



CAF

UK CHARITY INSIGHTS REPORT

Part of the World Giving Report

2025



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About this report

The World Giving Report series captures the public's attitudes and behaviours around giving in 101 countries around the world and — with the help of local partners — the state of the charity landscape in 27 of those countries.

This report is one of 16 country-specific Charity Insights reports, produced by CAF in partnership with leading social purpose organisations around the world.

CAF has been asking similar questions to those contained in this report to UK charities for a number of years, so some historical comparisons are able to be included.

Access the global Donor Insights and Charity Insights reports — and all country-specific reports from both donors and charities — in the Reports Hub at: www.worldgivingreport.org

Foreword

The charity sector's central role in enhancing our social fabric, and their ability to support the most vulnerable, has never been more essential. As we experience widening social division and sustained economic pressures, we should recognise their significance as the glue that bonds our society and communities together. Whether it's a local community cafe, cutting-edge health projects around the country, or initiatives that transform the lives of homeless people, they all remind us that far more unites us than divides us.

But this research underlines that their job has never been tougher, with persisting challenges hampering their resilience. Charities report ever-increasing demand for their services and expect this will continue. Yet, they are having to do much more with less, with inflationary pressures remaining and significantly fewer funding opportunities.

We therefore need to work together across business, national and local governments, within our communities, to support charities so they can continue their life-changing work. The Government's commitment to reset its relationship with the sector should provide opportunities for collaboration with charities and civil society as strategic partners and not just as stakeholders.

This research also underscores how critical it is to grow the philanthropy and social investment that sustains the sector. We need to revitalise our culture of giving to build a more connected, more generous and more resilient society for all of us in the future.



Neil Heslop, OBE
Chief Executive
Charities Aid Foundation



Charity sector resilience

1.



Funding dominates the list of concerns for charity leaders.

When asked about their top three challenges, eight in ten charity leaders (79%) mentioned at least one finance-related challenge (achieving financial sustainability, increased competition for funding, or the balance between restricted and unrestricted funding).

Almost as many charity leaders mentioned operational concerns (77%). These include increasing costs, cited by 44% of charities as one of their key challenges. This is significantly more than the 30% that reported this challenge in 2023 following the peak of inflation, and the 33% recorded in 2024. In 2021, before the cost-of-living crisis began, just 14% of leaders surveyed listed cost increases as a key issue.



FIGURE 1.
KEY CHALLENGES FACING CHARITIES.

Finances (79% mentioned at least one of these challenges)	
53%	Financial sustainability
46%	Increased competition for funding
12%	The balance of restricted and unrestricted funding
Operations (77% mentioned at least one of these challenges)	
44%	Increasing costs
27%	Meeting demand for services
18%	Hiring and maintaining a strong team
16%	Making the most of technology
External awareness and networks (40% mentioned at least one of these challenges)	
21%	Raising awareness
12%	Government intervention
11%	Securing and maintaining volunteer engagement
1%	Persuading people we can be trusted
Impact (30% mentioned at least one of these challenges)	
26%	Measuring and demonstrating our impact
6%	Making an impact

Base: All charities answering, N=509; 'Other' answers (3%) not shown.

Most charity leaders think the sector is unhealthy, with funding cuts and financial pressures given as the main reasons.

Less than a third (30%) of charity leaders think that the charitable sector is in good health. These leaders are more likely to have confidence in the diversity of their income streams and to say they have a strong team in place.

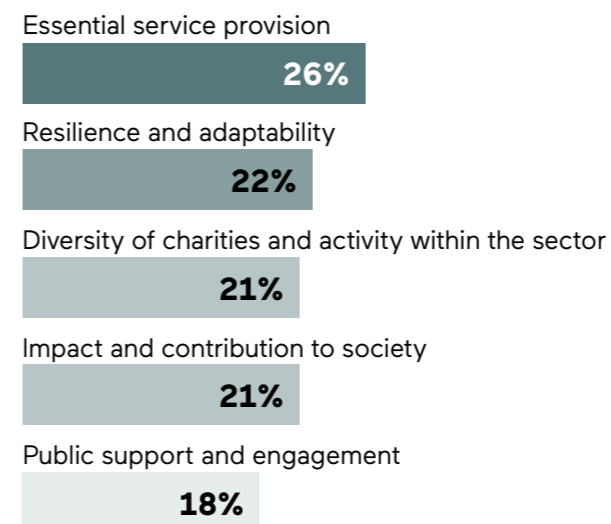
In total, 66% of charity leaders think that the sector is unhealthy, with most of these leaders highlighting financial pressures and funding cuts as the reasons for their answer (83%).



66%
of charity leaders think the sector is unhealthy.

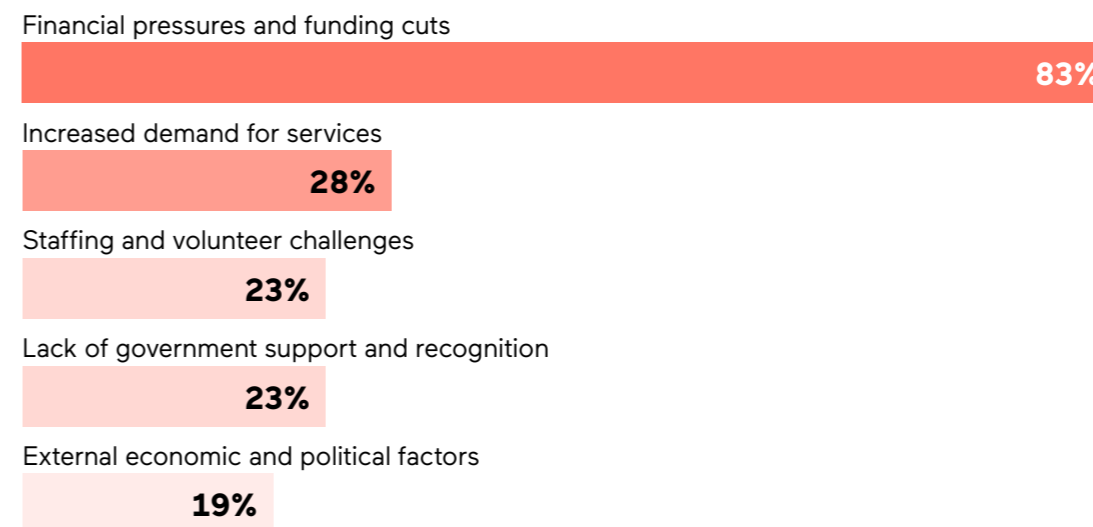
Stockwood Community Benefit Centre

FIGURE 2.
TOP FIVE REASONS GIVEN FOR WHY THE SECTOR IS HEALTHY:



Base: All charities who said they think the sector is healthy and gave a reason why, N=136.

TOP FIVE REASONS GIVEN FOR WHY THE SECTOR IS UNHEALTHY:



Base: All charities who said they think the sector is unhealthy and gave a reason why, N=332.

Views on the health of the sector

Why is the sector healthy?

“Local and national governments are recognising that the charity sector is closer to its service users, can mobilise quickly and provides good value for money.”

| Large charity in London, working with older people.

“Most charities are well structured and have a good level of understanding of the financial pressures and governance required to lead the organisation, plus the challenges being faced by the sector.”

| Small charity in Northern Ireland.

“Strong identity and professionalism of approach — the funding environment is not great right now, but our sector is equipped to respond to that challenge.”

| Large charity in Scotland.

Why is the sector unhealthy?

“A lot of charities are currently struggling due to the external environment. There is more competition for grant funding. The cost of living is impacting charities and there are many redundancies within the charity sector.”

| Large environmental charity in the South West.

“There is the assumption that money is available and that charities are just not looking hard enough for it. At the local level, it is extremely difficult without the support of the local authority.”

| Large disability charity in London.

“The funding environment is becoming increasingly competitive. While statutory services have been dramatically cut. Too much is expected without much light at the end of the tunnel.”

| Medium-sized charity in the East Midlands.



