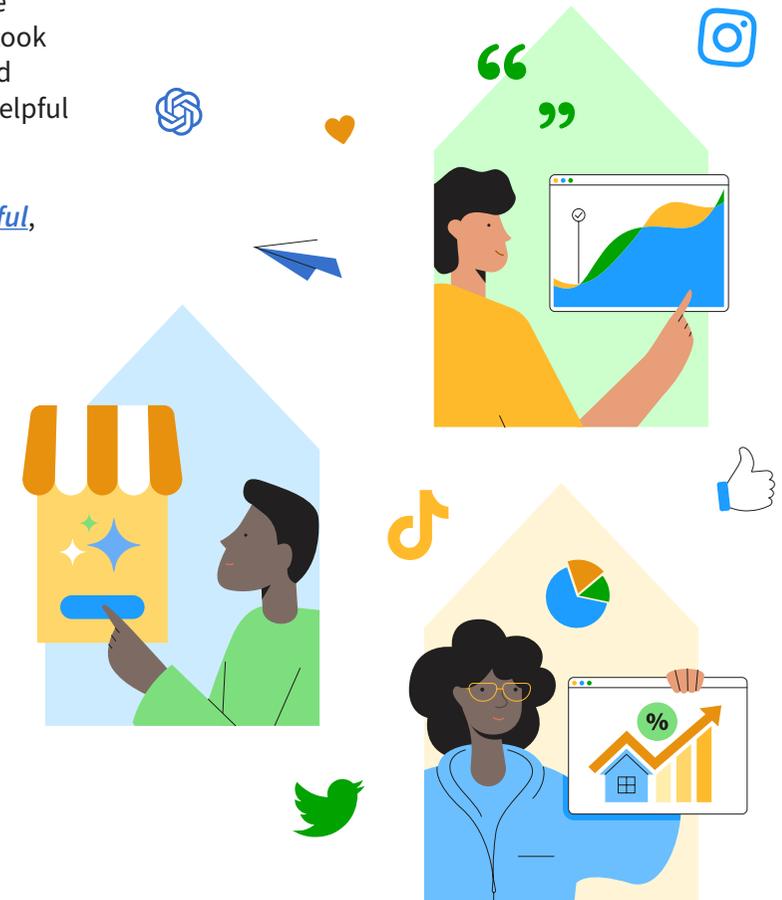
Track charities' changing digital priorities, skills, confidence and attitudes.

Understand how charities are progressing with AI.

Identify the support and funding charities need to move ahead with digital.

Build further insights about the needs of small charities.

Understand specific priorities and barriers facing charities led by marginalised groups.



This year, we have built on our diversity, equality and inclusion approach, developed with our consultant [Eshe Kiama Zuri](#). Once again Eshe has helped us undertake targeted outreach with specific marginalised groups so that we can gather data about their digital funding and support needs and share those with funders. We very much appreciate Eshe's insightful approach and support.

The data in this year's report tells us two stories that create a tension in the sector's continuing digital and AI adoption. We see charities working hard to balance significant financial pressures while adapting to accelerating technological change. The cost of living crisis continues to squeeze the sector, with 69% of charities telling us that their strained finances remain the biggest barrier to digital progress.

The cost of living crisis is constraining charities' headspace as much as their budgets. Just 44% of charities now operate with a digital strategy in place, down from 50% last year. Despite these challenges, it's positive that 63% of charities have still managed to make digital progress this year, and 75% continue to prioritise digital within their organisations.

Our research also reveals substantial growth in AI adoption, with 76% of charities now using AI tools compared to 61% in 2024. However, it is concerning that so many charities rate their CEO and board's AI skills as poor, with many reporting that their AI governance is lacking. This may well improve in 2026, with half (49%) of charities prioritising developing their strategy for digital, data and AI, 74% recognising that AI developments are relevant to them and 48% currently developing an AI policy (68% of large charities). These stats indicate that the sector could be at an exciting – and pivotal – moment of change.

The report underscores the ongoing need for capacity, funding and skills development across the sector. The digital divide between large and small charities remains stark, with 68% of small charities still at early stages with digital. These smaller organisations are more likely to be led by people with lived experience and from marginalised groups, raising important questions about digital equity. Once again this year, we see that AI is widening the gap between large and small charities and this could deepen inequality both within and outside the sector.

The juxtaposition of growing AI adoption alongside a declining strategic approach gives us pause for thought. Without addressing the fundamental gaps in digital skills, leadership and funding, the charity sector risks implementing emerging technologies without proper governance and strategic foundations. Now more than ever, the sector needs co-ordinated support from funders and support organisations to ensure responsible and impactful digital transformation.

Thank you for supporting our report.

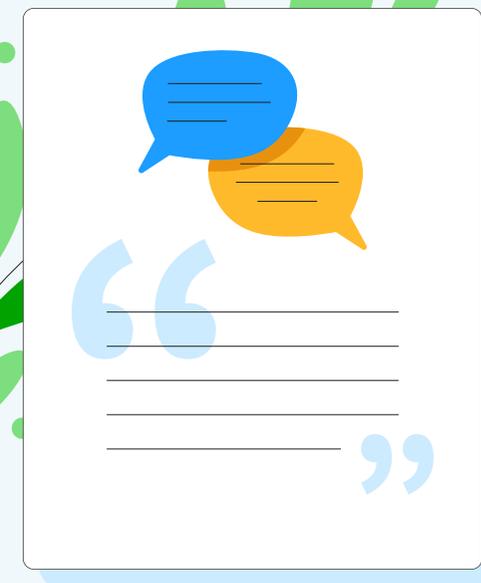
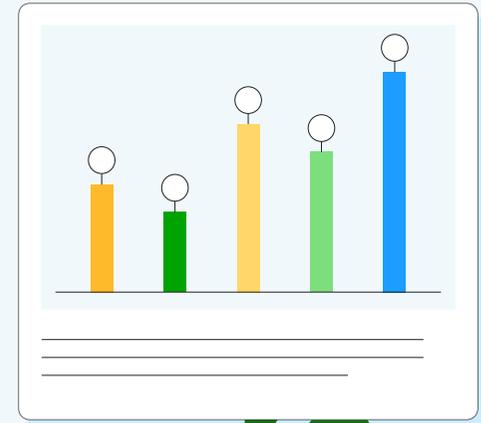
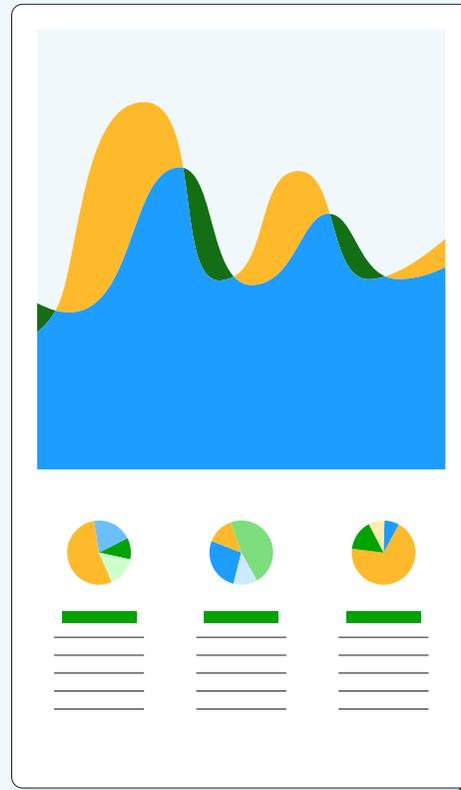
Zoe Amar and Nissa Ramsay



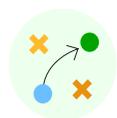
We'd love to hear what you think about the report, how you are using the findings and how we might build on this next year in our [feedback form](#).

You can find all our data tables and further support on the resources section of our [website](#).

Key findings

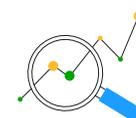


Key findings



Strategy

- 44% of charities have a digital strategy in place, which has declined from 50% last year. However, just over a third (34%) are advancing with digital.
- Almost two-thirds of charities (63%) have made progress with digital this year, compared to 76% last year.
- Digital is a priority (medium or high) for 74% of charities.
- Developing a strategy for digital, data or AI is a priority for 49% of charities.



Data

- Almost 4 out of 10 (39%) are poor at website and analytics data, an increase from 31% last year.
- 18% rate themselves as excellent at using data to inform decision making or strategy, similar to 2024. However, more than half (52%) say that they are fair at this and a quarter (25%) say that they are poor.
- 45% see themselves as excellent at data protection and GDPR compliance, similar to the 42% last year.
- 23% see digital policies and governance and strengthening data protection and cybersecurity as low priority. This is a concern given that these issues are vital for good governance and data security as more charities adopt AI.
- The top areas where charities need support with data are:
 - Using AI tools to analyse data (45%).
 - Storytelling with data (42%, down from 48% last year).
 - Website and social media analytics (38%, falling from 43% in 2024).
- Charities are rarely using AI for tasks involving data analysis, with only 15% using this for qualitative data analysis, 13% for numerical data and 4% for predictive analysis.



Digital marketing

- 33% are poor at digital campaigning, an increase from 26% last year.
- A quarter of charities (25%) are poor at email marketing, similar to 2024.
- Almost 6 out of 10 charities (59%) have moved forward with social media engagement and 44% have improved their sites.
- Charities see their top digital communications and fundraising priorities for the next 12 months as:
 - Build our online presence and social media engagement (64%), up from 54% last year.
 - Grow our reach (60%), up significantly from 48% in 2024.
 - Increase online fundraising (57%), an increase from 52% last year.



Social media

- 51% of charities have either left or cut back on their use of X (a dramatic increase from the 18% moving away from X last year). This rises to 60% of large charities and 65% of LGBTQIA+ charities.
- Only 11% have developed crisis management plans (similar to last year's results) and 10% have improved protection or support for staff, volunteers or clients (14% were protecting staff last year).
- Just 5% are investing more in tackling misinformation or community moderation.



Digital fundraising

- 35% are poor at digital fundraising, although this is an improvement on 41% last year. 27% say they don't do this, which is surprising.
- More than half say that their key priorities are attracting donations (52%) and digital communications and fundraising (51%).
- Growing a young supporter base was only a priority for 28% of charities. While not all organisations will be targeting young people, this does raise questions about the number of charities who are succession planning for the next generation of young supporters.



Digital skills

Charities are most confident about:

- Using digital tools in everyday work: 92% of charities rate themselves as fair or excellent in this area.
- Creating engaging content: Just over 1 in 4 (26%) are excellent at creating engaging digital content, while 54% are fair at this. This is similar to last year.
- Social media: Similar to last year, 25% rate themselves as excellent at social media.
- Making the most of our website: 18% say that they are excellent at this, although more than half (56%) say they are fair at this and more than 1 in 5 (22%) say they are poor – see below.

Charities are struggling with:

- Investing in and resourcing digital effectively: Half of charities say that they are either poor (40%) or don't do this (10%). This is a significant increase from last year, when 38% of charities said that they were either poor or didn't do this.
- Conducting and acting on user research: Just over a third (35%) are either poor (25%) or don't do this (10%). However, this is an improvement on 2024 when 44% of charities assessed themselves to be in these categories.



Skills as a barrier to digital progress

Charities reported these skills gaps among their top 5 barriers to progression:

- Lack of technical expertise or someone to lead on digital (41%, vs 44% last year).
- 40% of charities see staff/volunteer digital skills as a barrier to digital progress, down from 47% last year.

In addition, 43% of charities say that growing staff/volunteer digital skills is a top priority.



Barriers to digital progress

- The biggest barriers charities face when looking to progress digitally are: squeezed organisational finances (69%); finding funds to invest in infrastructure, systems and tools (64%, up from 60% last year); and lack of headspace and capacity (63%).



How charities are learning about digital

- More than half (51%) rely on sector newsletters and blog posts. This is the third year running that we've seen a significant increase in these channels, rising from 42% last year and 23% in 2023.
- 39% favour conferences, workshops or networking. Again, this has increased significantly from 19% last year.
- Just over a third (36%) have found training courses helpful, up from just under a quarter of charities (24%) in 2024.
- 32% learn or find support through social platforms (e.g. LinkedIn, Slack, WhatsApp). This has grown from 17% last year.



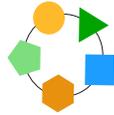
Digital service delivery

- 18% of charities are excellent at using digital tools in service delivery, which is similar to last year. However, more charities say that they are fair at this (58%) compared to last year (45%).
- 92% of charities are using digital in some aspect of their service delivery, which is a significant growth on the 81% last year.
- For more than half of charities (44%), digital plays a key role in how they organise and deliver services. Just under a third (39%) use digital in a limited way behind the scenes.
- 9% of charities offer services that are fully online.
- 29% are safeguarding users to a great extent, with 21% rating themselves as excellent at it in 2024. This is a positive improvement.
- 25% say their services are accessible to a great extent (similar to 2024), while 67% say they are to some extent, indicating this is a key area for improvement.



Digital inclusion

- In total, over half (55%) of charities are providing some support to help people with digital inclusion.
- Specific groups of charities are providing more digital inclusion support. This includes 64% of black led charities, 64% of charities led by older people and 72% of charities in the North of England.
- Supporting clients with devices, data or digital skills (digital inclusion) is also a bigger priority for specific nations and regions. Overall, 16% say this is an organisational priority. This rises to 25% of charities in the North of England, 22% in the Midlands, 25% in Scotland and 22% in Wales.



Diversity, equality and inclusion

Digital services

- It is worrying that only 28% of charities see accessibility, diversity and inclusion in digital services as a top priority.
- This is a higher priority for charities led by specific marginalised groups. This includes for black led charities (40%), disabled or d/Deaf led charities (53%), charities led by neurodivergent people (43%) and LGBTQIA+ led charities (40%).
- Only 15% say their services are informed by research with users from diverse communities to a great extent.
- It is promising to see that 72% of charities say they are co-designing their services with users either to a great extent or some extent.
- 66% of charities say that their services are developed by diverse teams, which has increased from 45% in 2024. However, only 15% say they do this to a great extent.

Working with suppliers

- Commitment to diversity and inclusion is very important to 42% of charities when choosing a supplier. This has more than doubled from 19% last year. This increases to 45% of small charities, compared to only 36% of large charities. It also increases to 62% of black led charities, 66% of disabled and d/Deaf led organisations and 68% of LGBTQIA+ led charities.
- 34% say that how the supplier involves users and people with lived experience is very important, which has doubled from 17% in 2024.
- 55% of infrastructure organisations say suppliers' commitment to diversity and inclusion is very important in their selection.



IT and infrastructure

- 30% say that their systems and databases (covering everything from internal management tools to client databases and CRMs) are poor or non-existent.
- 24% say that their IT support and hardware is poor or non-existent, with more than half (52%) stating that it is fair.



AI

AI skills

- Using AI tools in everyday work: Over a third (35%) of charities say they are poor at this, while 29% say they don't do this. This means that almost two-thirds (64%) of charities either struggle with or are not using these tools.
- Keeping up to date with emerging tech trends: Half (50%) of charities are either finding this a challenge or are not across these trends. More than 4 in 10 (41%) are poor at this and 9% don't do this.

AI leadership

- Just over a third (36%) of charities say that their CEO has poor AI skills, knowledge and confidence, with 4 out of 10 (44%) stating that their board is also poor in this area.
- To help move forward with digital, charities most want their CEOs to:
 - Keep up to date with emerging trends, tech and AI tools (41%).
 - Understand risks and opportunities for emerging tech (34%).

These are similar to last year, showing that this need has not changed.

AI adoption

- 76% of charities are using AI. This comprises 2% who are using it at a strategic level, 23% who are actively using AI and 51% who are exploring, piloting and testing AI tools.
- It's encouraging that 42% are responding to the opportunities and challenges surrounding AI when only 22% felt ready to respond in 2024. However, 33% say they don't know how to get started with AI.
- The top 3 ways in which charities are using AI at organisational level are:
 - 1 Administration and project management (48%, up from 32% last year).
 - 2 Grant fundraising (36%, this rises to 43% of small charities, vs only 27% of large charities).
 - 3 Communications and fundraising (34%, almost doubled from 19% last year, this rises to 38% of small charities, vs 28% of large charities).



AI adoption in terms of size and stage

- Large charities are further ahead with their use of AI. 89% of large charities are using AI, compared to 72% of small charities.
- 91% of charities with a digital strategy in place (at the advanced or advancing stages with digital) are using AI tools.
- Surprisingly, 62% of charities at the earliest curious stage with digital (with limited digital skills and capacity) are using AI tools in their organisation. However, the majority are still exploring AI tools (48%) rather than proactively implementing these in their organisation (13%).

AI mindset

- 74% either strongly agreed or agreed that AI developments are relevant to them, up from 65% last year.
- Almost two-thirds (62%) are excited about the potential for these tools to increase their impact.
- More than half (60%) are worried about the implications of using AI (e.g. for service quality, data privacy). This rises to 74% of large charities, who are further ahead with AI use (vs 53% of small charities). This indicates that worries around AI increase with the use and uptake of AI.

Managing risk

- Almost half (48%) of charities are developing an AI policy. This has tripled from 16% in 2024. This rises to 68% of large charities, compared to 37% of small charities.
- 39% are ensuring that AI aligns with their organisational values and policies, rising to 51% of large charities.
- 36% are reviewing data protection and security (only 15% were doing this last year). This rises to 48% of large charities.
- 36% are avoiding use of AI in potentially harmful areas.
- Just 2 out of 10 charities are taking the following actions: updating their risk registers (23%); reviewing their governance to give trustees better oversight of AI (22%); and undertaking regular assessments of AI risks (e.g. bias, privacy and misinformation) (20%). The fact that these numbers are low is a concern.



Moving forward with AI

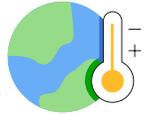
- Almost 4 out of 10 charities (37%) have not undertaken any actions to move forward with AI. This was the most popular response.
- 22% of charities are upskilling staff/volunteers, 22% are developing an AI strategy and 21% are reviewing ethical and environmental concerns.
- What charities believe will help them and the sector to move forward with AI:
 - 69% want more guidance on what responsible AI adoption looks like.
 - 64% want more free resources for charities, indicating that they need guidance that is bespoke and relevant to the sector.
 - 60% want training for leaders and trustees.
- Charities want funders to take the following actions:
 - Provide support for skills development and capacity (49%).
 - Provide guidance on their AI policies (45%).
 - Co-ordinate investment (35%).

How charities are learning about AI

- Almost 6 out of 10 (59%) are learning on the job by experimenting and testing AI tools at work. This has gone up significantly from 35% last year. This rises to 74% of those working in large charities, vs 53% of small charities.
- More than half (56%) are attending events, workshops and webinars, up from 37% last year. This rises to 78% of those working in large charities.
- More than a third (36%) are learning from their peers or other nonprofits. This has grown from 20% in 2024.
- The top 3 areas of AI that charities would most like external support for are all similar to 2024:
 - 1 General understanding of AI and how charities are using this (58%).
 - 2 Practical uses of AI in everyday work (58%).
 - 3 Exploring potential use cases for AI in services (51%).

Barriers to AI progress

- Data privacy, GDPR and security concerns (43%) are up from 31% last year. This rises to 56% of large charities, who say this is the biggest barrier they face.
- The potential for bias and discrimination is a worry for 32% of charities. For large charities, this is the second biggest barrier they face, preventing 46% from moving forward. This is also a key barrier for LGBTQIA+ led charities (49%).
- 39% are worried about a lack of training, which has increased from 34% last year.
- A third (33%) are worried about factual accuracy, similar to last year.
- 2 out of 10 charities (29%) are being held back by the costs of resourcing AI tools and concerns about ethical and human rights (29%), similar to last year.
- 1 in 4 (26%) have concerns about the environmental impact of AI tools.
- 25% say that their data and data maturity need attention first, similar to 2024.



Tech and climate change

- 46% of charities are using digital tools (such as remote work) to reduce their carbon footprint.
- 17% are using AI mindfully to reduce the environmental impact.
- 15% of charities are seeking advice from other charities, suppliers and experts on sustainable digital options and choices. This has fallen from 24% last year.
- It is notable that just over 4 out of 10 charities (41%) say that they either aren't undertaking any of the listed actions or they are not applicable to them.
- Commitment to environmental principles by digital suppliers is either very important or important to almost two-thirds (65%) of charities. Although other factors are a greater priority.



Leadership

Board digital skills

- It's concerning that 28% of charities say that their boards have poor digital skills. This is higher than the 19% who said their board had low digital skills in 2024.
- 49% rate their trustees as having fair digital skills, much lower than the 65% who said their skills were good or could improve last year.
- Only 7% see their board as having excellent digital skills, similar to 6% last year.
- 30% of charities have one digital trustee and 12% have multiple people with digital expertise on their board (42% of charities have one or more digital trustees), while 40% do not have anyone. This is similar to 2024.
- The most critical areas where charities would like to see change are:
 - Recruiting a digital trustee (person with relevant digital expertise) (43%).
 - Learning more about emerging tech and AI tools (34%).

CEO digital skills

- Over 1 in 5 CEOs (21%) have poor digital skills.
- It is promising that 54% of CEOs have some digital skills and knowledge rated as fair. However, only 13% were rated by their charities as excellent.
- The top areas where charities would like their CEOs to develop are:
 - A clear vision of what could be achieved with digital (64%, a significant increase from 55% last year). Once again, this is one of the most urgent needs that charities have of their CEOs, which we see year on year in our report.
 - A clear vision and plan to improve data (44%).
 - Ability to develop and embed a good digital strategy (42%).



Funding

Funding accessed

- 60% of charities have not accessed funding for digital costs in the last 12 months. Within this, 38% have accessed funding but this has not included any digital costs.
- 30% of charities received funding from grantmaking organisations and foundations, up from 19% last year.
- 12% of charities have had digital funding from local authority grants and contracts, while 11% have had funding from corporates (grants, sponsorships or funds). This tells us that some charities are diversifying where they receive digital funding from.
- Charities received funding for the following activities:
 - Devices, equipment, software and licences (21%).
 - A digital project, service or technology development (20%).

Funding needs

The most important areas that charities need support with are:

- 1 Core staff or staff time to spend on digital or data (59%), a big increase from 30% in 2024.
- 2 Capacity/headspace for organisational development (59%), similar to last year.
- 3 Training for staff and volunteers on digital or data (50%), up from 43% last year.
- 4 Developing our strategy (for digital, data or AI) (46%), up from 39% last year.

Funding barriers

- The biggest barrier charities face when applying for funding is time (37%) (42% of small charities, vs 27% of large charities). This affects 45% of those at the earliest curious stage with digital, compared to 18% at the advancing stage.
- 31% of charities say their biggest barrier is that funders only cover limited core costs (digital costs are a lower priority to include). In addition, 23% say that their funders do not typically cover any core/project costs (some selected both barriers).
- Finding a funder who supports a digital project is the biggest barrier for 27% of charities (28% of small charities and 25% of large charities) and has increased from 21% in 2024.
- Funding for digital projects is a bigger challenge for 44% of black led charities, as well as 34% of lived experience led charities, 33% of disabled and d/Deaf led organisations and 35% of neurodivergent led charities.



Scotland

- Charities based in Scotland are more likely to see digital as an organisational priority but, overall, are at a similar stage with digital to our overall sample.
- Supporting clients with digital inclusion (e.g. devices, data or digital skills) is a bigger organisational priority for charities in Scotland (25%).
- Charities in Scotland are more likely to learn about digital from their peers (47%) compared to our main sample (32%).
- Charities in Scotland (38%) are further ahead with AI uptake and are more likely to be looking for funding AI development and licence costs (vs 23% overall).
- AI skills are highest in Scotland, with 41% rating their skills to use AI tools in everyday work as excellent or fair (vs 32% in our main sample).
- Digital service delivery is slightly more prevalent in Scotland, with 65% offering digital services where digital plays a vital or supportive role (an additional 31% use digital behind the scenes).
- 36% of charities in Scotland accessed digital funding (vs 40% overall).



Wales

- Charities based in Wales are progressing well with digital and are further ahead of other nations in delivering fully online services (22%).
- Digital inclusion (supporting clients with digital inclusion, e.g. devices, data or digital skills) is a bigger organisational priority for charities in Wales (22%).
- Charities in Wales are more likely to learn about digital from their peers (47%), compared to our main sample (32%).
- In Wales, 24% see reducing their tech/digital carbon footprint as a priority, double the 12% in our main sample.
- 38% of charities in Wales accessed digital funding (similar to 40% overall). They are more likely to be looking for funding for AI development and licence costs (34%, vs 23% overall).



Northern Ireland

- Compared to other regions, Northern Ireland has a higher proportion of charities at an early stage with digital (64%).
- Charities in Northern Ireland have the lowest use of AI (67%, vs 76% in our main sample), with most at the earliest stage of testing and exploring AI.
- IT support and hardware is a bigger issue for charities in Northern Ireland, with 43% rating this as poor or non-existent (vs 24% overall).
- In comparison, digital service delivery is less common in Northern Ireland, with 49% relying on digital tools behind the scenes (vs 39% overall).
- 37% of charities in Northern Ireland accessed digital funding, compared to 40% in our main sample.



England regions

- Charities based in the North of England and the Midlands are struggling to move forward with digital. We can see clear differences in digital maturity, skills, funding and AI uptake.
- Charities in London and the South of England (South East, South West and East of England) responded in the same way as our overall sample of charities, with no differences in digital skills and capacity.

The Midlands (East Midlands and West Midlands)

- 67% of charities in the Midlands are at an early stage with digital (vs 56% overall).
- Supporting clients with digital inclusion is a priority for 22% of charities in the Midlands.
- Charities in the Midlands have the lowest use of AI (67%, vs 76% in our main sample), with most at the earliest stage of testing and exploring AI.
- In the Midlands, a third (34%) are struggling to make digital progress because of their equipment, hardware and devices (vs 21% overall).
- Charities in the Midlands have the lowest success rate at accessing digital funding (33%, vs 40% in our main sample).

North of England (North West, Yorkshire and the Humber, North East)

- 59% are at an early stage with digital (similar to the 56% overall) and 63% made digital progress this year. However, a lower proportion rated digital as a high organisational priority (12%, vs 22% overall).
- Digital inclusion is a higher priority in the North of England, with 72% supporting their service users (vs 55% overall), while 25% see this as an organisational priority (vs 16% overall).
- 47% have been able to access digital funding, higher than the 40% overall.
- Charities are struggling more with using digital tools in service delivery (32% say these skills are poor or non-existent, vs 23% overall), as well as investing in digital effectively (61% say this is poor or non-existent, vs 50% overall).
- AI skills are also lower with 45% saying they don't know how to get started (vs 33% overall) and 72% rating their skills to use AI tools in everyday work as poor or non-existent (vs 64% overall).



Black led charities

- The challenge of finding a funder for a digital project is affecting black led charities (44%) disproportionately. This compares to 27% of charities overall and 28% of small charities. The same results were uncovered last year.
 - 68% are at an early stage with digital (32% curious and 36% starting out), higher than our main sample (56%).
 - 32% have a strategy in place for digital (21% advancing and 11% advanced).
 - 60% made significant or good progress with digital this year.
 - 79% see digital as an organisational priority, with 35% saying it is a top organisational priority (higher than the 22% overall).
 - Strong digital skills include:
 - Using digital tools in everyday work (41% excellent, vs 27% overall).
 - Using AI tools in everyday work (46% excellent or fair, vs 32% overall).
 - Using data to inform decision making and strategy (80% excellent or fair, vs 70% overall).
 - Using digital tools in service delivery (34% excellent, vs 18% overall).
 - However, 80% of black led charities are struggling with squeezed organisational finances and 71% say they have poor or non-existent online fundraising skills.
- 48% say digital plays a key role in how they organise and deliver services, while 10% offer services that are fully online and 35% use digital behind the scenes.
 - 64% support clients with digital inclusion to some extent (51%) or a great extent (13%) and 21% say this is an organisational priority (slightly higher than the 16% overall).
 - Black led charities are more likely to say their digital services are (to a great extent):
 - Informed by research with diverse communities (31%, vs 15% overall).
 - Reaching diverse and marginalised communities (34%, vs 20% overall).
 - Monitoring diversity and inclusion (26%, vs 17% of the main sample).
 - 78% rate their CEO's digital skills as excellent or fair (vs 67% overall).
- 35% are seeking funding for AI (vs 13% overall).
 - Black led charities say that co-ordinated AI investment from funders would make the biggest difference to sector adoption (53%, vs 35% of the main sample).
 - 58% want to learn more about assessing AI risks (e.g. bias, safeguarding) and using AI tools responsibly (vs 51% overall).
 - 44% want more insights about how their communities are using AI (vs 25% overall).
 - 40% are developing an AI policy.
 - A higher proportion of black led charities are avoiding AI in areas where it could cause harm (47%, vs 36% overall).



LGBTQIA+ charities

- 54% of LGBTQIA+ led charities are at an early stage with digital (25% curious and 29% starting out), while 46% have a digital strategy (30% advancing and 16% advanced), similar to our main sample despite a high proportion of LGBTQIA+ led charities being small (76%, vs 65% overall).
 - 65% of LGBTQIA+ charities stopped using or reduced their use of X (formerly Twitter) this year (vs 51% overall) and 11% reduced their use of Meta platforms.
 - 42% have changed their social media strategy (vs 25% overall).
 - 29% have changed how they post content and 18% have spent more time tackling misinformation (vs 5% overall).
 - Most want to learn more about assessing AI risks (bias, safeguarding) and using AI tools responsibly (59%, vs 51% overall).
- Barriers to adopting AI tools are distinct for LGBTQIA+ led charities:
 - Data privacy, GDPR and security concerns (53%, vs 43% overall).
 - The potential for bias and discrimination (49%, vs 32% overall).
 - Ethical and human rights concerns (49%, vs 29% overall).
 - Half (51%) say their funding has not included digital costs in the last 12 months (vs 38% overall and 45% of small charities).
 - The biggest barrier they face is a lack of time to dedicate to applying for funding for digital costs (46%, vs 37% overall), followed by grants being too small to include digital costs (27%, vs 16% overall).



Disabled and d/Deaf led charities

- 60% are at an early stage with digital (28% curious and 32% starting out), similar to our main sample (56%), despite a high proportion of small charities.
 - 65% are led by people with lived experience of the issue they address (vs 28% overall) and 68% also say that disabled or d/Deaf people are a key target group.
 - 83% see digital as an organisational priority (vs 75% overall).
 - 63% rate their CEO's digital skills as excellent or fair (vs 67% overall), but a high proportion say they need their CEO's skills to improve by developing a clearer vision for digital (75%, vs 64% overall) and data (57%, vs 44% overall), as well as by keeping up to date with emerging trends, tech and AI tools (52%, vs 41% overall).
 - 49% say digital plays a key role in how they organise and deliver services, while 14% offer services that are fully online and 31% use digital behind the scenes.
- 54% support clients with digital inclusion and 26% say this is an organisational priority (higher than the 16% overall).
 - When choosing suppliers, the following inclusion factors are very important:
 - Commitment to diversity and inclusion (66%, vs 42% overall).
 - How they involve people with lived experience (58%, vs 34% overall).
 - 76% are using AI tools, with 57% at the exploring stage, 19% actively adopting AI tools in everyday work and none using AI strategically.
 - However, 40% say they don't know how to get started with AI.
 - 66% are worried about the implications of using AI (vs 60% overall).



Neurodivergent led charities

- 62% are in the early stages with digital (vs 56% overall and 68% of small charities). While 38% have a strategy in place, 78% see digital as an organisational priority.
 - Key areas of progress this year include social media engagement (65%), a website revamp (57%) and staff and volunteer digital skills (44%).
 - Their top priority is digital communications and fundraising (61%, vs 51% overall).
 - 71% are being held back by squeezed organisational finances.
 - Digital services are more likely to be developed by diverse teams (29%, vs 15% overall) and inclusive of users (40%, vs 33% overall).
 - Digital suppliers are chosen on the basis of their commitment to diversity and inclusion (61%, vs 42% overall), how they involve people with lived experience (49%, vs 34% overall) and diversity in their team (28%, vs 17% overall).
- 78% are using AI in their organisation. 51% are using it for administration and 45% for grant fundraising. Only 38% feel they are responding to AI opportunities and challenges.
 - 65% are worried about the implications of AI and 47% say they are avoiding AI in areas where it could cause harm (vs 36% overall).
 - 44% accessed funding for digital costs this year (vs 40% overall).
 - Key funding barriers include time (38%), not being able to find a funder to support their digital project (35%) and grants being too small (34%, vs 16% overall).

Background to the research

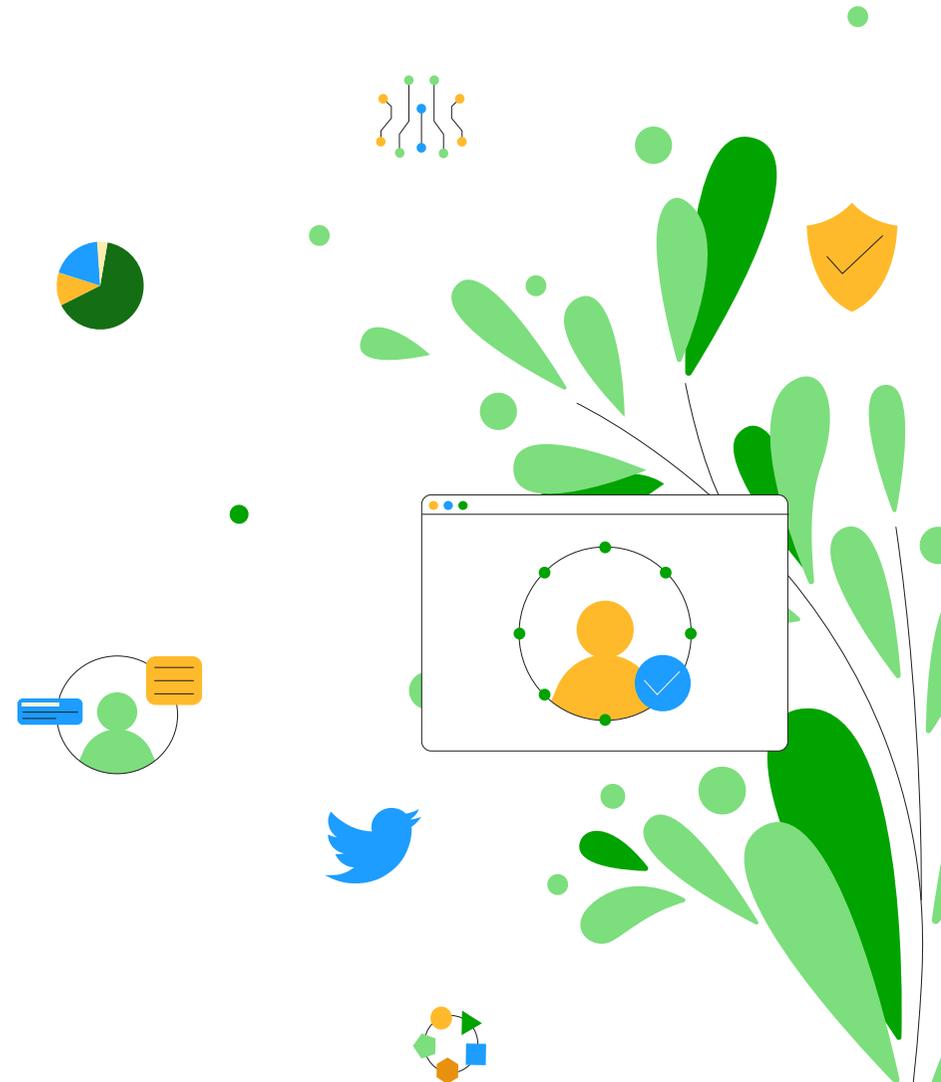


Background to the research

Our survey ran from 5th March to 28th April 2025. Thank you so much to the 672 people who responded on behalf of their organisations. We're extremely grateful for the time that charities and other social sector organisations give to taking the survey, especially when many are under pressure with rising demand and costs, alongside funding gaps.

Our survey began as one aimed at charities and has evolved so that any not-for-profit organisation in the UK voluntary, charity and social enterprise sector at any stage with digital can get involved. Some questions may be less relevant to very small organisations with no paid staff.

We want our survey responses to represent the variety of organisations across UK civil society and our team is working hard to make progress towards this goal. We recognise that this is an area we need to keep developing. This is why we ask about size, location, type of organisation, main target group and whether the organisation is led by specific population groups. In this section, we set out which groups responded and which didn't.



Our definitions

Digital

We ask about digital in a holistic way. We cover specific digital skills and tools, technology, AI, data and digital services. We also include general digital culture, attitudes, digital funding and support needs of organisations led by those from marginalised groups.

We believe that charities with strong digital capacity can respond effectively to user needs, while navigating the opportunities and risks of technology. At the core of this is a commitment to safety, inclusion, accessibility and social and environmental justice. They will also have good governance, visionary leadership and a strategic approach.

Size

- **Small charities:** Respondents specifying an annual turnover of up to £1 million.
- **Large charities:** Respondents specifying an annual turnover of £1 million or more.

Digital stage

We asked charities to select from the following statements which stage of digital development was the best fit for them. We found a clear relationship between each digital stage and markers of digital progress, showing these stages are relevant and meaningful.

- **Curious:** We have some digital basics in place, such as social media or remote working and see opportunities to do more.
- **Starting out:** We're developing our use of digital but don't yet have a strategic approach.
- **Advancing:** Digital is part of our strategy and we're investing in technology and skills, but we've not embedded this yet.
- **Advanced:** Digital is fully embedded in our organisational strategy and our ways of working.

You will see that in our expanded AI section of the report we ask about the different stages of AI adoption. We have not yet combined stages of digital and AI adoption as we need a solid evidence base to do so meaningfully.

Charities

We use the term 'charity' in this report as shorthand to refer to the range of nonprofit and social sector organisations completing the survey, rather than to refer only to registered charities (which make up 83% of respondents).

Rounding data

All survey data was rounded up or down to the nearest whole number. Percentages may not total 100 due to this process.

Where respondents are based

The map shows the number of organisations based or working in each region and country. Participants could select multiple locations, including options for UK-wide, England-wide and online. As a result, the numbers do not correspond with our overall sample size of 672.