The Sports Trust

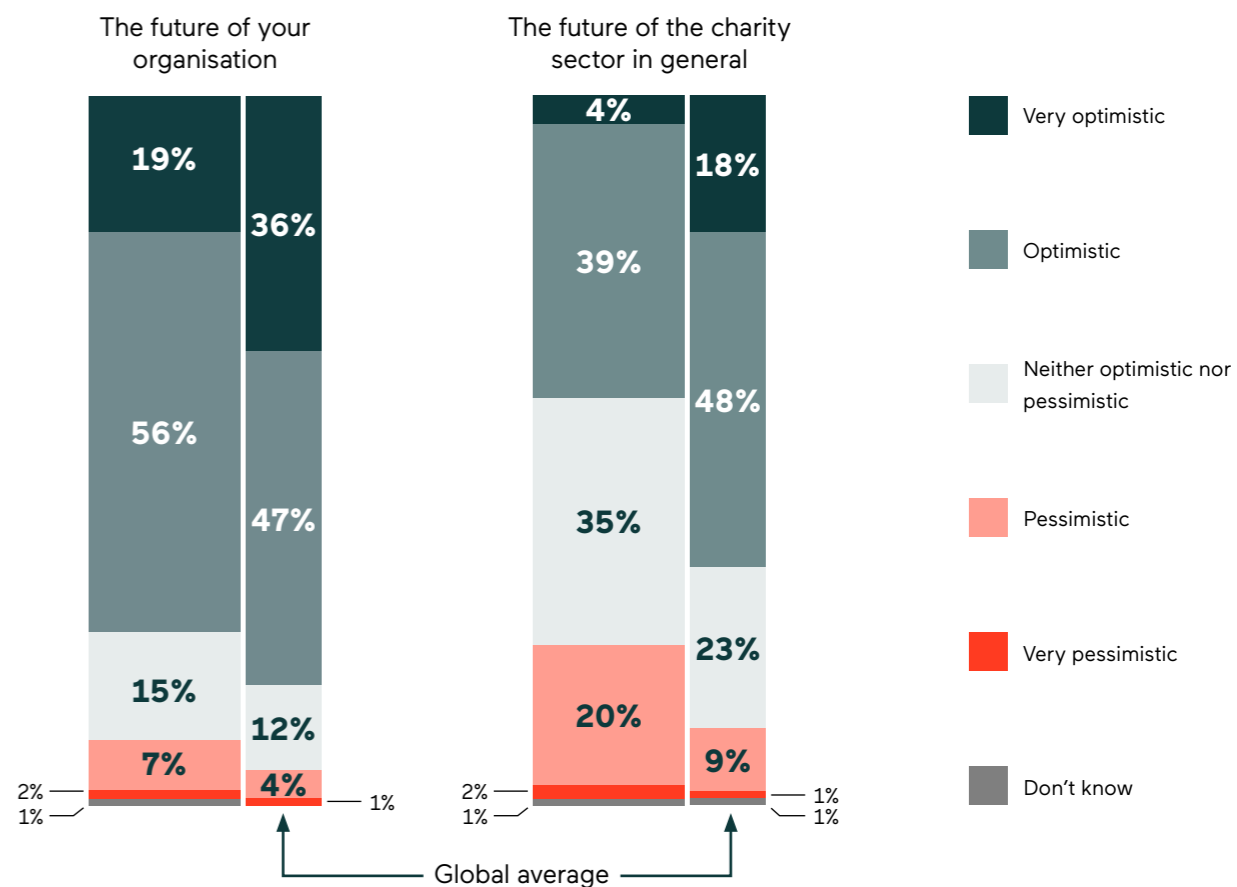
Charities are more positive about their own organisations than they are about the sector.

Three-quarters (75%) of charity leaders are optimistic for their own organisation. But only 42% are optimistic about the charity sector as a whole, suggesting that negative news within the sector leaves a lasting impression.

Overall, charity leaders in the UK are less optimistic than their counterparts in many of the other 26 countries surveyed, particularly in Africa, where charities are the most optimistic.

This may reflect the UK sector's maturity and established regulation, which can bring more constraints, compared to newer, fast-growing sectors in lower-income countries that can create a greater sense of opportunity.

FIGURE 3.
OPTIMISM FOR OWN ORGANISATION AND FOR SECTOR.



Base: All charities answering, N=506.
Global average based on responses from 2,888 charities across 27 countries.

CAF's six characteristics of a resilient charity.

Through our extensive research and advisory work with charities, we have identified six characteristics that show an organisation has the potential to be resilient. These characteristics provide a framework for charities to work on their resilience and can be mutually reinforcing. The areas also reflect some of the main challenges that charities cite, as shown in Figure 1.

As part of our research, we dug into these six areas in detail.



Field Lane Foundation



Purpose

Understanding what the organisational purpose is – and just as importantly, what it is not.



Financially and operationally fit

Being financially and operationally fit with sufficient income from a diverse range of sources.



Evidencing impact

The ability to identify and communicate the needs being met and the impact this is having.



People and culture

Having the right employees and prioritising their development and wellbeing, supported by effective leadership.



Well networked

Being well connected and able to get support by working in partnership with others.



External awareness

Awareness of the political, economic, local and national context. Scanning the horizon for threats and opportunities.

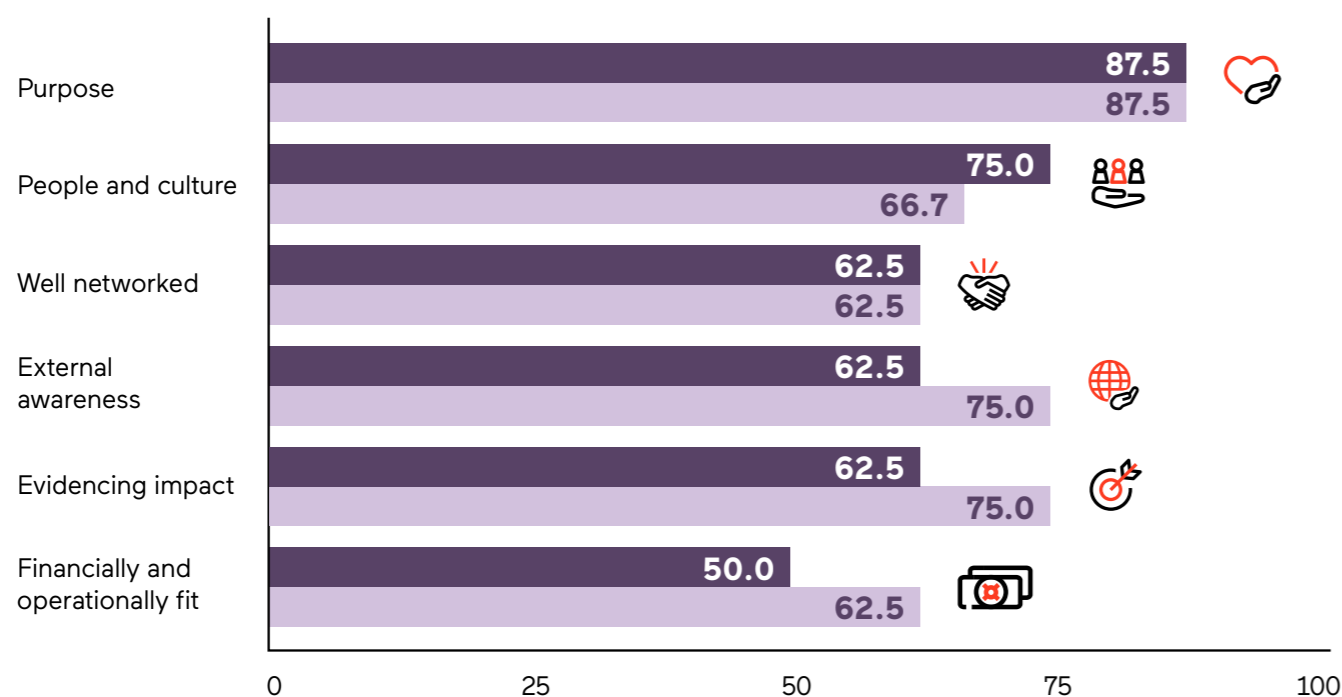
Charities are weakest on the financial and impact elements of their resilience.