672
responses

72%
England

9%
Wales

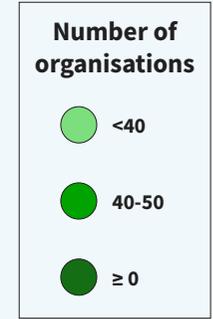
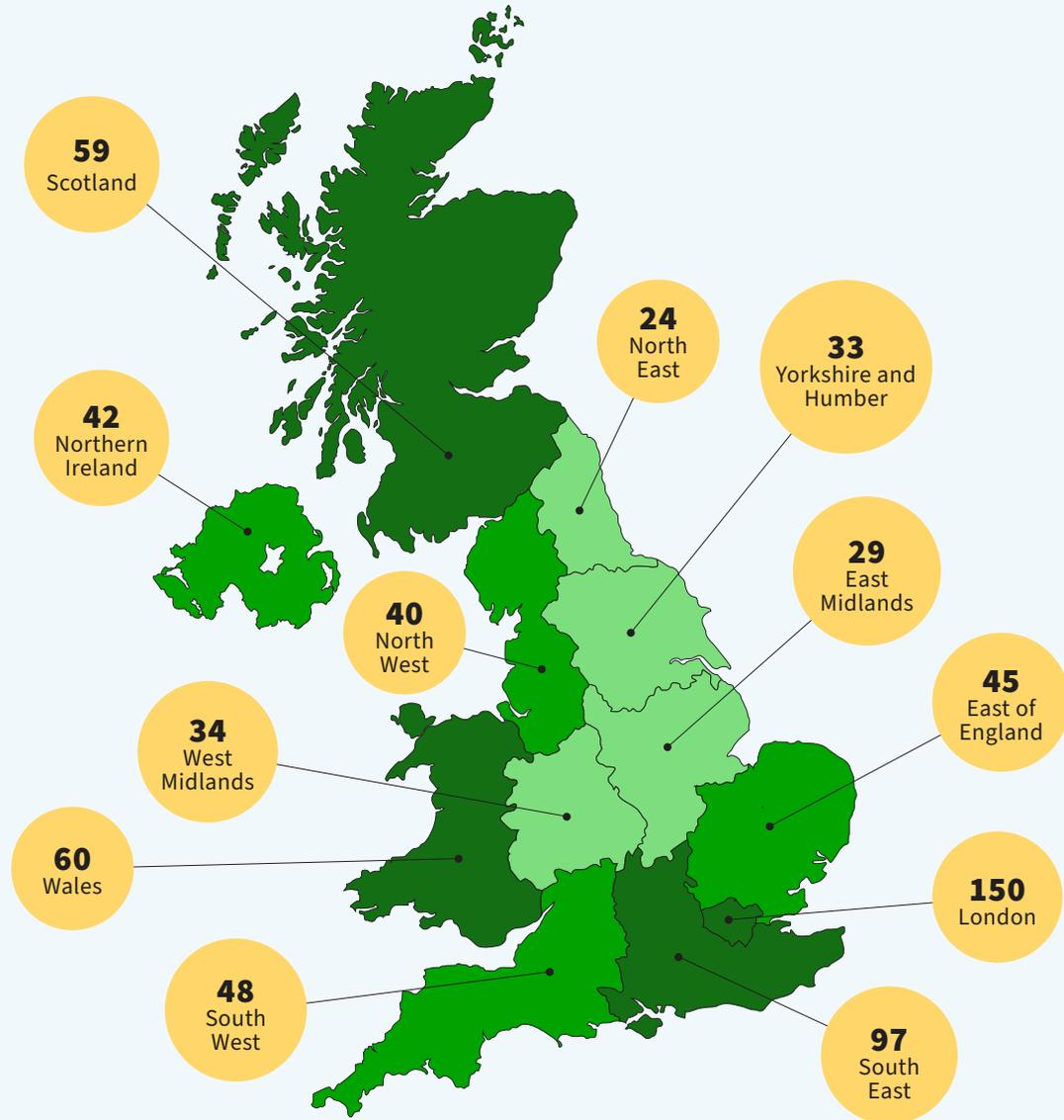
9%
Scotland

9%
Northern Ireland

5%
Online/
remote

18%
UK-wide

22%
England-wide



Overview of survey respondents

Types of organisation

83%
are registered charities
(555 responses)

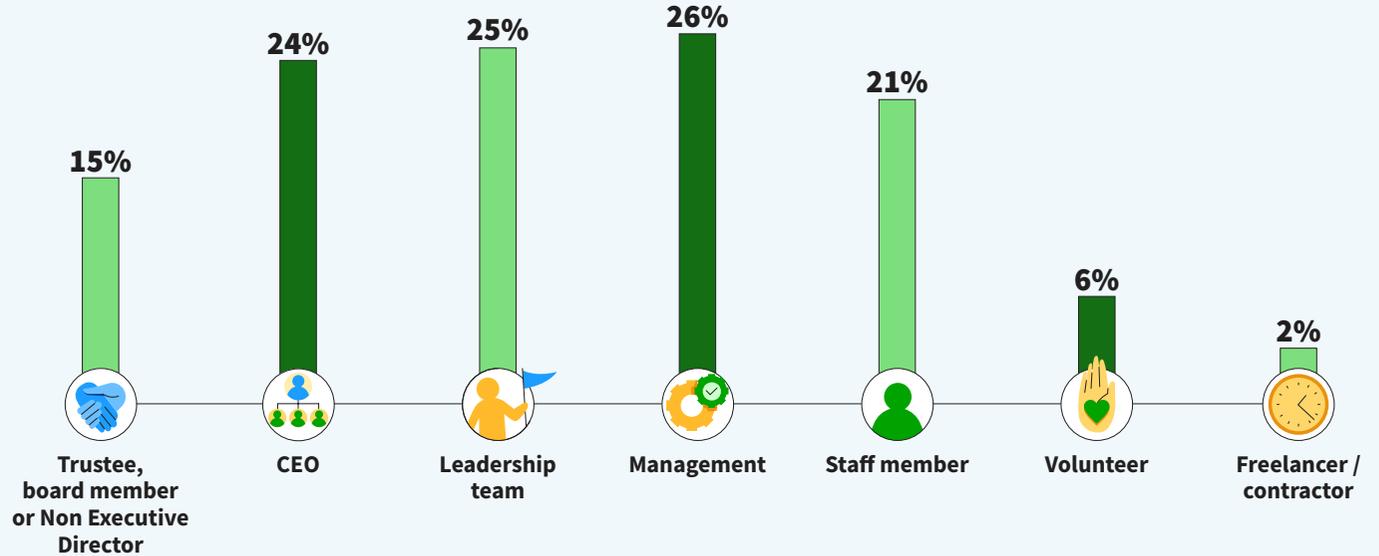
22%
are a social enterprise or
community business
(148 responses)

8%
are a grantmaking
trust or foundation
(52 responses)

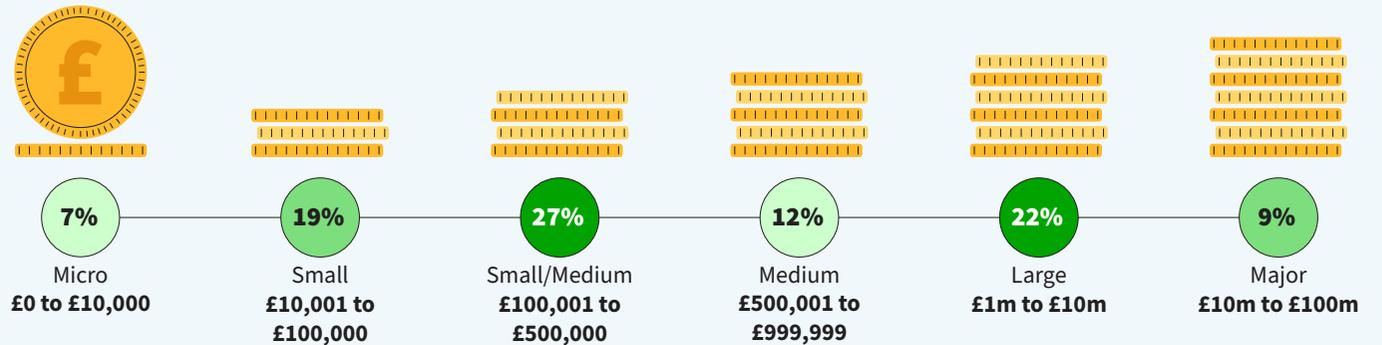
13%
are an infrastructure
organisation
(90 responses)

28%
are lived experience led
(190 responses)

Roles represented



Annual turnover of charities in our sample



4% didn't know or preferred not to say

Types of organisations in our sample

Our sample represents a wide range of organisations. These include:

- **Small charities:** We have 428 responses from charities with an income less than £1m, representing 65% of our responses overall. This has increased from 385 responses in 2024. The annual income of respondents is as follows:
 - £0 to £10,000: 48 organisations (11%).
 - £10,001 to £100,000: 124 organisations (29%).
 - £100,001 to £500,000: 177 organisations (41%).
 - £500,001 to £999,999: 79 organisations (18%).
- **Large charities:** We have 208 responses from large charities (similar to 2024) with an annual income greater than £1 million, representing 31% of our sample overall.
- **Organisations led by lived experience:** 190 charities (28% of our responses) are led by people with lived experience of the issue they address. This is positive to see.

- **Specific types of organisations:**
 - Grantmaking trust or foundation: 52 responses (8%).
 - Infrastructure organisation: 90 responses (13%).
 - Social enterprise or community business: 148 responses (22%).
 - Registered charity or Charitable Incorporated Organisation (CIO): 555 responses (83%).
 - Company limited by guarantee: 88 responses (13%).
- **Roles of those completing the survey:**
 - Almost a quarter (24%) of our respondents are CEOs.
 - 26% are from the management team (an 8% increase on last year).
 - 25% are from the leadership team, a 5% increase from 2024.
 - 21% are staff members.
 - 15% are trustees.

- **Digital stages:** A quarter (24%) are at the earliest (curious) stage with digital, while a third (32%) are at the next starting out stage. 44% describe themselves as advancing or advanced with a strategy for digital. This indicates that the survey is attracting responses from organisations at all stages of their digital journey.



Diversity, equality and inclusion in our sample

We ask respondents for detailed information about the population groups represented by their board and leadership, as well as their target groups. We do this in order to:

- Understand whose voices and which groups are represented in the survey.
- Identify gaps to inform our outreach while the survey is live and for next year's survey.
- To examine any differences in digital priorities, barriers, funding and support needs.

The intention is to inform funding, support, research and campaigns that tackle structural inequality, institutional racism and sexism in the sector, which have led to chronic underfunding for these groups.

Charities led by specific marginalised groups

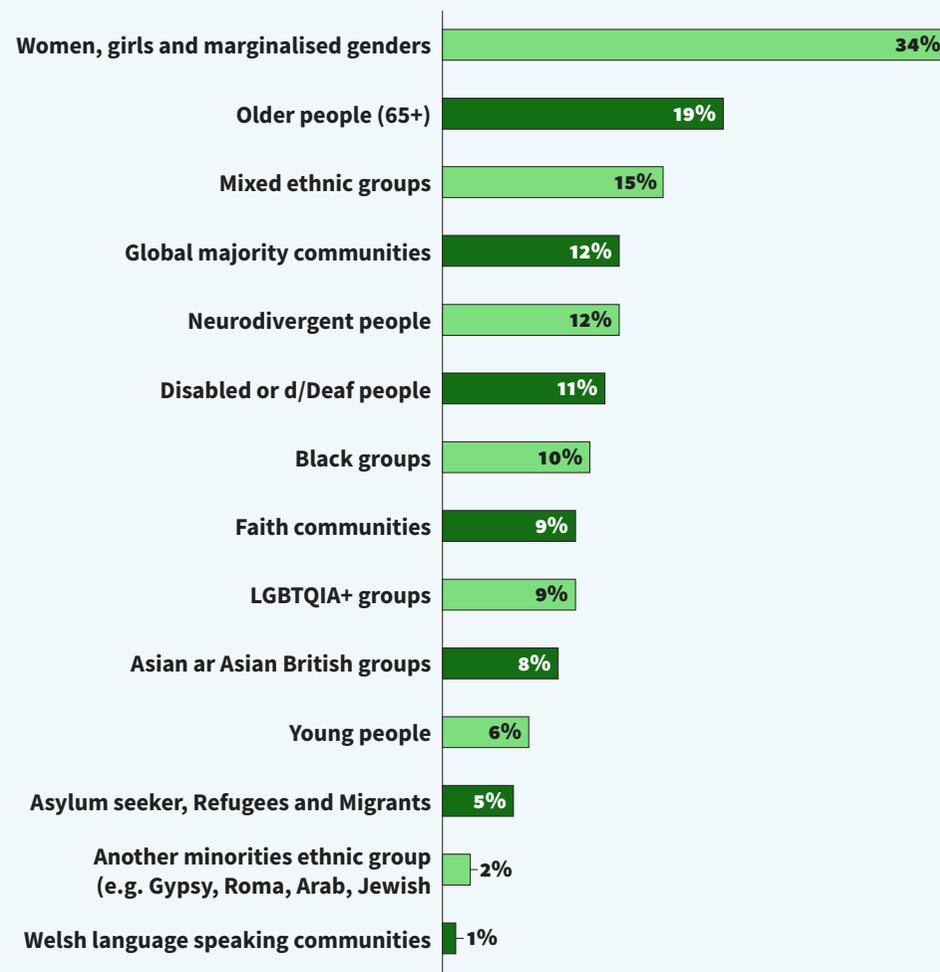
We asked respondents if their organisation is led by specific population groups, with at least 75% of their board and 50% of senior management identifying with that group. Organisations led by specific minority ethnic groups represented include:

- **Global majority communities (a range of ethnic groups, except white British, other white groups and white minorities):** 76 responses (12%).
- **Black (Black African/Black Caribbean/Black British/Black Mixed/Black Other):** 66 responses (10%).
- **Mixed (e.g. White and Black, White and Asian, any other Mixed/Multiple ethnic background):** 99 responses (15%).
- **Asian or Asian British (e.g. Indian, Pakistani, Bangladeshi, Chinese, Any other Asian background):** 51 responses (8%).
- **A specific group experiencing ethnic or racial inequality not listed above (e.g. Gypsy, Roma and Traveller Communities, Arab, Jewish):** 13 responses (2%).

Charities led by people from other specific marginalised population groups or circumstances

- **Asylum seekers, refugees and migrants:** 31 responses (5%).
- **Neurodivergent people (including learning disabilities and difficulties):** 76 responses (12%).
- **Disabled or d/Deaf people:** 72 responses (11%).
- **Faith communities:** 58 responses (9%).
- **Women, girls and marginalised genders:** 224 responses (34%).
- **LGBTQIA+ groups:** 57 responses (9%).
- **Older people (65+):** 126 responses (19%).
- **Young people (16–25):** 40 responses (6%).
- **Welsh language speaking communities:** 4 responses (1%).

Charities led by people with specific backgrounds and circumstances in our sample



Population groups represented by charities responding to the survey

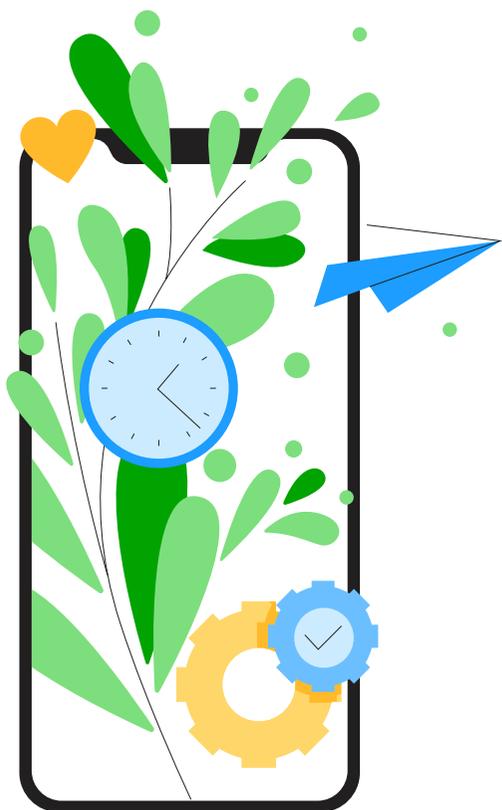
We asked survey respondents to identify their main target population groups, selecting those that were most relevant to their core purpose. It is worth noting that many charities are place based or issue focused. Our largest group of respondents (304 organisations) provides services that are open to everyone and target diverse groups. They represent 45% of our sample.

We have a very strong representation (over 100 responses) of organisations working with specific ethnic minority communities from the following list (charities typically selected two of these, as well as groups from the second list below). This includes:

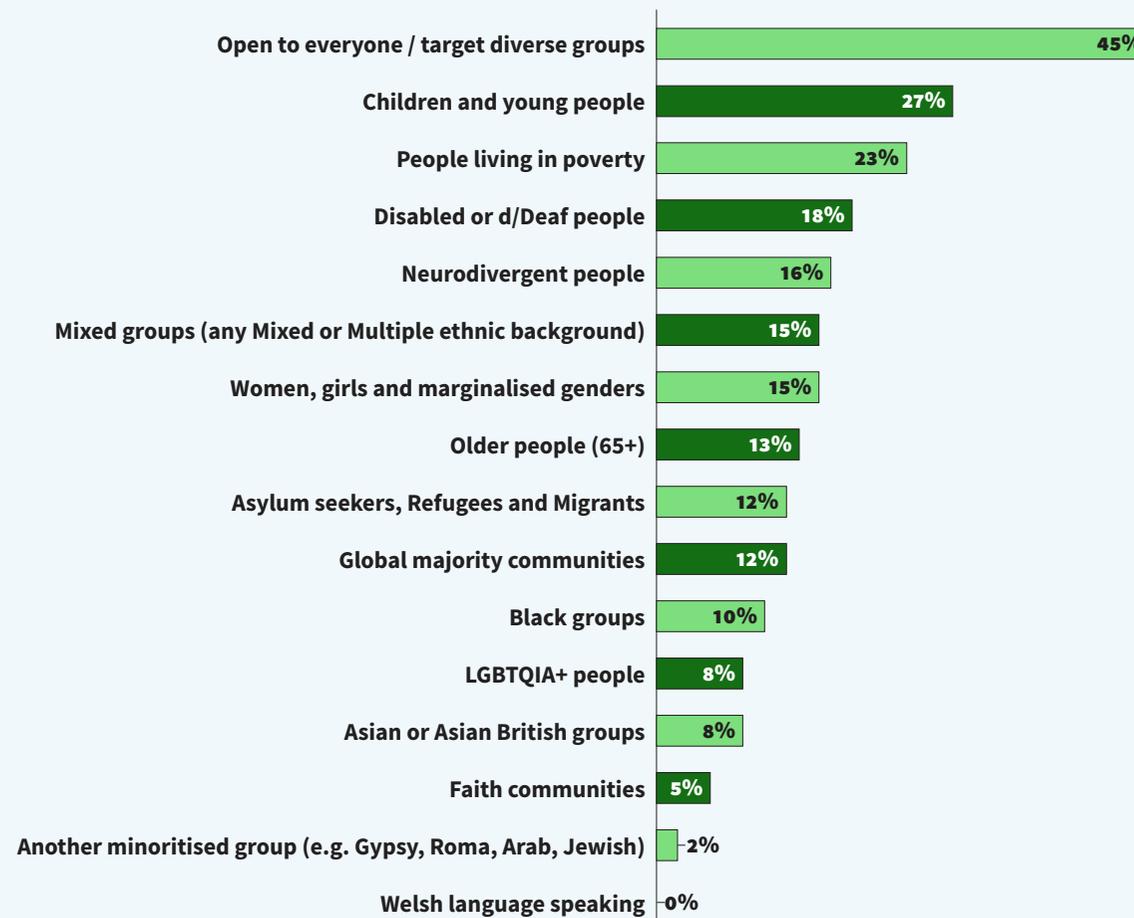
- **Global majority communities (a range of ethnic groups, except white British, other white groups, white minorities):** 58 responses (9%).
- **Black groups (Black African/Black Caribbean/Black British/Black Mixed/Black Other):** 67 responses (10%).
- **Asian or Asian British groups (e.g. Indian, Pakistani, Bangladeshi, Chinese, Any other Asian background):** 47 responses (7%).
- **Mixed groups (e.g. White and Black, White and Asian, any other Mixed or Multiple ethnic background):** 65 responses (10%).
- **Specific group experiencing ethnic or racial inequity not listed above (e.g. Gypsy, Roma and Traveller Communities, Arab, Jewish):** 30 responses (4%).

We were also interested in whether our survey respondents were working with the following population groups or people with specific circumstances. On the whole, we achieved a good representation across these groups:

- **Asylum seekers, refugees and migrants:** 79 responses (12%).
- **Neurodivergent people (including learning disabilities and difficulties):** 104 responses (16%).
- **Disabled or d/Deaf people:** 123 responses (18%).
- **Women, girls and marginalised genders:** 97 responses (15%).
- **LGBTQIA+ people:** 52 responses (8%).
- **Faith communities:** 36 responses (5%).
- **Older people (65+):** 85 responses (13%).
- **Children and young people (up to 25 years old):** 182 responses (27%).
- **People living in poverty (experiencing economic or educational disadvantage):** 153 responses (23%).



Population groups, circumstances and communities supported by charities in our sample



The groups we focus on in this report

We provide a dedicated section in the report (see the section on [Diversity, equality and inclusion groups](#)) for some of the groups on the basis of:

We have a very strong representation (over 100 responses) of organisations working with specific ethnic minority communities from the following list (charities typically selected two of these, as well as groups from the second list below). This includes:

- Having at least 50 responses.
- Uncovering differences in skills, barriers and funding needs in our analysis.
- Sector research and campaigns highlighting chronic underfunding for specific groups.
- Linked to the above, our previous reports focused on a specific group.

We decided to focus on charities led by specific groups because there were clear differences in responses. In contrast, responses from charities working with each target group tended to be less distinct. This is due to the larger sample sizes and because charities typically work with four or more groups (given that people have intersectional backgrounds and identities, as well as charities working with a range of groups). For this reason, we do not provide a detailed breakdown of responses for each target group.

In our [Diversity, equality and inclusion](#) section of the report, we provide profiles for:

- **Black led charities:** Black groups (Black African/Black Caribbean/Black British/Black Mixed/Black Other): 66 responses (10%).
- **Disabled or d/Deaf led charities:** 72 responses (11%).
- **LGBTQIA+ led charities:** 57 responses (9%).
- **Charities led by neurodivergent people:** Neurodivergent includes those with cognitive differences, learning disabilities and learning difficulties: 76 responses (12%).

[On our website](#), we also publish our datatables detailing the responses in full for these groups (as well as others) for further investigation.

UK nations and regions in our sample

Overall, we have a strong representation of responses from across the UK nations and England regions. For the first time since the survey launched, we have enough representation from charities in Northern Ireland to analyse the data independently of our main sample.

Nations represented

- **England:** 484 responses (72%), similar to 2024.
- **Wales:** 60 responses (9%), similar to 2024. Large charities make up 49% of the respondents (higher than the 31% in our main sample) and 49% are small.
- **Scotland:** 59 responses (9%), similar to 2024. Large charities make up 45% of the respondents (higher than the 31% in our main sample) and 53% are small.
- **Northern Ireland:** 42 responses (6%), an increase from 14 responses in 2024. Of these, 67% are small charities.
- **Mostly online/remote:** 34 responses (5%).
- **Charities working across the UK/UK-wide:** 121 responses (18%).

England regions

We have a good representation of charities in every region in England. However, we could build on this to improve representation in the North of England and the Midlands.

To aid our regional analysis this year, we filtered out charities working across the UK and England. As a result, some of the responses for individual regions are too low to compare. We combined the responses from each region into the following groups. Note that the individual regional totals will not add up to the combined total number, as many charities work in multiple regions. The proportions of small and large charities are largely consistent in each. We have analysed the differences between these regions (see 'nations and regions' section):

- **London (150 responses, 23%):** including London only (150).
- **South of England (185 responses, 28%):** including East of England (45), South West (48), South East (92).
- **Midlands (61 responses, 9%):** including West Midlands (34) and East Midlands (29).
- **North of England (90 responses, 13%):** including North West (40), Yorkshire and the Humber (33), North East (24).

When looking at the NCVO Almanac 2023 data, 51% of charities are based in London and the South. Our responses are consistent with this. However, we have a slight under representation of charities in the North of England (13% compared to 16%). We also have an under representation in the Midlands (9% compared to 21%). It is worth noting, however, that we filtered out organisations working across the UK and England (the NCVO Almanac does not). We also asked where organisations are based and deliver the majority of their work, while the NCVO Almanac only focuses on main office locations.

Detailed findings



Digital skills and capabilities

Core digital skills and capacity

Charities are struggling with using AI tools in their work and keeping up to date with emerging tech trends. Half are finding that resourcing digital effectively is challenging.

Continuing the approach from our 2024 report, we asked charities about their skills and capacity in one question. As well as asking charities to rate their skills and capacity levels, we also give them the option to say ‘we don’t do this’.

Top core digital skills

- **Using digital tools in everyday work:** 27% of charities rate themselves as excellent in this area. This is similar to last year. The fact that almost two-thirds (64%) of charities rate themselves as fair suggests that there is potential for charities to either upskill or plan how to integrate these tools more effectively into their operations.
- **Collect, manage and analyse data:** 72% say they are fair or excellent at this, with a quarter of charities (27%) saying they are poor at or do not collect and analyse data. This has fallen significantly from 42% in 2024, indicating that the charities with the biggest skills gaps are starting to progress here. Later on in the survey, we also see that 35% of charities say they progressed with this area in the last 12 months.
- **Using data to inform decision making or strategy:** 18% rate themselves as excellent at this, similar to 2024. However, more than half (52%) say that they are fair at this and a quarter (25%) say that they are poor. The results are similar to 2024, highlighting the need to improve data collection and analysis first.
- **Using digital tools in service delivery:** 18% are excellent at this, similar to last year. Crucially, more charities say that they are fair (58%) compared to 45% last year and less charities rate themselves as poor (16% in 2025, vs 27% in 2024), indicating that charities are improving in this area.

Large and small charities have similar results for these three areas of digital skills. We are starting to see improvements in basic core digital skills, with less charities saying they are poor or not using these skills effectively. However, the lack of growth in charities rating themselves as excellent shows that there is potential for organisations (and those that support them, such as funders) to invest in skills and capacity building.

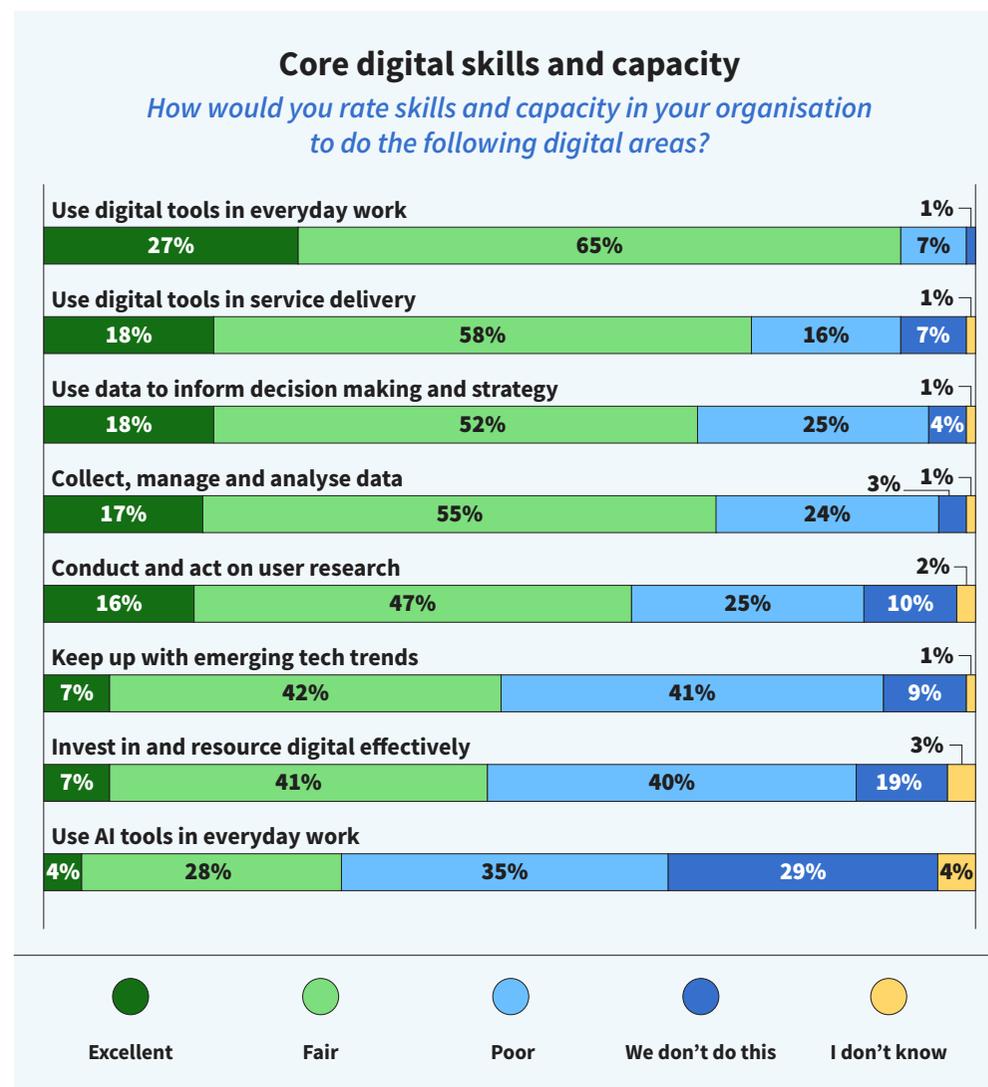
Digital skills and capabilities

Key areas for development

The areas in which the highest proportions of charities are saying they are poor or don't use that skill are:

- Using AI tools in everyday work:** Over a third (35%) say they are poor at this, while 29% say they don't do this. This means that almost two-thirds of charities (64%) either struggle with or are not using these tools. Only 4% feel they are excellent at using AI tools.
- Keeping up to date with emerging tech trends:** Reinforcing this trend, half (50%) of charities are either finding this a challenge or are not across these trends. More than 4 in 10 (41%) of charities are poor at this and 9% don't do this. This is a slight improvement on last year when 56% of charities said that they were in these categories.
- Investing in and resourcing digital effectively:** Half of charities say that they are either poor at this (40%) or don't do this (10%). This is a significant increase from last year, when 38% of charities said that they were either poor or didn't do this. We believe this is a result of squeezed organisational finances (which, as discussed later, are a key barrier to digital for 69% of charities).
- Conducting and acting on user research:** Just over a third (35%) are either poor at (25%) or don't do this (10%). However, this is an improvement on 2024 when nearly half (48%) of charities assessed themselves to be in these categories.

Despite the growth in engagement with AI seen elsewhere in our report, it's a concern that so many charities are reporting difficulties with using these tools in their operations and keeping up to date with emerging tech trends.



Digital skills and capabilities

Engaging audiences

The areas where charities see themselves as excellent and poor are similar to last year, suggesting that skills have not grown significantly, nor have skills gaps closed.

Where charities are most confident

Two of the top three skills where charities are most confident are the same as last year:

- **Creating engaging content:** 80% are confident in this skill, with just over 1 in 4 (26%) excellent at creating engaging digital content, while 54% are 'fair' at this. This is similar to last year. 90% of large charities say they are excellent or fair at this, compared to 76% of small charities.
- **Social media:** 82% of charities rate themselves as excellent (25%) or fair (57%) at social media. This is similar to last year.
- **Making the most of their website:** Three-quarters of charities (74%) are making the most of their website. However, only 18% say that they are excellent at this. Although more than half (56%) are fair at this, more than 1 in 5 say they are poor and half are not making use of their website and analytics data ([see below](#)).

Where charities struggle most

The areas in which the highest proportions of charities rate themselves as 'poor' are similar to last year:

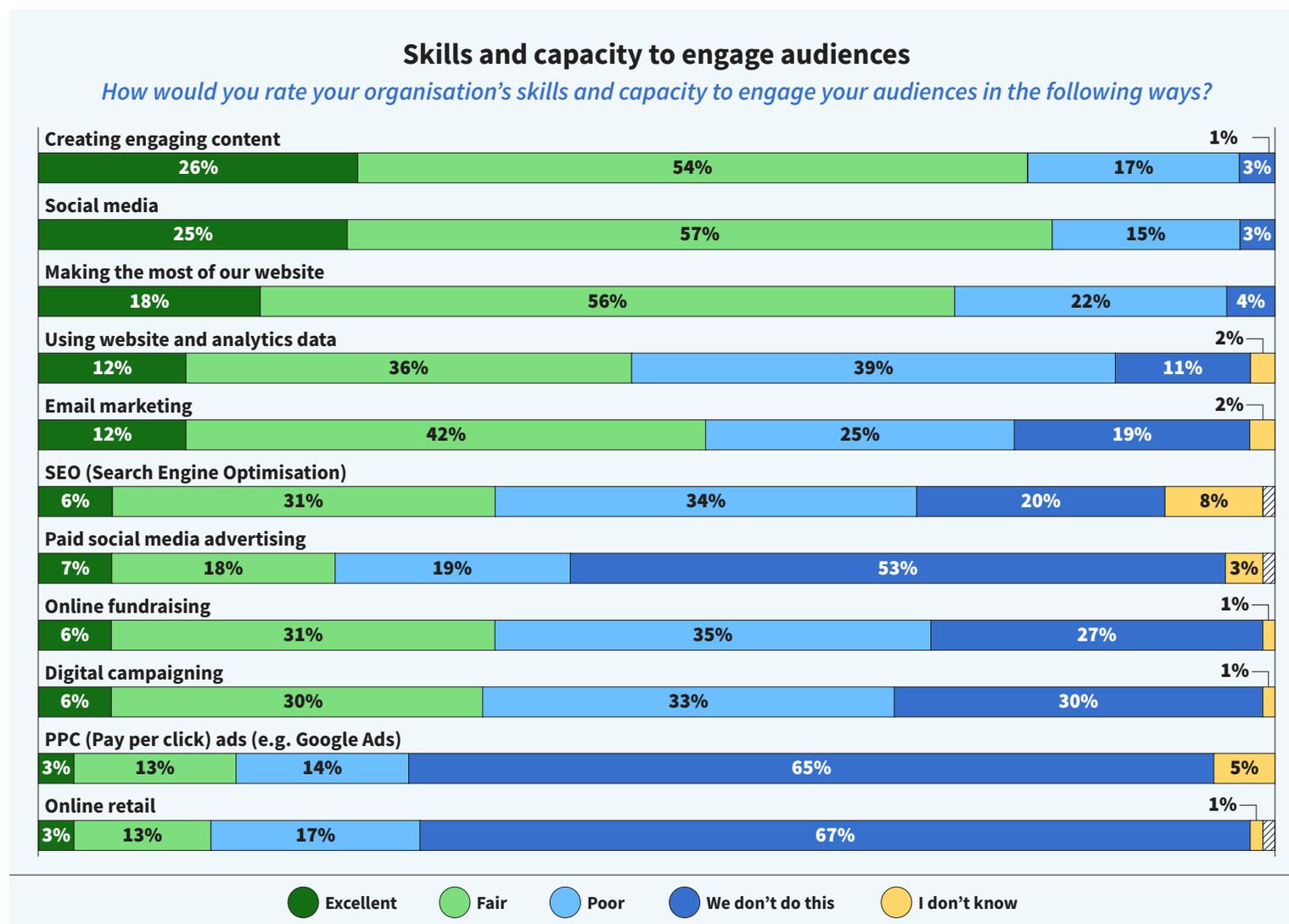
- **Making the most of their website and using analytics data:** A quarter of charities (25%) are struggling to make the most of their website, although it is promising to see that only 4% don't do this at all. Furthermore, half of charities are not making use of their website and analytics data, with (39%) saying they are poor at this (an increase compared to 31% last year). 11% are not doing this at all. Developing an online presence is crucial for charities to reach their target audiences and fundraise effectively.
- **Online fundraising:** 35% are poor at this, while 27% say they don't do this, which is surprising. These proportions are similar to last year. Looking at our data year on year, this is an ongoing, systemic skills gap across the sector.
- **Search engine optimisation (SEO):** 55% of charities struggle with SEO. This includes more than a third (34%) of charities that say their skills are poor, and an additional 20% do not use SEO. Again, this pattern of responses echo last year's report.
- **Email marketing:** A quarter of charities (25%) are poor at this, similar to 2024. Smaller charities are more likely to struggle with this, with 52% saying they are poor at or they don't do this, compared to 27% of large charities.
- **Digital campaigning:** 30% of charities do not do this, while a further 33% are poor at this, a slight increase on the 26% last year.

It's worrying that the areas where most charities see themselves as excellent, and many of the areas where they are poor, have not changed significantly since 2024.

Digital skills and capabilities

It is also worth noting that high proportions of charities do not do the following:

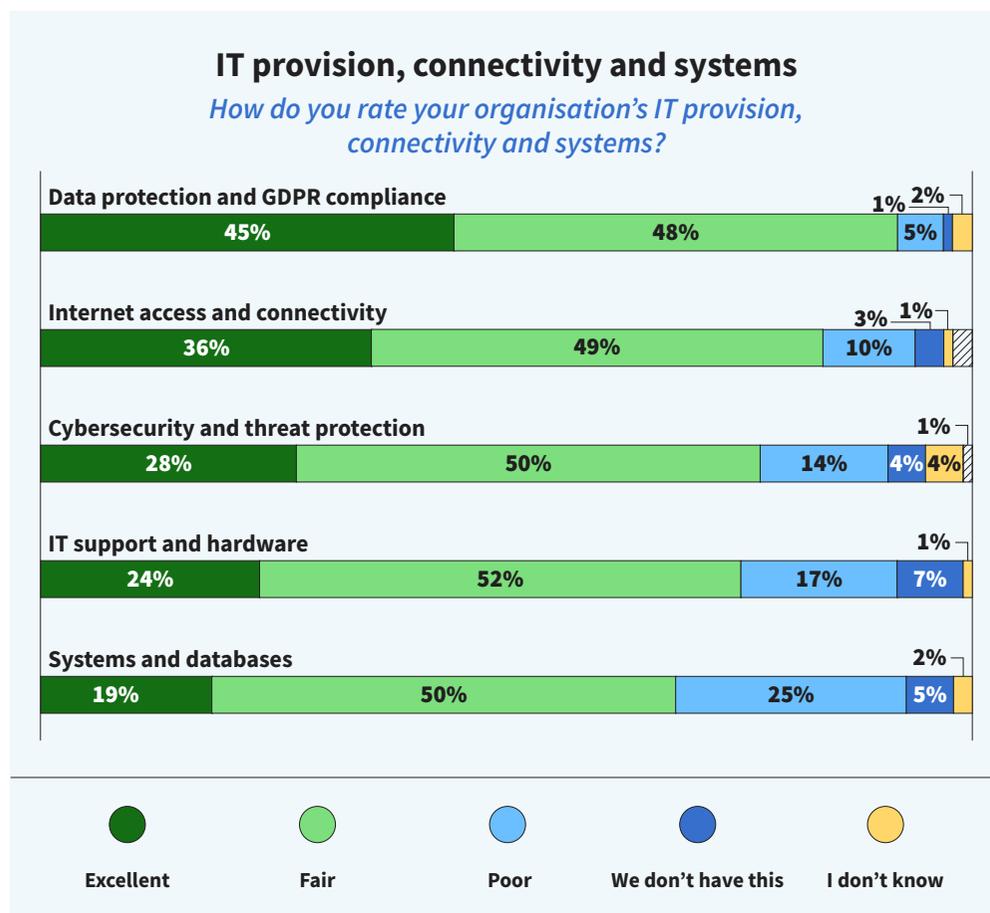
- Digital campaigning (30%).
- Paid social media advertising (53%).
- Online retail (67%).
- Pay per click (PPC) ads (66%).
80% of small charities don't do this, compared to 34% of large charities.



IT provision, connectivity and services

How do you rate your organisation's IT provisions, connectivity and services?

This was a new question for 2025, combining some elements of IT capability questions from previous years along with new elements.



The top areas where charities see themselves as excellent:

- 45% see themselves as excellent at data protection and GDPR compliance (similar to 42% last year).
- 36% see their internet connectivity as a strength.
- 28% are excellent at cybersecurity (an improvement on 22% last year) although half said they were fair at it.

However, charities need support with some aspects of IT:

- 30% say that their systems and databases (covering everything from internal management tools to client databases and CRMs) are poor or non-existent.
- 24% say that their IT support and hardware is poor or non-existent, with more than half (52%) stating that it is fair.

Small charities are struggling particularly here:

- 31% have poor or non-existent IT hardware and support.
- 35% have poor or non-existent systems and databases.
- 24% have poor or non-existent cybersecurity protection.
- 15% have poor or non-existent internet access and connectivity.

Overall digital progress

Digital stage

44% of charities have a digital strategy in place, which has declined from 50% last year. However, just over a third (34%) are advancing with digital.