We have developed a set of core questions that, when brought together, provide a score on each of the six resilience characteristics. These are shown for UK charities in Figure 4. The distribution of scores sheds light on the strengths and areas for improvement of charities in the UK, and how they compare to other charities around the world.

Charities score highest for Purpose and lowest for Financial and Operational fitness and Evidencing impact, but all six characteristics contribute to overall resilience.

To read more about resilience, visit <https://www.cafonline.org/services-for-charities/resources/>.

FIGURE 4.
MEDIAN AVERAGE SCORES ON RESILIENCE CHARACTERISTICS (SCORES SHOWN OUT OF 100).



Base: All charities answering, N=524.
 Global average based on responses from 3,021 charities surveyed across 27 countries.

UK Global average



The Sports Trust

“Resilience work can often seem daunting before a charity embarks on the journey, so using a framework is essential.”

“Resilience characteristics can be interconnected and mutually reinforcing. When charities start working and investing in their resilience, they often realise there can be a domino effect, where working on one characteristic will inform improvements in other areas.”

Ashling Cashmore, Head of Impact and Advisory, Charities Aid Foundation

Characteristics of more and less resilient charities.

Further analysis has drawn out several major differences between the most resilient charities (top quartile of the overall resilience score) and the least resilient charities (bottom quartile of the overall resilience score).

The most resilient charities:

Have more sources of income on average (4.2).



Are much more likely to receive income from partnerships with businesses (72%).



Benefit from leaders who spend less time than average firefighting problems (65%), freeing them up to spend more time on strategic thinking and planning.



Are optimistic about the future of their organisation (86%), compared to 66% of the least resilient.



The least resilient charities:

Rely on fewer sources of income on average (3.5).



Are much less likely to receive support from partnerships with business (48%).



Have leaders who spend more time than average firefighting problems (75%), giving them less time to spend on strategic thinking and planning.



Are almost twice as likely to face challenges relating to making an impact or measuring and demonstrating impact (44%), compared to 23% of the most resilient.



Esteem: Securing a place for young adults.

Beginning the resilience journey

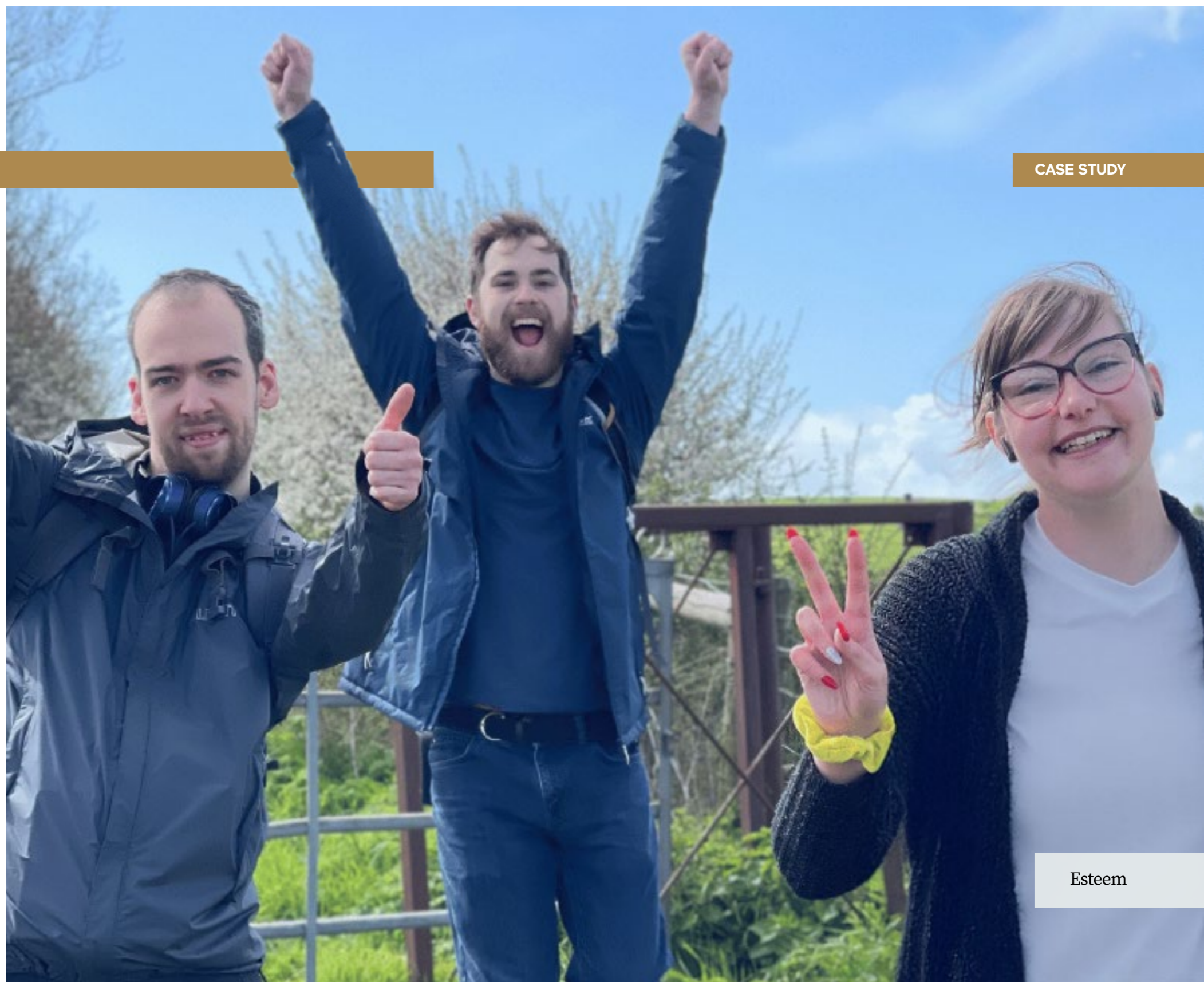
Esteem is a charity on the Sussex coast offering a range of support to care-leavers.

Young people aged 14 – 26 can access a mentoring programme, help securing work experience, counselling and general wellbeing and support.

Working with the CAF Advisory Team, and with support from the Lloyds Bank Foundation, the charity explored how it could secure the long-term future of its home base, which had been rented from the local council but was now being sold. For this to happen, Esteem needed to raise £500,000 to purchase the building – the equivalent of its annual income – within 12 months of the council putting it up for sale.

CAF's strategic expertise gave Esteem the space, insights and frameworks they needed to set out a strong case for funding support, as well as key messaging that aligned with their values and would work with their target audiences.

In the months since, Esteem has put together a steering committee to help them drive their campaign, and their plans are gaining momentum. Although it is still early days, the charity has also been able to win the Council's backing and progress new funding opportunities.



CASE STUDY

Esteem

Financial and operational fitness

2.