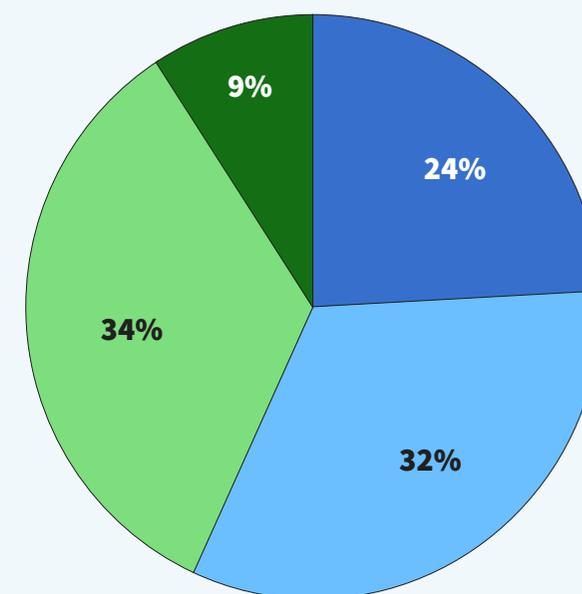
We describe four stages of digital development in our survey and ask respondents to select which is the best fit for their organisation ([see our definitions](#)). From this we can see:

- **Curious:** Just under 1 in 4 charities (24%) are at the earliest stage with digital. When we compare by size, 33% of small charities are at the curious stage, compared to 6% of large charities.
- **Starting out:** 32% are starting out with digital, similar to 2024. 35% of small charities are starting out with digital, compared to 26% of large charities.
- **Advancing:** 34% are advancing with digital and are investing, although it's not yet embedded. This is similar to last year. Only a quarter (24%) of small charities are advancing with digital, compared to 57% of large charities.
- **Advanced:** 9% are advanced with digital, compared to 14% last year. 8% of small charities say they are at this stage, compared to 11% of large charities.

Overall, this means that more than half (56%) of charities are at early stages with digital (i.e. curious or starting out). 44% have a strategy in place for digital and are advancing or advanced on their digital journey. This has fallen from 50% in 2024 and 48% in 2023. This means that there has been an overall decline in the proportion of charities with a digital strategy (advancing and advanced categories). Size also plays a role here. In 2022, 18% of small charities indicated that they were at the earliest curious stage of digital. This has grown every year, reaching 33% in 2025. In contrast, 2% of large charities were at the curious stage of development in 2022, compared to 6% in 2025.

Digital development stages

Which best describes your organisation's overall stage of digital development?



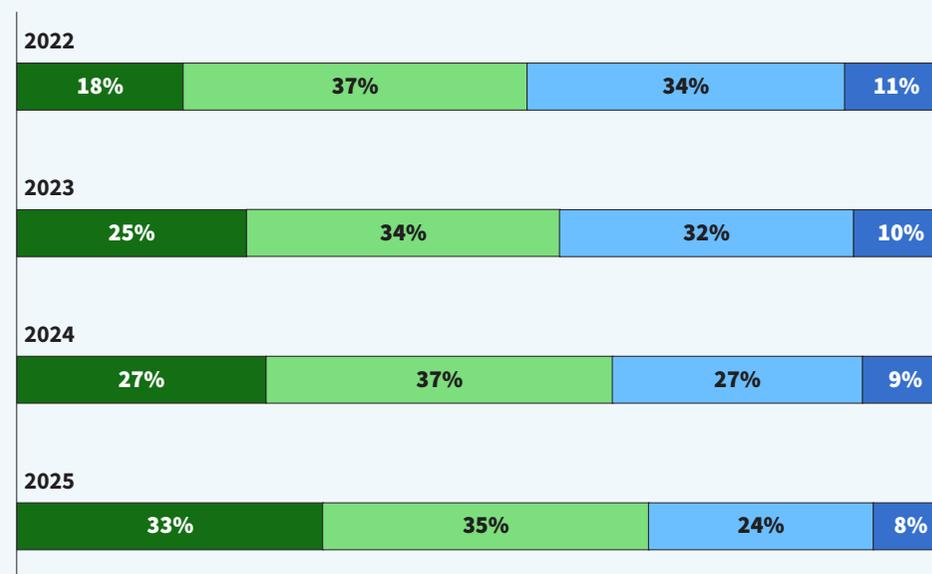
Overall digital progress

The gap between large and small charities

Again this year, larger charities are significantly further ahead with digital. However, both large and small charities have increasing proportions at an earlier stage with digital.

- **Small charities:** 68% are at an early stage with digital, while 32% have a strategy in place (advancing and advanced). This is slightly backtracking from 64% of small charities at an early stage and 36% with a strategy in place in 2024.
- **Large charities:** 32% are early stage, while 68% have a strategy in place (advancing and advanced). This also indicates a regression from 2024, when 26% were at the early stages of their journey, compared to 74% with a strategy in place.
- Income continues to play a significant role in digital maturity, as it did in 2024 and 2023. For each higher income bracket, we can see the proportion of charities at an early stage with digital (curious and starting out) decreasing:
 - **£0–£100,000:** 79% are early stage.
 - **£100,001–£500,000:** 61% are early stage.
 - **£500,001–£999,999:** 59% are early stage.
 - **£1m+:** 32% are early stage.

Shifts in digital development stages for small charities



Curious Starting out Advancing Advanced

Overall digital progress

Key differences in digital maturity

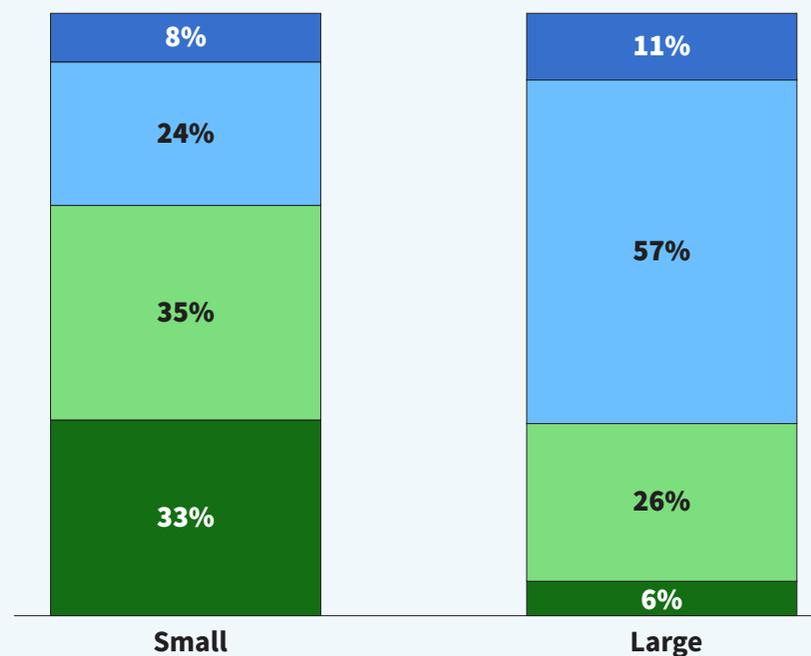
There are higher proportions of charities at an early stage with digital with the following key characteristics. Size is either not a factor here (they have similar proportions of small and large charities) or has been accounted for.

Note that in our overall sample, 56% of charities are at an early stage with digital (including 24% at the curious stage and 32% who are starting out).

- **Black led:** 68% are at an early stage (32% curious, 36% starting out).
- **Older people led charities:** 72% are at an early stage (22% curious, 40% starting out).

There are also regional variations in digital development stages. Northern Ireland has a higher proportion of charities at an early stage with digital (64%), as do charities in the Midlands (67%). Further detail can be found in our [Nations and Regions](#) section.

Digital development stages of small and large charities
Which best describes your organisation's overall stage of digital development?



● Curious ● Starting out ● Advancing ● Advanced

Overall digital progress

Digital stage and skills development

When we look at each digital stage, we can also see a clear shift in digital skills and capacity. We looked at the proportion of charities rating their skills and capacity as excellent or fair for each skill, according to the digital stage they selected. This helps us build a picture of how charities make progress with digital and what skills they develop first.

Curious stage and skills development

We have some digital basics in place, such as social media or remote working, and see opportunities to do more.

Strong skills. Most charities (70% or more) in this earliest stage of digital will typically have good or excellent skills and capacity in terms of:

- Data protection and GDPR compliance (86%).
- Use digital tools in everyday work (81%).
- Social media (73%).
- Creating engaging content (71%).

Some skills. Charities at this stage will be starting to make progress, with over half (50–70%) having good or excellent skills and capacity in the following areas:

- Cybersecurity and threat protection (63%).
- Use digital tools in service delivery (62%).
- Use data to inform decision making and strategy (60%).
- Collect, manage and analyse data (58%).
- Making the most of our website (56%).
- IT support and hardware (53%).
- Systems and databases (53%).

Limited skills. Charities are likely to have limited skills and capacity in the following areas, with less than half 50% rating themselves as excellent or good:

- CBoard digital skills (49%).
- CEO digital skills (54%).
- Conduct and act on user research (49%).
- Email marketing (35%).
- Using website and analytics data (28%).
- Keep up with emerging tech trends (27%).
- Invest in and resource digital effectively (25%).
- Use AI tools in everyday work (26%).
- Search Engine Optimisation (20%).
- Online fundraising (26%).
- Paid social media advertising (10%).

Making progress. Less than half (39%) made good or significant progress with digital in the last 12 months. This group is most likely to focus on progress in terms of social media engagement (62%), revamping their website (39%) and staff or volunteer digital skills (34%).

Digital skills by development stage

Charities rating themselves as having excellent or fair skills and capacity at each stage of digital development



Up to 50%

50% - 70%

More than 70%

Overall digital progress

Starting out stage and skills development

We're developing our use of digital but we don't yet have a strategy in place.

Strong skills. Most charities (70% or more) in this earliest stage of digital will typically have good or excellent skills and capacity in terms of:

- Data protection and GDPR compliance (91%).
- Use digital tools in everyday work (90%).
- Social media (78%).
- Creating engaging content (72%).
- Cybersecurity and threat protection (74%).
- Use digital tools in service delivery (72%).
- Making the most of our website (72%).
- IT support and hardware (70%).

Some skills. Charities at this stage will be starting to make progress in the following areas, with over half (50–70%) having good or excellent skills and capacity in:

- CEO digital skills (60%).
- Systems and databases (59%).
- Use data to inform decision making and strategy (65%).
- Collect, manage and analyse data (63%).
- Conduct and act on user research (57%).
- Email marketing (50%).
- Board digital skills (45%).

Limited skills. Charities are likely to have limited skills and capacity in the following areas, with less than half 50% rating themselves as excellent or good;

- Using website and analytics data (38%).
- Keep up with emerging tech trends (33%).
- Invest in and resource digital effectively (30%).
- Use AI tools in everyday work (24%).
- Search Engine Optimisation (31%).
- Online fundraising (39%).
- Paid social media advertising (19%).

Making progress. Half (51%) made good or significant progress with digital in the last 12 months. The biggest areas of progress are the same as the other stages (social media engagement at 61% and revamping our website at 45%). However, at this stage there are also more charities making progress with:

- IT, systems or infrastructure upgrades (33%, vs 13% at the curious stage).
- Digital communications (32%, vs 22% at the curious stage).
- Data protection and cybersecurity (27%, vs 16% at the curious stage).

Overall digital progress

Advancing stage and skills development

Digital is part of our strategy and we're investing in technology and skills, but we've not embedded this yet.

Strong skills. Most charities (70% or more) in the advancing stage of digital will typically have good or excellent skills and capacity in terms of:

- Data protection and GDPR compliance (97%).
- Use digital tools in everyday work (99%).
- Social media (89%).
- Creating engaging content (90%).
- Cybersecurity and threat protection (92%).
- Use digital tools in service delivery (83%).
- Making the most of our website (83%).
- IT support and hardware (91%).
- Systems and databases (82%).
- Use data to inform decision making and strategy (77%).
- Collect, manage and analyse data (87%).
- Conduct and act on user research (72%).
- CEO digital skills (78%).

Some skills. Charities at this stage will be starting to make progress in the following areas, with over half (50–70%) having good or excellent skills and capacity in:

- Board digital skills (65%).
- Email marketing (65%).
- Using website and analytics data (61%).
- Keep up with emerging tech trends (66%).
- Invest in and resource digital effectively (68%).

Limited skills. Charities are likely to have limited skills and capacity in the following areas, with less than half rating themselves as excellent or good:

- Search Engine Optimisation (48%).
- Online fundraising (41%).
- Use AI tools in everyday work (37%).
- Paid social media advertising (37%).

Making progress. 85% made good or significant progress with digital in the last 12 months. Similar to other stages, social media engagement is the biggest area of progress (57%), as is a website revamp (45%). At the advancing stage, we can also see more progress with:

- IT, systems or infrastructure upgrades (48%, vs 33% starting out) – as a result, 82% rate their systems and databases as excellent (20%) or fair (62%), up from 59% at the previous starting out stage.
- Our strategy for digital, data or AI (45%, vs 9% starting out).
- Staff and volunteer digital skills (45%, vs 29% starting out).
- Data protection and cybersecurity (45%, vs 27% starting out).
- Data collection, analysis or use (44%, vs 30% starting out).
- Digital policies and governance (42%, vs 13% starting out).

Overall digital progress

Advanced stage and skills development

Digital is fully embedded in our organisational strategy and our ways of working.

Strong skills. Most charities (70% or more) in the advanced stage of digital will typically have good or excellent skills and capacity in terms of:

- CEO digital skills (90%).
- Board digital skills (78%).
- Data protection and GDPR compliance (99%).
- Use digital tools in everyday work (100%).
- Social media (94%).
- Creating engaging content (94%).
- Cybersecurity and threat protection (85%).
- Use digital tools in service delivery (98%).
- Making the most of our website (94%).
- IT support and hardware (92%).
- Systems and databases (89%).
- Use data to inform decision making and strategy (89%).
- Collect, manage and analyse data (92%).
- Conduct and act on user research (84%).
- Email marketing (76%).
- Using website and analytics data (81%).
- Keep up with emerging tech trends (90%).
- Invest in and resource digital effectively (87%).
- In addition, 42% say their services are digital by default, or fully online, compared to 9% at the advancing stage.

Some skills. Charities at this stage will be starting to make progress in the following areas, with over half (50–70%) having good or excellent skills and capacity in:

- Use AI tools in everyday work (57%)
- Search Engine Optimisation (60%).

Less than half have good or excellent skills in online fundraising (48%) and paid social media advertising (33%).

Making progress. Most charities (89%) at the advanced stage have made good or significant progress with digital in the last 12 months. Similar to the advancing stage, key areas of digital progress include social media engagement (56%), staff and volunteer digital skills (51%), data collection, analysis or use (51%), digital policies and governance (48%), data protection and cybersecurity (48%), a website revamp (46%) and recruiting new digital, data or technology roles (32%). Higher proportions are progressing with:

- AI tools, use cases, opportunities and risks (51%, vs 37% advancing).
- Operations and administrative tasks (49%, vs 29% advancing).
- Accessibility, inclusion and diversity in digital services (35%, vs 22% advancing).
- Using digital tools in service delivery (33%, vs 24% advancing).
- Attracting funding or donations (30%, vs 19% advancing).
- Recruiting new digital, data or technology roles (32%, vs 24% advancing).

Overall digital progress

Digital achievements

Almost two-thirds of charities (63%) have made progress with digital this year.

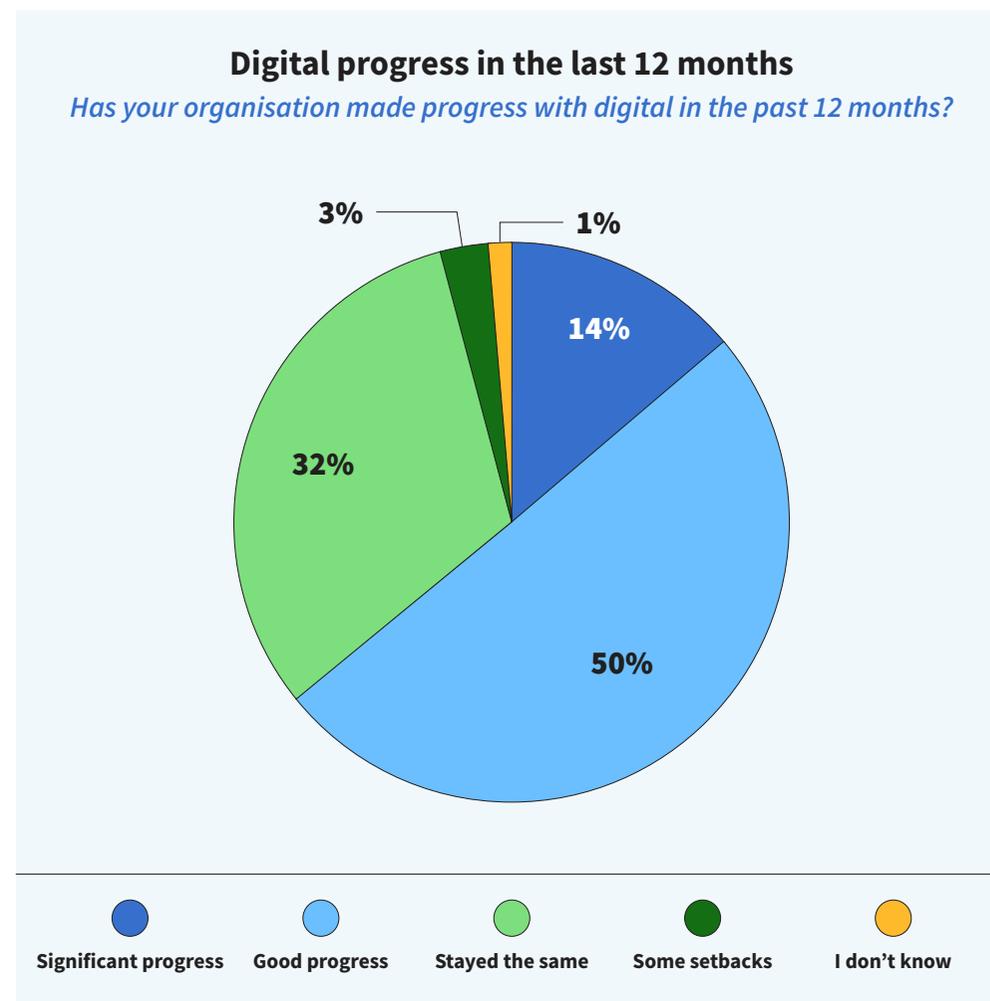
This is a new question designed to measure charities' overall sense of progress before we find out which areas they have made progress in (see next question).

- 50% have made good progress (by developing skills and capacity).
- 14% have achieved significant progress.
- Just under a third (32%) have stayed the same.
- 3% have encountered setbacks that have reversed progress.

It's encouraging that around two-thirds of charities (63%) have moved forward with digital, despite the significant financial challenges facing the sector.

Digital achievements are also related to both size and stage, with larger charities and those with stronger digital capacity making more progress with digital:

- Three-quarters (76%) of large charities have made good or significant progress with digital this year, compared to 59% of small charities.
- 86% of those at the advanced and advancing digital stages have made progress this year (61% significant and 25% good), compared to 39% at the curious stage and 51% at the starting out stage.



Overall digital progress

Where charities have made progress in digital, data and tech

Almost 6 out of 10 charities (59%) have moved forward with social media engagement and 44% have improved their websites.

The top 3 areas where charities have made progress are:

- 1 Social media engagement (59%):** This had a significant lead on other areas of progress.
- 2 Revamped our website:** 44% of charities improved their sites.
- 3 Improved staff and volunteer digital skills (37%):** This is similar to the 40% who progressed this last year.

Progress in social media and websites indicates that charities are still investing in digital marketing and their infrastructure.

It's also notable that a third (35%) progressed their data collection, analysis or use, and 34% progressed IT, systems or infrastructure upgrades.

Large charities are more likely to have made progress with:

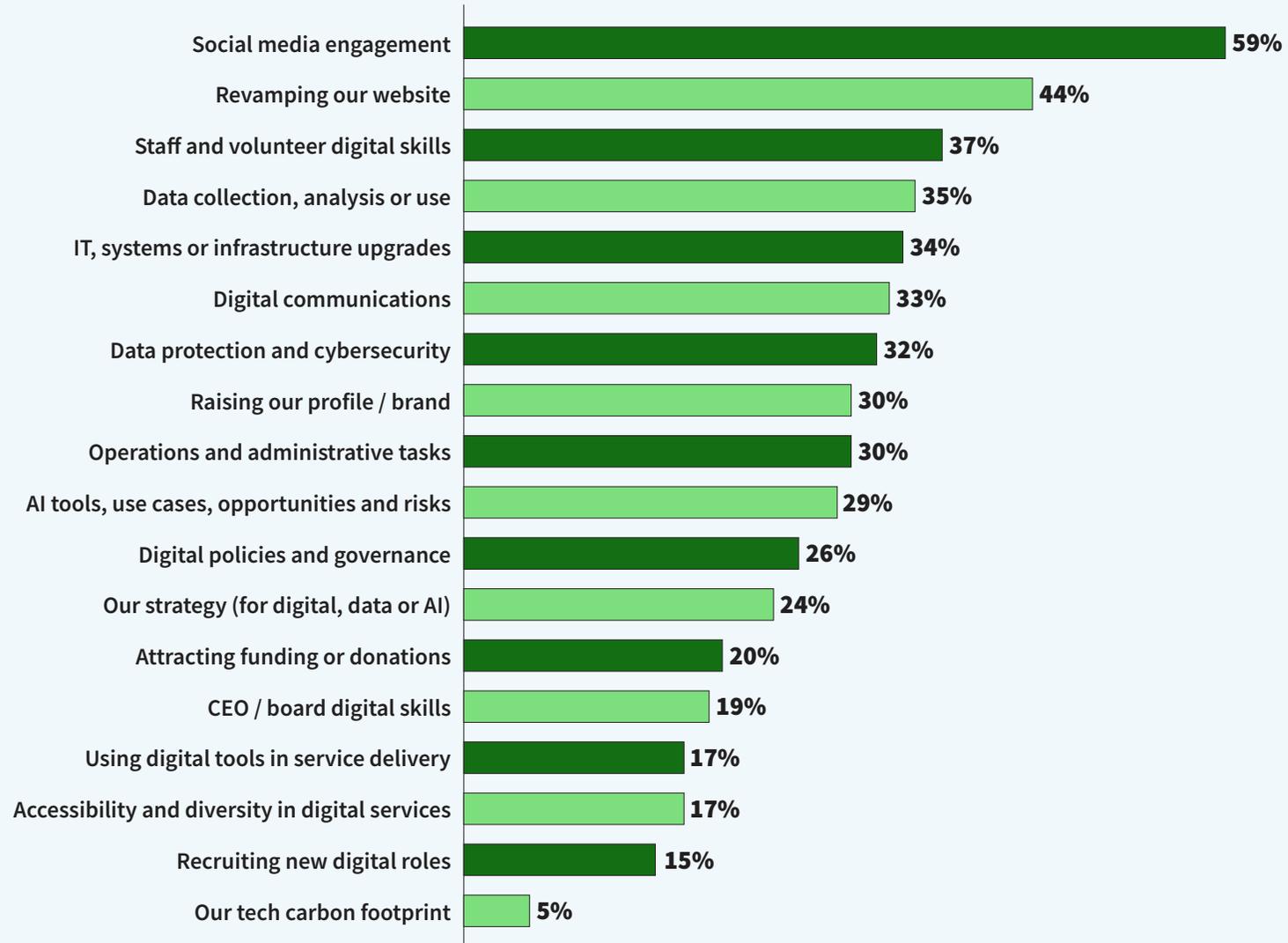
- IT, systems or infrastructure upgrades (53%, vs 27% of small charities)
- Data protection and cybersecurity (46%, vs 26% of small charities)
- Data collection, analysis or use (45%, vs 31% of small charities)
- Our strategy (for digital, data or AI) (41%, vs 17% of small charities)
- AI tools, use cases, opportunities and risks (41%, vs 24% of small charities).

Small charities are more likely to say they have made progress with:

- Social media engagement (66%, vs 47% of large charities)
- Revamping our website (43%, vs 47% of large charities)
- Staff and volunteer digital skills (39%, vs 35% of large charities)
- Operations and administrative tasks (32%, vs 26% of large charities).

Key areas of digital progress in the last 12 months

Which areas of digital, data or technology have you made progress in, or focused on over the last 12 months?



Overall digital progress

What are the most significant factors which helped charities make progress with digital?

For the first time in our report, we asked a qualitative question to gather insights on the critical actions that helped charities achieve progress. We had 478 qualitative responses to this question. The most popular themes are outlined below.

1 Funding and resource allocation

“Funding to invest in a CRM system and funding ... for more up to date laptops. Our website company is also working hard on sustainability.”

“Creating a dedicated fund for digital transformation and recruiting a new role with the skills to lead its delivery.”

“The investment from our board 12 months ago to create an inhouse innovation team. This allowed us to develop a solution quickly and test with our users.”

2 Strategic leadership

“Employing a forward thinking Director to drive forward the business model and Community Development Manager with digital ‘enthusiasm’ to revolutionise the charity’s ways of working and seize opportunities to focus on automation and fundraising.”

“Strong leadership by CTO with significant experience. Building internal relationships and changing the Tech function from an order-taker to a partner. Org appetite for exploring AI is unlocking different conversations about digital and tech in general.”

“Having a clear strategy and roadmap which has buy-in from board level and strong ownership.”

3 Skills and capabilities

“Specific data-focused roles, in particular Data Protection Officer, Database Officer, Impact and Evidence Manager.”

“We have an app as part of our mission delivery – so hiring a React Native Engineer and Product Owner and integrating systems into our practice such as PostHog and AWS.”

“Transformation programme. Prioritising digital over other things – making the time to learn how to do things.”

Overall digital progress

4 Processes, tools and ways of working

“Using AI to support content creation, data analysis, helping to create automation and refining reports. We have also started to automate some admin tasks.”

“We’ve restructured (lost staff) so have had to become more efficient with how we work digitally and use online tools.”

“Always seeking to be user-led with our digital project and innovations – we have used a combination of ‘problem/hypothesis statements’, and flexible, agile project planning to help keep user needs front and centre.”

5 Support and partnerships

“Digital Candle made an introduction to The Developer Society who created a new website for us that is super accessible.”

“Help from a corporate org who did a comms workshop with us which included digital comms. With a follow up which taught leadership how to use paid social media ads well for recruitment.”

“Worked in partnership to bring a new product to market in the UK; fostered a curious and open attitude among the team to digital; worked in partnership with Scottish Tech Army.”

6 Infrastructure and cybersecurity

“Moving to a single cloud-based platform (Google) rather than a mixed system. Using project management software. Improved policy and practice around data protection supported by digital systems.”

“We have developed a new digital strategy to support the implementation of a CRM system which will help to streamline our work. Through our research and development, we have been reviewing our existing digital infrastructure.”

“Focused on security and training for rolling out Microsoft Copilot licenses. After 1 month of use with AI, we are seeing significant benefit and cost savings.”

Analysis

The themes above chime with what we see in the data from our report. Funding, leadership, skills, support and infrastructure are critical success factors for charities who progress with digital, so it’s not surprising that these are reinforced in these insights.

What also stands out from some of these responses is how purposeful charities are now being about technology, with goals behind their actions. It’s encouraging to see the results achieved by charities who had a clear rationale for what they did.

Overall digital progress

Barriers to digital progress

More than 60% of charities aren't progressing with digital because of squeezed finances, funding, headspace and capacity. These are the same top 3 barriers as last year.

The cost of living crisis is continuing to block charities from making progress with digital. The top five challenges they face are very similar to last year. Charities are facing many constraints to digital progress in the current climate, with an increase in need for digital funds this year. The most significant barriers to progressing with digital are as follows, and were similar to 2024 unless stated otherwise:

- 1 Squeezed organisational finances (69%).
- 2 Finding funds to invest in infrastructure, systems and tools (64%, up from 60% last year).
- 3 Lack of headspace and capacity (64%).
- 4 Lack of technical expertise or someone to lead on digital (41%).
- 5 Staff/volunteer digital skills (40%), down from 47% last year.

It's not surprising but it is concerning that finances, funding and skills continue to be ongoing hurdles for charities when moving ahead with digital. As we saw in last year's report, the stress of the financial squeeze gripping the sector also means that almost two-thirds of charities do not have the bandwidth to plan their next steps in digital.

Worryingly, this is continuing to have a disproportionate impact on small charities. They face the same top 3 barriers as large charities, but to a greater extent:

- 1 Squeezed organisational finances (72%, vs 61% of large charities).
- 2 Finding funds to invest in infrastructure, systems and tools (68%, vs 55% of large charities).
- 3 Lack of headspace and capacity (62%, vs 67% of large charities).

We can also see in the previous questions that, as a result, fewer small charities are making progress with digital (59%, vs 76% large).

It is also noteworthy that 43% of large charities are struggling to progress with digital because of the increase in National Insurance/minimum wage reducing their budget.

Funders and other organisations supporting the sector need to review how they can best support charities with organisational development, strategy, infrastructure and skills. In a context of increasing costs and declining budgets, charities will continue to make cuts and the sector will have less impact.

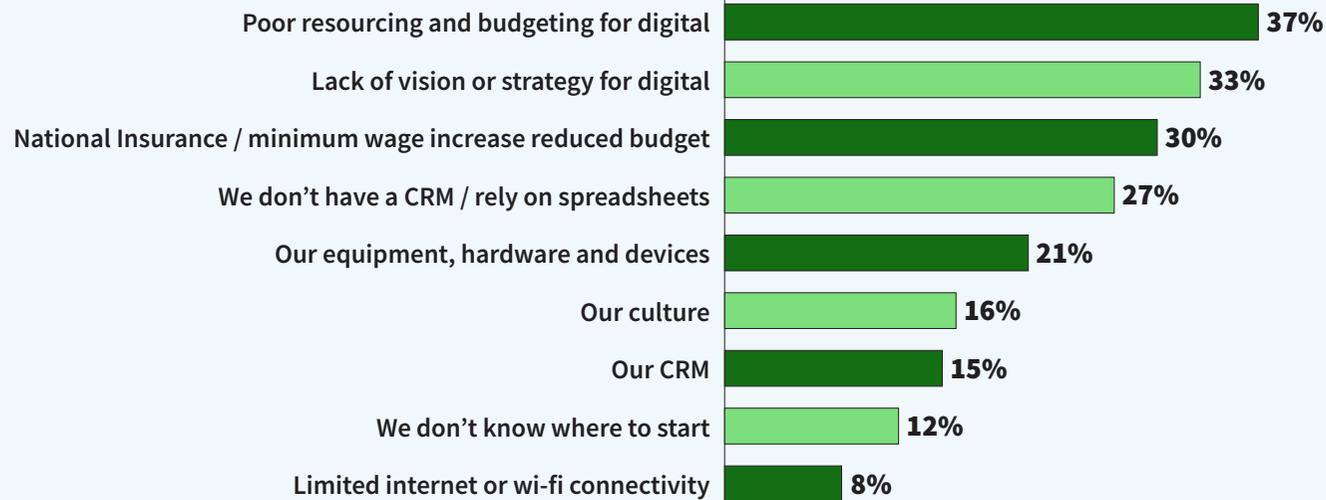
Barriers to moving forwards with digital

Are any of the following creating a significant barrier to your organisation from moving forwards with digital and data?

Top 5 barriers



Other barriers



Priorities for the year ahead

Organisational priorities

How important is your progress with digital and data compared to other priorities in your organisation?

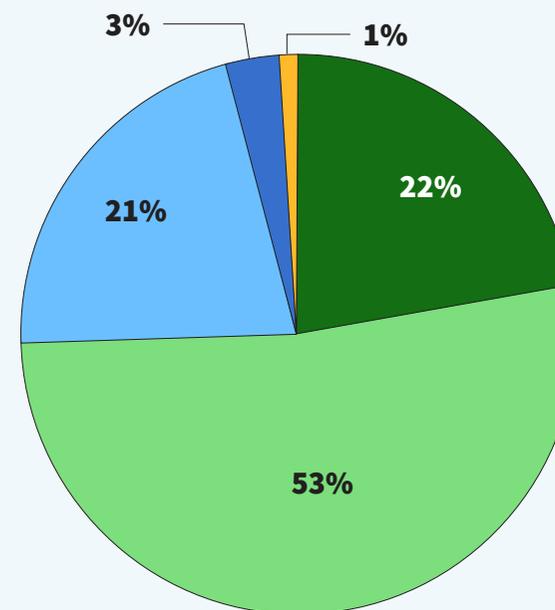
Digital is a priority for almost three-quarters of charities.

- Digital is an organisational priority (medium or high) for 75% of charities, falling from 80% last year.
- More than 1 in 5 (22%) of charities say that digital is a top priority for them, falling from 27% last year.
- However, it's positive that more than half (52%) see digital as a medium priority (i.e. important but there are other pressing priorities). This is similar to last year (53%).
- Almost 1 in 4 (24%) say that digital is either low priority or not a priority for them.

Large and small charities are both prioritising digital, with 82% of large charities saying digital is a high or medium priority in their organisation, compared to 72% of small charities.

How digital sits as an organisational priority

How important is your progress with digital and data compared to other priorities in your organisation?



Priorities for the year ahead

Digital priorities

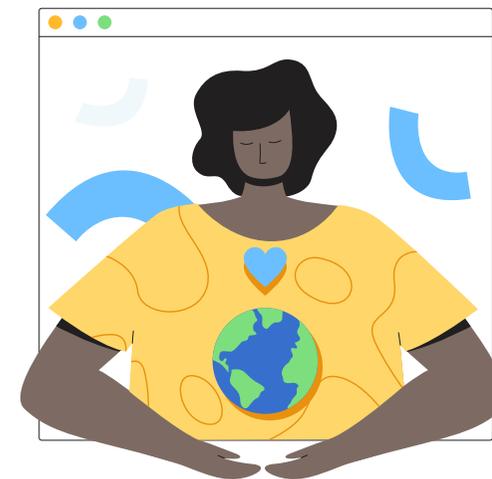
What do charities see as their key digital, data and technology priorities for the next 12 months?

Income is a clear priority for charities, with more than half saying that their key priorities are attracting donations (52%) and digital communications and fundraising (51%).

Top priorities

- 1 Attracting funding or donations (52%), the same as 2024.
- 2 Digital communications and fundraising (51%).
- 3 Develop our strategy for digital, data or AI (49%), up from 45% last year.
- 4 Grow staff/volunteer digital skills (43%), similar to last year.
- 5 Improve/use our data to improve services or operations (39%), this has fallen significantly from 48% last year.
- 6 Develop a strategic approach to using AI (36%).
- 7 Improve our use of digital tools in service delivery (31%, rising to 38% of large charities).

It is worrying that only 31% are looking to improve their use of digital tools in service delivery and, in turn, that only 28% of charities see accessibility, diversity and inclusion in digital services as a top priority. However, this is a higher priority for charities led by specific marginalised groups. This includes for black led charities (40%), disabled or d/Deaf led charities (53%), charities led by neurodivergent people (43%) and LGBTQIA+ led charities (40%).



Priorities for the year ahead

Lower priorities (for less than a third of charities)

- Accessibility, diversity and inclusion in digital services (28%, rising to 33% of large charities).
- Invest in IT, infrastructure or systems upgrades (28%).
- Digital policies and governance (23%).
- Strengthen data protection or cybersecurity (23%).
- Grow board/leaders' digital skills (20%).
- Develop, scale or offer new digital services (20%, rising to 27% of large charities, vs 15% of small charities).
- Support clients with devices, data or digital skills (digital inclusion) (16%). This rises to 25% of charities in the North of England and 22% in the Midlands, 25% in Scotland and 22% in Wales.
- Recruit new digital, data or technology roles (13%). This increases to 20% of large charities (but only 10% of small charities). Last year, 10% said hiring digital roles and 5% said hiring data roles was a priority.
- Reduce our tech/digital carbon footprint (12%).

Small charity priorities

- 1 Attracting funding or donations (59%).
- 2 Digital communications and fundraising (54%).
- 3 Develop our strategy (for digital, data or AI) (45%).
- 4 Grow staff/volunteer digital skills (45%).
- 5 Improve/use our data to improve services or operations (37%).

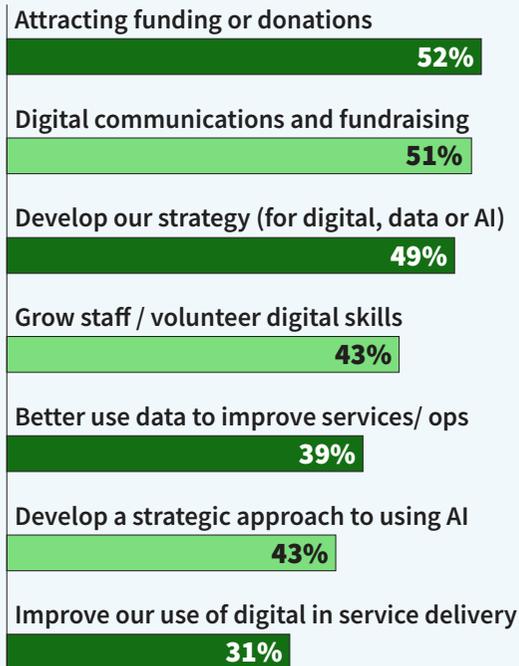
Large charity priorities

- 1 Develop our strategy (for digital, data or AI) (59%).
- 2 Develop a strategic approach to using AI (51%).
- 3 Improve/use our data to improve services or operations (46%).
- 4 Digital communications and fundraising (42%).
- 5 Grow staff/volunteer digital skills (41%).

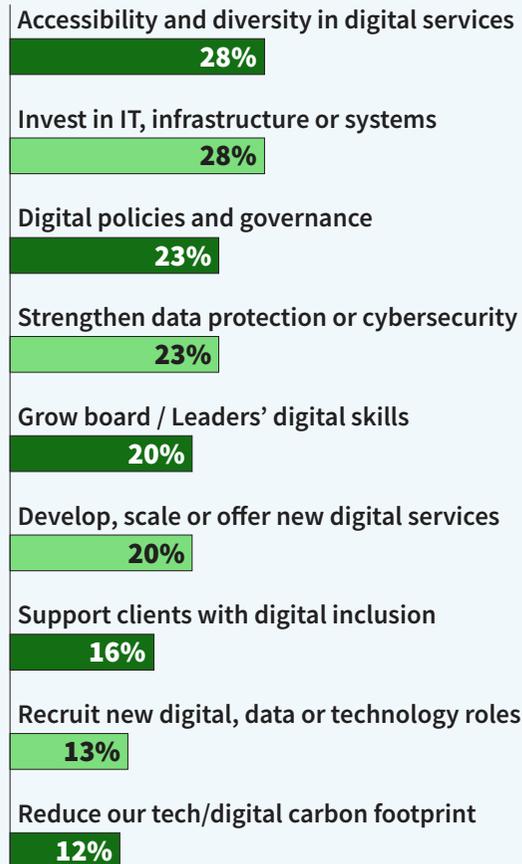
Digital priorities for the next 12 months

What do you see as your organisation's key digital, data and technology priorities for the next 12 months?

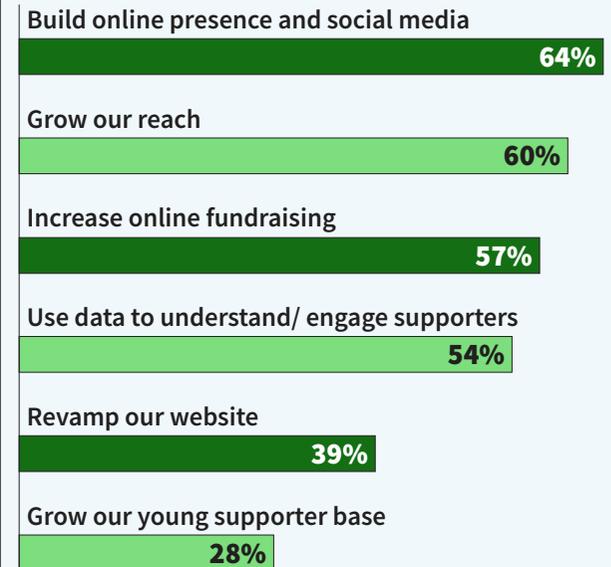
Top priorities



Lower priorities



Communications and fundraising priorities



Priorities for the year ahead

What are charities' digital communications and fundraising aims for the next 12 months?

Building digital presence and growing reach have become more urgent priorities for charities this year.

This is a new question based on the communications and fundraising answer options from a previous question.

Top 5 priorities:

- 1 Build our online presence and social media engagement (64%), up from 54% last year.
- 2 Grow our reach (60%), up significantly from 48% in 2024.
- 3 Increase online fundraising (57%), an increase from 52% last year.
- 4 Using data to better engage with supporters (54%).
- 5 Revamp our website (39%), similar to 2024.

The fact that growing charities' digital presences, growing reach and increasing fundraising have increased as priorities indicate how pressing generating income and meeting demand are.

We were surprised that growing a young supporter base was only a priority for 28% of charities. While not all organisations will be targeting young people, it does raise questions about the number of charities who are succession planning for the next generation of young supporters.

For those directly supporting children and young people (118 charities), 36% saw growing their young supporter base as a priority.

Social media

Has your charity changed how it is using social media?

More than half (51%) of charities have either left or reduced their use of X.

Anecdotally, we heard from some charities that they were changing which channels they used and how they used social media in the light of growing volatility on X (formerly Twitter). We decided to test this hypothesis by gathering data in a new version of a previous question.

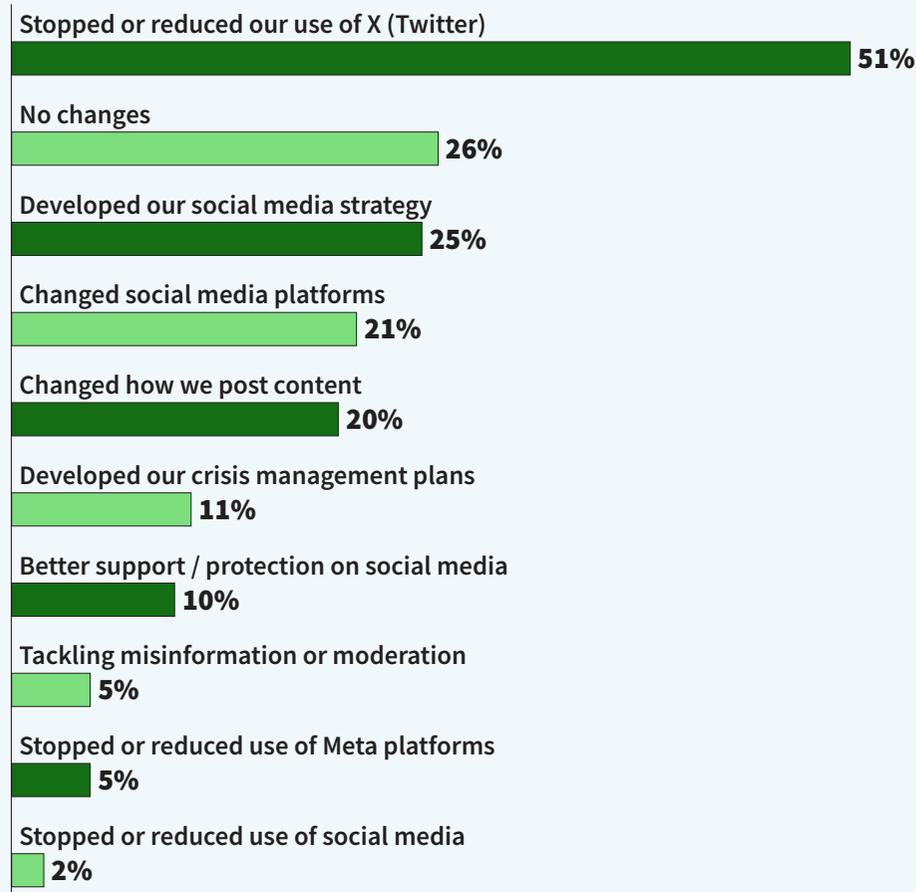
Charities are taking the following top 5 actions to respond (or not) to the changing social media landscape:

- 1 51% of charities have either left or cut back on their use of X (a dramatic increase from the 18% moving away from X last year). This rises to 60% of large charities and 65% of LGBTQIA+ charities.
- 2 In the light of the above, it's surprising that more than 1 in 4 (26%) have not made any changes.
- 3 25% have developed their social media strategy.
- 4 Just over 1 in 5 (21%) have changed the social platforms they use.
- 5 20% have changed how they post content on social media.

Given some of the sector conversations about safety concerns on social media over the last year, it's striking that only 11% have developed their crisis management plans (this rises to 20% of large charities) and 10% have improved protection/support for staff, volunteers or clients (14% were protecting staff last year). It's also surprising that just 5% are investing more in tackling misinformation or community moderation.

Social media changes

In response to recent changes in social media platforms, has your organisation made any of the following changes?



Digital inclusion

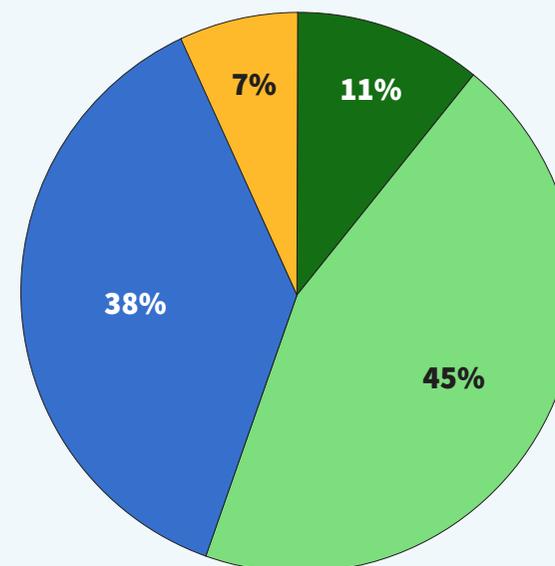
Specific groups of charities are also providing more digital inclusion support. Overall, 56% of charities support clients with digital inclusion. This rises to 64% of black led charities, 64% of charities led by older people) and 72% of charities in the North of England.

Supporting clients with devices, data or digital skills (digital inclusion) is also a bigger priority for specific nations and regions. Overall, 16% say this is an organisational priority. This rises to 25% of charities in the North of England, 22% in the Midlands, 25% in Scotland and 22% in Wales.

We can see that more charities want to provide digital inclusion support, with 20% saying this is what they most need funding for. This rises to 44% of black led charities.

Charities providing digital inclusion support

To what extent does your organisation support service users with digital inclusion (e.g. providing devices, skills training, data access)?



A great extent **To some extent** **Not at all** **Not sure**

Digital services

Digital service delivery

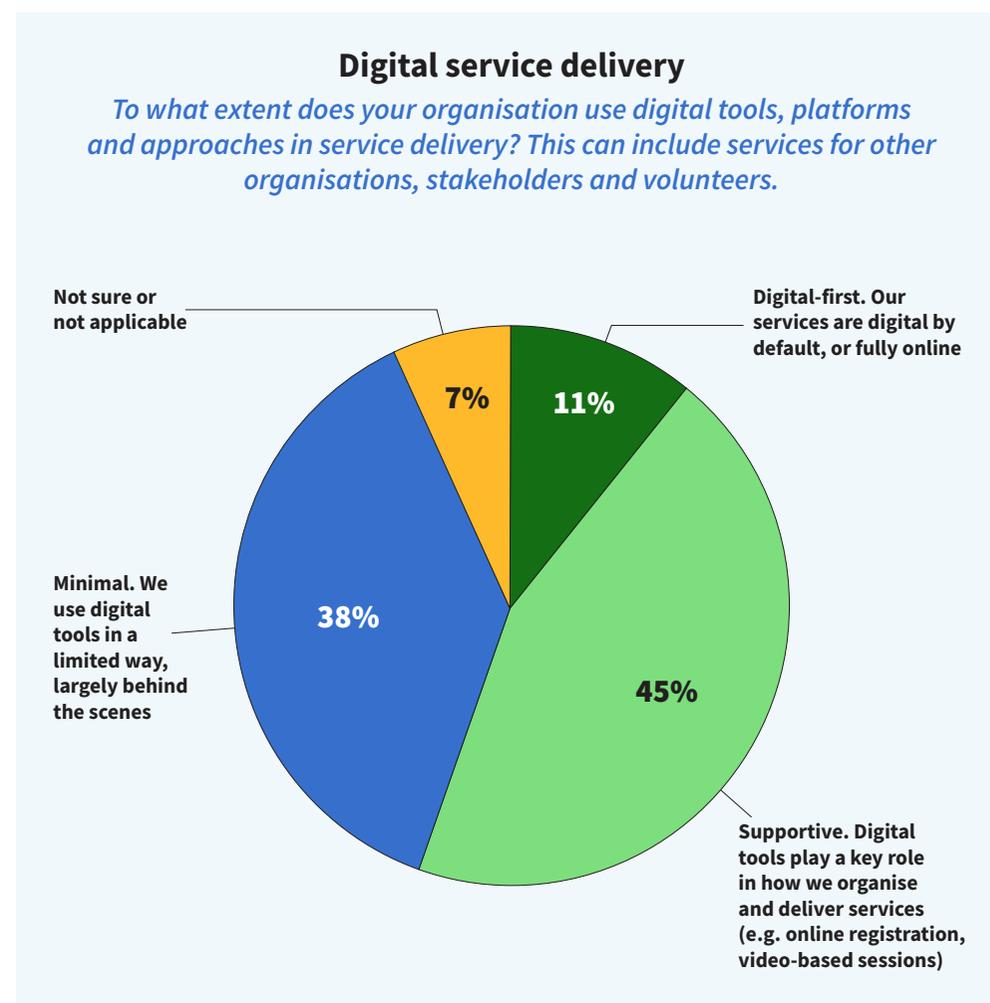
To what extent do charities use digital tools, platforms and approaches in service delivery? This includes services for other organisations, stakeholders and volunteers.

Five years on from lockdown, digital service delivery is firmly embedded across the sector, with the vast majority of charities using digital in service delivery.

- For more than half of charities (44%), digital plays a key supportive role in how they organise and deliver services. Here, digital can be a simple but important touchpoint, such as online registration or video sessions.
- Just over a third (39%) use digital in a limited way, behind the scenes.
- 9% offer services that are fully online and digital by default.

Taken together, this means that 92% of charities are using digital in some aspect of their service delivery, which is a significant increase on 81% last year.

Large charities are more likely to be delivering digital services, with 61% using digital in a key, supportive role in service delivery (vs 38% of small charities).



Digital services

Digital services and inclusion

Almost all charities (96%) say their digital services are inclusive, although only a third (33%) say their services are inclusive to a great extent.

In 2024, an average of 35% answering this question specified 'not sure or not applicable' for each area of inclusion. We excluded these responses in our analysis and looked at the percentage of respondents who said their services were inclusive to a great extent, some extent or not at all.

This year, an average of 11% specified 'not sure or not applicable'. We have decided to include these in our analysis. The shift is likely to be for two reasons:

- 1 Our definition (in this survey and in the sector) of digital services has shifted since the Covid-19 pandemic. We no longer describe a digital service solely as a specific tool or technology and in contrast to a face-to-face/phone delivered service. Now, we describe digital services as ways of delivering support, shaped around user needs and integrated with in-person support, data, tools and systems.
- 2 There has been an increased focus on diversity, equality and inclusion in the charity sector. This follows campaigns and initiatives such as [Uncharitable](#), [Ubele](#), [CharitySoWhite](#) and [CharitySoStraight](#) and initiatives such as the [Funders for Race Equality Alliance](#). Many funders now ask applicants to demonstrate how they address inclusion, involve lived experience or reach underrepresented groups. The [2024 Charity Employer Index](#) also revealed that 90% of the 50 largest UK charities now have a publicly available equality, diversity and inclusion (EDI) policy, indicating that EDI is becoming a standard part of organisational governance and culture.

For these reasons, we have looked at our 2024 figures again, without adjusting them for those who said 'not applicable'. As a result, the figures we discuss here will differ from our published 2024 report (but were included in our data tables publication).

Overall, we can see a clear trend towards charities prioritising EDI (and measuring or seeing this as an indicator of success) in digital services. Those achieving each area 'to a great extent' has increased by an average of 8%, while those achieving each 'to some extent' has increased by an average of 16%.

Diversity and inclusion in digital services

- It's positive to see that 33% of charities who say that their digital services are inclusive of their intended users to a great extent, while 63% say they are inclusive to some extent. In 2024, only 24% felt their services were inclusive to a great extent.
- 76% state that their services are reaching diverse communities, a significant increase from 55% in 2024, when an additional 34% were not sure about this or it was not applicable to them (this has fallen to 13%). It is promising that 20% are now reaching these communities to a great extent, up from 11% in 2024.
- 63% are monitoring diversity and inclusion among service users to a great or some extent, up from 45% in 2024. 23% not doing this at all (similar to 20% last year).

Digital services

Developing and designing services with users

- **Undertaking user research with diverse groups:** Similar to 2024, only 15% say their services are informed by research with users from diverse communities to a great extent. However, 51% are doing this to some extent, up from 36%.
- **Co-designing services with users or people with lived experience:** It is promising to see that 72% of charities say they are co-designing their services with users either to a great or some extent. In 2024, 37% said they were co-designing services with users, although this comparison is difficult due to it being asked in a different question as a tick-box response (rather than a rating).
- **Improving services:** A quarter of charities (28%) are following good practice and improving their services based on feedback and evaluation to a great extent. This has increased from 17% in 2024. A further 59% are doing this to some extent (total of 87%, increasing from 60% in 2024).

Developing and designing services with diverse teams

- 66% of charities say that their services are developed by diverse teams, which has increased from 45% in 2024. However, only 15% say they do this to a great extent.

Safeguarding users and staff wellbeing

- 29% are doing this to a great extent, compared to 21% rating their skills as excellent in this area in 2024. This is a positive improvement.
- Only 18% are supporting staff wellbeing to a great extent (e.g. if content is traumatic), similar to 12% last year.

Accessibility

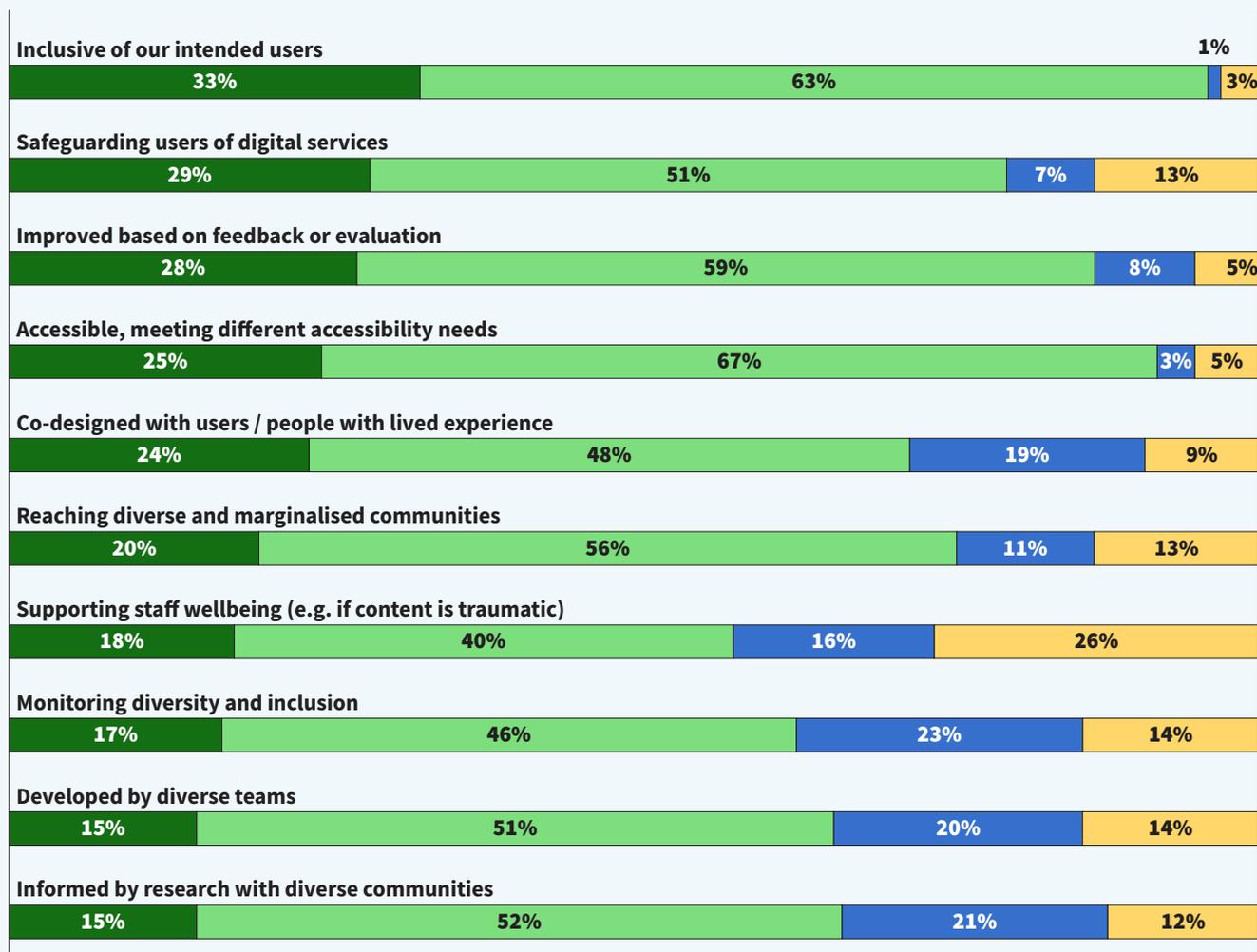
- Only a quarter (25%) say their services are accessible to a great extent (similar to 2024), while 67% say they are to some extent, indicating this is a key area for improvement. This has improved since 2024, when 17% indicated their services were accessible to a great extent and 46% to some extent.

Charities with a stronger commitment to inclusion

- Diversity and inclusion practices are more prominent among black led charities. Black led charities are more likely to say their digital services are (to a great extent):
 - Informed by research with diverse communities (31%, vs 15% overall).
 - Reaching diverse and marginalised communities (34%, vs 20% overall).
 - Monitoring diversity and inclusion (26%, vs 17% overall).

Accessibility, diversity and inclusion in digital services

To what extent do you feel your digital services are...



● A great extent
 ● To some extent
 ● Not at all
 ● Not sure / Not applicable

Artificial intelligence (AI)

A recap on AI skills

Earlier in our report (see the section on ‘Core digital skills and capacity’), we discovered:

- **Skills to use AI tools in everyday work are fairly low:** Over a third (35%) say they are poor at this, while 29% say they don’t do this. This means that almost two-thirds of charities (64%) either struggle with or are not using these tools.
- **Charities are struggling to keep up to date with emerging tech trends:** Reinforcing this trend, half (50%) of charities are either finding this a challenge or are not across these trends. More than 4 in 10 (41%) of charities are poor at this and 9% don’t do this.

However, despite their limited skills and capacity, our extended questions on AI have uncovered increasing adoption and use of AI tools, particularly among large charities.

Use of AI

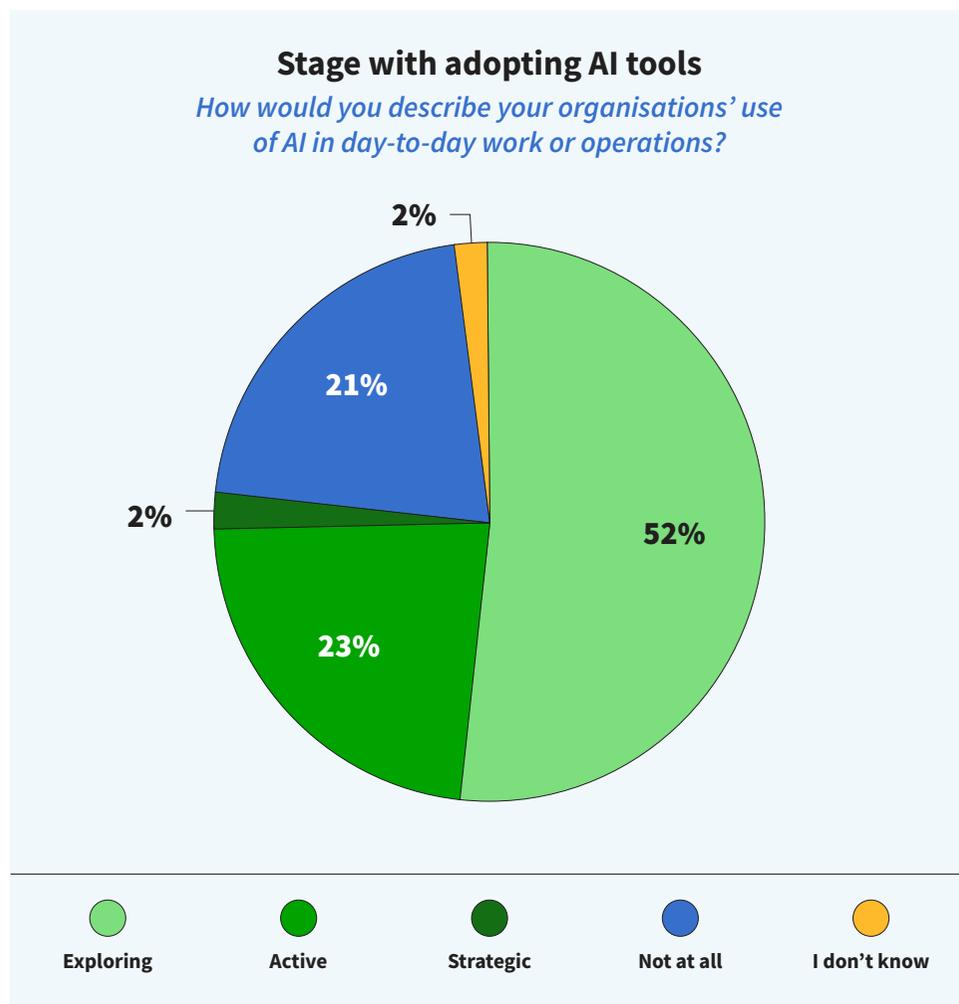
What stage are charities at with AI?

76% of charities are using AI, compared to 61% who were using it in 2024.

For the first time, we asked charities which stage of AI development they have reached, so we can begin to track how AI maturity is developing across the sector.

- 76% of charities are using AI. This comprises 2% who are either using it at strategic level or planning to scale this, 51% who are exploring tool usage (45% were using it informally last year) and 23% who are piloting and using AI.
- This is a significant increase on the 61% of charities who were using AI in our 2024 report.
- 89% of large charities are using AI, compared to 72% of small charities.
- 91% of charities with a digital strategy in place (at the advanced or advancing stages with digital) are using AI tools.
- Surprisingly, 62% of charities at the earliest curious stage with digital (with limited digital skills and capacity) are using AI tools in their organisation. However, the majority are still exploring AI tools (48%) rather than proactively implementing these in their organisation (13%).
- Infrastructure organisations report higher use of AI, with 36% at the active use stage, compared to 23% in the overall sample.

Artificial intelligence (AI)



How are charities using AI day to day?

We've seen significant growth since 2024, with half of charities (50%) using AI for documents and reports, as well as for administrative tasks (48%) and idea generation (35%).

The top 5 ways charities are using AI day to day are:

- 1 50% are using AI for documents and reports (e.g. drafting or structure content).
- 2 48% are using AI for administrative tasks, up significantly from 32% last year.
- 3 36% are using AI for developing online content, similar to 2024.
- 4 35% are using AI for idea generation, up from 27% last year, perhaps indicating growing confidence among charities.
- 5 29% are using it for research and information gathering, up from 24% last year.

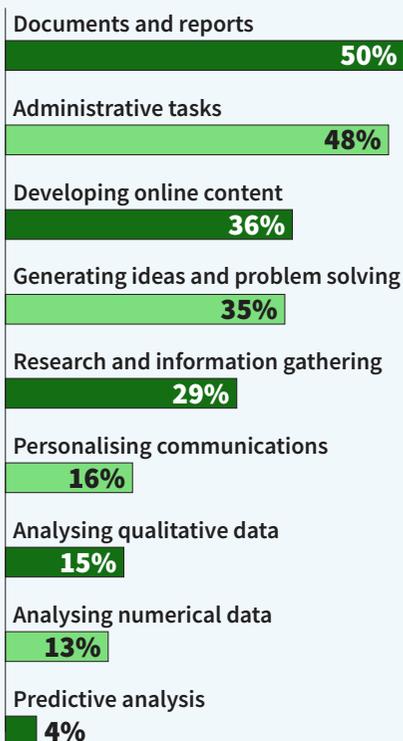
Charities are rarely using AI for tasks involving data analysis, with only 15% using it for qualitative data analysis, 13% for numerical data and 4% for predictive analytics. Later on in this report, we also highlight how charities' top request for data support is now using AI tools to analyse our data (45%). This is a growing area of interest.

Large and small charities are using AI tools in a similar way in day-to-day work. However, large charities are using AI tools more extensively. For example, 64% of large charities are using AI tools in administrative tasks, compared to 43% of small charities.

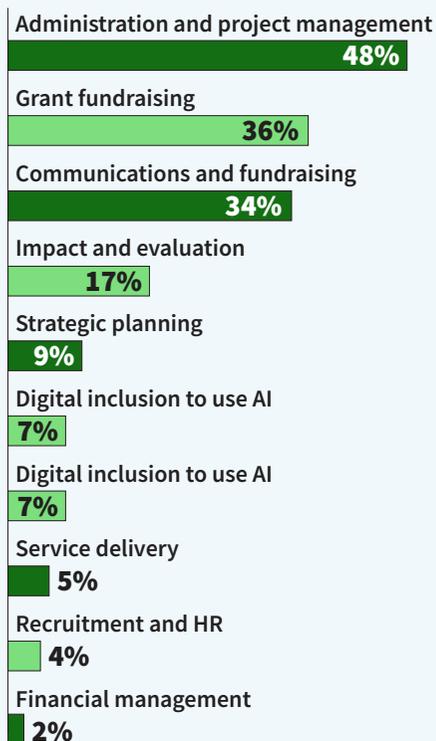
Artificial intelligence (AI)

Organisational use of AI

Are you or others in your organisation using AI tools regularly when working on any of the following day to day tasks?



Does your organisation use AI tools or provide AI-related support in any of the following areas of work?



How are charities using AI organisationally?

Over a third (36%) of charities are using AI for grant fundraising along with communications and fundraising.

The top 3 ways charities are using AI at organisational level are:

- 1 Administration and project management (48%, up from 32% last year).
- 2 Grant fundraising (over a third 36%, this rises to 43% of small charities, vs only 27% of large charities).
- 3 Communications and fundraising (34%, almost doubled from 19% last year – this rises to 38% of small charities, vs 28% of large charities).

Overall, charities are clearly exploring applications for AI, yet, in reality, few are using it across their organisation. Only small proportions of charities are using AI for:

- Impact and evaluation (e.g. reporting) (17%).
- Service delivery (7%, down from 12% last year).
- Strategic planning (e.g. scenario modelling, predictive data analysis, resource planning) (9%).
- Recruitment and HR (5%). This helpful article from Charity Digital [outlines the potential risks of using AI in charity recruitment](#).

Interestingly, those charities at an early stage with digital (with limited digital skills) are more likely to be using AI tools for:

- Grant fundraising (50% of those at the earliest curious stage, vs 20% of those at the most advanced stage).
- Communications and fundraising (38% of those at the earliest curious stage, vs 29% of those at the most advanced stage).

Artificial intelligence (AI)

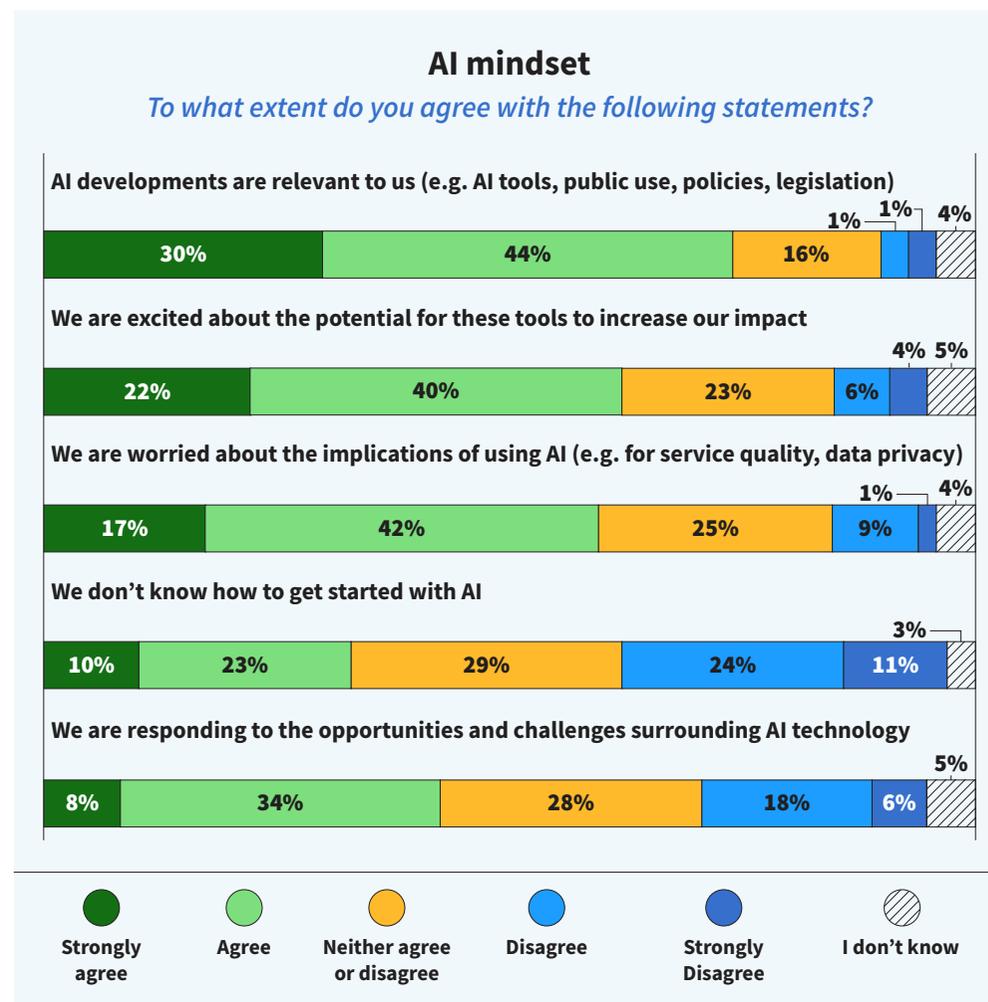
Moving forward with AI

How are charities feeling about AI?

Almost three-quarters (74%) of charities now agree that AI developments are relevant to them, while 59% are worried about the implications of using AI.

We know from our [2024 report](#) that many charities feel worried, excited about and unprepared for AI (also see [CAST's 2025 AI research](#) and the Joseph Rowntree Foundation [2024 report on Grassroots and nonprofit perspectives on generative AI](#)). This year, we asked further questions to track and understand the mindset with which charities approach AI technologies and how prepared they feel about the changes they bring.

- 74% either strongly agreed or agreed that AI developments are relevant to them – up from 65% last year.
- Almost two-thirds (62%) are excited about the potential for these tools to increase their impact.
- More than half (59%) are worried about the implications of using AI (e.g. for service quality, data privacy). This rises to 74% of large charities, who are further ahead with AI use (vs 53% of small charities). This indicates that worries around AI increase with the use and uptake of AI.
- It's encouraging that 42% are responding to the opportunities and challenges surrounding AI, given that only 22% felt ready to respond in 2024.
- Only 33% don't know how to get started with AI. There is a strong link to digital skills and capacity generally here, with 47% of those at the earliest curious stage of digital saying they don't know how to get started with AI.



Artificial intelligence (AI)

How are charities managing the risks in AI adoption so that they can adopt AI responsibly?

Three times as many charities as last year are developing an AI policy and the number of charities reviewing their data protection and security has almost doubled.

This was a new question so that we could track how charities are managing risk in AI.

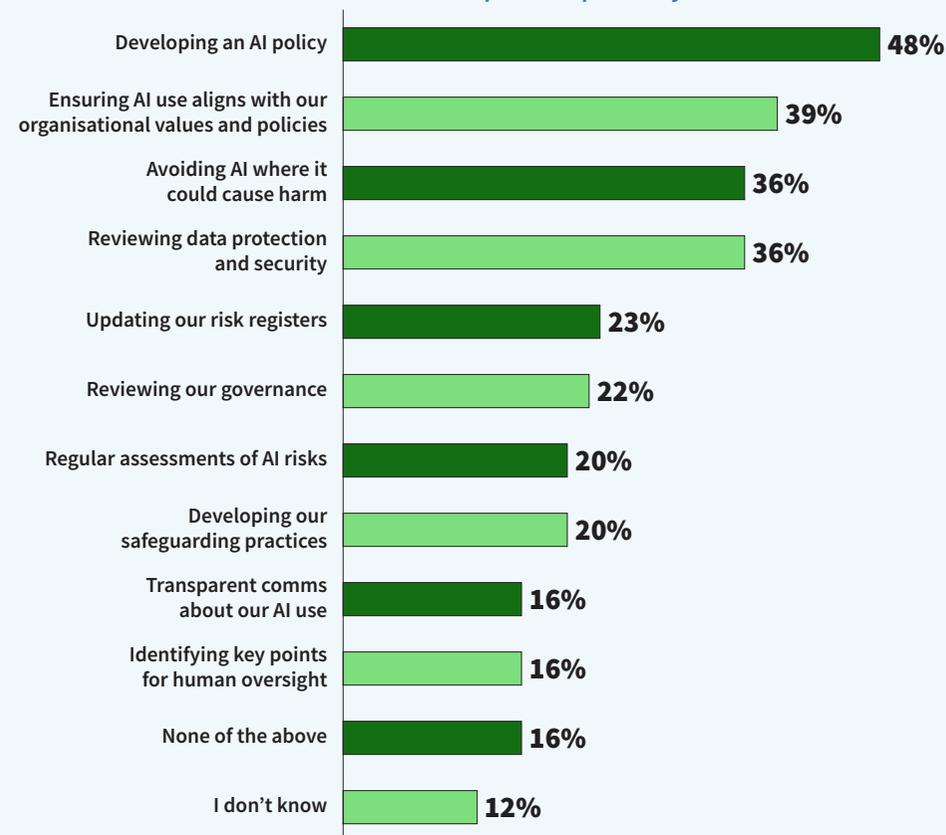
The top actions charities are taking are:

- 1 Almost half (48%) are developing an AI policy, a number that has tripled since 2024 when only 16% were doing so. This rises to 68% of large charities, compared to 37% of small charities.
- 2 39% are ensuring that AI aligns with their organisational values and policies, rising to 51% of large charities.
- 3 36% are avoiding use of AI in potentially harmful areas.
- 4 36% are reviewing data protection and security (only 15% were doing this last year). This rises to 48% of large charities.

However, it is worrying that just 2 out of 10 charities are taking the following actions, which in our view should be standard, ongoing practice: updating their risk registers (23%), reviewing their governance to give trustees better oversight of AI (22%) and undertaking regular assessments of AI risks (e.g. bias, privacy and misinformation) (20%). These actions are essential to good governance and the responsible adoption of AI.

Steps taken to manage risks around AI

What steps are you taking to manage the risks around AI and adopt AI responsibly?



Artificial intelligence (AI)

What actions are charities undertaking to move forward with AI?

Worryingly, almost 4 out of 10 charities (37%) have not undertaken any actions to move forward with AI. This was the most popular option. There is a risk that many will continue to use AI in day-to-day work tasks (and stay stuck in the exploring stage), without looking at this strategically or actively weighing up the risks and benefits of implementing AI tools across their organisation.

The top actions undertaken by charities are as follows. It is notable that even the most widely selected options are only being undertaken by 2 out of 10 charities at most.

- 1 Upskilling staff and volunteers (22%).
- 2 Developing an AI strategy (22%).
- 3 Reviewing ethical and environmental concerns (21%).
- 4 Exploring how AI might reshape roles and responsibilities (15%).
- 5 Establishing an internal AI working group (14%).

It is striking that only 9% are partnering with other sectors and only 4% are hiring staff with AI skills and expertise. While only 13% say they are seeking funding to move forward with AI, this rises to 35% of black led charities.

Large charities are much more active in taking steps to move forward with AI. They are:

- 1 Developing an AI strategy (35%).
- 2 Upskilling staff and volunteers for AI adoption (32%).
- 3 Establishing an internal AI working group (30%).
- 4 Reviewing ethical and environmental concerns (to move forward with AI) (24%).
- 5 Planning for AI developments (e.g. AI agents automating tasks) (19%).

Actions taken to move forwards with AI

Has your organisation taken any of the following actions to move forward with AI?



Artificial intelligence (AI)

What sector-wide efforts would charities like to see to ensure successful AI adoption?

More than 60% of charities want more guidance on responsible AI, free resources for the sector and training for leaders and trustees.

We asked this new question to understand what charities want to happen across the sector so that support, funding and resources can be co-ordinated.

The most popular needs among charities are as follows:

- 1 69% want more guidance on what responsible AI adoption looks like.
- 2 64% want more free resources for charities, indicating that they need guidance that is bespoke and relevant to the sector.
- 3 60% want training for leaders and trustees.
- 4 More than half (56%) want charities to co-ordinate to share skills, use cases and pitfalls.

Charities also want funders to take the following actions:

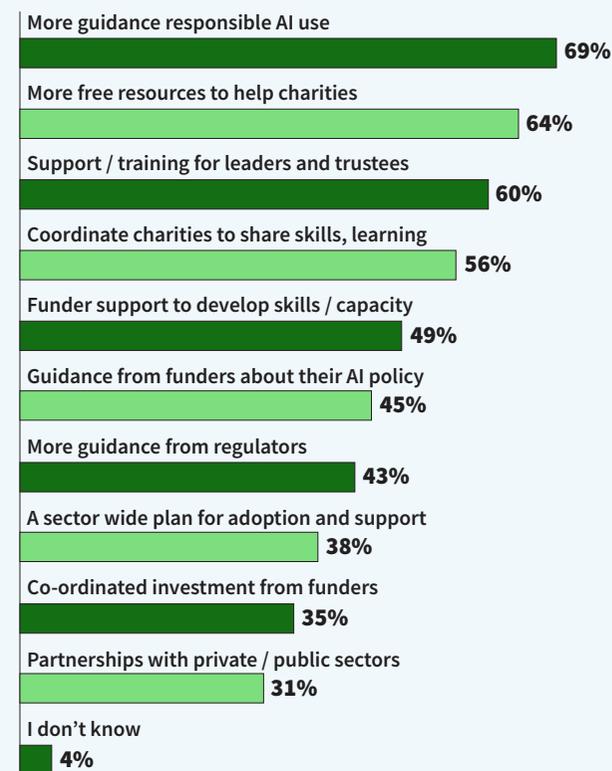
- Half (49%) want funders to provide support for skills development and capacity.
- 45% want funders to provide guidance on their AI policies.
- More than a third (35%) want co-ordinated investment from funders.

It is also notable that more than 4 out of 10 (43%) want guidance from regulators and just under a third (31%) want to see more cross sector partnerships.

- Small charities are more likely to say they need direct funder support, with half (53%) saying they need funder support initiatives to develop their skills and capacity in order to move forward with AI.
- In comparison, large charities are looking for sector-wide support. The majority (66%) say there needs to be more co-ordination between charities to share skills, use cases and pitfalls, followed by more guidance from regulators (49%) and a sector-wide plan for adoption and support (45%).

Sector wide efforts needed for AI adoption

What would you like to see change across the sector to ensure successful AI adoption?



Artificial intelligence (AI)

Leadership skills and AI

Just over a third of charities (36%) say that their CEO has poor AI skills, knowledge and confidence, with 4 out of 10 (44%) stating that their board is also poor in this area.