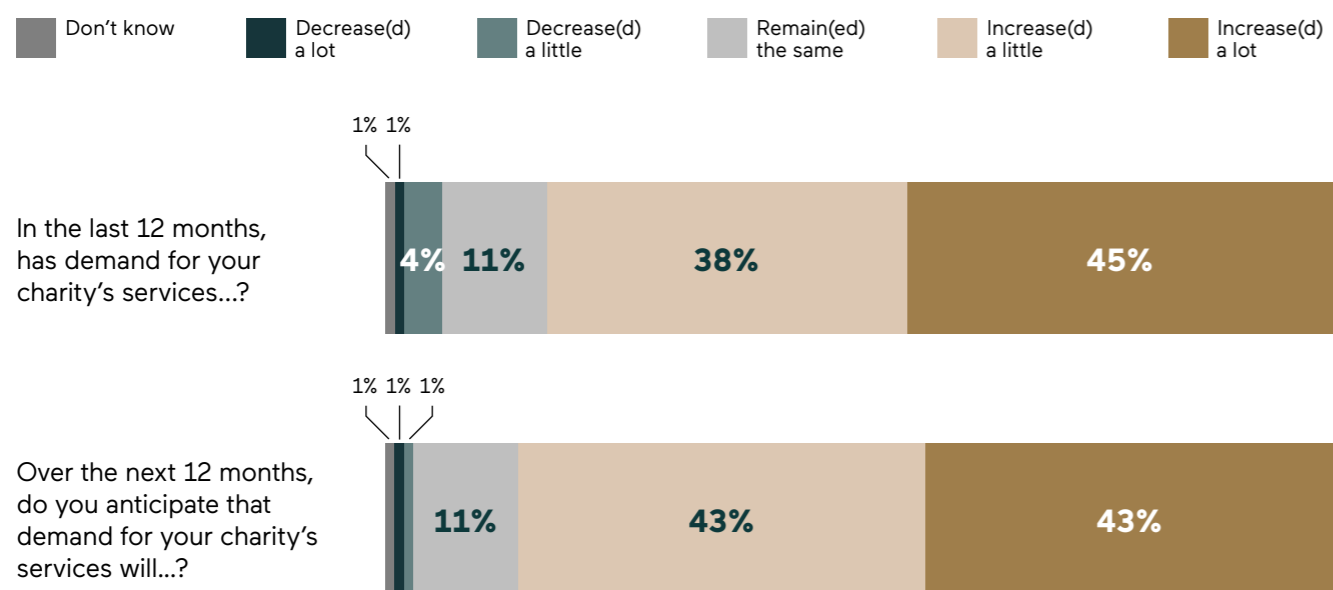


Demand continues to increase for the majority of charities.

Most charities report an increase in demand over the past 12 months, with nearly half (45%) saying that demand has increased ‘a lot’.

A similar proportion of charities are expecting that demand will increase over the coming 12 months (86%). However, only one in ten charities (11%) say that they are very well set up to manage fluctuating demand and keep their operations running smoothly.

FIGURE 5. DEMAND LEVELS OVER THE PAST 12 MONTHS / NEXT 12 MONTHS.



Base: All charities answering, N=549.



Just 11%

of charities feel very confident they can manage demand smoothly – half the average of charities from our international survey (22%).

Milton Keynes YMCA

Covid showed how quickly an income stream can disappear — five years on, is the sector better prepared?

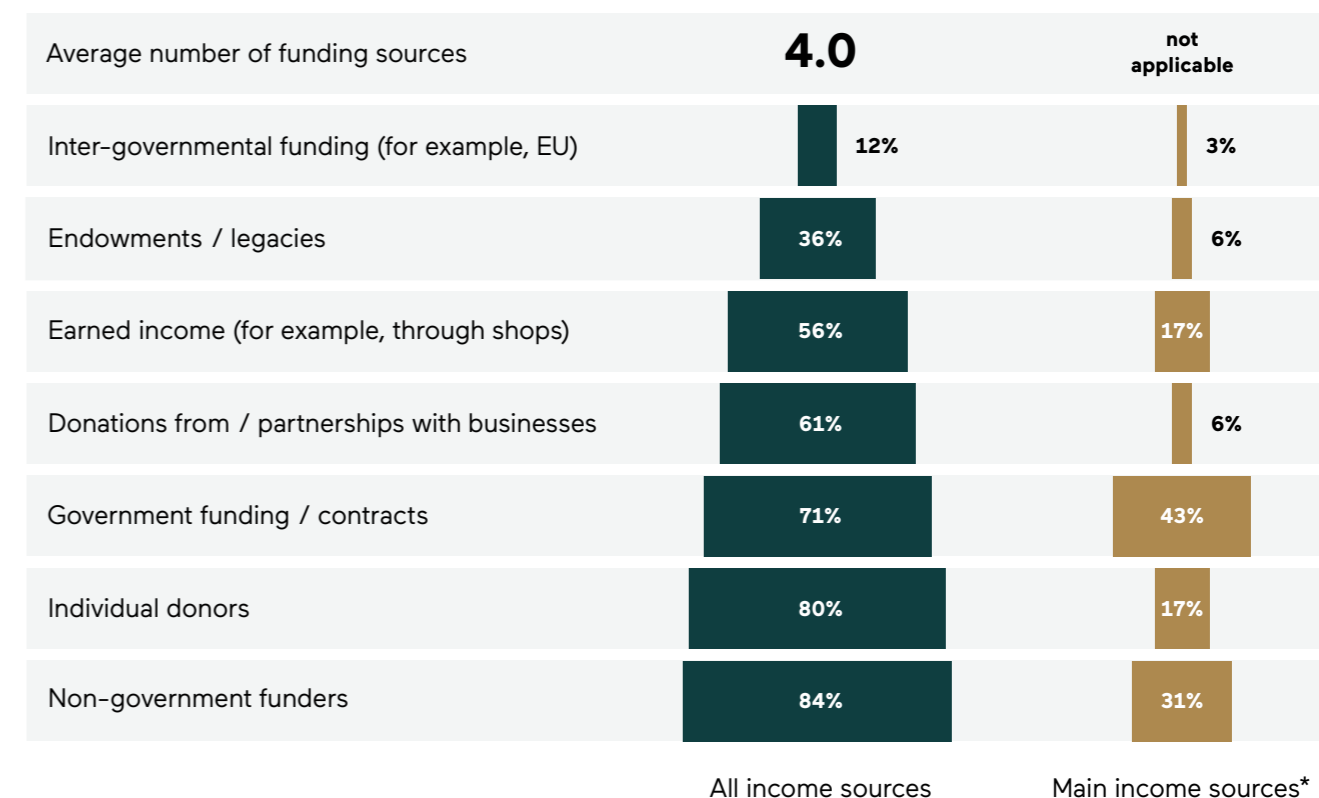
In recent years, charities’ incomes have been rapidly impacted by events entirely outside of their control, such as during lockdowns, or following sudden government cuts to funding.

Our research has found that, on average, UK charities have four sources of income — in line with our findings from other high-income countries. But five years on from the pandemic, less than a quarter of charities are confident their income streams are diverse enough to cope with a sudden decrease in one.

Overall, 52% of charities are not confident they could cope with the sudden decline of an income stream, rising to 63% of small charities with incomes under £250,000. Looking across the UK, Scottish charities are also less confident (66% not confident versus 47% for English charities).

The most common funding sources are public and other non-government funders. However, the main source of income comes from government contracts, grants and statutory funding — particularly for local and regional charities (54% versus 21% of national charities).

FIGURE 6.
FUNDING SOURCES RECEIVED.



Base: All charities answering, N=545.

*Does not sum to 100% because charities were able to select more than one main income source (although most did not).



Could there be a much bigger role to play for businesses?

Although only 6% of charities say business donations are a main source of income, as many as six in ten (61%) receive at least some funding from corporates, and 43% of all charities say these partnerships play an important role in helping them achieve their goals. Charities receiving significant support from businesses are much more likely to be national (11%) than local or regional (3%).

Our [Corporate Giving Report 2025](#) found that as many as three-quarters of UK businesses do not provide any support at all to charities, highlighting the need for more partnerships between the private and charity sectors, including at the local level. We recommend businesses commit to multi-year, unrestricted funding, where possible, to provide charities with much needed stability and security.

Charities in London and the South East receive the most unrestricted funding.

On average, around half of charity funding is restricted (51%). A third (32%) of charities surveyed say that the balance of restricted versus unrestricted funding they receive makes it difficult to achieve their goals.

Charities in London and the South East enjoy more unrestricted funding than average (59% and 57% respectively). Overall, English charities receive significantly more unrestricted funding than those in Scotland (55% compared to 38%) and the smaller number of responses collected in Wales and Northern Ireland indicate a similar trend.

As the country's financial centre and wealthiest region, it is, perhaps unsurprising that London-based charities receive more flexible funding. This echoes the findings from our global Charity Insights Report, which highlights that charities in the highest-income countries had the fewest restrictions placed on their spending.



Clydebank Housing Association

32%

of charities say the mix of restricted versus unrestricted funding makes it difficult for them to achieve their goals.

What charity leaders told us

“We need longer-term funding that's unrestricted but has impact measures attached to ensure the money is well used towards the outcomes being supported. The creation of 'projects' to get funding is demoralising and a poor use of resources.”

| Small mental health charity in Scotland.

“More reliable unrestricted income streams are needed, this would enable me to pay my staff better wages, meet rising costs (utilities, vet bills, waste disposal, etc) and hire another person.”

| Small animal charity in the South West.

“CAF strongly advocates for donors to give in an unrestricted way, where possible. Charities are best placed to decide how to allocate funding where they're needed most, which may be on those all-important core costs.

“For charities, it's important to explain how unrestricted funding is essential for securing impact. Don't be afraid to ask for this kind of support, which could be in addition to project-based funding. The long-term sustainability and efficiency of your organisation is crucial for those you support.”

| Philippa Cornish, Client Relations Director, Charities Aid Foundation

People and culture

3.



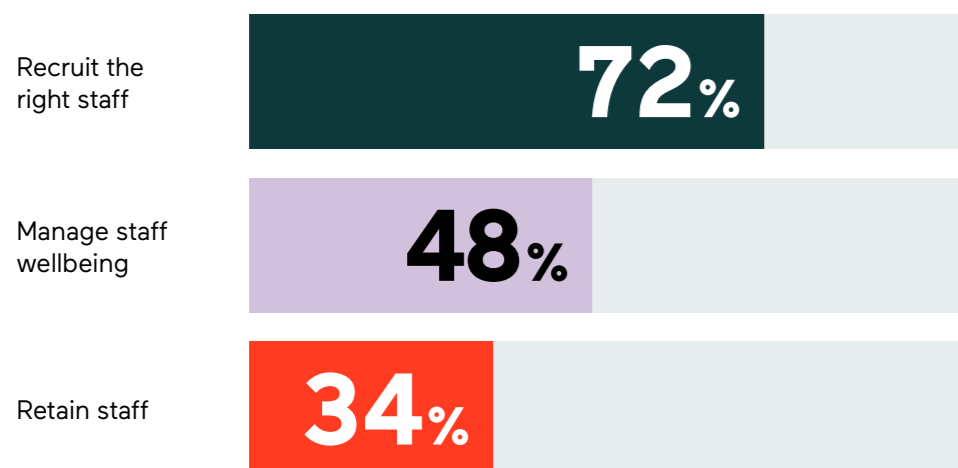
Toynbee Hall

Most charity leaders are finding it tough to recruit employees and volunteers.

Overall, more than seven in ten (72%) charities report finding it challenging to recruit the right people, although retention is somewhat less of a widespread issue. Additionally, about half of charities with volunteers say it is not easy to recruit unpaid staff (48%). This mirrors our research with the public, which shows a decline in volunteering levels since the pandemic.¹

Managing wellbeing is a challenge for around half of all charity leaders (48%), with larger organisations more likely to find this challenging than small and medium-sized charities (53% of charities with more than £500,000 annual income in comparison to 39% of charities with less than £500,000 income).

FIGURE 7.
PERCENTAGE OF CHARITIES THAT SAID IT IS CHALLENGING TO:



Base: All charities answering, N=525.

¹ UK Giving Report 2025 | CAF



Fareshare

Beyond the numbers: analysing qualitative responses

Rising costs are directly impacting staffing levels and wellbeing. Many organisations report that increased costs force them to reduce their workforce, limit pay increases, or rely on underpaid or minimum wage workers, which affects morale and service quality.

In qualitative feedback, a dominant theme is the need for stable, multi-year, and unrestricted funding to ensure job security, retain employees, and allow for strategic workforce planning. There is a strong desire to expand teams, improve pay, and invest in people development to enhance service delivery, but many responses highlighted that short-term or project-based funding undermines these efforts, making it difficult to meet growing service demands. Charities are looking for greater recognition from funders of the true costs of staffing, including fair pay.

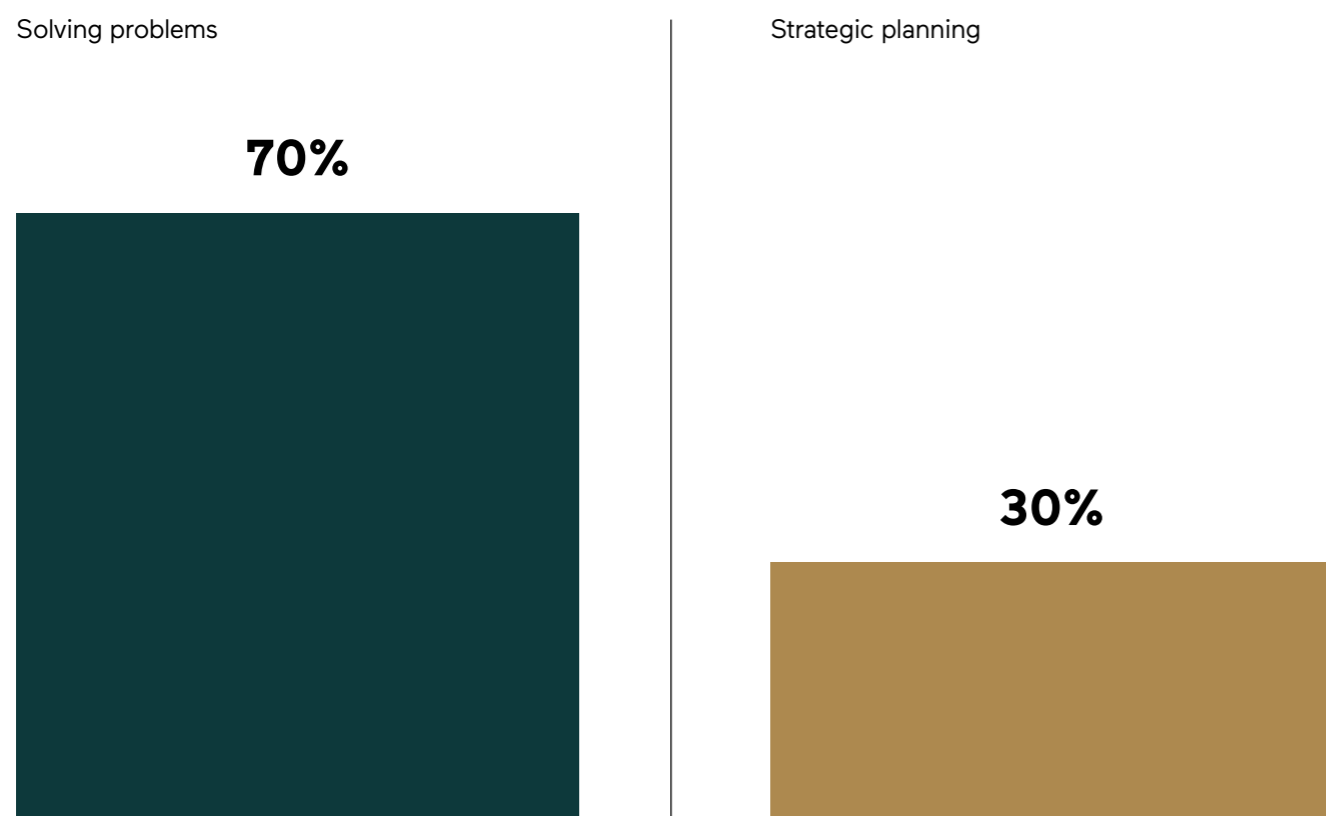
Several responses noted the importance of volunteers in supplementing employee capacity. There is a call for more volunteers, better support, and recognition of their contributions to maintain consistent service delivery.