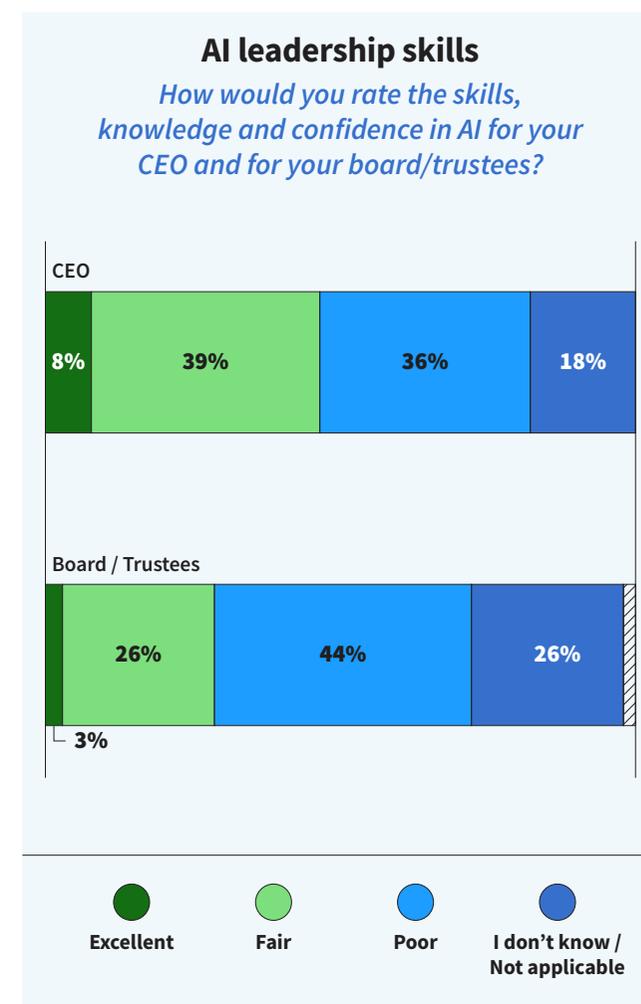
Ever since this report began in 2017, we have seen how crucial the support of leaders and trustees is to digital transformation. Continuing this theme, we wanted to find out how charities rate the AI skills, knowledge and confidence of their CEO and board. The results are worrying.

CEO skills

- 36% say their CEOs have poor AI skills. 39% say that their CEO is fair at AI, and less than 1 in 10 (8%) see their CEO as excellent.
- Both large and small charities give their CEO and board AI skills similar ratings.
- Later on in this report, we see that in order to progress with digital, 41% of charities want their CEOs to keep up to date with emerging trends, tech and AI tools, while a third (34%) want their CEO to prioritise understanding risks and opportunities for emerging tech.

Board skills

- 44% say that their boards are poor at AI, with just over a quarter (26%) saying that they are fair.
- Only 3% of charities say that their boards are excellent at AI, which is unsurprising given the significant digital skills gap we have seen among trustees ever since this report began in 2017.



Artificial intelligence (AI)

How charities are learning about AI

More than half of charities are learning about AI by testing out tools in their job and a similar number are attending events in order to grow their skills.

The most popular ways in which charities are learning about AI are as follows. In particular, the top 3 methods have seen strong growth since 2024.

- 1 Almost 6 out of 10 (59%) are learning on the job, i.e. experimenting and testing AI tools at work. This has gone up significantly from 35% last year. This rises to 74% of those working in large charities, compared to 53% of small.
- 2 More than half (56%) are attending events, workshops and webinars – up from 37% last year. This rises to 78% of those working in large charities.
- 3 More than a third (36%) are learning from their peers or other nonprofits, which has grown from 20% in 2024. This rises to 50% of those working in large charities.
- 4 29% are actively following AI developments – this is similar to last year, rising to 46% of large charities.
- 5 29% are attending training – up from 12% last year.

Overall, we can see that greater proportions of large charities are learning about AI. This is likely to be linked to their motivation to use AI, capacity available for learning and their digital skills generally.

It's surprising that only 6% are engaging clients, users or communities about their use of AI. This chimes with the finding from a previous question in this year's report about the next steps charities are taking in AI: that only 16% of charities are being transparent with external stakeholders (e.g. clients, funders and donors) about AI use. Charities would benefit from increased insights about how their clients are using AI (25% identify this as a support need in a later question).

How charities are learning about AI

How are you and others in your organisation learning more about AI?



Artificial intelligence (AI)

Which barriers are preventing charities from adopting AI further or using it more?

Concerns about data privacy, a lack of training and worries about factual accuracy, bias and discrimination are the greatest hurdles charities face to AI progress.

The most significant barriers to charities' AI progress are:

- 1 Data privacy, GDPR and security concerns (43%), up from 31% last year. This rises to 56% of large charities, who say this is the biggest barrier they face.
- 2 Limited digital skills and expertise (43%). It's positive that this has fallen slightly from 50% last year. This rises to 47% of small charities.
- 3 A lack of training or support to upskill (39%). This rises to 45% of small charities.
- 4 Concerns about factual accuracy blocks a third of charities (33%), rising to 42% of large charities.
- 5 The potential for bias and discrimination (32%). For large charities, this is the second biggest barrier they face, preventing 46% from moving forward with AI. This is also a key barrier for LGBTQIA+ led charities (49%, vs 32% overall).

Only a small proportion of charities (2 out of 10) are being held back at the moment by:

- The costs of resourcing AI tools (29%).
- Ethical and human rights concerns (29%), similar to last year.
- 28% don't know how to get started.
- Negativity towards AI among colleagues (20%).
- 26% have concerns about the environmental impact of AI tools.
- 25% say that their data and data maturity need attention first, similar to 2024.

Artificial intelligence (AI)

Small charities struggle to move forward with AI primarily due to a lack of skills and training, as well as data privacy concerns. Their biggest barriers are:

- 1 Limited digital skills and technical expertise (47%).
- 2 Lack of training or support to upskill ourselves (45%).
- 3 Data privacy, GDPR and security concerns (38%).

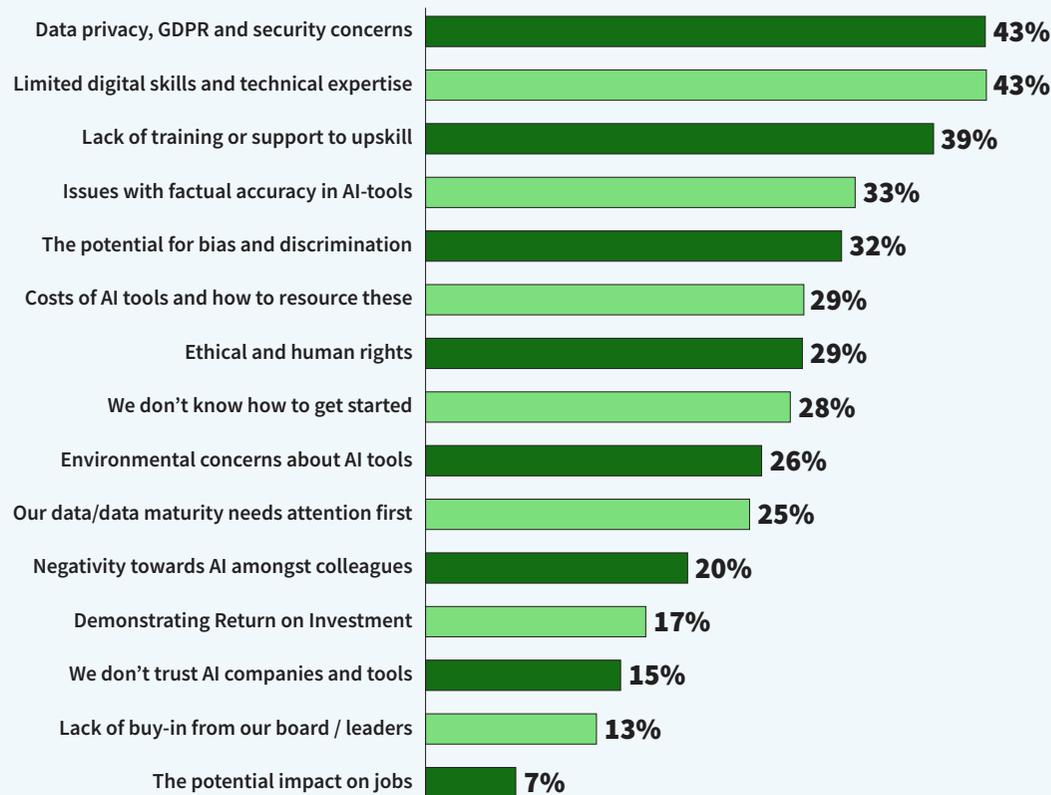
Large charities struggle to move forward with AI due to data concerns, as well as worries about the accuracy and bias built into AI tools. Their biggest barriers are:

- 1 Data privacy, GDPR and security concerns (56%).
- 2 The potential for bias and discrimination (46%).
- 3 Issues with factual accuracy in AI-generated answers (42%).

Interestingly, large charities are further ahead in their use of AI in comparison to small charities and yet more large charities are facing barriers to moving forward with AI. Specifically, higher proportions of large charities (compared to small) are struggling to move forward because of data privacy (56%, vs 38%), accuracy (42%, vs 30%), bias (46%, vs 26%) and environmental concerns surrounding AI tools (35%, vs 23%). They also face a wider range of internal barriers, such as negativity among colleagues (32%, vs 15% of small) and data maturity needing attention first (32%, vs 21% of small).

Barriers to adopting AI

Are any of the following creating a significant barrier to your organisation adopting AI tools or preparing to use AI more?



Artificial intelligence (AI)

Which aspects of AI would charities most like external support or training for?

More than half of charities want to seek support to grow their understanding of AI and how charities are using it and to explore practical use cases in their work and in their services.

The areas of AI that over half of charities would most like external support for are:

- 1 General understanding of AI and how charities are using this (58%).
- 2 Practical uses of AI in everyday work (58%).
- 3 Exploring potential use cases for AI in services (51%).
- 4 Assessing AI risks (bias, safeguarding) and using AI tools responsibly (51%), a big increase from 40% last year.

Interests in developing AI skills are clearly wide ranging. In addition to the above, 45% of charities want support with using AI tools in their operations and 43% with developing AI policies and governance.

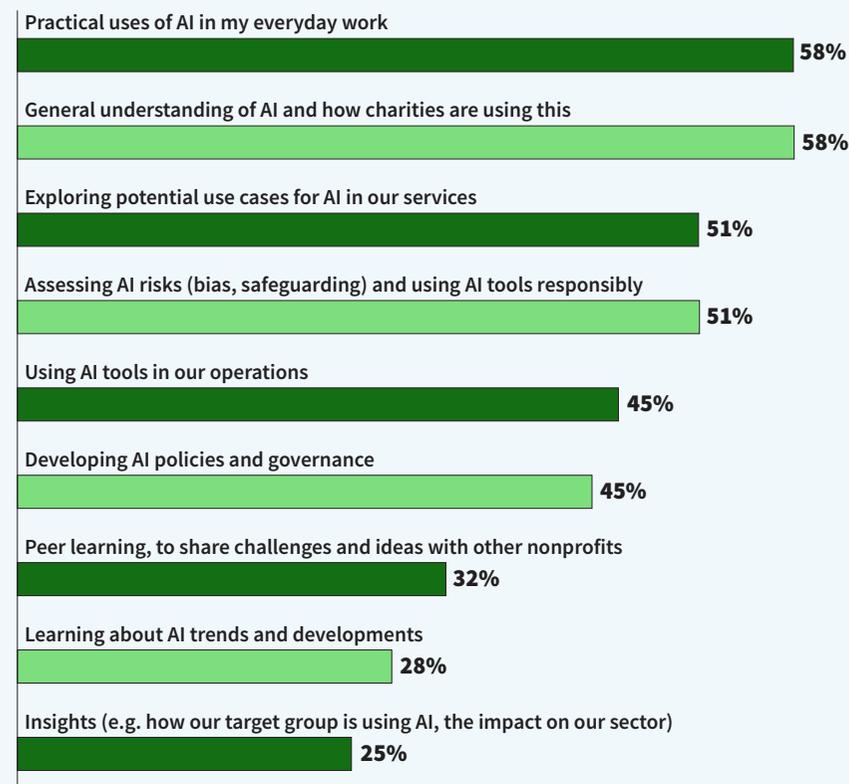
Just under a third of charities (32%) want to learn from their peers to share challenges and ideas with other nonprofits, up from 22% last year.

Small charities most want to develop a general understanding of AI and how charities are using it (63%) and practical uses of AI in their everyday work (58%).

Large charities are also interested in practical uses of AI in their everyday work (61%), but more are looking for support with assessing AI risks and using AI tools responsibly (55%), as well as exploring potential use cases for AI in their services (55%). However, all other support wanted is relatively similar to that of small charities.

AI support and training needs

In an ideal world, which aspects of AI would you most like to access external support or training for?



Climate change and tech

46% of charities are using digital tools (such as remote work) to reduce their carbon footprints.

- The key action that 46% of charities are taking around climate change and tech is using digital tools to reduce their carbon footprint. This echoes the trends we observed in 2024.
 - However, it is worrying that 41% answered ‘none of the above/not applicable’ as the second most popular answer.
 - 17% of charities are thinking about how to use AI mindfully, in order to reduce the environmental impact.
 - However, limited progress has been made in this area. It’s notable that 41% say that they either aren’t undertaking any of the listed actions, or they are not applicable to them.
 - Small and large charities are taking similar actions when it comes to climate change and tech and respond in the same way to this question.
- Only small proportions of charities are taking the following actions and we would continue to encourage more to do the same:
 - Seeking advice from other charities, suppliers and experts on sustainable digital options and choices (15%). This has fallen from 24% last year.
 - Choosing digital suppliers or web hosting with strong environmental commitments (13%), similar to 2024.
 - Designing online services and websites to minimise energy use (13%).
 - Elsewhere in our survey, it is positive to see that commitment to environmental principles by digital suppliers is either very important or important to almost two-thirds (65%) of charities. Yet, other factors are given greater importance.
 - It is worth noting that when asked about their organisation’s digital priorities for the year ahead, only 12% said reducing their tech/digital carbon footprint. In Wales, 24% see this as an organisational priority.



Climate change and tech

Charities also told us that:

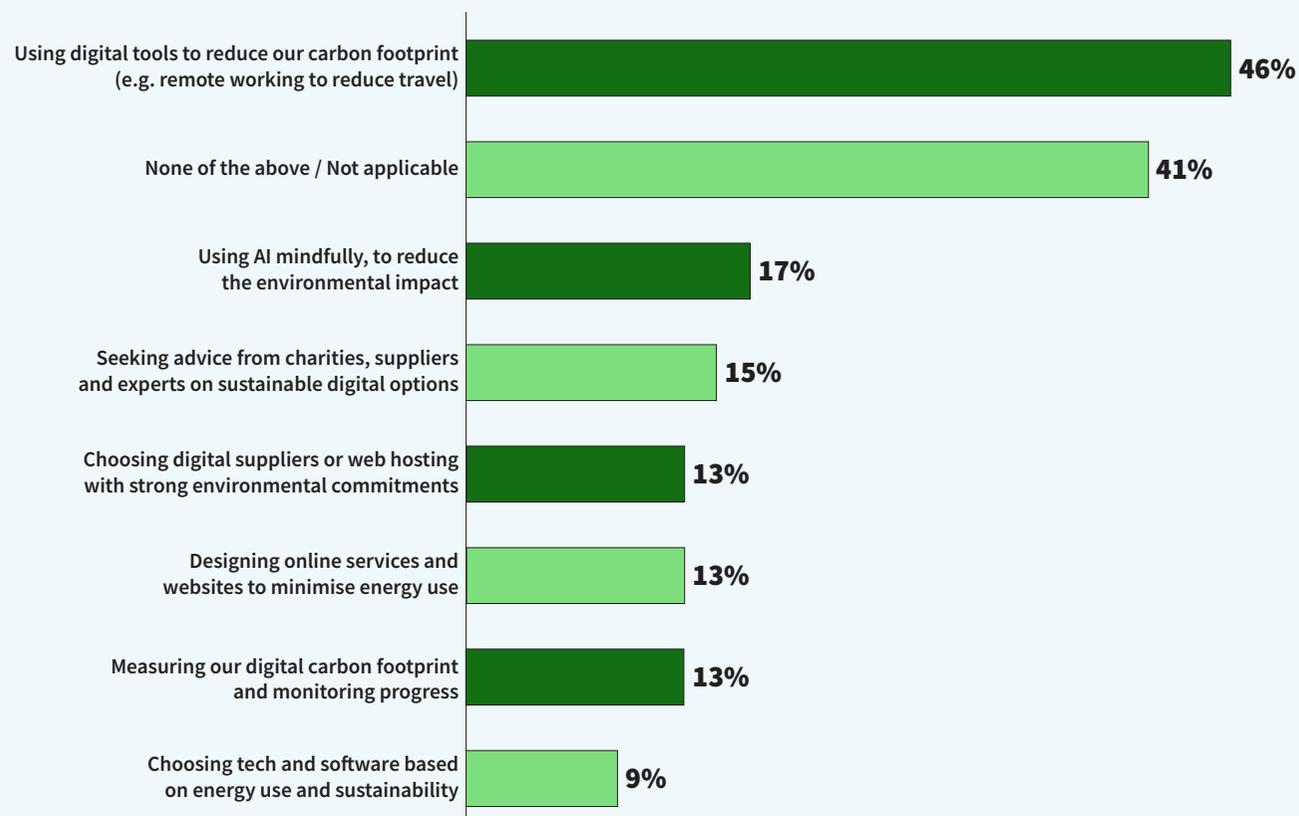
“We are currently reviewing our policies on sustainability, access and technology which will enable us to look more closely at how we can reduce our digital carbon footprint.”

“Our service users rely mostly on face-to-face support, however, where possible [we] use telephone conferencing or, Zoom, Teams etc.”



Actions taken to reduce digital carbon footprint

Is your organisation taking any of the following steps to reduce your digital carbon footprint?



Digital suppliers, diversity and inclusion

Commitment to diversity and inclusion and involving users with lived experience have doubled in importance to charities since last year.

Each year, we track what charities consider when choosing digital freelancers, agencies or suppliers.

Very important factors

In order of priority, the factors that over a third of charities rate as very important when choosing digital suppliers are:

- 1 Their values and ethics (45%, a significant increase from 33% last year).
- 2 Commitment to diversity and inclusion (42%, more than double the 19% last year).
- 3 How the supplier involves users and people with lived experience (34%, which has doubled from 17% in 2024).

Important factors

The following factors are important to over 40% of charities:

- Socially responsible business models (31% say this is very important, up from 26% last year, while 44% say it is important).
- Commitment to environmental principles (21% say this is very important, up from 17% in 2024, and 44% say this is important).
- Diversity in their team (17% say this is very important, up from 9% in 2024, while 41% say it is important).

Suppliers' commitment to diversity and inclusion

The following factors are important to over 40% of charities:

- 45% of small charities say that when they are choosing a digital freelancer, agency or supplier, their commitment to diversity and inclusion is a very important factor. This compares to 36% of large charities.
- 55% of infrastructure organisations say this is very important in their selection.
- 62% of black led organisations say this is a very important factor, as do 66% of disabled and d/Deaf led organisations and 68% of LGBTQIA+ organisations.

Black led charities are more likely to prioritise diversity and inclusion

Black led charities are more likely to say the following factors are very important when choosing suppliers:

- Commitment to diversity and inclusion (62%, vs 42% of our main sample).
- Values and ethics (59%, vs 45% of our main sample).
- How they involve users/people with lived experience (54%, vs 34% in our main sample).
- Socially responsible business model (45%, vs 31% in our main sample).
- Diversity in their team (40%, vs 17% of our main sample).

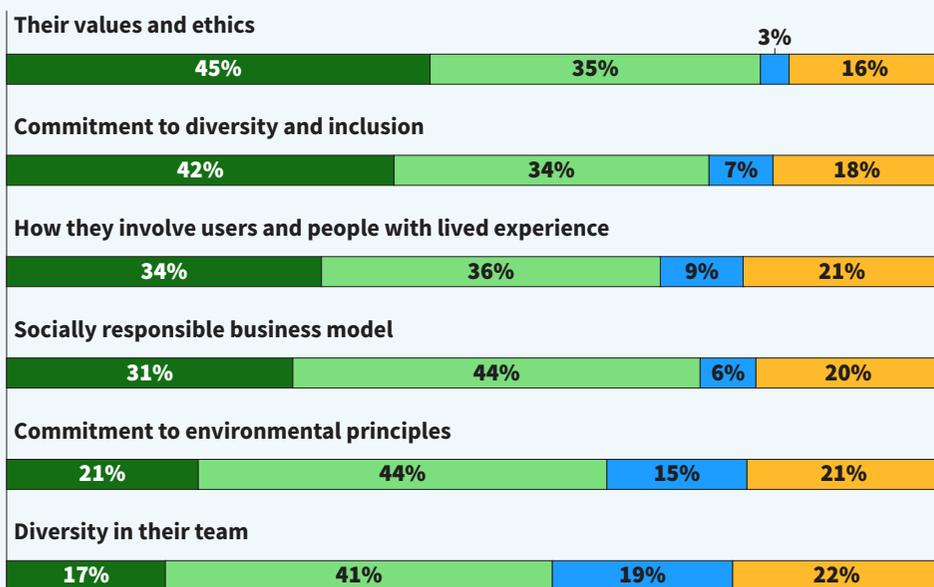
Overall, it's very encouraging to see that more charities are prioritising suppliers' values, ethics, commitment to diversity and inclusion and involvement of users with lived experience when choosing who to work with.

Digital suppliers, diversity and inclusion

Key considerations when choosing digital suppliers

When choosing a digital freelancer, agency or supplier to develop a digital project, how important are the following factors?

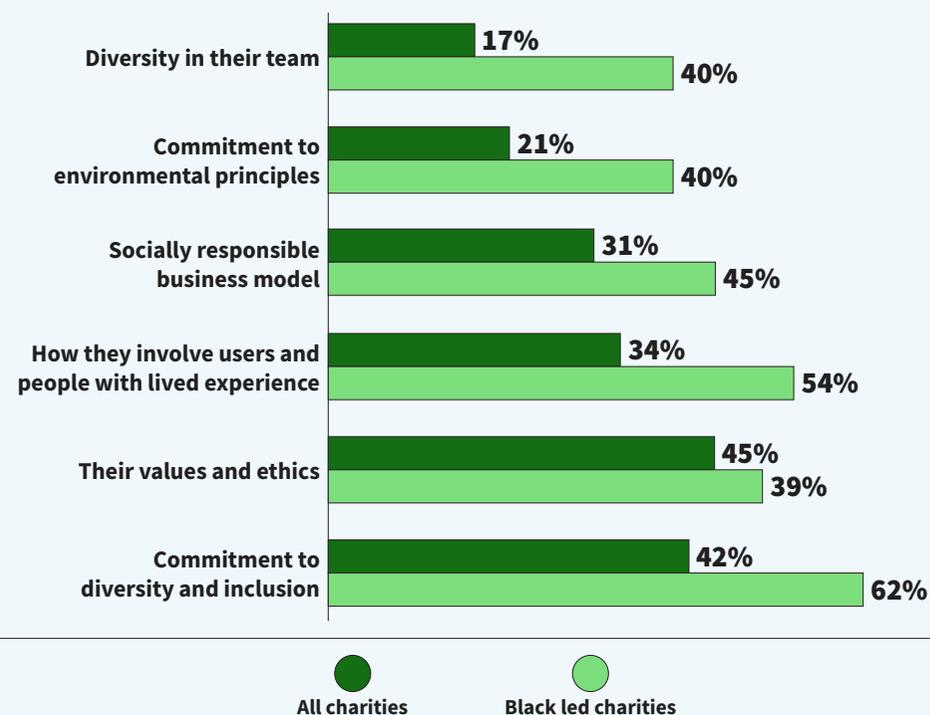
A project could include building a website, running a campaign, creating content, developing a digital strategy, or setting up a chatbot service.



Prioritising inclusion when choosing digital suppliers

When choosing a digital freelancer, agency or supplier to develop a digital project, how important are the following factors?

The following factors were rated as 'very important' when choosing a digital supplier



Funding

Funding access

Where have charities accessed digital funding from over the last year?

60% of charities have not accessed funding for digital costs in the last 12 months. Within this, 38% have accessed funding, but this has not included any digital costs.

In this new question, we wanted to find out where charities had accessed digital funding from over the last 12 months.

- Overall, 40% of charities have received funding that included digital costs in the last 12 months, with 30% accessing grant funding and 10% accessing funding from other sources.
- This looks to have increased from the 19% who received funding last year (this is difficult to compare, because the question was asked in a different way and was more inclusive of general digital costs this year).
- 60% of charities have not accessed any digital funding. This includes:
 - 38% of charities who accessed funding that did not cover any digital costs.
 - 14% have not accessed any funding at all.
 - 8% who did not know about their funding.

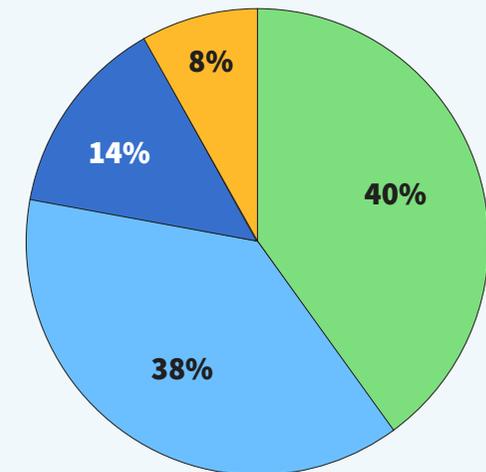
The top sources of funding were:

- 1 Grantmaking trusts and foundations were the biggest source of digital funding, accessed by 30% of charities.
- 2 Local authority grants or contracts were the second biggest source of funding, which covered digital costs for 12% of charities.
- 3 Corporate grants, sponsorship or donations for 11% of charities.

A small proportion of charities (under 10%) also accessed funding from a diverse range of sources. This includes national government grants or contracts (7%), charities or infrastructure organisations (5%), NHS or ICB (4%), individual large donations (4%), universities and research institutions (2%) and social investment (1%).

Digital funding accessed in the last 12 months

In the past 12 months, have you accessed any funding which has included digital costs?



- We received funding which included digital costs
- Our funding has not covered digital costs
- We have not accessed any funding
- I don't know

Funding

Who is struggling to access digital funding?

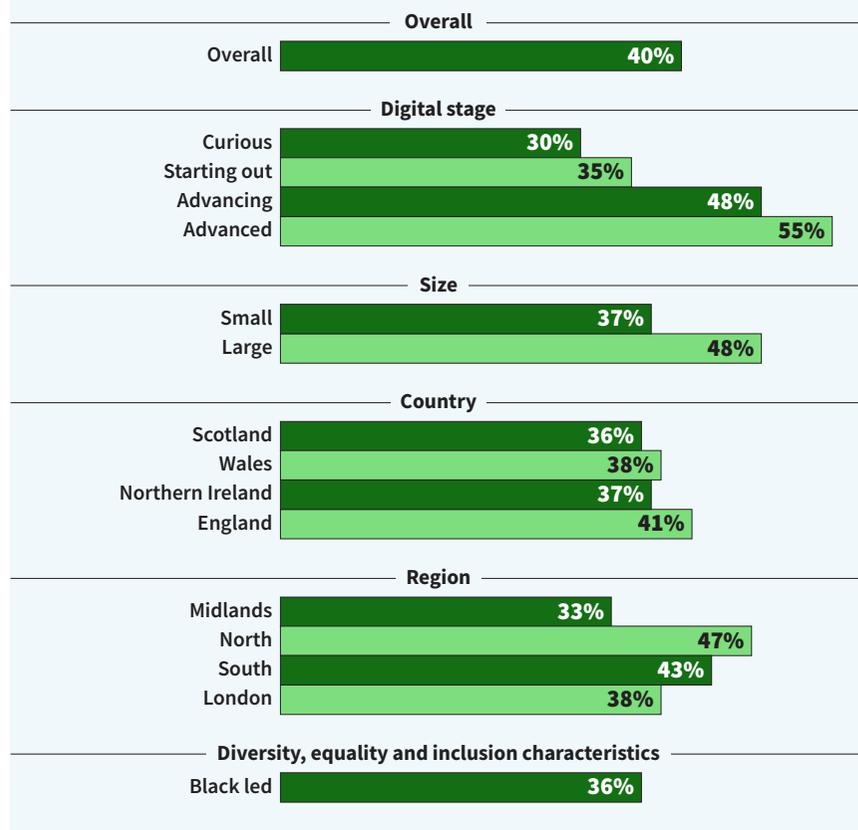
- **Size:** Small charities are less likely to access digital funding (37%), compared to 48% of large charities. This falls to a third (32%) of charities with an income of £10k– £100k that accessed digital funding last year. Furthermore, 45% of small charities say their funding has not included digital costs, compared to 25% of large charities.
- **Digital stage:** Those at an early stage with digital are less likely to access funding for digital costs. 30% of those at the curious stage accessed funding, compared to 35% at the starting out stage, 48% advancing and 55% advanced.
- **Regional:** Charities in the Midlands are slightly less likely to have received digital funding (33%, vs 40% overall), while a greater proportion of charities in the North of England have received funding (47%).
- **Country:** There are small differences, with 36% of charities in Scotland accessing digital funding, slightly lower than the 38% in Wales, 37% in Northern Ireland and 41% in England.
- **National/local:** Looking at national charities, 42% of UK-wide and England-wide charities have accessed funding, compared to 40% of those that aren't national, indicating there is limited difference here.
- **Black led organisations:** Just over a third (36%) of black led groups accessed digital funding, slightly lower than other groups.
- **LGBTQIA+ organisations:** Half (51%) accessed funding that has not covered digital costs (higher than the 38% in our main sample).



Funding

Differences in funding accessed for digital costs

In the past 12 months, have you accessed any funding which has included digital costs?



What have charities received digital funding for during the last year?

21% of charities have received funding for hardware, software and licences.

Over the last 12 months, charities have received funding for the following activities:

- **Devices, equipment, software and licences:** 1 in 5 (21%) received funding for devices, equipment, software and licences.
- **Digital project, service or tech development:** Again, 1 in 5 (20%) had funding to develop a digital service or project. This rises to 30% of large charities, compared to 17% of small charities.
- **Core digital and staff costs funded:** Only 18% have had core digital and staff costs funded. This rises to 23% of large charities (vs 16% of small). This is lower than the 30% who needed this type of funding last year.
- **Organisation and strategy development:** Disappointingly, only 6% of charities were able to access funding for this. This is worryingly low given that last year 39% said they most needed funding to develop their strategy, while 57% needed capacity and headspace for organisational development.

Overall, it's a concern that charities have received relatively low proportions of the digital funding available for what we know to be long-standing needs evidenced in our report year on year.

Interestingly, there are no distinct variations in what funding has been accessed for according to size, stage of digital or for organisations led by specific marginalised groups.

Funding

Funding needs

What do charities most need funding for?

The most critical areas where charities need support from funders are to cover staff costs, capacity for digital development and training for staff/volunteers.

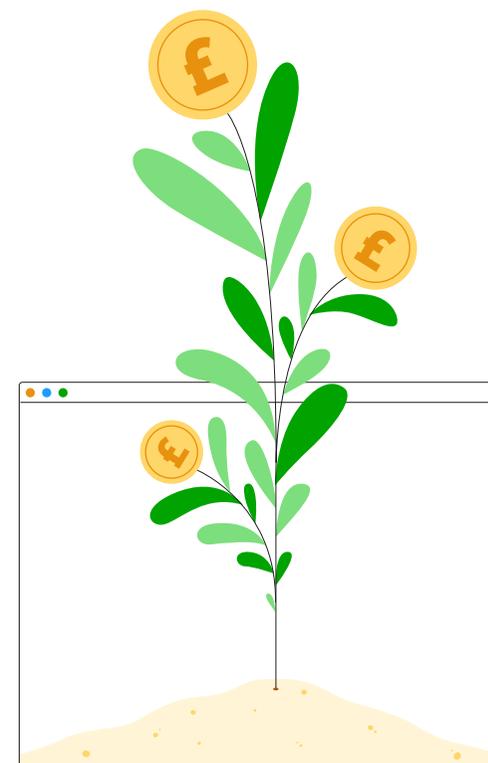
The most important areas that charities need support with are:

- 1 Capacity/headspace for organisational development (59%), similar to last year.
- 2 Core staff or cover staff time to spend on digital/data (59%), a huge increase, doubling from 30% in 2024.
- 3 Training for staff and volunteers on digital or data (50%), up from 43% last year.
- 4 Develop our strategy (for digital, data or AI) (46%), up from 39% last year.

1 in 3 charities need support from funders to cover:

- IT and infrastructure upgrades (35%, up from 28% last year).
- Assess/audit what we need (technology, skills) (33%).
- Revamp our website, content or brand (33%, same as 2024).

Given the widespread testing and exploration of AI, we would expect to see this increase as a funding need in 2026.



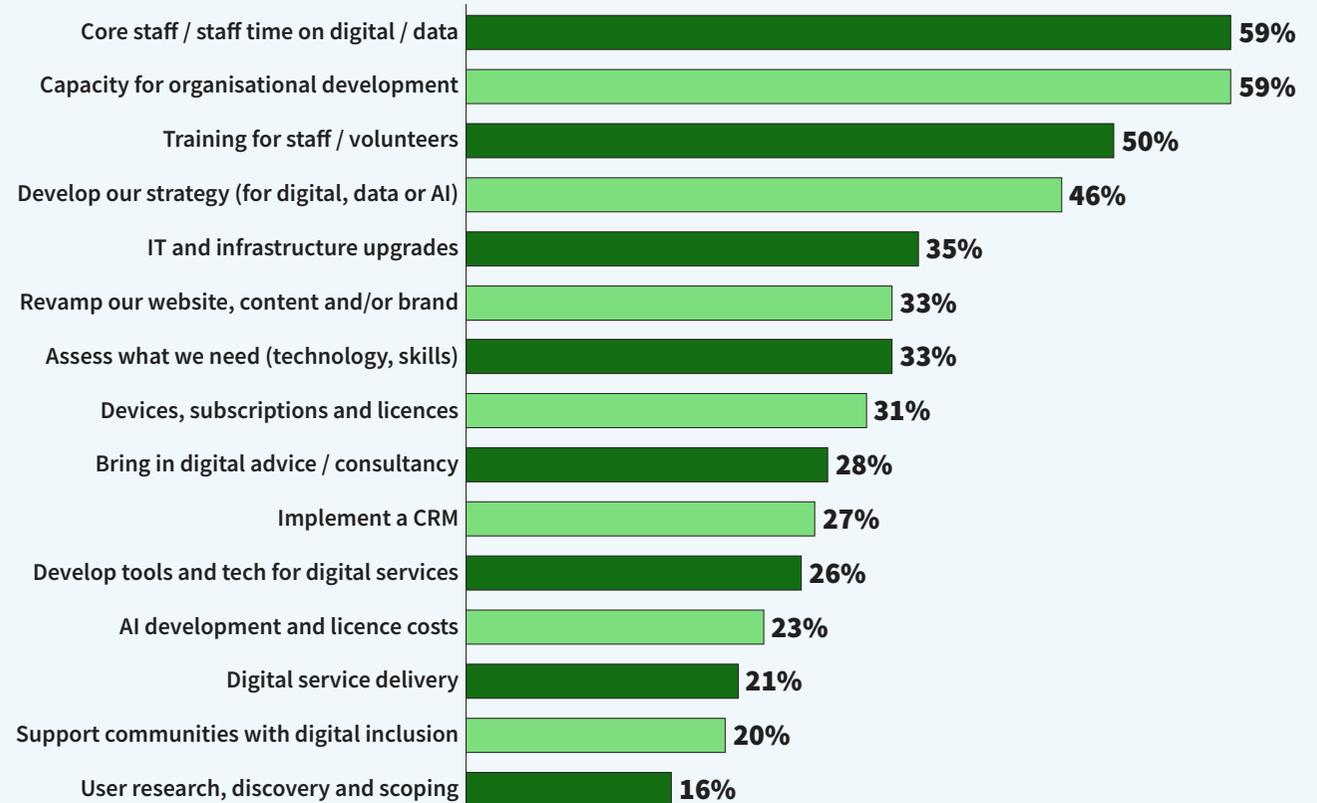
Funding

Differences in funding needs

- Both small and large charities have the same list of top funding needs, with minimal differences in responses.
- Large charities are more likely to need funding for AI licence costs (30%, vs 19% of small charities).
- Small charities are more likely to need funding to revamp their website, content and/or brand (37%, vs 25% of large charities).
- Black led charities are more likely to need funding for IT and infrastructure upgrades (51%, vs 35% overall). In addition, 44% need funding to provide digital inclusion support (vs 20% overall) and 36% need funding for AI licence and development costs, which is much higher than other groups of charities (vs 23% overall). However, their highest priority remains capacity/headspace for organisational development (68%, compared to 59% overall).
- Charities in Wales (34%) and Scotland (38%) are more likely to be looking for funding for AI development and licence costs (vs 23% in our main sample).

Digital funding needs

To progress with digital, what do you most need funding for?



Funding

Funding barriers

What barriers do charities face when looking for, or applying for, funding to cover digital costs?

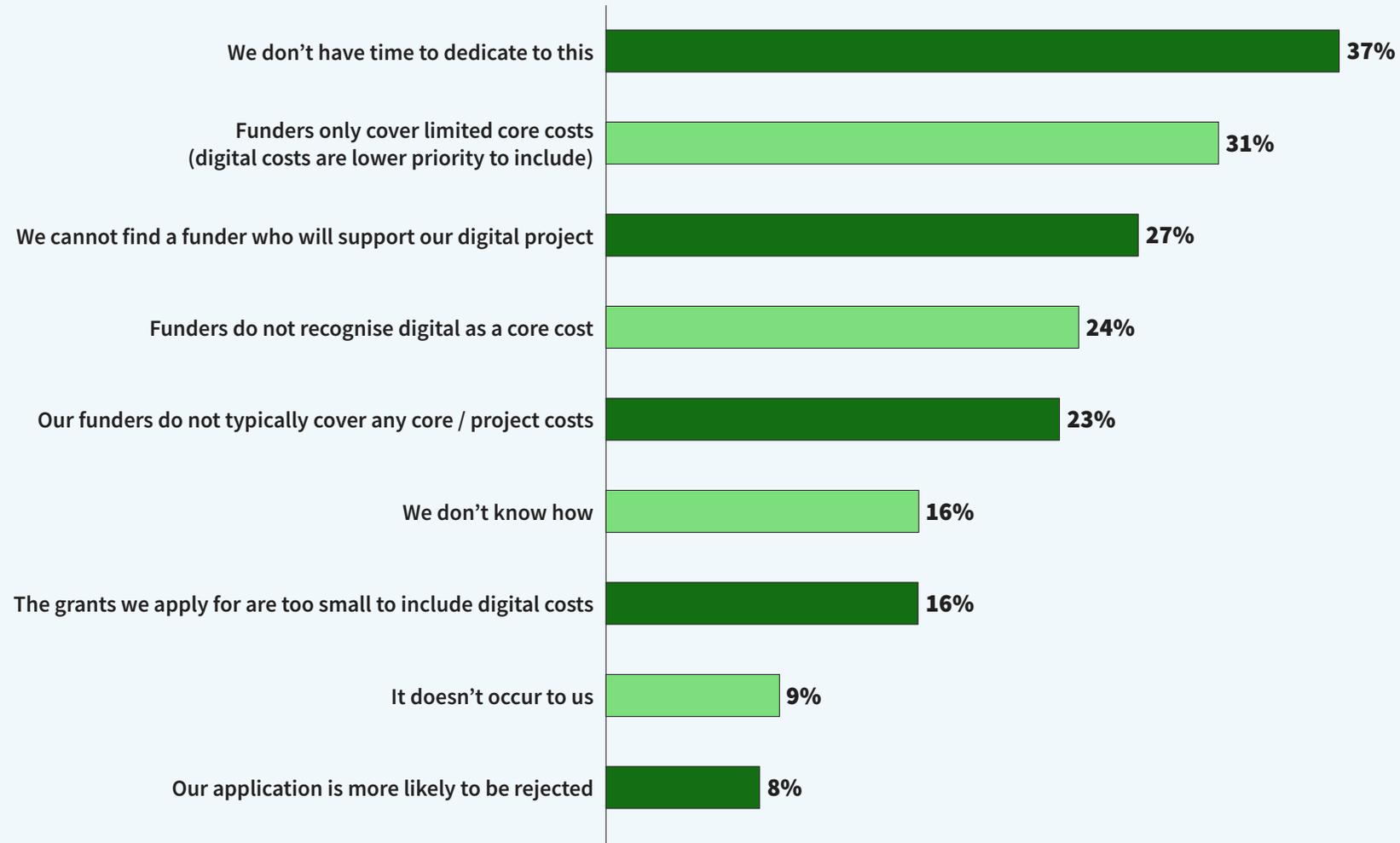
Funding is a significant challenge when it comes to digital progress. As we saw earlier in the report, 60% of charities are not accessing any funding for digital costs. When they do, it is primarily for devices and licence costs (21%), as well as some elements of digital service delivery (20%). However, what charities need funding for is core staff costs (59%) and capacity for organisational development (59%). Furthermore, 64% of charities are facing the challenge organisationally of finding funds to invest in infrastructure, systems and tools. The following list of barriers compounds these issues. These should be read alongside the qualitative responses in the next question. Together, they highlight the significant challenges organisations are facing when applying for and accessing funding.