Charity leaders are spending 70% of their time fire-fighting problems.

Charity leaders are spending an average of 70% of their time dealing with day-to-day operational problems and 30% of their time on strategic thinking, planning and making connections for the longer term. Leaders of smaller charities spend the most time fire-fighting (73% for charities with an income under £500,000, compared to 65% for charities with more than £2,500,000 income).

Charity leaders who report having a strong team, with the right people in the right roles, spend significantly more time on strategic thinking and less time on fire-fighting than those who do not (32% versus 23% of time spent planning).

FIGURE 8.
THE AVERAGE CHARITY LEADER'S TIME IS SPLIT:



Base: All charities answering, N=549.

What charity leaders told us.

Driving cultural change through resilience work

The Charities Aid Foundation (CAF) Resilience Fund was a £40 million funding programme, which ran between 2020 and 2023, to support communities hardest hit by the Covid-19 pandemic.

The fund had significant success in helping charities develop structures to support good leadership and governance. There was also progress in supporting individuals and teams, and recruiting and developing diverse boards — with many leaders reporting increased morale and performance.

“The CEO has been able to dedicate time to leadership, resulting in a more unified organisation and understanding of the vision, mission and purpose, and closer collaboration between departments.”

| Romney Resource Centre

“I think we were actually kind of forced into doing the stuff that we always kicked down the road — the stuff that we all know is important but often I am too ‘in it to get on it’ and that’s a good thing.”

| Beith Trust

“This was more help than can be imagined it has changed our whole outlook and identity. It stopped us from looking inwards and enabled us to look forward and change.”

| Advocacy Matters

Charities with strong teams are better at learning from mistakes.

Around two-thirds of charity leaders are satisfied with the skill set of their Board (62%), while slightly more are happy with the experience and knowledge their Board members bring to the table (71%). Overall, seven in ten (71%) say they have a strong team, with the right people in the right roles.

Those charities with a strong team are much more likely to say that they learn from their mistakes and evolve how they work as a result. They also have higher levels of overall resilience (as measured through the six characteristics).

FIGURE 9.
SATISFACTION WITH BOARD'S DIVERSITY IN TERMS OF:



62%
satisfied with the skill set of their Board.



71%
satisfied with Board's experience and knowledge.

Base: All charities answering, N=498.



The Deaf Academy in Exmouth

External awareness & networks

4.



Somers Town Community Association

Charity leaders say the country would not be able to function without the sector.

Nearly every organisation we surveyed thinks that the Government relies on charities to deliver services it cannot or will not fund (96%), and that the country would not be able to function without the sector (93%). However, there is a general sense that the Government could do much more to support charities.

Just over half of charity leaders think the Government makes life difficult for the sector. Analysis of qualitative responses indicates that this is at least partly because government funding models often do not lend themselves to the long-term security that charities are seeking.

When asked about the overall influence that the Government has on the charity sector, only 6% of charities felt that influence was balanced towards positive. And of those, only two charities (out of 501) said that its influence was 'very positive'.

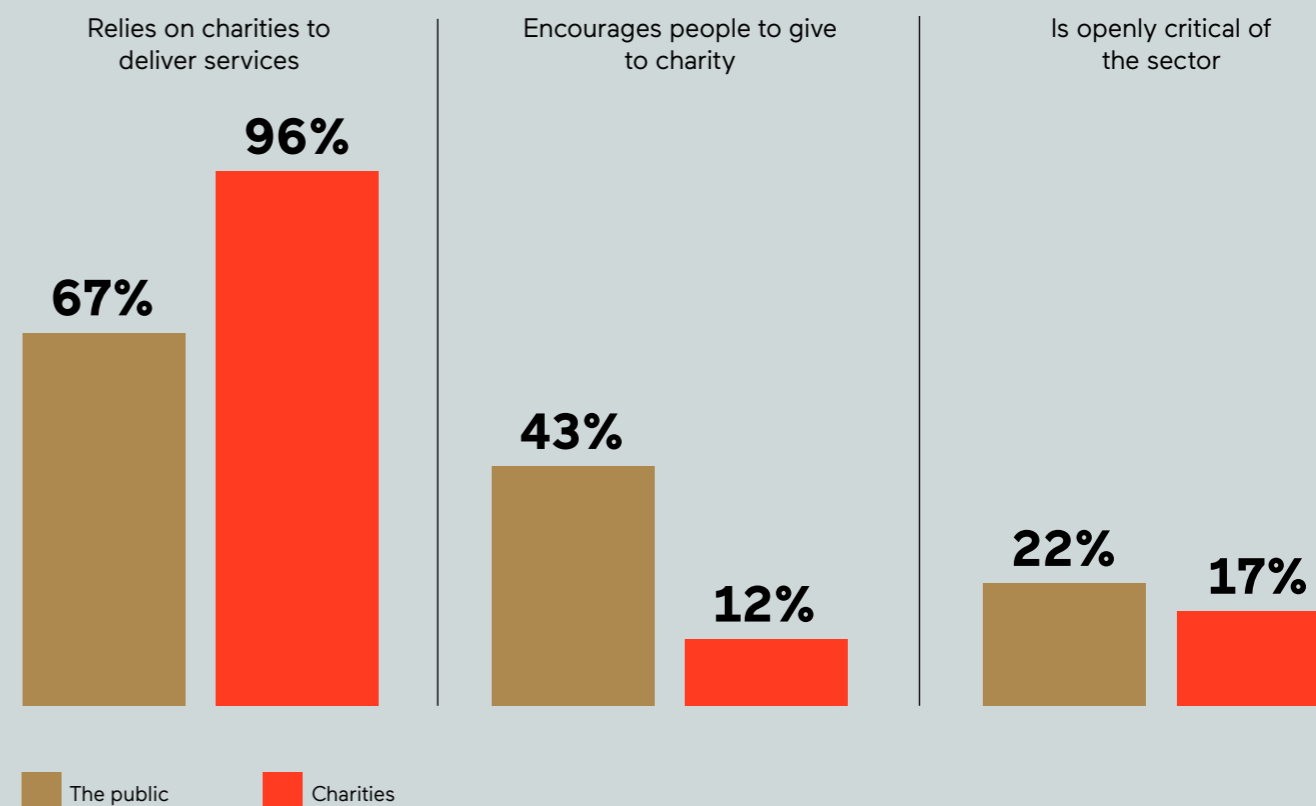
The public takes a much less negative view of government support for the sector, with 25% citing its influence is overall positive, and 43% agreeing it encourages the public to give. Our global research shows that where governments encourage giving, people give significantly more to charity, trust charities more, and think of them as more important to society.

6%

of charity leaders think the Government has an overall positive influence on the sector versus 43% in Ghana (the highest in our study of charities in 27 countries).

FIGURE 10.
CHARITY PERCEPTIONS OF GOVERNMENT VERSUS PUBLIC PERCEPTIONS.

% of charity leaders and members of the public who agree that the Government:



Base: All charities answering, N=501. Public polling results are based on a nationally representative sample of 1,007 adults across the UK. Polling was conducted by Focal Data in January 2025.

On the horizon

Our survey of charity leaders was conducted in May and June 2025. Since then, the Government has launched the Civil Society Covenant, a new framework that aims to reset the relationship between the UK Government and civil society. It was announced by the Prime Minister at a major summit on 17 July 2025, which brought together representatives from the Government, civil society, and the impact economy to explore how partnership can deliver on the Government's priorities. The sector will be watching closely to see how the principles set out will make a difference in practice.

Beyond the numbers: analysing qualitative responses

The sector wants deeper partnerships with government.

Charities were asked what would enable them to do more for the cause they support and several key themes emerged from our analysis:

Sustainable, long-term government funding.