The top three barriers are:

- 1 Time:** The biggest barrier charities face when applying for funding is time (37%), rising to 42% of small charities, compared to 27% of large charities. This affects charities at an earlier stage with digital, more than it does for charities with stronger digital skills and capacity (45% of those at the curious stage, 43% of those at the starting out stage, 30% at the advancing stage and 18% at the advancing stage). The qualitative responses below (and from 2024) highlight that applying for funding for digital costs requires some knowledge and digital skills to understand what will be involved (e.g. to set up and run a digital project or upgrade a CRM), as well as the costs involved (which will change in response to user research and project scoping).
- 2 Funders only cover limited core costs:** The second biggest challenge that charities face is that funders only cover limited core costs (digital costs are lower priority to include) (31%). In addition, 23% say that their funders do not typically cover any core/project costs (some selected both barriers). As a result, digital costs are lower priority, relating to the challenges around squeezed organisational finances, which are affecting 69% of charities.
- 3 Finding a funder who supports a digital project:** The third biggest barrier is finding a funder who will support a specific digital project (27% of charities). This has increased from 21% in 2024. Large and small charities both experience this similarly (28% small and 25% large). However, finding a funder who will support a digital project disproportionately affects 44% of black led charities, as well as 34% of lived experience led charities, 33% of disabled and d/Deaf led organisations and 35% of neurodivergent led charities.

Digital funding barriers

What barriers do you face when looking for, or applying for funding to cover digital costs?



Funding

Better funding practices

What charities are asking from funders for digital progress

We asked charities: “In an ideal world, if you could make one ask to funders, to help you move forward with digital, what would that be?” This was a qualitative question designed to gather key messages from charities to funders. There were 306 individual responses to this question, indicating the strength of feeling on this issue.

The most common themes among the responses were:

1 Charities need core funding, not just project funding

Many charities expressed frustration about funders’ reluctance to support ongoing digital costs:

“Fund the core of what an organisation does, not just projects. We can only deliver if we have digital (as well as admin, a building etc) so fund us to do what we do and allow us to spend the money as needed not as you think we should.”

“Give us ongoing, multi year digital funding!”

“Recognise digital costs as a core cost.”

“We need funders to help with the core digital costs required to upkeep our digital infrastructure – licenses, software, digital support, subscription. They are currently only interested in one off projects, not the upkeep.”

“Provide core funding rather than project grants so that digital and other overhead/organisational costs can be fully covered.”

“Understand that we need to be fully equipped with digital to deliver all the great work we do. We can’t do it on a shoestring.”

2 Dedicated digital staff capacity

A clear need for funded staff time specifically for digital was visible throughout the responses:

“We need a member of staff in place to take this forward. We are too small a team to develop our digital side and develop and maximise the use of what we already have in place.”

“To fund a dedicated full time ‘digital’ post – someone with expert knowledge to work with the team and communities to implement any operational plans.”

“Funding for someone to do the work or advise us how to do it.”

“To buy time for staff to research, implement and learn.”

Funding

3 External expertise and consultancy

Many charities want help identifying what they need:

“It would be really helpful to have funding for a complete package – from assessment of need, through to strategy, training for staff, and implementation. Ideally in partnership with a provider/selection of providers to get the ball rolling asap.”

“Pro bono/funded expertise or consultancy to help us develop our digital strategy.”

“We would like to combine expertise with funding to show us how to get started and how we could make best use of digital technology within our charity.”

4 Hardware and infrastructure

Basic digital infrastructure remains a barrier for many charities. They told us that they needed funding for the following purposes:

“Revamp our digital Infrastructure.”

“New phones for every member of staff – would come to less than £2k total.”

“Decent tablets/phone/laptops – we rely on ‘cheaper’ laptops and refurbished technology which does the minimum and doesn’t last. We have one laptop serving 10 members of staff.”

“Buy us all new computers and equipment.”

5 Digital inclusion for service users

Charities are concerned about their beneficiaries getting left behind in an increasingly digital world. They want funding to meet the following needs:

“To provide phones and other hardware available for service users.”

“Have laptops or ipads we could give our survivors of domestic violence and their children.”

“Our service users are digitally excluded. The children/young people especially need access to devices, which we rely on people to give us and this has virtually dried up.”

Funding

6 Training and skills development

There was a clear need for funded time and resources for upskilling:

“Funding towards upskilling staff and trustees, enabling us to utilise digital more efficiently and make informed decisions regarding our digital use.”

“To help build capacity in the sector by funding roles with digital expertise. Many third-sector staff are trying to learn these skills alongside all the other aspects of their roles, whereas bringing in someone who already knows what they’re doing could help make big improvements.”

“Staff training and digital consultancy.”

“For infrastructure organisations to be funded to deliver specific digital, data, tech and AI support to small community organisations – they need someone to turn to that they can trust.”

7 Understanding digital’s strategic value

Many charities want funders to better understand the importance of digital:

“Understand that investing in digital allows charities to have more reach, save time, reduce burnout and save money.”

“If we’re to deliver the best possible outcomes in our service delivery, the back-end has to work. Why won’t you pay for that?”

“Understand that in order to progress this is a must and not a nice to have.”

“To understand that digital is no longer just an additional ‘add-on’, it’s an integral part of increasing reach, donations and furthering a charity’s objective.”

“Understand that charities need time for organisational development, all too often funders only give funding once a project has been fully planned out and costed, and by then the organisation has had to invest a lot of time and resources to gather data and evidence but funders will not cover costs already incurred.”

“Upskill yourselves so you can better understand what the sector may need.”

Funding

8 Flexible and agile funding approaches

There was a clear need for funded time and resources for upskilling:

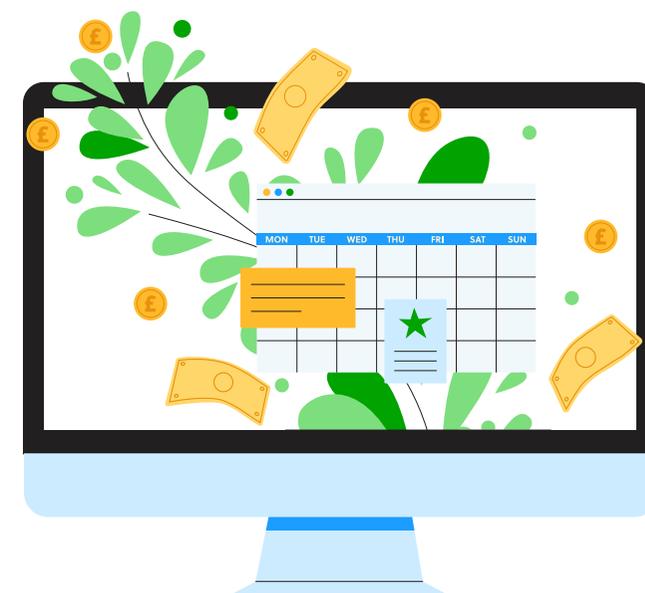
“Be more open to funding discovery and design phases of digital development initiatives. We react to opportunities rather than be proactive because we don’t have the resources or capabilities.”

“Fund core roles and agile projects where outputs may not always be known at the beginning.”

“If funders are having to pause their funding, to at least maintain some small funding opportunities for digital projects so there isn’t a sudden drop-off of funding in the sector.”

“If I could make just one ask to funders to truly move forward with digital, it would be for long-term, flexible funding specifically earmarked for building and maintaining robust digital infrastructure and capabilities. This isn’t just about acquiring the latest gadgets or running a few social media campaigns. It’s about establishing a strong foundation encompassing everything from essential IT systems and secure data management to fostering digital skills within our team and developing sustainable digital service delivery models.”

“Flexible funding is crucial because the digital landscape evolves rapidly. What works today might be obsolete tomorrow. This dedicated support would allow us to adapt, innovate, and invest strategically in the long-term, ensuring we can effectively leverage digital tools to achieve our mission and engage our audience meaningfully.”



Funding

What these responses mean for funders

When we asked a similar question to this last year, we could see that charities understood that digital could help increase their sustainability, deliver more effective services and increase their impact. In this year's responses, we hear this message again, along with a growing sense of frustration with funders. As we saw in the previous question, not only is there a lack of digital funding but the approach of some funders is not meeting charities' needs, meaning that any funding provided will achieve less impact.

Many responses convey a sense of urgency, particularly from smaller organisations struggling to maintain even basic digital infrastructure such as laptops and phones. The repeated emphasis on core funding rather than project funding, which has been a recurring theme in what charities have told us since lockdown, points to a fundamental misalignment in how digital is funded versus how it needs to be sustained.

Charities want funders to recognise that digital is now mission critical infrastructure, not an optional extra. They need funding for hardware and software, upskilling, external expertise and the capacity to plan when headspace is at a premium. In short, they need funders to take a holistic and more thorough approach to digital funding that reflects how technology is now a golden thread running through every element of how charities work.

The message to funders is clear: prioritise digital funding, review your digital funding so that it meets the needs of charities and where they see strategic value, and provide sustainable, flexible support that meets charities where they are in their digital journey. Addressing these needs would strengthen the sector's resilience and impact.



Digital and data support and learning

In the last 12 months, where have charities found guidance, insights or hands-on support to help them with digital and data?

Charities value the learning and support they find from sector newsletters and blog posts, events and networking and social platforms significantly more than in 2024.

The top places where charities go to learn or get support are:

- 1 Sector newsletters and blog posts:** More than half (51%) rely on sector newsletters and blog posts. This is the third year running we've seen a significant increase in these channels, rising from 42% last year and 23% in 2023.
- 2 Sector guidance:** More than 4 out of 10 (43%) use sector reports, guides, assessments and codes of practice, although this has fallen from 51% last year.
- 3 Conferences and workshops:** 39% favour conferences, workshops or networking. Again this has increased significantly from 19% last year.
- 4 Training:** Just over a third (36%) have found training courses helpful, up from just under a quarter of charities (24%) in 2024.
- 5 Social platforms:** 32% learn or find support through social platforms (e.g. LinkedIn, Slack, WhatsApp). This has grown from 17% last year.
- 6 Peer learning:** Surprisingly, only 32% of charities felt that guidance from peers had helped them with digital and data this year (vs 38% in 2024). However, peer learning will be embedded in social platforms, workshops and sector newsletters. Peer learning is more important or prioritised in Scotland and Wales (47%).

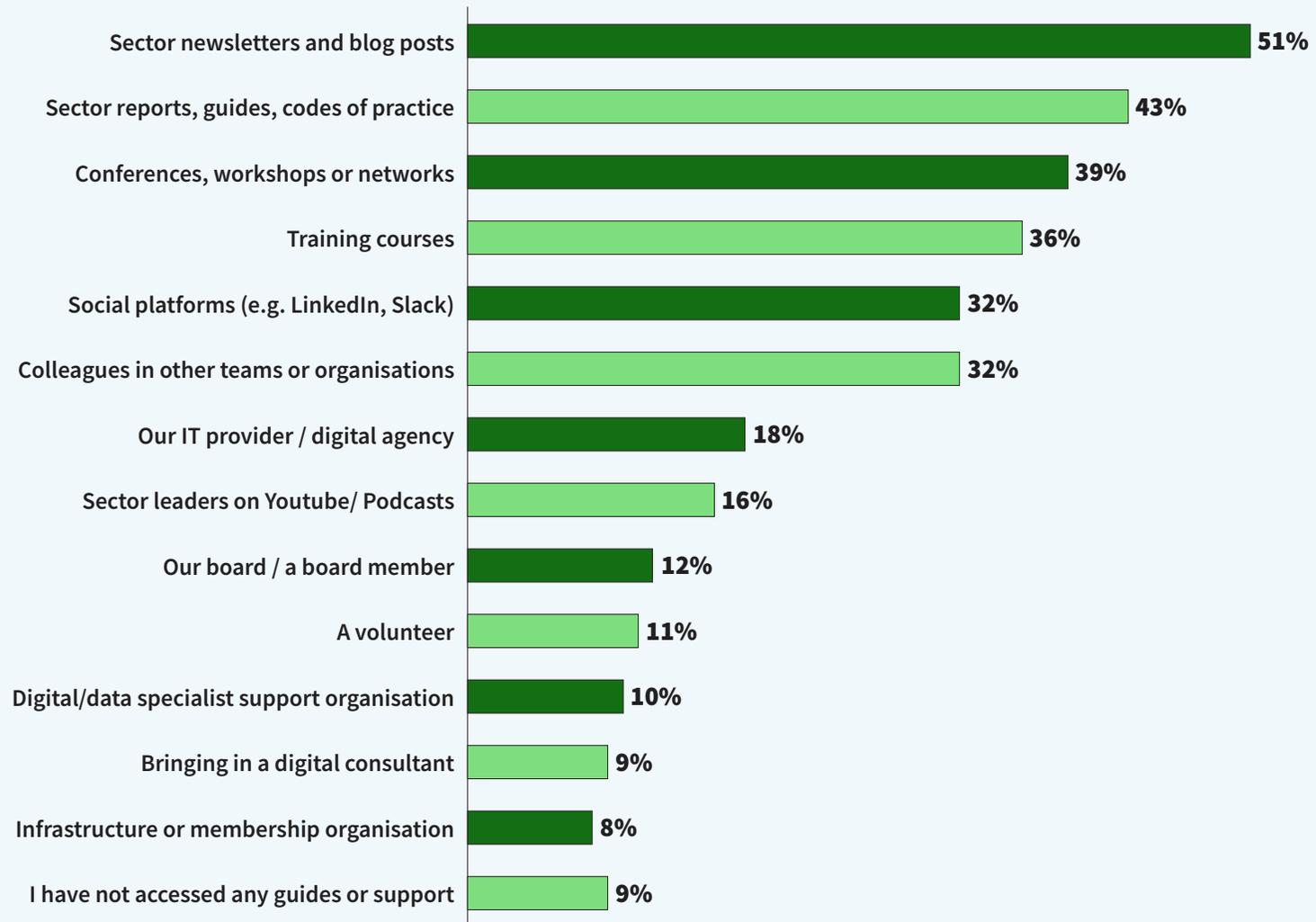
The growth in how much charities value these different sources of support indicates how valuable they have become to the sector during a time of rapid digital development.

However, smaller charities look to be accessing less support, guidance and training:

- The top place small charities turn to for learning and support is sector newsletters and blog posts (46%, vs 64% of large charities).
- After this, only a third of charities (or much less) are accessing support from all other sources.
- Only 27% of small charities accessed digital or data advice from colleagues in other teams or organisations, compared to 45% of those in large charities.
- Similarly 31% of small charities attended conferences and workshops, compared to 55% of large charities.
- Further support and co-ordination (from infrastructure organisations, membership bodies, funders or others) could help here.

Digital learning sources

In the last 12 months, where have you found guidance, insights or hand-on support to help you with digital and data?



Digital and data support and learning

In an ideal world, which areas of data would charities most like to seek external support, training or guidance for?

The strongest data support need among charities is using AI tools to analyse data, preferred by 45% of charities.

The top areas where charities need support with data are:

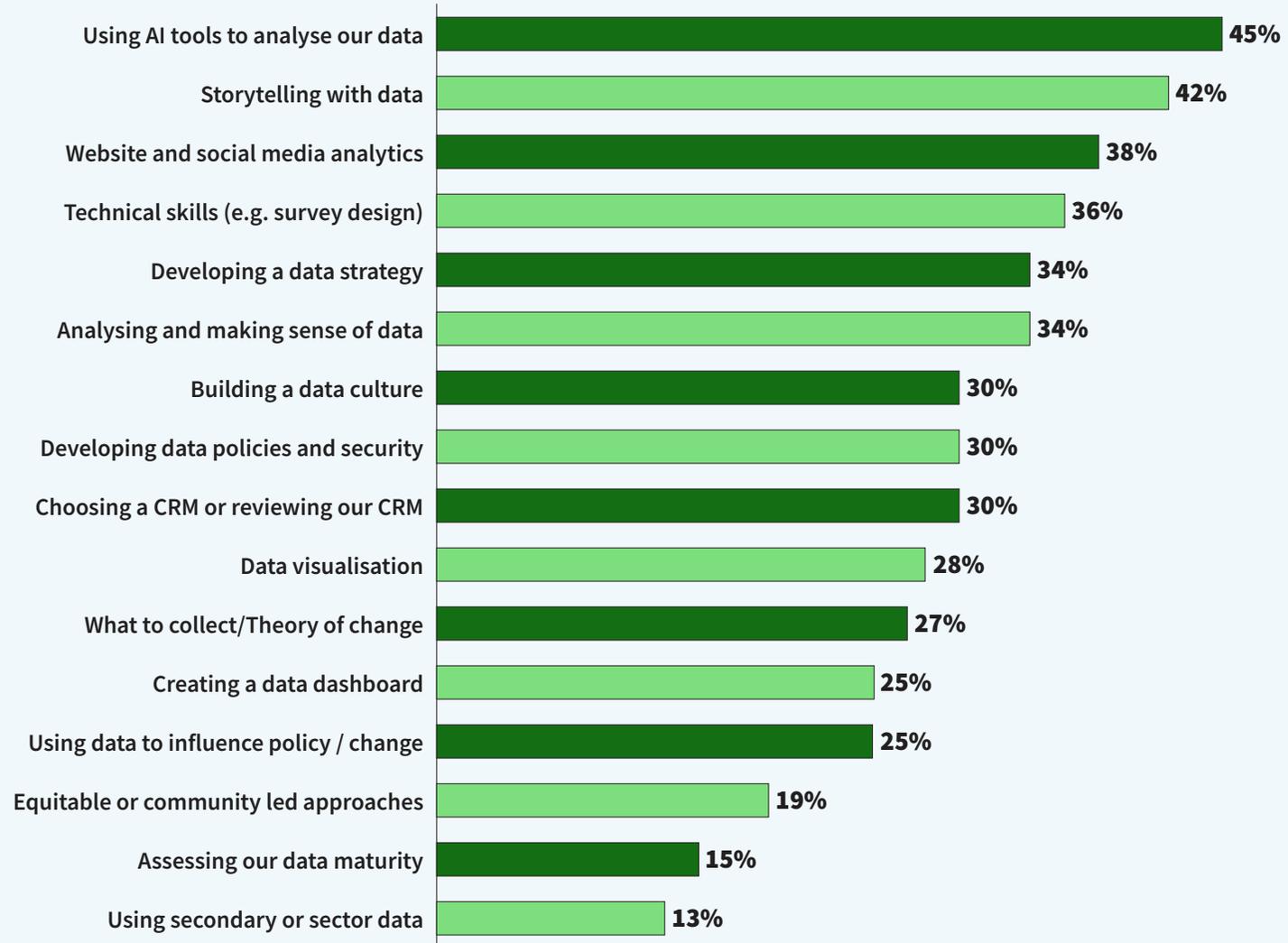
- 1 Using AI tools to analyse our data (45%) – a new response option in 2025 that is now rated the highest.
- 2 Storytelling with data (42%, down from 48% last year when it was the top support need).
- 3 Website and social media analytics (38%, similar to 43% in 2024).
- 4 Technical skills (e.g. working with spreadsheets, survey design) (36%).
- 5 Analysing and making sense of data (34%), falling from 45% last year.
- 6 Similar to last year, a third of charities (34%) want support to develop a data strategy and develop data policies and security (30%), choose a CRM or review their CRM needs (30%).
- 7 Just under a third want support to build a data culture (30%).

There are key differences for large and small charities:

- **Small charities:** Priorities for support are website and social media analytics (43%), storytelling with data (42%), using AI tools to analyse data (41%) and technical skills (e.g. working with spreadsheets, survey design) (39%).
- **Large charities:** Most want support with using AI tools to analyse our data (53%), building a data culture (48%), storytelling with data (43%) and developing a data strategy (39%).

Data support needs

In an ideal world, which areas of data would you most like to seek external support, training or guidance for?



Digital and data support and learning

Can you tell us more about any support, training or guidance you would like or need most in order to improve digital skills or progress in your organisation?

Several key themes emerged from these responses:

1 AI guidance, education and practical application

The strongest theme among the responses was the need for practical AI education, with respondents showing a mix of curiosity, trepidation and pragmatism. Some of the responses reflect a desire for help applying AI to specific charity activities:

“Tailored support/mentoring to see how we can integrate AI within our service delivery.”

“A balanced approach to AI – one that is mindful of the environmental and ethical issues, but that can help streamline administrative parts of our work while respecting the creative industries and safeguarding.”

“My brain has enough difficulty coping with Instagram never mind all the other stuff – I actually find AI a complete switch off and so we need someone to show us how it can benefit the way we deliver to our service users – maybe that will energise rather than frighten people.”

“The support we need is practical: How to use AI to support our clients who are facing debt, housing, employment and financial issues. How to use AI for fundraising. How to use AI to plan lessons.”

“How to use AI ethically, effectively and productively. It really can be a tool for good – more efficient practices mean more time spent on service delivery.”

2 Accessible training that accommodates varying skill levels

Many charities emphasised the need for training that recognises different starting points:

“Different levels of learning for staff with different levels of needs, from basic to more advanced.”

“It would be great to have a detailed training schedule based around AI – not just ad hoc 1-hour webinars here and there.”

“As an integrated team we are keen to source training that is accessible for people with and without learning disabilities. Digital skills across the team widely vary – so support to develop greater consistency is of great importance.”

Digital and data support and learning

3 Strategy development and organisational change

Charities want help embedding digital across their organisations:

“To truly improve our digital skills and progress as an organisation, the most impactful support would be comprehensive, ongoing training programmes tailored to various skill levels and specific roles. This goes beyond basic software tutorials and delves into strategic digital thinking.”

“I think there is now a perception among the exec team and board that we’ve ‘done’ digital skills investment and that is the end of it. We would benefit from help in making the case that investment in digital skills and change needs to be ongoing.”

“The general level of digital skills and interest in improving them seems very low across all age groups within the organisation. Training in how to get digital buy-in and generate excitement about the opportunities of digital (rather than the threats) would be helpful.”

4 Practical skills and capacity building

Many responses focused on specific technical needs and capacity challenges:

“We have a database but it is only partially used. We have lots of long standing staff and so much is in their heads, which is a big risk. I really want a functioning database that integrates with all the tools we use but we have so many other challenges that this doesn’t seem to be a priority for anyone else!”

“We need additional capacity.”

“We need someone to do it for us as we don’t have the time.”

“We need to fund our core programme first before we can look to invest in digital.”

5 Sector specific guidance and peer learning

Organisations want to learn from others in similar positions:

“More on best practice in small charities.”

“How other similar charities are developing use of AI.”

“We would love support in using AI to support our members in their creative practice, making it accessible for a low cost.”

“Practical training and tool suggestions based on best practice specifically in the healthcare charity sector.”

Digital and data support and learning

6 Ethics, risks and responsible use of technology

Many respondents expressed concerns about using technology responsibly:

“Need honest assessment of limitations of AI – everyone is jumping on this bandwagon at the moment. Need to remember there is no intelligence in AI – just pattern spotting!”

“I would like to learn more about data and privacy. Worried about inputting our data into AI and what is then done with that data. Also worried about the environmental impact of using AI.”

“How to use AI in a responsible manner, considering both the environmental impact, and the racial bias inherent in most AI systems.”

What these responses tell us about charities’ needs

Charities have varying needs in digital skills support. There’s a digital divide between organisations struggling with Instagram and those who want to embed AI into service delivery.

As we have seen throughout this and previous reports, capacity is an issue. Many charities know what they need to do digitally, but simply don’t have the time or resources to prioritise it over operational demands.

AI features heavily in responses, with charities telling us that they are interested and also sharing concerns. Charities want to explore how AI might help them work more efficiently, but want to adopt AI responsibly, ethically and with an eye on the environmental impact.

The sector needs support that balances practical skills with strategic thinking, delivered in ways that acknowledge the time pressures charities face. It’s clear that charities are aware of the other areas required to embed digital progress, including cultural change, capacity building and embedding new ways of working.

Leadership

How charities rate their CEO and board's digital skills

More than 1 in 4 (28%) of charities say that their boards have poor digital skills, while more than 1 in 5 CEOs (21%) have poor digital skills.

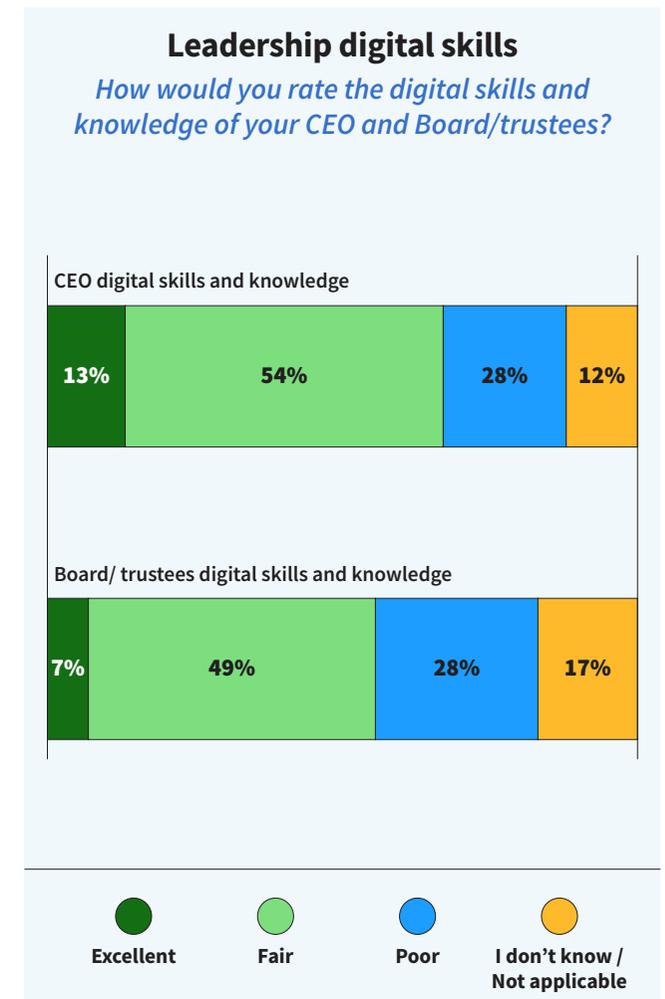
This year, we asked about CEO and board digital skills, as well as streamlining and simplifying our rating scale.

Board digital skills

- It's concerning that 28% of charities say that their boards have poor digital skills. This is higher than the 19% who said their board had low digital skills in 2024.
- 49% rate their trustees as having fair digital skills, much lower than the 65% who said their skills were good or could improve last year.
- Only 7% see their board as having excellent digital skills, similar to 6% last year.

CEO digital skills

- Over 1 in 5 CEOs (21%) have poor digital skills.
- It is promising that 54% of CEOs have some digital skills and knowledge rated as fair. However, only 13% were rated by their charities as excellent.



Leadership

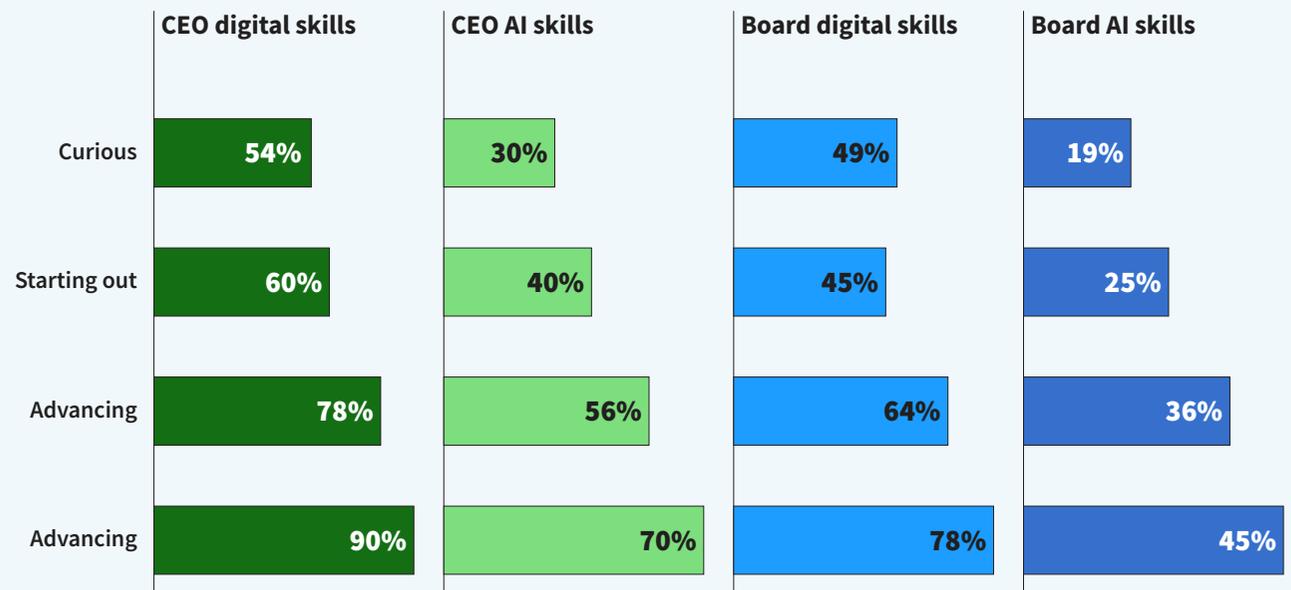
The results are similar for both large and small charities.

Elsewhere in this year's report, we see that this skills gap also extends to AI. Charities recognise their trustees and CEOs' AI skills are in need of improvement. Over a third of charities (36%) say that their CEO has poor AI skills, knowledge and confidence, while 4 out of 10 (44%) state that their board is also poor in this area.

This is evident when we look at leadership skills for charities across each stage of digital development. For example, 54% of charities at the earliest curious stage say their CEO digital skills are fair or excellent. This compares to 78% at the advancing stage and 90% at the advanced stage.

Given the need for better strategy and oversight across digital and AI that we have seen elsewhere in the report, it's vital that trustees and CEOs develop their skills further.

Leadership skills at each stage of digital development
Charities rating their skills and capacity as excellent or fair at each stage of digital development



Leadership

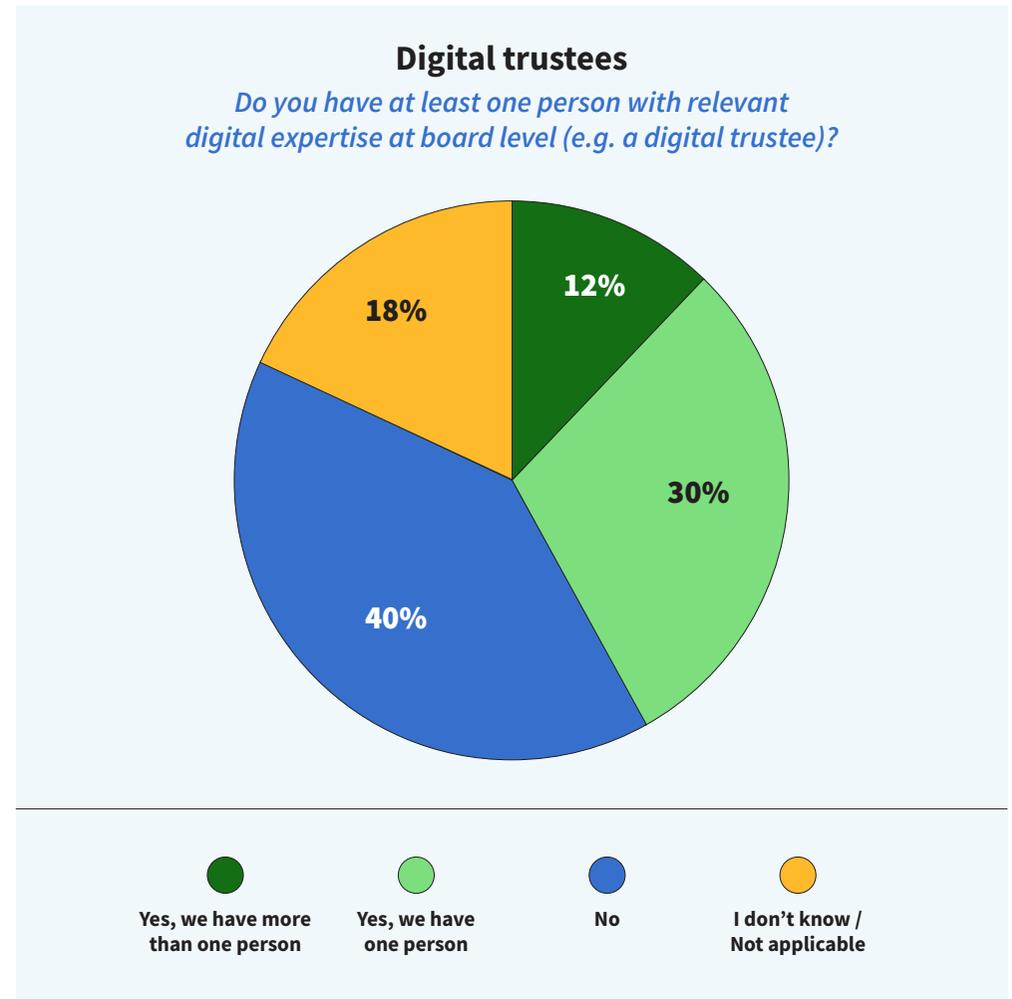
How many charities have a digital trustee(s)?

Just under a third (30%) of charities have a digital trustee. However, the proportion of digital trustees has barely changed since 2024. 4 out of 10 charities do not have a digital trustee.

Charities told us that:

- 30% have a digital trustee
- 12% have more than one digital trustee
- 40% do not have a digital trustee (32% of large charities vs 44% of small charities).

All of these numbers are similar to 2024 and seem low compared to the growing speed of technological development in and outside the sector.



Leadership

Would any of the following improvements at trustee/board level help charities progress with digital?

More than 4 out of 10 charities want their boards to recruit a digital trustee.

The most critical areas where charities would like to see change are:

- Recruiting a digital trustee (person with relevant digital expertise) (43%).
- Learn more about emerging tech and AI tools (34%).

Both of the above needs are similar to 2024.

Other notable areas where charities would like to see change are:

- Better resourcing and investment in digital and IT (34%, up from 29% last year).
- Learn more about digital (32%, surprisingly, given other trends we've seen in this year's survey around upskilling board, this is down from 40% in 2024).
- Understand risks (cybersecurity, data protection, safeguarding) (32%).

It's interesting that using data and insights from user research to inform decisions (20%) has risen from 13% last year, suggesting it is growing in importance to what charities expect from their boards.

Small charities say they most need to recruit a digital trustee (47%), followed by their board learning more about digital (34%) and their board getting better at resourcing and investing in digital (34%)

Large charities most need their board to learn more about emerging tech and AI tools (36%), get better at resourcing and investing in digital (36%) and recruit a digital trustee (35%).

Improvements needed at trustee/board level

Would any of the following improvements at trustee / board level help your organisation progress with digital?



Leadership

Which skills or behaviours would charities like their CEOs to develop to enable digital progress?

Almost two-thirds of charities (64%) want their CEOs to define a clear vision of what their charity could achieve with digital.

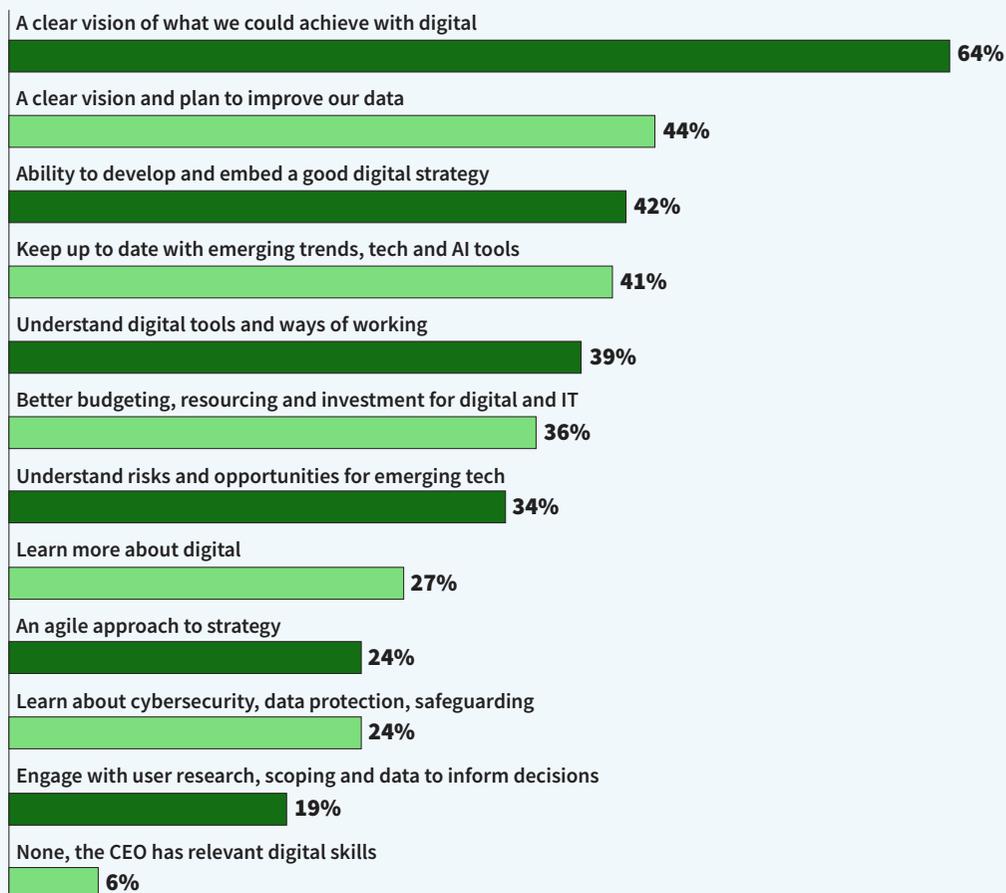
The top areas where charities would like their CEOs to develop are:

- A clear vision of what we could achieve with digital (64%, up from 55% last year) – once again, this is one of the most urgent needs that charities have of their CEOs, which we see year on year in our report
- A clear vision and plan to improve our data (44%)
- Ability to develop and embed a good digital strategy (42%)
- Keep up to date with emerging trends, tech and AI tools (41%)
- Understand digital tools and ways of working (39%)
- Better budgeting, resourcing and investment for digital and IT (36%)
- Understand risks and opportunities for emerging tech (34%).

All of the above are similar to 2024 (apart from the growing need for CEOs to have a clear vision for digital) showing that these needs have not gone away or lessened significantly. Results for both small and large charities are very similar here. These are sector-wide skills development needs.

CEO skills development needs

What skills, knowledge or behaviour would you most like your CEO (or yourself if you are the CEO) to develop in order to progress further with digital?



Leadership

Is there anything else you'd like to tell us anonymously about how digital skills could help your organisation, or your experiences with digital this year?

We saw the following themes among charities' responses:

1 Resource and capacity constraints

Reinforcing a theme we have seen throughout our report, charities cited capacity limitations as a significant barrier to digital progress:

"It's general, but: we don't have the capacity to invest in digital skills currently. I am a trustee of the charity and we have just two employees, both of which are part time. Everyone is maxed out!"

"We are a part-time team so digital skills could really help us be more communicative and efficient in our delivery and communication."

"Small charities lack resources and time so possibly local support through VCSE groups to support charities in their area with digital."

"With current funding levels and high demand for our services it's challenging to find time to look at digital when we need to focus on our day-to-day activities."

2 Leadership and governance challenges

A recurring theme was the disconnect between leadership and staff:

"The board did a review of skills but didn't seem to see digital as important despite me pointing this out as a skills gap. We have highly skilled trustees but none of them have digital skills!"

"There's often too much interference from the Board and the C-Suite in operational decisions in digital – people think they know more than they do. This slows things down continually and disempowers our excellent people."

"We've seen this year how little our board or CEO value the knowledge and skills of digital staff in their org. There's very little understanding or knowledge of digital at CEO/Board level, yet they ignore our offers of advice and support on how to use these channels for increased reach, funding, and impact."

"We are currently led by digital immigrants rather than digital natives. We need digital natives – people who have been immersed in technology and its potential for their whole lives – in leadership positions."

Leadership

3 Culture change

Some responses highlighted why charities need to embrace culture change and not fear how digital disruption might change traditional hierarchies:

“The dilemma lies in the challenge of the transition; or more specifically in inclusion and the power shift of real democratisation. This is more about creating space for the ‘old guard’ of the charity sector and enabling them to let go and make space for the new ...”

“I think it would be helpful for us to provide clear expectations for trustees about what digital skills they should have (or be willing to learn) at the point of recruitment. A big barrier is a general refusal on the part of some trustees to engage with certain digital tools or learn how to use them.”

“Staff are experimenting anyway, so CEOs need to get up to speed!”

4 Digital’s potential to scale up delivery

Many organisations recognise the potential of digital to transform their work:

“This year, we’ve realised just how much digital skills can transform our work and extend our reach. As a grassroots organisation working with underserved communities, digital tools have allowed us to tell our stories more powerfully, connect with new supporters, and engage youth in creative and meaningful ways.”

“Developing digital skills delivery has engaged the most excluded and hard to reach groups – this is not valued or recognised. It has also increased our community engagement and footfall exponentially.”

5 Concerns about digital

Some respondents expressed reservations about digital technologies:

“The rate of digital complexity seems to increase exponentially. I don’t really trust it. I was born in an analogue world and I’ve realised I don’t like much of the digital one. I intensely dislike the feeling that all our social media posts have to target this and that. It feels very manipulative.”

“AI has made a lot of charities on social media look the same, posts all look too generic and have lost the personal touch. You can tell when a charity has used AI for a post.”

“Sadly Otterai inviting itself to my meetings and attending when I didn’t ask it to, and not notifying me until afterwards has made me run a mile!”

Leadership

6 Progress despite challenges

Some organisations shared positive experiences:

“We’ve benefited the most from engaging with our community through social media. However, we still have a lot to learn about using digital tools more effectively.”

“Our CEO has started using AI and our deputy, we are only using this as and when and not to its full potential but excited about what it could do but need support and time to research and try it out, which is difficult to find.”

What these responses tell us about where charities see digital potential.

These responses paint a complex picture of a sector grappling with digital transformation amid significant resource constraints. For many smaller charities, digital remains something that continually gets deprioritised in favour of immediate service delivery.

Leadership was a recurring theme in these responses, echoing what we see elsewhere in our report. There is frustration from digitally skilled staff who feel their expertise is undervalued by senior leaders and boards who may not fully appreciate digital’s strategic importance.

Despite these challenges, there’s recognition of digital’s potential to enhance mission delivery and reach. The ambivalence about certain technologies, particularly AI, shows the sector taking a thoughtful approach rather than blindly embracing every new trend.

Overall, these responses highlight the need for more targeted support for charity leaders to build their digital confidence, alongside practical help that acknowledges the resource constraints organisations face.

Nations and regions

Overview

When we look across the responses for each country, as well as each region in England, there are some distinct differences in their digital skills, priorities and funding needs:

Digital capacity

Scotland-based charities are more likely to see digital as an organisational priority but, overall, are at a similar stage with digital to our overall sample. Charities based in Wales are progressing well with digital and are further ahead of other nations in delivering fully online services (22%). Charities in the North of England are less likely to see digital as a high organisational priority (12%, vs 22% overall).

Digital inclusion

(supporting clients with devices, data or digital skills) is a bigger organisational priority for charities in Scotland (25%) and Wales (22%), compared to England (15%). It is also a priority for 25% of charities in the North of England and 22% in the Midlands, compared to 13% in the South of England and 13% in London, compared to 16% in our overall sample.

Regional differences in digital maturity

Northern Ireland has a higher proportion of charities at an early stage with digital (64%), as do charities in the Midlands (67%). This builds on our 2024 findings. In Wales, only 50% of charities are early stage, despite a high proportion of large charities (49%, vs 31% in our main sample). Similarly in Scotland, 58% are early stage (17% curious, 41% starting out). However, this is surprising, given that our Scotland sample has a higher proportion of large charities (45%) (vs 31% in our main sample). Large charities are typically further ahead with digital (in our main sample, only 32% of large charities are early stage).

Funding accessed

In our main sample, 40% of charities accessed digital funding. Scotland is slightly lower (36%), compared to 38% in Wales, 37% in Northern Ireland and 41% in England. In the North of England, funding access is slightly higher at 47%, while charities in the Midlands have the lowest access rate at 33%.

AI use

Charities in Northern Ireland (67%) and the Midlands (67%) have the lowest use of AI (vs 76% in our main sample), with most at the earliest stage of testing and exploring AI. Charities in Wales (34%) and Scotland (38%) are further ahead with AI uptake and are more likely to be looking for funding AI development and licence costs (38%, vs 23% overall).

AI skills

AI skills are lower in the North of England with 45% saying they don't know how to get started (vs 33% overall) and 72% rating their skills to use AI tools in everyday work as poor or non-existent (vs 64% overall). They are highest in Scotland, with 41% rating their skills to use AI tools in everyday work as excellent or fair (vs 32% in our main sample).

Nations and regions

Digital services

Digital service delivery is slightly more prevalent in Scotland, with 65% offering digital services where digital plays a vital or supportive role (an additional 31% use digital behind the scenes). In comparison, digital service delivery is less common in Northern Ireland, with 49% relying on digital tools behind the scenes (vs 39% overall).

Infrastructure

IT support and hardware is a bigger issue for charities in Northern Ireland, with 43% rating this as poor or non-existent (vs 24% overall). In the Midlands, a third (34%) are struggling to make digital progress because of their equipment, hardware and devices (vs 21% overall).

Climate change

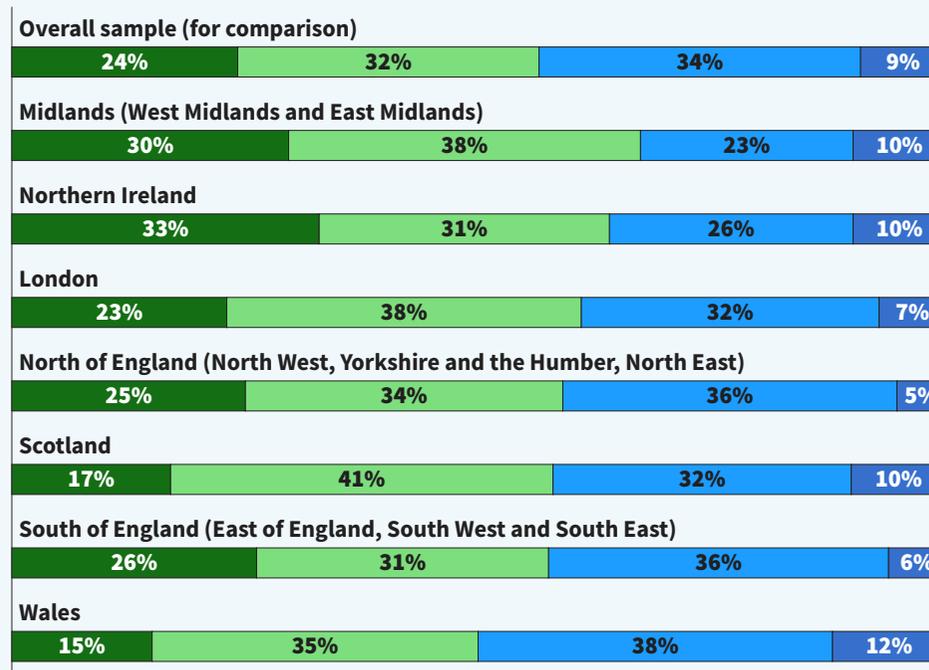
In Wales, 24% see reducing their tech/digital carbon footprint as a priority, double the 12% in our main sample.

Learning

Charities in Scotland and Wales are more likely to learn about digital from their peers, both 47%, compared to 32% in our main sample.

Regional differences in digital development stage

Which best describes your organisation's overall stage of digital development?



Curious



Starting out



Advancing



Advanced

Nations and regions

England regions

Overall, we can see clear differences in digital maturity, skills, funding and AI uptake for charities based in the North of England and the Midlands. Overall digital capacity and skills are similar. However, both groups are struggling to move forward, particularly with AI. There were no differences in responses for London and charities in the South of England.

London

- There were no differences in digital maturity, skills, funding needs and AI uptake for London-based charities. There were also no differences between small charities in London and small charities in our overall sample.

South of England (East of England, South West and South East)

- There were no differences in digital maturity, skills, funding needs and AI uptake for London-based charities. There were also no differences between small charities in London and small charities in our overall sample.

North of England (North West, Yorkshire and the Humber, North East)

- Of the 90 charities, 64% were small and 33% were large, similar to our main sample.
- Overall digital stages aligned with our main sample, with 59% being at an early stage with digital (vs 56% overall).
- 63% had made digital progress this year. However, a lower proportion rated digital as a high organisational priority (12%, vs 22% overall).
- Digital inclusion is a higher priority, with 72% supporting their service users (vs 55% overall) and 25% seeing this as an organisational priority (vs 16% overall).
- Charities in the North of England were more likely to rate themselves as having poor or non-existent skills in:
 - Using digital tools in service delivery (32%, vs 23% overall)
 - Investing in and resource in digital effectively (61%, vs 50% overall)
 - Using website and analytics data (63%, vs 50% overall)
 - Collecting, managing and analysing data (36%, vs 27% overall).
- A higher proportion of 41% say the increase in National Insurance/minimum wage has affected their budget (vs 30% overall).
- Inclusion in digital services is a gap, with lower proportions saying their services are (to a great extent) inclusive of our intended users (18%, vs 33% overall) or meeting different accessibility needs (15%, vs 25% overall).
- AI skills are lower, with 45% saying they don't know how to get started (vs 33% overall) and 72% rating their skills to use AI tools in everyday work as poor or non-existent (vs 64% overall). Only 35% are using AI tools in administration and project management, lower than the 48% overall. However, they are taking similar steps and learning about AI to move forward.
- Funding success is higher, with 47% accessing digital funding (vs 40% overall). This could be due to a higher proportion accessing funding from local authority grants or contracts (20%, vs 12% overall, all other funding sources are similar), or a local funder meeting this need. Funding is most needed for organisational development capacity (68%, vs 59% overall) and training staff (66%, vs 50% overall).

Nations and regions

Midlands (West Midlands and East Midlands)

- Of the 61 charities, 64% were small and 30% large, similar to our main sample.
- Charities in the Midlands are more likely to be at an early stage, with 67% starting out with digital (vs 56% overall), 30% at the curious stage and 38% at the starting out stage.
- Only 33% have a strategy in place for digital (23% advancing and 10% advanced).
- Half (52%) made progress with digital this year, vs 63% overall. Most (60%) made progress with social media and in revamping their website (38%). Less than a third made progress in other digital areas.
- In terms of priorities, the majority are focusing on online fundraising (73%, vs 57% overall) digital communications (61%) and attracting funding or donations (61%).
- Biggest barriers to digital progress differ in the Midlands:
 - Squeezed organisational finances affect 79% (vs 69% overall)
 - Finding funds to invest in infrastructure, systems and tools (69%)
 - Lack of headspace and capacity (64%)
 - Staff/volunteers have low digital skills and confidence (51%, vs 40% overall).
- A third are struggling because of equipment, hardware and devices (34% say this is a barrier to their digital progress, vs 21% overall).
- AI use is lower, with 67% using AI (vs 76% overall) and only 29% saying they are responding to the opportunities and challenges surrounding AI (vs 42% overall).
- Similar to all charities, most (47%) are using AI tools in administration and project management.
- Funding success is lower, with only a third (33%) accessing digital funding (vs 40% overall). The biggest funding need is staff time to spend on digital/data (57%).

Nations and regions

Scotland

This year, charities in Scotland look to be making good progress with digital. Most (89%) see digital as an organisational priority and digital service delivery is common (both higher compared to other nations). Like last year, lack of headspace and capacity continues to be a key challenge.

Our sample

- 59 organisations (9% of our sample) are based in Scotland, lower than the 64 in 2024.
- 45% are large, while 53% are small (the remainder did not specify). This is greater than the 31% of large charities in our main sample.

Key areas of progress in the last 12 months

- 1 Social media engagement (51%).
- 2 Revamping our website (49%).
- 3 Staff and volunteer digital skills (44%).
- 4 AI tools, use cases, opportunities and risks (37%).

Digital progress

- 58% are in the early stages with digital (17% curious and 41% starting out). This has increased from 41% in 2024. This is similar to our main sample (56%).
- 42% have a strategy in place for digital (32% advancing and 10% advanced). Given the over-representation of large charities, which are typically further ahead with digital, we would expect a higher proportion to be at this stage.
- 66% made significant or good progress with digital this year.
- 89% see digital as an organisational priority, with 20% saying it is a high priority. This is much higher than the 75% in our main sample.
- Internet access and connectivity continue to be an issue for 12% of charities in Scotland who say this is poor or non-existent, the same as 2024. This was higher than our main sample in 2024, but this year, this is the same for all charities.

Digital services

- Digital service delivery is common. 51% say digital plays a key role in how they organise and deliver services, while 15% offer services that are fully online (65% in total, vs 52% in our main sample). A third (31%) use digital behind the scenes.
- A third (32%) say digital services are a priority this year (vs 20% in our main sample).
- 15% support clients with digital inclusion extensively, 45% provide some support.
- 25% see supporting clients with devices, data or digital skills as an organisational priority, an increase from 7% in 2024 and higher than the 16% in our overall sample.

Nations and regions

Barriers to digital progress

Charities based in Scotland face the same barriers as other nations, including:

- 1 Lack of headspace and capacity (68%).
- 2 Squeezed organisational finances (64%).
- 3 Finding funds to invest in infrastructure, systems and tools (58%).

Digital priorities for the year ahead

- 1 Develop our strategy (for digital, data or AI) (61%), up from 35% in 2024.
- 2 Attracting funding or donations (50%).
- 3 Digital communications and fundraising (50%).

Leadership and digital skills

- While 38% do not have someone with digital expertise at board level, 34% have one digital trustee and 17% have a range of digital expertise at board level.
- To move forward with digital, 38% say they most want their board to recruit a digital trustee and to learn more about emerging tech and AI (34%).
- 74% say they most need their CEO to have a clear vision for what they can achieve with digital, followed by a clear vision and plan to improve data (49%).

Use of AI

- 76% are using AI tools, with 53% at the exploring stage, 22% actively adopting AI tools in everyday work and 2% using AI strategically.
- Charities are primarily using AI for administration and project management (63%), grant fundraising (38%) and communications and fundraising (30%).
- In day-to-day work, AI tools are mainly used for administrative tasks (55%), developing online content (49%) and creating documents and reports (45%).
- 41% rate their skills to use AI tools in everyday work as excellent or fair, higher than other nations and the 32% in our main sample.

Nations and regions

AI skills, mindset and support needs

- 84% agree or strongly agree that AI developments are relevant to them (higher than the 74% in our main sample). However, only 49% feel they are responding to AI opportunities and challenges and 64% are worried about the implications of using AI.
- 41% say their CEO has poor AI skills and knowledge, 37% say their skills are fair.
- 52% say their board has poor AI skills and knowledge, 36% say their skills are fair.
- Charities most want to learn how to use AI in everyday work (60%) and more generally about AI and how charities are using it (53%), as well as exploring potential use cases in their services (53%).
- Key barriers to moving forward with AI are limited digital skills (49%), lack of training or support to upskill (49%) and data privacy, GDPR and security concerns (49%).

Funding accessed

- 36% have accessed funding that includes digital costs in the last 12 months. This is slightly lower than the 38% in Wales, 37% in Northern Ireland and 41% in England.
- 42% accessed funding that did not include digital costs.
- The biggest barriers are finding a funder who will support a digital project (32%), a lack of time to dedicate to this (32%) and funding not covering core costs (30%).

Funding needs

- 1 Core staff or cover staff time to spend on digital/data (58%).
- 2 Capacity/headspace for organisational development (51%).
- 3 Develop our strategy (for digital, data or AI) (45%).
- 4 Training for staff and volunteers on digital or data (45%).
- 5 Devices, subscriptions and licences (43%, higher than the 31% in our main sample).
- 6 AI development and licence costs (38%, higher than the 23% in our main sample).

Nations and regions

Northern Ireland

For the first time, we have sufficient responses to include a dedicated section about charities based in Northern Ireland. However, the sample is small and results are indicative rather than conclusive. Overall, this group of charities has lower digital skills and capacity, fewer digital services, as well as lower use of AI.

IT is also a bigger issue for charities in Northern Ireland than other nations. Key areas of progress include social media and data, with 72% saying digital is a key priority. Funding to cover staff time to spend on digital/data (57%) would make a significant difference here.

Our sample

- In total, 42 (6%) of our responses are from charities in Northern Ireland. 67% are small and 29% are large (the remainder did not specify), similar to our main sample. 90% are a registered charity or Charitable Incorporated Organisation (CIO).

Digital progress

- 64% are at an early stage with digital (33% curious and 31% starting out), compared to 56% in our main sample, while 36% have a strategy in place for digital (26% advancing and 10% advanced).
- 57% made significant or good progress with digital this year.
- 72% see digital as an organisational priority, with 13% saying it is a high priority.

Key areas of progress in the last 12 months

- Social media engagement (67%).
- Data collection, analysis or use (43%, higher than the 35% in our main sample).
- Staff and volunteer digital skills (38%).
- Operations and administrative tasks (36%).
- Digital communications (36%).
- Lower proportions have made progress with website development (29%, vs 44% in our main sample), digital policies and governance (10%, vs 26% in our main sample).

Digital services

- 33% say digital plays a key role in how they organise and deliver services, while 15% offer services that are fully online. 49% say their use of digital in services is minimal, higher than the 39% in our main sample.
- 51% are providing some support to clients with digital inclusion (none are providing extensive support), while 15% say this is an organisational priority.

Nations and regions

Leadership and digital skills

- Half (51%) do not have someone with digital expertise at board level (vs 40% in our main sample). However, 27% have one trustee and 8% have more than one person with digital expertise at board level.
- 49% say that recruiting a digital trustee would help them progress with digital, followed by 43% who want their board or trustees to learn more about digital.
- 76% say they most need their CEO to develop a clear vision for what they can achieve with digital in order to move forward, while 57% want their CEO to keep better up to date with emerging trends, tech and AI tools.
- 53% say their CEO has poor AI skills and knowledge, higher than the 36% in our main sample. 65% say their board has poor AI skills and knowledge (vs 44% in our main sample).

Barriers to digital progress

- 1 Lack of headspace and capacity (59%).
- 2 Squeezed organisational finances (59%).
- 3 Finding funds to invest in infrastructure, systems and tools (56%).

IT support and hardware is a bigger issue for charities in Northern Ireland, with 43% rating this as poor or non-existent, compared to 24% in our main sample.

Digital priorities for the year ahead

- 1 Digital communications and fundraising (46%).
- 2 Develop our strategy (for digital, data or AI) (46%).
- 3 Attracting funding or donations (44%).
- 4 Grow staff/volunteer digital skills (38%).

Use of AI

- 67% are using AI tools (lower than the 76% in our main sample). Of these, 49% are at the exploring stage, 18% are actively adopting AI tools in everyday work and none are using AI strategically.
- AI is mainly used in the day-to-day tasks of writing documents and reports (41%), administrative tasks (38%) and information gathering (33%).
- Organisationally, charities in Northern Ireland are using AI for administration and project management (56%), grant fundraising (48%, vs 36% in our main sample), communications and fundraising (28%), evaluation (20%) and HR (12%).
- 71% rate their skills to use AI tools in everyday work as poor or non-existent, higher than other nations and the 64% in our main sample.

Nations and regions

AI skills, mindset and support needs

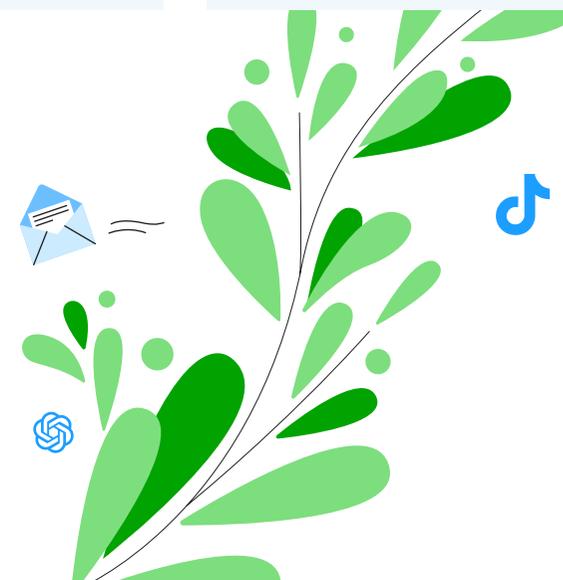
- 74% agree or strongly agree that AI developments are relevant to them. However, only 36% feel they are responding to the opportunities and challenges surrounding AI and 43% say they don't know how to get started with AI.
- 54% agree or strongly agree that they are worried about the implications of using AI.
- In terms of learning, most want to gain a general understanding of AI and how charities are using it (74%) and practical uses of AI in everyday work (71%).
- Key barriers to adopting AI are a lack of training (55%) and limited digital skills (47%).

Funding

- 37% have accessed funding in the last 12 months that includes digital costs. However, 42% say their funding has not included digital costs.
- The biggest barrier to applying for digital funding is not having the time to dedicate to it (45%), followed by funders only covering limited core costs (21%).

Funding needs

- Core staff or cover staff time to spend on digital/data (57%)
- Training for staff and volunteers on digital or data (54%)
- IT and infrastructure upgrades (41%).



Nations and regions

Wales

Charities in Wales look to be progressing well with digital, with half now advancing or advanced, although this marks a slight decline from 2024. A higher proportion of large charities may be driving this digital progress. However, they face common barriers such as limited finances and capacity. Charities based in Wales are ahead of other nations in delivering fully online services (22%) and are more likely to prioritise digital inclusion and reducing their digital carbon footprint. AI adoption is high, but confidence and skills remain low.

Our sample

- 60 (9%) of our responses are from charities in Wales, similar to 2024.
- 49% are small and 49% are large (the remainder did not specify). This is a greater proportion of large charities compared to the 31% in our main sample, noting that large charities are typically further ahead with digital.

Digital stage

- 50% are at an early stage with digital (15% curious and 35% starting out). This is lower than our main sample (56%), but slightly higher than 2024 (44%).
- 50% are advancing (38%) or advanced (12%), with a strategy in place for digital. This is slightly lower than the 56% in 2024, but this could be due to the small sample.
- 63% made significant or good progress with digital this year.
- 83% see digital as an organisational priority, with 22% saying it is a high priority.

Key areas of progress in the last 12 months

- Social media engagement (52%).
- Revamping our website (43%).
- AI tools, use cases, opportunities and risks (43%).
- Digital communications (38%).
- Data collection, analysis or use (37%).

Barriers to digital progress

Charities based in Wales face the same barriers as other nations, including:

- 1 Squeezed organisational finances (67%).
- 2 Lack of headspace and capacity (62%).
- 3 Finding funds to invest in infrastructure, systems and tools (62%).

Nations and regions

Digital services

- 22% offer services that are fully online, which is much higher than other nations (9% in our main sample), while 40% say digital plays a key role in service delivery and 33% use digital in a limited way, behind the scenes.
- 10% support clients with digital inclusion extensively, while 41% provide some digital inclusion support. It is noteworthy that 22% see this as an organisational priority (vs 16% in our main sample).

Leadership and digital skills

- 30% have a digital trustee and 13% have more than one person with digital expertise at board level, 41% do not have someone with digital expertise at board level.
- 49% say that recruiting a digital trustee would help them progress with digital.
- 45% want their board or trustees to learn more about emerging tech and AI.
- In order to move forward with digital, 70% say they most need their CEO to develop a clear vision for what they can achieve with digital and 59% say the same for data.

Digital priorities for the year ahead

- 1 Develop our strategy (for digital, data or AI) (66%, vs 49% in our main sample).
- 2 Use our data to improve services or operations (50%, vs 39% in our main sample).
- 3 Digital communications and fundraising (48%).
- 4 Develop a strategic approach to using AI (41%).
- 5 24% see reducing their tech/digital carbon footprint as a priority, double the 12% in our main sample.

Use of AI

- 77% are using AI tools, with 50% at the exploring stage and 27% actively adopting AI tools in everyday work. None are using AI strategically. AI is primarily used for administration and project management (51%), followed by grant fundraising (30%).
- Only 33% say their skills to use AI tools in everyday work are excellent or fair, while 63% say their skills are poor or non-existent.

Nations and regions

AI skills, mindset and support needs

- 86% agree or strongly agree that AI developments are relevant to them. However, only 48% feel they are responding to the opportunities and challenges surrounding AI and 27% say they don't know how to get started with AI.
- 66% are worried about the implications of using AI, like 60% of all charities.
- 36% say their CEO has poor AI skills and knowledge, 38% say their skills are fair.
- 50% say their board has poor AI skills and knowledge, 31% say their skills are fair.
- Charities in Wales are learning about AI by testing AI tools in everyday work (64%), attending events, workshops or webinars (63%) and learning from peers (48%).
- 63% are developing an AI policy, higher than other nations (48% in our main sample).
- Key support needs around AI are learning about practical uses in everyday work (64%) and developing AI policies and governance (60%, much higher than the 43% in our main sample).
- Top barriers to moving forward with AI for charities in Wales are slightly different to other nations. This is likely due to more charities using AI. They are:
 - Data privacy, GDPR and security concerns (50%).
 - Issues with factual accuracy in AI-generated answers (45%).
 - Costs of AI tools and how to resource these (39%).

Funding

- 38% accessed funding in the last 12 months that included digital costs. However, 43% say their funding has not included digital costs and 5% have not applied. The biggest barrier to applying for digital funding is time to dedicate to this (29%).
- Funding needs:
 - Capacity/headspace for organisational development (54%).
 - Core staff or cover staff time to spend on digital/data (52%).
 - Develop our strategy (for digital, data or AI) (46%).
 - Training for staff and volunteers on digital or data (46%).

Small charities

While smaller charities have made wide ranging digital progress, they have much lower digital skills and capacity than larger charities. This gap persists year on year and highlights a clear case for dedicated support and funding to help develop capacity and skills.

About our sample of small charities

- Small charities represent 428 (65%) of our responses, with an income of up to £1m. This includes:
 - £0 to £10,000: 48 organisations (11%)
 - £10,001 to £100,000: 124 organisations (29%)
 - £100,001 to £500,000: 177 organisations (41%)
 - £500,001 to £999,999: 79 organisations (18%).
- 35% are led by people with lived experience of the issue they address.
- 78% are registered charities or a Charitable Incorporated Organisation (CIO), 14% are a company limited by guarantee and 10% are a Community Interest Company (CIC) limited by guarantee. 25% are a social enterprise or community business.

Digital stage

- 68% are at an early stage with digital (33% curious and 35% starting out), compared to 32% of large charities.
- 32% have a strategy in place for digital (24% advancing and 8% advanced). Worryingly, this has declined from 36% in 2024 and 42% in 2023.
- For the smallest charities, with an income of up to £100,000, 79% are at the curious and starting out stage. This falls to 61% of those with an income between £100,001 and £500,000 and 59% of those in the £500,001 and £999,999 income bracket. The same trend was apparent and has slightly increased in both 2024 and 2023.
- 72% of small charities see digital as an organisational priority, with 18% saying it is a high priority. This compares to 77% in 2024 (indicating this might be declining).

Digital services

- 38% say digital plays a key role in how they organise and deliver services (vs 61% of large charities), while 9% deliver fully online/digital services.
- 46% use digital in a limited way, behind the scenes.
- 54% support clients with digital inclusion (15% see this as an organisational priority).

Small charities

Digital progress

- 59% of small charities have made good or significant progress with digital this year.
- Key achievements for small charities include:
 - Social media engagement (66%).
 - Revamping our website (43%).
 - Staff and volunteer digital skills (39%).
- 35% are led by people with lived experience of the issue they address.
- Smaller proportions made progress with data collection, analysis or use (31% small vs 45% large), IT, systems or infrastructure upgrades (27% small vs 53% large), data protection and cybersecurity (26% small vs 46% large) and AI tools, use cases, opportunities and risks (24% small vs 41% large).

Leadership and digital skills

- 44% of small charities do not have someone with digital expertise at board level.
- 47% say that recruiting a digital trustee would help them progress with digital, followed by 33% who want their board/trustees to learn about emerging tech and AI.
- 64% need their CEO to develop a clear vision of what they could achieve with digital in order to move forward with digital, while 46% want their CEO to keep up to date with emerging trends, tech and AI tools.

Digital priorities for the year ahead

- 1 Build our online presence and social media engagement (70%).
- 2 Increase online fundraising (62%).
- 3 Grow our reach (60%).
- 4 Attracting funding or donations (59%).

Small charities have similar priorities to large charities, but are less likely to be prioritising their strategy for AI (30%, vs 51% large) and digital service delivery (27%, vs 38% large).

Barriers to digital progress

- 1 Squeezed organisational finances (72%).
- 2 Finding funds to invest in infrastructure, systems and tools (68%).
- 3 Lack of headspace and capacity (62%).

Small charities

Small charities use of AI

- 72% of small charities are using AI tools, a significant increase on 53% in 2024. Half (49%) are at the exploring stage, while 21% are actively adopting AI tools.
- Organisationally, small charities are using AI for:
 - Administration and project management (43%, vs 57% of large charities).
 - Grant fundraising (43%, vs 27% of large charities).
 - Communications and fundraising (38%, vs 28% of large charities).

Small charities AI skills, mindset and support needs

- While 68% agree or strongly agree that AI developments are relevant to them, only 38% are responding to AI opportunities and challenges (vs 53% of large charities).
- 53% are worried about the implications of using AI. Interestingly, this is lower than the 74% of large charities (who are further ahead with AI use), indicating that worries around AI are increasing with use and uptake of AI.
- 48% say their board or trustees have poor skills and knowledge of AI.
- 37% feel their CEO has poor skills and knowledge of AI, while 40% say they have fair skills (7% say they are excellent and the remainder do not know).
- Small charities want to improve their understanding of AI and how charities are using it (63%) and to learn how they can practically use AI in their everyday work (58%).
- Key barriers to moving forward with AI are limited digital skills (47%), a lack of training or support (45%) and data privacy, GDPR and security concerns (38%).

Small charities and funding

- In the last 12 months, 37% of small charities accessed funding that covers digital costs, compared to 48% of large charities.
- The biggest barrier to accessing digital funding is dedicating time to apply (42%).
- Top funding needs:
 - Capacity/headspace for organisational development (58%).
 - Develop our strategy (for digital, data or AI) (46%).
 - Core staff or cover staff time to spend on digital/data (57%).

Large charities

Large charities continue to lead on digital progress, with 68% now advancing or advanced, with a strategy in place. Three-quarters made progress in the past year. AI use is widespread, but confidence and skills are still low. Barriers such as limited capacity, financial pressures and underinvestment in digital remain.

Access to funding that supports digital has improved, although charities still struggle to invest in core costs and strategy development. Leadership remains key, with most saying progress depends on their CEO shaping a clear digital and data vision.

Our sample

- Large charities represent 208 (31%) of our responses, of which 94% are a registered charity or Charitable Incorporated Organisation (CIO).

Digital stage

- Only a third (32%) are at an early stage with digital (6% curious and 26% starting out).
- 68% have a strategy in place for digital (57% advancing and 11% advanced).
- 76% made significant or good progress with digital this year.
- 82% see digital as an organisational priority, with 31% saying it is a high priority.

Key areas of progress in the last 12 months

Large charities, most of which have a digital strategy in place, have made progress in a wide range of areas, including:

- IT, systems or infrastructure upgrades (53%, vs 27% of small charities).
- Social media engagement (47%, lower than 66% of small charities).
- Revamping our website (47%).
- Data protection and cybersecurity (46%).
- Data collection, analysis or use (45%).
- Our strategy (for digital, data or AI) (41%).

Barriers to digital progress

- 1 Lack of headspace and capacity (67%).
- 2 Squeezed organisational finances (61%).
- 3 Finding funds to invest in infrastructure, systems and tools (55%).
- 4 Increase in National Insurance/minimum wage has reduced our budget (43%).
- 5 Poor resourcing and budgeting for digital (38%).

Digital services

- 61% say digital plays a key role in service delivery services, 10% offer online services and 26% use digital in a limited way, behind the scenes.
- 13% support clients with digital inclusion and 17% say this is an organisational priority, while 46% provide some digital inclusion support.

Large charities

Digital priorities for the year ahead

- 1 Develop our strategy (for digital, data or AI) (59%).
- 2 Develop a strategic approach to using AI (51%).
- 3 Improve/use our data to improve services or operations (46%).

Leadership and digital skills

- 31% have one trustee with digital expertise and 16% have more than one.
- Changes needed most at board level are learning more about emerging tech and AI tools (36%), along with better resourcing and investment in digital and IT (36%).
- 69% say they most need their CEO to develop a clear vision of what they can achieve with digital, while 47% need their CEO to develop the same for data.

Use of AI

- 89% are using AI tools, with 58% at the exploring stage, 29% actively adopting AI tools in everyday work and 2% using AI strategically.
- In day-to-day work, AI is widely used for a wide range of purposes, including administrative tasks (64%), writing documents and reports (56%), generating ideas, fostering creativity and problem solving (47%) and developing online content (39%).
- Organisationally, large charities are mostly using AI for administration and project management (57%), communications and fundraising (28%) and grant fundraising (27%, lower than the 43% of small charities).
- Surprisingly, only a third (34%) of large charities rate their skills to use AI tools as excellent or fair, similar to small charities (33%).

Large charities

AI skills, mindset and support needs

- 88% agree or strongly agree that AI developments are relevant to them. However, only 53% feel they are responding to the opportunities and challenges surrounding AI and 27% say they don't know how to get started with AI.
- 74% agree or strongly agree that they are worried about the implications of using AI.
- 35% say their CEO has poor AI skills and knowledge, 36% say their skills are fair.
- 40% say their board has poor AI skills and knowledge, 27% say their skills are fair.
- Large charities are learning about AI by attending events, workshops or webinars (78%) and testing AI tools in everyday work (74%).
- Most want to learn more about practical uses of AI in everyday work (61%), potential use cases for AI in services (55%) and assessing AI risks (bias, safeguarding) and using AI tools responsibly (55%).
- Large charities are taking the following steps to move forward with AI:
 - Developing an AI policy (68%)
 - Ensuring AI use aligns with our organisational values and policies (51%)
 - Reviewing data protection and security (48%).
- Key barriers to moving forward with AI are:
 - Data privacy, GDPR and security concerns (56%)
 - The potential for bias and discrimination (46%)
 - Issues with factual accuracy in AI-generated answers (42%).

Funding

- 48% have accessed funding in the last 12 months that includes digital costs.
- Funding needs:
 - Core staff or cover staff time to spend on digital/data (64%)
 - Capacity/headspace for organisational development (62%)
 - Training for staff and volunteers on digital or data (49%)
 - Develop our strategy (for digital, data or AI) (45%).
- The biggest funding barrier large charities face is that funders will only cover limited core costs (digital costs are lower priority) (33%).

Grantmaking trusts and foundations

This year, 52 responses are from grantmaking trusts or foundations (8%), which is large enough to incorporate into our report for the first time. We can see that grantmakers largely mirror the charity sector in all areas of digital skills and capacity. It's promising to see that grantmakers are prioritising creating an AI policy this year, but this looks unlikely to translate into a strategic approach to AI. While we recognise that grantmaking organisations are very different to frontline charities, we would expect to see funders a little further ahead with digital and AI in the areas below. This is because digital funding bids will only grow in complexity as AI develops further.

Digital stage

- 53% are at an early stage with digital (24% curious and 29% starting out), while 47% have a strategy in place for digital (37% advancing and 10% advanced). This is similar to all charities in our overall sample.
- 71% made progress with digital this year (higher than the 63% overall).
- 77% see digital as an organisational priority, with 29% saying it is a high priority.

Leadership and digital skills

- 54% do not have someone with digital expertise at board level (lower than the 40% in our overall sample) and 46% say that recruiting a digital trustee would help.
- 68% say they most need their CEO to develop a clear vision for what they can achieve with digital in order to move forward.

Barriers to digital progress

- 1 Lack of headspace and capacity (62%).
- 2 Squeezed organisational finances (48%, vs 69% overall).
- 3 Finding funds to invest in infrastructure, systems and tools (42%, vs 64% overall).

Grantmaking trusts and foundations

Priorities

- 1 Attracting funding or donations (46%, noting that many funders also raise funds from a range of sources to give out as grants).
- 2 Develop our strategy (for digital, data or AI) (44%).
- 3 Digital communications and fundraising (35%).

Use of AI

- 70% are using AI tools (vs 76% overall), with 55% at the exploring stage, 16% actively adopting AI tools in everyday work. None are using AI strategically.
- Organisationally, AI is mainly used for administration and project management (63%).
- 71% agree or strongly agree that AI developments are relevant to them. However, only 47% feel they are responding to AI opportunities and challenges. Half (51%) are worried about the implications of using AI.
- Grantmakers are prioritising learning about AI, by attending events and workshops (65%), testing AI tools (65%) and learning from other nonprofits (51%).
- Most want to learn about how charities are using AI (70%), as well as assessing AI risks (bias, safeguarding) and using AI tools responsibly (67%).
- 52% are developing an AI policy, which is promising, given that 45% of charities are asking for more funders to provide this. However, only a third are developing an AI strategy (32% see this as a priority, which is higher than 22% in our overall sample).

Infrastructure organisations

This year, 90 (13%) of our responses are from infrastructure organisations, much higher than the 59 in 2024. Last year, they were slightly further ahead with digital in comparison to other groups, with a stronger focus on data and using AI tools.

This trend continues in 2025, with infrastructure charities making strong progress with AI, digital services and inclusion.

Digital stage and progress

- 51% are at an early stage with digital (13% curious and 38% starting out).
- 49% have a strategy in place for digital (36% advancing and 13% advanced).
- 79% made significant or good progress with digital this year.
- 83% say digital is a high or medium priority of their organisation (vs 75% overall).
- 69% stopped or reduced using X (formerly Twitter), vs 51% in our main sample.

Digital services and inclusion

- A higher proportion are digital first in their services (24%, vs 9% overall), while 52% use digital in a supportive role (vs 44% overall).
- A greater proportion focus on inclusion when choosing digital suppliers:
 - 55% say commitment to diversity is very important (vs 42% overall).
 - 51% say values and ethics are very important (vs 45% overall).
- Infrastructure organisations are prioritising accessibility, diversity and inclusion in digital services (35%, vs 28% overall).

Key areas of progress in the last 12 months

- Social media engagement (57%)
- Revamping our website (48%)
- Data collection, analysis or use (44%, vs 35% overall)
- AI tools, use cases, opportunities and risks (41%, vs 29% overall)
- Digital communications (41%).

Infrastructure organisations

Priorities

- 1 Improve/use our data to improve services or operations (51%, vs 39% overall).
- 2 Develop our strategy (for digital, data or AI) (50%).
- 3 Grow staff/volunteer digital skills (47%).
- 4 Develop a strategic approach to using AI (47%).
- 5 Improve our use of digital tools in service delivery (38%).