Many charities emphasised the need for secure, multi-year, and unrestricted funding from government sources, to help them plan, deliver and expand services without the constant pressure of short-term contracts or project-based grants.

Meaningful partnerships and recognition by government.

Charities want to be treated as equal partners and be recognised for their impact and expertise. They are looking for collaborative decision-making, respect for the sector's role, and fair compensation for services provided.

Less bureaucracy and fewer regulatory burdens.

Charities are calling for less red tape, simplified reporting requirements and reduced administrative barriers.

Tax relief and exemptions.

Many charities called for the need for tax breaks, exemptions from National Insurance increases, and relief from financial policies that disproportionately affect charities if the sector is to be sustainable.

Policy reform and strategic government support.

Respondents advocate for government action on broader policy issues, such as restoring aid budgets, improving welfare provision, and supporting preventative and early intervention services.

What charity leaders told us

“Local charities cannot be funded [only] by public donations and there is a need for government core multi-year funding, particularly in the health, social care and welfare sectors. This needs a recognition that the sector has a bigger role to play in prevention and early intervention type services than is currently 'permitted'”

| Medium-sized charity in Scotland.

“We need a proper understanding of full cost recovery from public sector colleagues. They do not realise that we do not have a 'magic money tree' and there is very little that we get for free or are exempt from paying for.”

| Medium-sized charity in Yorkshire.

“It would be helpful to look at government spend on benefits for disabled individuals and, perhaps, incentivising charities and social enterprises who create jobs for disabled individuals, for example, utilise savings to the public purse / payment by results.”

| Large disability charity in Northern Ireland.

Charities feel broadly trusted by the public.

Overall, charity leaders think that local charities are trusted the most, and international charities are trusted the least. However, they somewhat overestimate the strength of that trust in local organisations, while underestimating it for international ones. Around half (52%) of charity leaders agree that the public thinks very positively of people who work in the sector.

What charity leaders told us

“Sensational headlines in the media about paid staff in charities feeds into distrust and misunderstanding.”

| Medium-sized mental health charity in Northern Ireland.

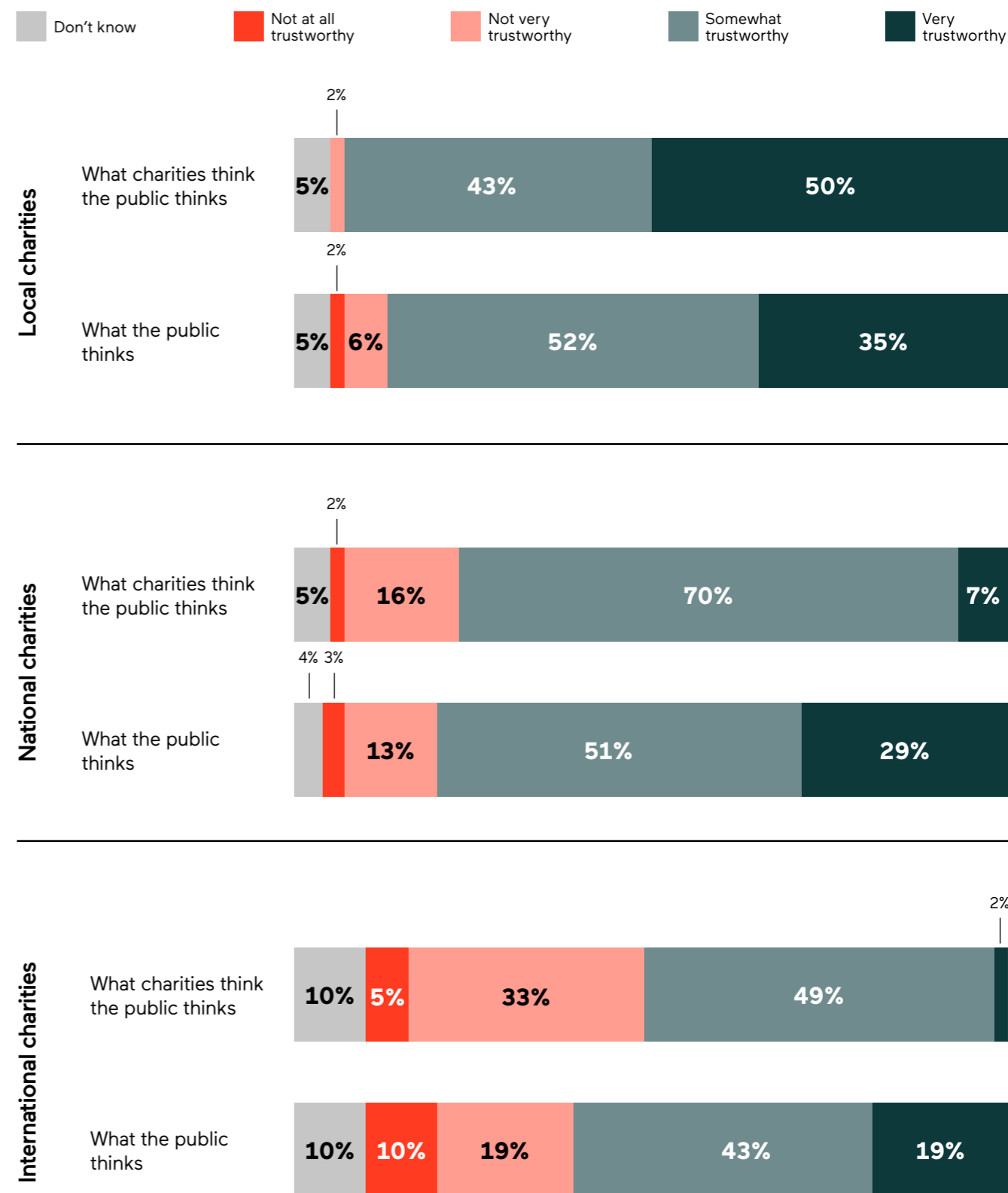
“The ongoing issue is the image linking the charity sector with people who failed, rather than a resource for people to thrive. It contributes to the sector being unable to spin any positive narratives that are not grounded in the 'saving', 'relieving', 'preventing' or 'opposing'.”

| Large poverty relief charity in London.

“We need recognition of the third sector as a skills-based sector with a lot to offer, and a new narrative which changes the way the public sees charity workers and the work that they do.”

| Medium-sized poverty relief charity in Scotland.

FIGURE 11.
CHARITY PERCEPTIONS OF PUBLIC TRUST VERSUS ACTUAL PUBLIC TRUST.



Base: All charities answering, N=516. All charities answered for each charity-type, regardless of their own scope of operations. 'What the public thinks' data is taken from the CAF World Giving Report — Donor Insights 2025.

More charities could prioritise building their networks.

Most charities (68%) say they have good networks and partnerships across the sector, with larger charities saying they have more of these strong relationships than smaller organisations (74% of charities with an income of £500,00 say they have strong networks in the sector compared to 59% of charities with an income under that threshold).

Charities are less likely to say they have forged strong networks outside of the sector (43%) and, again, larger charities report doing slightly better at this than smaller charities.

FIGURE 12.
CHARITIES' CONNECTIONS WITH STAKEHOLDERS.

1. How strong are your networks and partnerships within the charity sector?

68%

Answered 'very' or 'fairly strong'

2. How strong are your networks and partnerships with organisations outside of the charity sector?

43%

Answered 'very' or 'fairly strong'

3. How aware is the charity of how different donors perceive them?

36%

Answered 'very' or 'fairly aware'

Base: All charities answering, N=528-532.



Tapestry Care UK

Why strong networks are so crucial

“When working with charities on their resilience, we encourage them to consider their networks and relationships. Forming relationships with other charities, donors, service users and local communities can encourage collaboration, shared resources, bring weight to any advocacy for change, and maximise overall impact.”

Ashling Cashmore, Head of Impact and Advisory, Charities Aid Foundation

Purpose and evidencing impact

5.