Use of AI

- 89% are using AI tools, much higher than the 76% in our overall sample. 36% are actively adopting AI tools (vs 23% overall) and 4% are using AI strategically (vs 2% overall).
- AI is mainly used for administrative tasks (75%) and documents and reports (68%), as well as communications and fundraising (33%).
- 87% agree or strongly agree that AI developments are relevant to them, while 59% feel they are responding to the opportunities and challenges (vs 42% overall).
- However, 66% remain worried about the implications of using AI.
- 58% are developing an AI policy (vs 48% overall).
- Key barriers to moving forward with AI are data privacy, GDPR and security concerns (42%).

Diversity, equality and inclusion groups

Black led charities

Last year, we found that challenges related to the cost of living were having a much greater impact on black led charities. The same is true for 2025. Black led charities are disproportionately struggling as a result of squeezed organisational finances (80%, vs 69% overall), as well as finding funders to support digital

projects (44%, vs 27% overall). In spite of these challenges, black led charities have strong digital skills, with more taking up AI tools and prioritising inclusion in their digital work. Providing digital inclusion support is a higher priority for this group and a higher proportion need funding for this (44%, vs 20% overall).

Our sample

- 66 (8%) of our responses are from black led charities, similar to 2024.
- 66% are small and 25% are large (the remainder did not specify). It is worth noting that 20% have an income of under £10,000 and are unlikely to have paid staff.
- Much fewer are registered charities (67%, vs 83% overall).
- 42% are a social enterprise or community business (vs 22% overall).
- Nearly half (48%) are led by people with lived experience of the issue they address. This is much greater than the 28% of our main sample.

Digital stage

- 68% are at an early stage with digital (32% curious and 36% starting out), higher than our main sample (56%).
- 32% have a strategy in place for digital (21% advancing and 11% advanced).
- 60% made significant or good progress with digital this year.
- 79% see digital as an organisational priority, with 35% saying it is a top organisational priority (higher than the 22% overall).
- Strong digital skills include:
 - Using digital tools in everyday work (41% excellent, vs 27% overall).
 - Using AI tools in everyday work (46% excellent or fair, vs 32% overall).
 - Using data to inform decision making and strategy (80% excellent or fair, vs 70% overall).
 - Using digital tools in service delivery (34% excellent, vs 18% overall).
- However, 80% of black led charities are struggling with squeezed organisational finances and 71% say they have poor or non-existent online fundraising skills.

Diversity, equality and inclusion groups

Digital services and digital inclusion

- 48% say digital plays a key role in how they organise and deliver services, while 10% offer services that are fully online and 35% use digital behind the scenes.
- 64% support clients with digital inclusion to some extent (51%) or a great extent (13%) and 21% say this is an organisational priority (slightly higher than the 16% overall).

Key areas of progress in the last 12 months

- Social media engagement (63%).
- Staff and volunteer digital skills (48%).
- Revamping our website (43%).

Inclusion in digital services

- Diversity and inclusion practices are more prominent among black led charities, particularly when compared to our main sample (see our earlier section on '[digital suppliers, diversity and inclusion](#)').
- Accessibility, diversity and inclusion in digital services is a top priority for the year ahead for 40% of black led charities (vs 28% overall).
- When asked about data support needs, 40% want to learn about equitable or community led approaches (e.g. peer research, co-design) (vs 19% overall).
- Supporting clients with devices, data or digital skills (digital inclusion) is a priority for 21% of black led charities (vs 16% overall).

When choosing digital suppliers, the following inclusion factors are very important:

- Commitment to diversity and inclusion (62%, vs 42% overall).
- Values and ethics (59%, vs 45% overall).
- Involvement of people with lived experience (54%, vs 34% overall).
- Socially responsible business model (45%, vs 31% overall).
- Diversity in their team (40%, vs 17% overall).

Black led charities are more likely to say their digital services are (to a great extent):

- Informed by research with diverse communities (31%, vs 15% of main sample).
- Reaching diverse and marginalised communities (34%, vs 20% of main sample).
- Monitoring diversity and inclusion (26%, vs 17% of main sample).

Diversity, equality and inclusion groups

Leadership and digital skills

- 78% rate their CEO digital skills as excellent or fair (vs 67% overall).
- This year, 31% made progress with CEO/board digital skills (vs 19% overall).
- 52% have digital expertise at board level (vs 42% overall), while 48% say the best change their board could make to progress with digital is recruiting a digital trustee.
- 69% say they most need their CEO to develop a clear vision for what they can achieve with digital in order to move forward. Black led charities also want their CEOs to keep up to date with emerging trends, tech and AI tools (56%) and develop a clear vision and plan to improve data (53%).

Barriers to digital progress

Financial challenges are continuing to have a greater impact on black led charities:

- **Squeezed organisational finances:** 80% of black led charities say this is their biggest barrier. This has increased from 75% in 2024 and is 20% higher than the 69% overall.
- **Finding funds to invest in infrastructure, systems and tools** is the biggest barrier for 75% of black led charities (vs 64% overall and up from 65% in 2024).
- **Lack of headspace and capacity** affects 62% of black led charities, similar to 2024.
- **Our equipment, hardware and devices (e.g. laptops)** affects 32% of black led charities, compared to 21% overall.

Digital priorities for the year ahead

- 1 Grow our reach (70%).
- 2 Attracting funding or donations (63%).
- 3 Digital communications and fundraising (58%).
- 4 Develop our strategy (for digital, data or AI) (53%).

Use of AI

- 74% are using AI tools, with 46% at the exploring stage, 28% actively adopting AI tools in everyday work and none using AI strategically.
- In day-to-day work, black led charities are mainly using AI for generating ideas, fostering creativity and problem solving (50%, vs 35% overall).
- Organisationally, black led charities are using AI for grant fundraising (42%, vs 36% overall), administration and project management (37%), communications and fundraising (33%), and impact and evaluation (26%).

Diversity, equality and inclusion groups

AI skills, mindset and support needs

- 73% believe that AI developments are relevant to them (vs 74% overall). However, only 37% are responding to the opportunities and challenges of this and 58% are worried about the implications of using AI.
 - 56% say their CEO has excellent or fair AI skills and knowledge (vs 47% overall).
 - Black led charities are learning about AI from events, workshops and webinars (48%), as well as testing AI tools in everyday work (45%).
 - 58% want to learn more about assessing AI risks (bias, safeguarding) and using AI tools responsibly (vs 51% overall).
 - 44% want more insights about how their communities are using AI (vs 25% overall).
 - 40% are developing an AI policy.
 - A higher proportion of black led charities are avoiding AI in areas where it could cause harm (47%, vs 36% overall).
- Key barriers to moving forward with AI for black led charities are:
 - Data privacy, GDPR and security concerns (50%)
 - Limited digital skills and technical expertise (48%)
 - Lack of training or support to upskill ourselves (43%).
 - 35% are seeking funding for AI (vs 13% overall).
 - Black led charities say that co-ordinated AI investment from funders would make the biggest difference to sector adoption (53%, vs 35% overall).

Funding

- 36% accessed funding for digital costs in the last 12 months (vs 40% overall) and 24% from grantmaking trusts and foundations (vs 30% overall).
- Funding needs:
 - Capacity/headspace for organisational development (68%)
 - Core staff or cover staff time to spend on digital/data (63%)
 - Training for staff and volunteers on digital or data (56%)
 - Develop our strategy (for digital, data or AI) (53%)
 - IT and infrastructure upgrades (51%, vs 35% overall).
- A greater proportion of black led charities most need funding for:
 - Providing digital inclusion support (44%, vs 20% overall)
 - AI development and licences (36%, vs 23% overall).
- Funding barriers: The challenge of finding a funder for a digital project is disproportionately affecting 44% of black led charities, compared to 27% of charities overall and 28% of small charities. The same results were uncovered last year.

Diversity, equality and inclusion groups

LGBTQIA+ charities

In 2024, LGBTQIA+ led charities had similar digital skills levels and funding needs to our main sample. In 2025, this looks to be changing. They are more likely to struggle with including digital costs in funding applications, online fundraising

and have significantly adapted their use of social media. Accessibility, diversity and inclusion is a higher priority for the next year. This group is particularly cautious of adopting AI fully due to concerns around bias and discrimination.

Our sample

- 57 (9%) of our responses are from LGBTQIA+ led charities.
- 76% are small and 20% are large (the remainder did not specify).
- 37% are a social enterprise or community business (vs 22% overall).
- Half (53%) are led by people with lived experience of the issue they address (vs 28% overall). It is worth highlighting intersectionality here, given that 42% are also led by neurodivergent people (vs 12% overall), 32% by disabled and d/Deaf people (vs 11% overall) and 21% are black led (vs 12% overall).

Digital stage

- 54% are at an early stage with digital (25% curious and 29% starting out), while 46% have a digital strategy (30% advancing and 16% advanced), similar to our main sample despite a high proportion of LGBTQIA+ led charities being small (76%, vs 65% overall).
- 70% made significant or good progress with digital this year, focusing on:
 - Social media engagement (70%, vs 59% overall).
 - Revamping our website (48%).
 - Digital communications (45%).
- Similar to all charities, 40% say that recruiting a digital trustee would help them progress with digital and 63% say they most need their CEO to develop a clear vision for what they can achieve with digital in order to move forward.
- 53% say digital plays a key role in how they organise and deliver services, while 13% offer services that are fully online and 31% use digital in a limited way. Current diversity and inclusion practices align with our main sample.
- 76% see digital as an organisational priority, with 24% saying it is a high priority.

Diversity, equality and inclusion groups

Social media

- 65% of LGBTQIA+ charities stopped using X (formerly Twitter) this year (vs 51% overall) and 11% have also reduced their use of Meta platforms.
- 42% have changed their social media strategy (vs 25% overall).
- 29% have changed how they post content and 18% have spent more time tackling misinformation (vs 5% overall).

Barriers to digital progress

- 1 Squeezed organisational finances (70%).
- 2 Finding funds to invest in infrastructure, systems and tools (70%).
- 3 Lack of headspace and capacity (61%).

Skills

- The majority have fair or excellent skills in terms of using digital tools in everyday work (91%) and making the most of their website (70%).
- LGBTQIA+ charities struggle more than other charities with poor or no skills in:
 - Using digital tools in service delivery (34%, vs 23% overall).
 - Collect, manage and analyse data (46%, vs 27% overall).
 - Use data to inform decision making and strategy (37%, vs 29% overall).
 - Online fundraising (82%, vs 62% overall).

Digital priorities for the year ahead

- 1 Develop our strategy (for digital, data or AI) (60%).
- 2 Attracting funding or donations (53%).
- 3 Improve/use our data to improve services or operations (53%).
- 4 Digital communications and fundraising (51%).
- 5 Accessibility, diversity and inclusion in digital services (40%, vs 28% overall).

Use of AI

- 72% are using AI tools, with 46% at the exploring stage, 20% actively adopting AI tools in everyday work and 6% using AI strategically.
- Organisationally, LGBTQIA+ led charities are using AI for administration and project management (59%), grant fundraising (32%) and communications (30%).
- Half (49%) feel they are responding to AI opportunities and challenges.
- 64% are worried about the implications of using AI (vs 60% overall).

Diversity, equality and inclusion groups

AI skills and support needs

- 47% say their CEO has fair or excellent AI skills and knowledge, while 36% say the same of their board.
- Most want to learn more about assessing AI risks (bias, safeguarding) and using AI tools responsibly (59%, vs 51% overall).
- Barriers to adopting AI tools are distinct for LGBTQIA+ led charities:
 - Data privacy, GDPR and security concerns (53%, vs 43% overall).
 - The potential for bias and discrimination (49%, vs 32% overall).
 - Ethical and human rights concerns (49%, vs 29% overall).

Funding

- Half (51%) say their funding has not included digital costs in the last 12 months (vs 38% overall and 45% of small charities).
- The biggest barrier they face is a lack of time to dedicate to applying for funding for digital costs (46%, vs 37% overall), followed by grants being too small to include digital costs (27%, vs 16% overall).
- Funding needs:
 - Core staff or cover staff time to spend on digital/data (67%).
 - Develop our strategy (for digital, data or AI) (56%).
 - Capacity/headspace for organisational development (52%).

Diversity, equality and inclusion groups

Disabled and d/Deaf led charities

In 2024, the digital progress, priorities and funding needs for disabled and d/Deaf charities were consistent with and similar to the main sample of charities. This year, we can see some variation. Despite a high proportion being small and facing challenges around squeezed organisational finances, disabled and d/Deaf led charities are making good progress with digital. However, AI skills are slightly lower and most need their CEO to develop a vision for digital. This group is more likely to prioritise diversity and inclusion in their organisation.

Our sample

- 72 (11%) of our responses are from disabled or d/Deaf led charities.
- 82% are small and 13% are large (the remainder did not specify). This is significantly higher than the 65% of small charities in our main sample, which are typically at an early stage with digital.
- 65% are led by people with lived experience of the issue they address (vs 28% overall) and 68% also say that disabled or d/Deaf people are a key target group.
- There is also a strong overlap with people who are neurodivergent, with 47% being led by this group and 38% saying this is a key target group (vs 12% overall).

Digital stage

- 60% are at an early stage with digital (28% curious and 32% starting out), similar to our main sample (56%), despite a high proportion of small charities.
- 40% have a strategy in place for digital (25% advancing and 15% advanced).
- 83% see digital as an organisational priority (vs 75% overall).
- 62% made significant or good progress with digital this year focusing on:
 - Social media engagement (56%).
 - Revamping our website (44%).
 - Staff and volunteer digital skills (41%).
- 63% rate their CEO digital skills as excellent or fair (vs 67% overall), but a high proportion say they need their CEO skills to improve by developing a clearer vision for digital (75%, vs 64% overall) and data (57%, vs 44% overall), as well as by keeping up to date with emerging trends, tech and AI tools (52%, vs 41% overall).

Diversity, equality and inclusion groups

Digital services

- 49% say digital plays a key role in how they organise and deliver services, while 14% offer services that are fully online and 31% use digital behind the scenes.
- 54% support clients with digital inclusion and 26% say this is an organisational priority (slightly higher than the 16% overall).
- When choosing suppliers, the following inclusion factors are very important:
 - Commitment to diversity and inclusion (66%, vs 42% overall).
 - How they involve people with lived experience (58%, vs 34% overall).
 - Their values and ethics (55%, vs 45% overall).
 - Socially responsible business model (42%, vs 31% overall).
 - Commitment to environmental principles (33%, vs 21% overall).
 - Diversity in their team (31%, vs 17% overall).
- Digital services are also more likely to be (to a great extent):
 - Co-designed with users/people with lived experience (39%, vs 24% overall).
 - Reaching diverse and marginalised communities (28%, vs 20% overall).
 - Informed by research with diverse communities (25%, vs 15% overall).

Digital priorities for the year ahead

- 1 Digital communications and fundraising (60%).
- 2 Develop our strategy (for digital, data or AI) (60%, vs 49% overall).
- 3 Attracting funding or donations (56%).
- 4 Accessibility, diversity and inclusion in digital services (53%, vs 28% overall).
- 5 Improve/use our data to improve services or operations (50%, vs 39% overall).

In addition, communications and fundraising priorities include building online presence and social media engagement (71%), as well as growing reach (66%).

Barriers to digital progress

- 1 Squeezed organisational finances (73%).
- 2 Finding funds to invest in infrastructure, systems and tools (70%, vs 64% overall).
- 3 Lack of headspace and capacity (66%, vs 63% overall).
- 4 Lack of technical expertise or someone to lead on digital (45%, vs 41% overall).
- 5 We don't have a CRM/rely on disjointed spreadsheets (41%, vs 27% overall).

Diversity, equality and inclusion groups

AI use

- 76% are using AI tools, with 57% at the exploring stage, 19% actively adopting AI tools in everyday work and none using AI strategically.
- However, 40% say they don't know how to get started with AI.
- Organisationally, AI is being adopted for administration and project management (38%), communications (36%) and grant fundraising (32%).
- 42% feel they are responding to AI opportunities and challenges, in line with our overall responses, but only 57% feel AI developments are relevant (vs 74% overall).
- 66% are worried about the implications of using AI (vs 60% overall).
- Barriers to AI adoption include:
 - Limited digital skills and technical expertise (52%, vs 43% overall).
 - Lack of training or support to upskill ourselves (43%).
 - We don't know how to get started (40%, vs 28% overall).
 - Issues with factual accuracy in AI-generated answers (40%, vs 33% overall).

Funding

- 38% have accessed some funding for digital costs this year (30% from grantmaking trusts and foundations), in line with our overall sample.
- Funding needs include:
 - Capacity/headspace for organisational development (69%, vs 59% overall)
 - Develop our strategy (for digital, data or AI) (43%, vs 46% overall)
 - Core staff or cover staff time to spend on digital/data (61%, vs 59% overall)
 - Training for staff and volunteers on digital or data (51%, vs 50% overall).

Funding barriers

- We don't have time to dedicate to this (45%, vs 37% overall).
- Funders only cover limited core costs (digital costs are lower priority to include) (40%, vs 31% overall).
- We cannot find a funder who will support our digital project (33%, vs 27% overall).
- The grants we apply for are too small to include digital costs (27%, vs 16% overall).

Diversity, equality and inclusion groups

Neurodivergent led organisations

In 2025, we have a larger sample of 76 charities led by neurodivergent people. In 2024, this group was much further ahead with digital. This year, digital skills and capacity are fairly similar to our main sample. This group is taking more steps to ensure inclusion in digital services. Demand for funding is higher, with more seeking digital funding.

Digital stage

- 62% are in the early stages with digital (vs 56% overall and 68% of small charities). While 38% have a strategy in place, 78% see digital as an organisational priority.
- Key areas of progress this year include social media engagement (65%), a website revamp (57%) and staff and volunteer digital skills (44%).

Barriers to digital progress

- 1 Squeezed organisational finances (71%).
- 2 Lack of headspace and capacity (65%).
- 3 Finding funds to invest in infrastructure, systems and tools (68%).
- 4 Poor resourcing and budgeting for digital (43%).
- 5 We don't have a CRM/rely on disjointed spreadsheets (41%, vs 27% overall).

Digital priorities for the year ahead

- 1 Digital communications and fundraising (61%, vs 51% overall).
- 2 Attracting funding or donations (59%, vs 52% overall).
- 3 Develop our strategy (for digital, data or AI) (55%, vs 49% overall).
- 4 Grow staff/volunteer digital skills (45%, vs 43% overall).
- 5 Improve/use our data to improve services or operations (45%, vs 39% overall).
- 6 Accessibility, diversity and inclusion in digital services (43%, vs 28% overall).

Focus on inclusion

- Digital services are more likely to be developed by diverse teams (29%, vs 15% overall) and be inclusive of users (40%, vs 33% overall).
- Digital suppliers are chosen on the basis of their commitment to diversity and inclusion (61%, vs 42% overall), how they involve people with lived experience (49%, vs 34% overall) and diversity in their team (28%, vs 17% overall).

Diversity, equality and inclusion groups

AI use and barriers

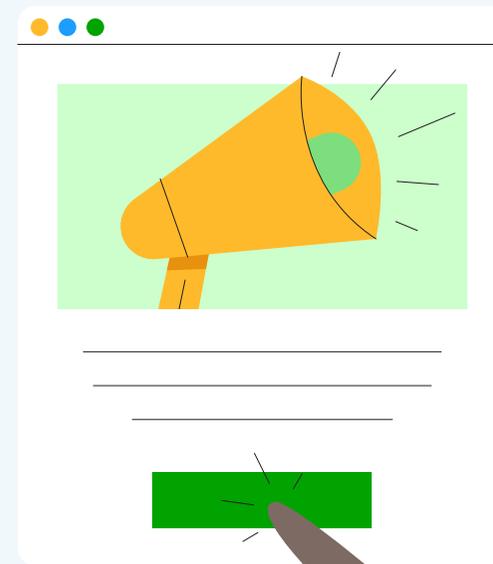
- 78% are using AI in their organisation, including for administration (51%) and grant fundraising (45%). Only 38% feel they are responding to AI opportunities and challenges.
- 65% are worried about the implications of AI and 47% say they are avoiding AI in areas where it could cause harm (vs 36% overall).

Funding

- 44% accessed funding for digital costs this year (vs 40% overall).
- Key funding barriers include time (38%), not being able to find a funder to support their digital project (35%) and grants being too small (34%, vs 16% overall).
- Funding needs are core staff or cover staff time to spend on digital/data (70%, vs 59% overall) and capacity/headspace for organisational development (67%, vs 59% overall). In addition, 25% need funding to move forward with AI (vs 13% overall).



Calls to action



Calls to action

For charities

1

CEOs need a clear vision for digital

64% of charities want their CEOs to develop a clear vision of what they could achieve with digital, a significant increase from 55% last year. This continues to be one of the most urgent needs that charities have of their CEOs, which we see year on year in our report. The vision needs to be linked to your organisation's strategy, mission and values.

2

Develop a strategy

Only 44% of charities have a digital strategy in place, which has declined from 50% last year. Having a strategy means that you will have a clear idea of what success looks like for your charity and how to work towards it, making it easier to make decisions and plan your next steps with digital, data and AI. Charity Digital has a [useful guide to developing a strategy](#).

3

Invest in data capabilities

45% of charities want support with using AI tools to analyse their data, and 42% need help with storytelling with data. Almost 4 out of 10 (39%) are poor at website and analytics data, an increase from 31% last year. Improving your data capabilities is essential for making informed decisions and leveraging AI effectively.

4

Address leadership skills gaps in AI

Just over a third of charities (36%) say that their CEO has poor AI skills, while 4 out of 10 (44%) state that their board is also poor in this area. With AI adoption growing rapidly, leaders urgently need to upskill to ensure proper governance and strategic direction.

5

Adopt AI responsibly

76% of charities are now using AI, a significant increase from 61% last year. However, data privacy, GDPR and security concerns remain the biggest barrier to adoption (43%). Charities should focus on developing AI policies (48% are doing this, up from just 16% last year), reviewing data protection and security, and undertaking regular assessments of AI risks.

For funders

6

Create capacity (time, people, training)

59% of charities need funding for core staff or cover staff time to spend on digital/data, a huge increase from 30% in 2024. This has become even more important during the cost of living crisis, with squeezed organisational finances being the biggest barrier that 69% of charities now face when looking to progress digitally. We urge funders to consider how they might meet these needs.

7

Develop inclusive digital funding practices

It is positive that some charities are doing user research, ensuring this involves diverse groups and co-designing their services with communities. We encourage funders to support this good practice and recognise the time this takes to ensure all services are designed inclusively. In addition, we encourage funders to review the needs of small charities and charities led by marginalised groups. These groups are struggling to prioritise organisational development due to the cost of living crisis and meeting demand. Funders also need to create inclusive access to digital funding.

8

Invest in skills development

Charities identify training and access to expert guidance as their key digital support needs. Furthermore, 50% of charities say they most need funding to access training for staff and volunteers, up from 43% last year. We encourage funders and support organisations to consider developing comprehensive digital skills training programmes for charity staff and volunteers.

For funders

9

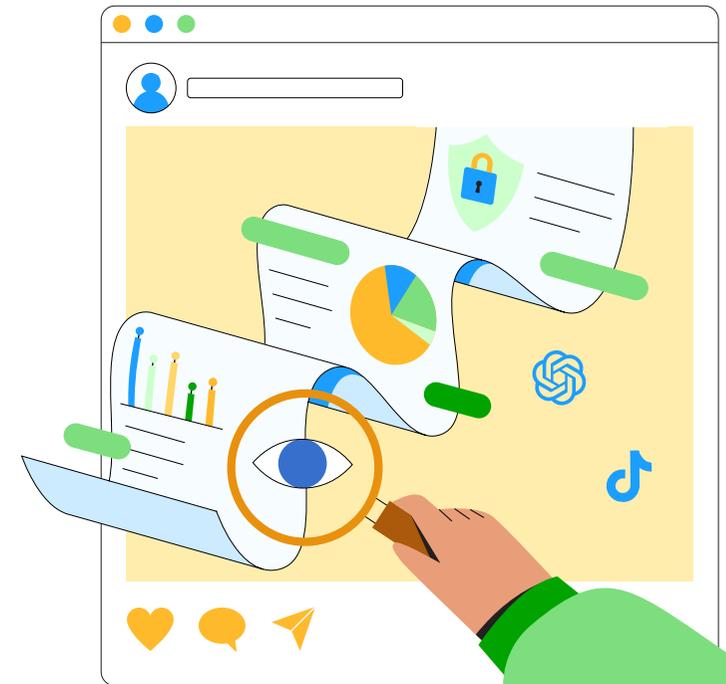
Dedicated support and funding for small charities

We consistently see a digital skills gap between large and small charities. 68% of small charities are at early stages with digital, compared to 32% of large charities. The gap is widening with AI adoption. We hope that funders will plan how they can meet the needs of small charities.

10

Recognise that digital costs are vital core costs

60% of charities have not accessed funding for digital costs in the last 12 months. Of these charities, 38% have accessed funding, but this has not included any digital costs. As part of the report, charities have also told us that funding these costs would help them be more efficient and increase their impact. We encourage funders to reconsider their approach to what they fund.



Thank you to our report partners

We are very grateful to our report partners who have made the report possible.

About our report partners



[Catalyst](#) is a network of people and organisations building collective power to make tech fair for everyone. They imagine a world where technology serves everyone equally. Where technology liberates and restores people, communities and nature. Where communities shape and own the technology we all use.

They are supporting the Charity Digital Skills Report because they believe that not for profit organisations can play a key role in revealing the harm and oppression that technology can create and challenging the status quo about how technology is designed and built.



We are delighted to be working with Microsoft on this year's report.

Charities are increasingly expected to deliver far more with far less. Generative AI has the potential to help charities to respond to this pressure by supercharging their ability to drive efficiency, support workers and volunteers, and enhance service delivery. But we risk foregoing the vital impact of charities in our communities if they are not supported to make the most of the AI opportunity. Skilling is a key element of this and a very real issue, especially for smaller charities.

Over the last 5 years, through our Get On skilling initiative we've helped over 1.5m people in the UK gain digital skills. Microsoft has now committed to supporting an additional one million people to gain the AI skills they need to be successful in the new AI economy. Employees, volunteers, beneficiaries and trustees at charities can help develop their AI skills and knowledge with free, online learning courses available through our [AI Skills Navigator](#). The [Microsoft Nonprofit Skills & Resources](#) site provides a collection of resources, including free live and on demand training on Microsoft 365 Copilot and Azure Data and AI Fundamentals.



[Torchbox](#) is an employee-owned digital agency and certified B Corp, partnering with the world's most important organisations to create measurable social impact. Working alongside leading charities and nonprofits like Mind, Disasters Emergency Committee, Oxfam and RNIB, we combine deep sector expertise with innovative technology to strengthen their missions and drive meaningful change.

We're proud to support the Charity Digital Skills Report, having referenced its valuable insights year after year to inform our work with charity partners. As sponsors this year, we're honoured to contribute to shaping this essential resource that helps guide digital progress across the sector.

Building on the excellent work of Zoe Amar and the report team, we look forward to helping uncover insights that will enable charities to better harness digital capabilities for increased supporter engagement, enhanced income generation and maximised social impact.



[Lightful](#) is a certified B Corp powering social and environmental change. Our services are designed to support organisations to amplify their voices and multiply their impact.

We provide a range of blended learning programmes for different types of organisations. Our programmes build the digital confidence and resilience our partners need to become more effective.



Digital Candle is a free service that matches charities and nonprofit groups with digital experts for free one-hour calls. Founded in 2019 and supported by Catalyst and Esmee Fairbairn Foundation, it addresses the digital confidence gap in smaller organisations by providing access to expertise on topics like CRM selection, digital strategy, website improvements and Google Ad Grants. With over 750 experts who have helped more than 1,900 charity professionals, Digital Candle democratises digital skills across the nonprofit sector. Charities consistently rate the service 4.8/5 for helpfulness. Visit digitalcandle.org.uk to ask your question and get matched with a volunteer expert.

Advancing digital maturity: what Lightful has learned from supporting 3,500 charities globally

This year's Charity Digital Skills Report shows that progress on digital maturity is stalling. Just 44 percent of UK charities say they are advancing or advanced in their use of digital. Among small charities, this falls to 32 percent. Worryingly, this data is on a downward trend, and has been decreasing each year since 2022.

These findings mirror what we have seen globally. Through our six month BRIDGE programme, Lightful has supported over 3,500 charities from more than 120 countries to build their digital confidence and skills. When charities join BRIDGE, just 34 percent identify as being at the advancing or advanced stages of digital maturity. After six months of structured learning and practical application, this figure rises to 73 percent.

Many charities are still struggling to improve, even after the rapid digitisation prompted by the pandemic. But our results show that progress is possible, and that there are effective ways to support it.

What helps charities move forward?

One clear takeaway in this report is that charities need more support and training: (50% said funding for training for staff and volunteers on digital or data is needed, up from 43% last year. Ideally, that support is funded and championed by grantmaking foundations. Based on our experience, effective support tends to share these five characteristics:

- 1 Meet charities where they are**
Ask them where they feel least confident and where support would be most useful. Encourage self-assessment using a digital maturity index to help prioritise learning goals and identify blind spots.
- 2 Make learning practical**
One-off webinars or toolkits often fail to stick. The most successful programmes integrate learning into real work, using live campaigns, fundraising goals or service delivery needs to anchor digital skills development.
- 3 Invest for the long term**
Progress takes time. Digital maturity is not a static checklist but a continuous process. Mid to long-term support, with coaching and iteration, gives organisations the space to grow sustainably.
- 4 Be realistic about capacity**
Lack of time and headspace is a major barrier. Learning offers need to be flexible and well-scaffolded so that charities can participate meaningfully without being overwhelmed.
- 5 Align support with motivation**
The most progress comes from organisations that are eager to learn. Where possible, tie digital support to delivery funding or incentives, such as matched funding for fundraising, to help maintain momentum.

Reflections for funders

We welcome the CDSR's calls to action for funders and would add one more. Be bold in making long-term investments in building resilience through increased digital capacity. Go beyond funding by offering networks, platforms and strategic advice. At the same time, remain aware that digital maturity is a journey for funders too.

Indeed we have seen powerful results when funders join their grantees in learning programmes. This helps shift power dynamics and build deeper relationships based on shared experience.

A recent BRIDGE cohort focused on climate justice included both charities and funders. One of these was the UK-based foundation Gower Street, whose grantees had identified digital skills development as a core need.

“We supported our grantees to take part in BRIDGE because we recognised the need for more than just one-off training. BRIDGE offered a pathway to long-term digital resilience, helping participants strengthen their digital foundations, build confidence using AI, and see digital not just as a tool but as a strategic enabler to future-proof their work. The result? Better engagement, stronger fundraising, and greater impact across the board.”

Tessa Durham

Co Director, Gower Street

Summary

The Charity Digital Skills Report data shows that charities are eager for tailored support. Without increased investment, the digital divide will continue to grow between large and small organisations and between the charity sector and others.

As the use of generative AI and new technologies increases, this need is only going to grow. And with the right investment in digital learning and strategic capacity building, charities can move rapidly through the digital stages identified in the Report, to become confident, strategic use of digital and AI.

Acknowledgements

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Creating Adventures

Life Chances

Refugees & Mentors CIC

Dementia UK

Mildmay Mission Hospital

Volunteer Centre Hackney

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Ocean Regeneration Trust

Red Chair Highland

Thomas Deacon Foundation

Asylum Link Merseyside (ALM)

St Chad's Sanctuary CIO

Tutor Trust

Charity Digital

Borders Community Action

Redbridge Equalities and Community Council, CIO

Dacorum Community Trust

Seven Hills Educational Trust

Open Arms Organisation CIC

Revival House

Home-Start London

Kids

Kingston Voluntary Action

Dorothy House Hospice Care

Centre for Health and Social Economic Improvement

Disability Law Service

The Refugee Workers Cultural Association (RWCA)

YOUTH VISIONARIES CIC

Angy care health foundation

Voades UK

Streets of Growth

Greenwich Housing Rights

Southwark Park Galleries

Naval Children's Charity

POhWER

Rainy Day Trust

Southwark Travellers Action Group (STAG)

Association of Volunteer Managers

Little Grove Community Interest Company

NHS Charities Together

RSVP

Spark Inside

Neuro Therapy Centre

Saferworld – INGO

Elite Midwifery Services

North Yorkshire Sport

Redbridge Equalities And Community Council

Trigger

King's Church (The Hub Project)

BookTrust

Wild Trout Trust

Headspace

Colindale Communities Trust (CCT)

Politics in Action

Narthex Sparkhill

Bristol Future Talent Partnership

Aubergine CIC

Brook

CFG

Brookehouse Health and Well-Being Centre

Guide Dogs

The Lowdown, Northampton

Pembrokeshire Care Society

Settled

Daring to Dream – charity

Arts Care Gofal Celf

Arkbound Foundation

Crafts Council

Nova New Opportunities

Woodingdean Food CIC

BWORKZ

Carers Trust

University of the West of Scotland

Sarcoma UK

akt

Wirral Multicultural Organisation

Just Fair

Levenshulme Lovely Ladies

Head2Head Sensory Theatre charity

IFB Gaming

The Learning Rooms Southport

Tees Valley Rural Action

Milton Keynes Museum

Malvern Special Families

Alike

WATCH Charity

Community Revival UK

Bideford TSC

The Marie Trust

Forge and Equip CIC

Ukraine Christian Ministries

Sussex Catholic Education Trust

Devon Air Ambulance

Hope After Harm

Linkage Community Trust

Agency for Cooperation in Community Development (ACCoD)

Ur Gateway CIC

Loki Music

ECSC CIO

Voyage

Link to Change

Albinism Fellowship

Tools With A Mission

Fafali Organization

Recyke-a-bike

ChurchBoy Foundation Uganda

One25

Waterside Community Fund

Rochdale Circle CIC t/a Heywood,

Middleton & Rochdale Circle

KOFUP

The SupaJam Foundation

Open Door Charity

Paws Help

Save Disable Family Farmers Group (SADIFFAG)

Kidney Care UK

Both Parents Matter

Bloomin' Well CIC

Purley Pre School

Digital Lincoln

AT The Bus

Hexham Pride

Bradford Trident Limited

Against Breast Cancer

QS ImpACT

HOPE Coventry

NeuroRocket

BMT Film & Media CIC

Friends, Families and Travellers

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Art Represent

Niwamanya Saviour

Media Trust

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Action on Postpartum Psychosis

Launchpad Reading

Paul Hamlyn Foundation

Tai Pawb

The Clothworkers' Foundation

Lewisham Refugee and Migrant Network

Barrel of Joy

Emersons Green Village Hall

The London Community Foundation

**198 Contemporary Arts
and Learning (198CAL)**

Trees for Cities

Northfield Community Partnership

Seemia Theatre CIC

Community ConneX Ltd

Harrow Shopmobility

Blood Cancer UK

Move Momentum

My Kind of Book

Friends Without Borders (Portsmouth)

Rocket Science

The Road To Recovery Trust

Isabel Hospice

Aspire Community Benefit Society

Autism at Kingwood

Women's Whispers

Dingley's Promise

Autism Berkshire

St Ives Community Land Trust

David Smith

Arts Well CIC

Shrewsbury Civic Society Trust

Sheffield Flourish

Talk Well

**Network of International Women
for Brighton and Hove**

The Royal College of Surgeons of England

Lancashire Women

**Community Education
Employment and Advice**

Sight Concern Bedfordshire

**Advancement of Community
Empowerment CIC**

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Leisure and Culture Dundee

The Forward Trust

The Peter Pan Centre

Rascals Community Playgroup, Gortin

Community Learning Partnership

Princess Alice Hospice

Choices and Rights Disability Coalition

(Hull and East Riding)

The Salvation Army

Centre for Mental Health

North Herts & Stevenage CVS

**The Kennedy Trust for
Rheumatology Research**

Law Centre NI

Community Action Groups Oxfordshire

Woking Strokeability

Kids Club Kampala

Aberdeen Foyer

Listening Ear

Deborah W.A. Foulkes

Rethink Mental Illness

Hereditary Brain Aneurysm Support

Disability Huntingdonshire

Transforming Lives for Good (TLG)

Basingstoke Voluntary Action

Louie's Trust

Bath Gateway Out and About

The Mary Hare Foundation

Advance Brighter Futures

Chiltern Child Contact Centre

Magic Me

The Purple Elephant Project

Kiddies Castle Early Years

Rochdale Connections Trust

Greenway Women's Group

Community Dialogue

Countryside Education Trust

East Sussex Recovery Alliance

Trelya

Pilotlight

Creating Memories

Allsports Coaches Coaching Academy CIC

Citizens Advice SORT Group

Shakespeare Birthplace Trust

London Arts and Health

Kings Road Area Neighbourhood Watch

**Hope Arise International Missionary
Foundation**

Friends of Cabragh PTA

**FRESH START FUTURE
ENTERPRISES LIMITED**

Sreepur Village

St. Peters Immaculata Youth Centre

Home-Start East Antrim

Theatre and Dance NI

Dementia Together Wirral

Wickham Community Association

Herpes Viruses Association

Yorda Adventures

Forge and Equip CIC

The Wildlife Trusts

SABLE CIC

Dadesley Crafting CIC

My Life My Choice

Friends of Windmill Gardens, Brixton

Re-engage Ltd

Diocese of Hexham and Newcastle

North Devon Hospice

Refugee Support Group

Girlguiding Anglia

Luton All Women's Centre

Parents 1st UK

Emmaus North East

FODI

Kids Inspire

Family Help Darlington CIO

The Include Project

The Sunnybank Trust

Data Orchard CIC

Caenhill Countryside Centre

INASP

I Stand Beside

The Mitchell Foundation

UKCVFamily

Social Mobility Foundation

SENSational Living CIC

**North East Glasgow
Framework for Dialogue FFD**

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Eyam Museum

New Projects Association

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St Augustine's Abbey, Chilworth

WHISH – Whitby Hidden Impairments

Support & Help

**ILA-WALES CIC – Iberians & Latin
Americans in Wales**

CAMFED

The Access Project

Working Families

Street Rights

**Centre for Armenian Information
and Advice**

Juvenile Arthritis Research

Trinity Rooms Community Hub

**17-24-30 National Hate Crime
Awareness Week**

Hospice UK

VONNE

EY Foundation

Esmee Fairbairn Foundation

WCVA

Gwent Wildlife Trust

**FDSO Ltd trading as Disability
Sport Yorkshire**

Community Enterprise

National Rheumatoid Arthritis Society

Cambridge Council for Voluntary Service

One Place East

Groundwork Yorkshire

A WAY OUT

The Carers Centre for Brighton and Hove

STARS Dorset

London Funders

The Life Project (Bath)

Talitha Arts

Charity IT Leaders

Youth Involvement and Engagement Lab

Board Racial Diversity UK

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About the authors



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Zoe Amar is founder and director of [Zoe Amar Digital](#), a social enterprise and digital and AI consultancy who help charities lead change with confidence, developing strategies that increase their resilience, income and influence. She is chair of The Charity Digital Code of Practice, and blogs for Third Sector and others. She is also co-chair of The Charity AI Taskforce. Zoe is the co-author of The Charity Digital Skills Report and co-host of the leadership podcast Starts at the Top. She has 16 years' experience of sitting on charity boards. She is currently a trustee of Charity Digital Trust. She is a previous winner of an Inspiring Communicator award from Charitycomms and was named Changemaker of the Year at The Pros Awards.



Nissa Ramsay

Nissa Ramsay is a freelance researcher and founder of [Think Social Tech](#), providing flexible research, data and learning support across the charity sector. She has wide ranging experience working with funders and infrastructure organisations to develop funding and support initiatives. She specialises in providing specialist capacity to gain insights from diverse voices, helping teams with surveys, interviews, data analysis and the visual presentation of findings. Nissa holds a PhD in Human Geography and an MSc in Digital Sociology. Find Nissa on [Linkedin](#) and see her [research portfolio to learn more](#).