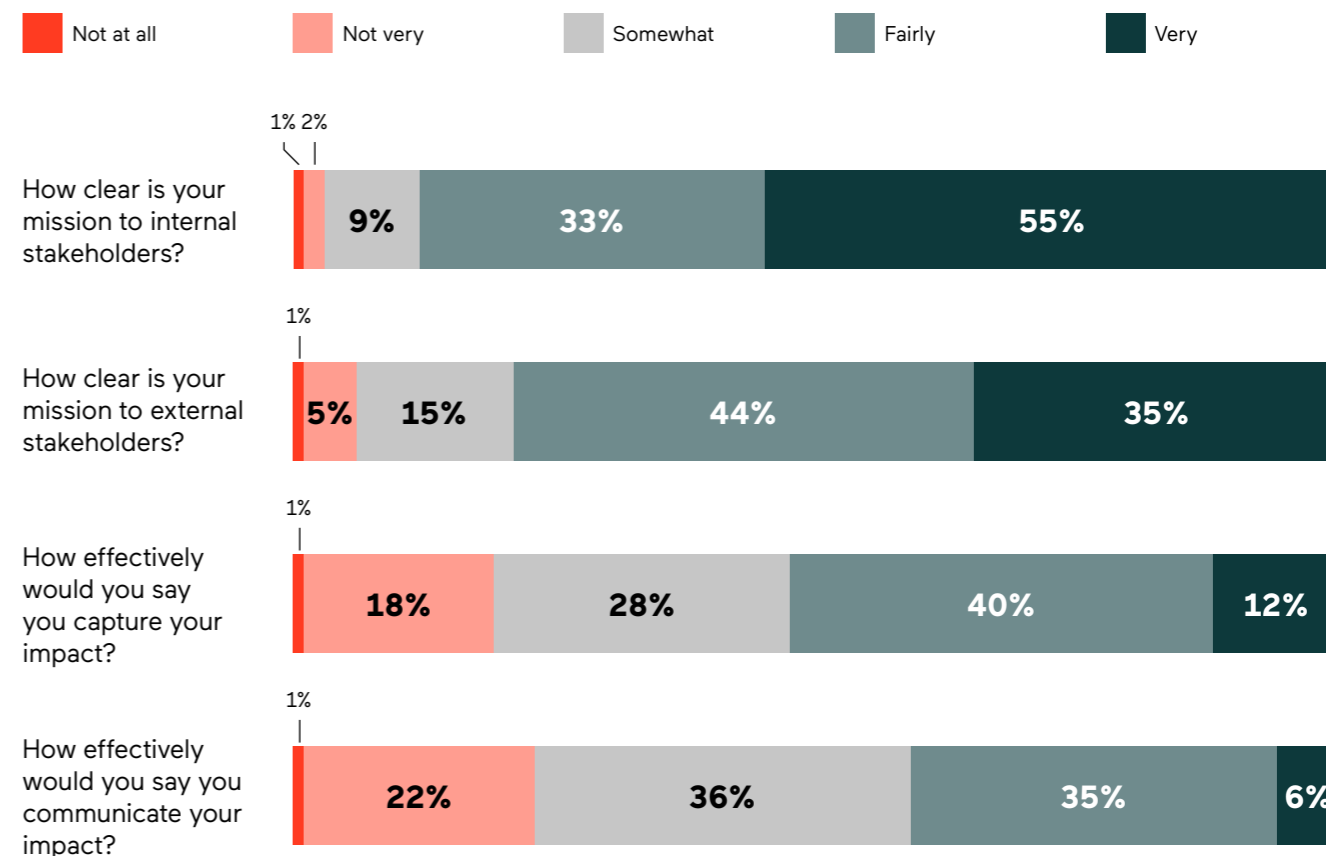
Charities can improve how they demonstrate their impact – particularly externally.

While charities rated their mission clarity more highly than the other six resilience characteristics, we know that this area can sometimes be overlooked. Nevertheless, most charities say their mission is very clear internally, although there is slightly less certainty about whether this clarity extends outside of the organisation.

Evidencing impact is a common issue for charities, and was one of the lowest scoring resilience characteristics overall.

From our work with charities, we know that those organisations that regularly assess whether they are staying true to their purpose and effectively measuring their impact tend to be more focused on their priorities and can tell a compelling story to funders. Indeed, in the Donor Insights part of the World Giving Report, ‘knowing more about the results and impact that a charity has’, was rated as the third most effective way for people to give more in the future, demonstrating how critical it is for charities to get this right.

FIGURE 13.
CLARITY OF PURPOSE AND IMPACT.



Base: All charities answering, N=528-532.



“It’s a very competitive funding environment at the moment. So being able to demonstrate that you are meeting a clear need and how your work is having a real impact can be a real advantage to a charity with potential funders and donors.”

| Ashling Cashmore, Head of Impact and Advisory, Charities Aid Foundation



The Sports Trust

Somers Town Community Association: aligning purpose with activity.

Beginning the resilience journey

Established in the 1970s as a tenants' hall, Somers Town Community Association (STCA) is run for the benefit of Somers Town residents in Camden, London. The area is culturally rich and diverse but faces challenges, including urban redevelopment, ageing housing, loss of community space, deprivation and poor health.

Over the past decade, STCA has grown its reach and now offers a diverse range of health, wellbeing, youth, environmental and employment programmes across multiple sites.

STCA's employees, volunteers and trustees completed CAF's organisational resilience survey, revealing a strong internal culture and sense of purpose, alongside opportunities to better describe its impact. A benchmarking exercise helped STCA's senior leadership team to compare the organisation to other London community associations.

Through workshops, the team was able to explore what employees value, STCA's strengths, identifying income opportunities and future community needs. This led to the development of a strategic framework to guide activities, resource planning, public engagement, and impact measurement.

Harnessing this work, STCA was able to align its purpose and activities for the next five years, informing workstreams and partnerships.



CASE STUDY

Somers Town Community Association

For charities:**1.**

Retain a laser-focus on their strategic plan but with a clear eye on the external environment and implications for their strategy.

2.

Carve out protected time for planning and building resilience and consider including capacity-building or resilience-boosting activities in proposals to donors and funders.

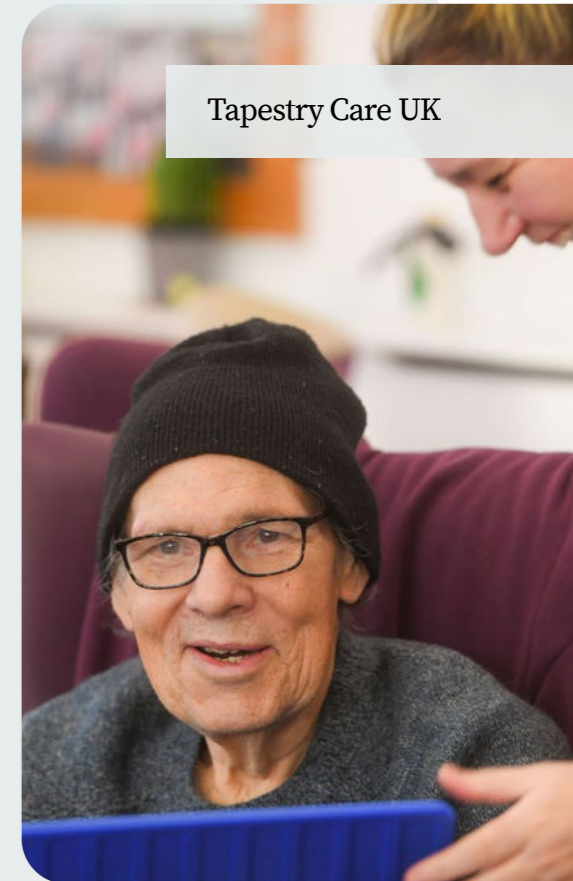
3.

Clearly communicate the impact their work and speak to longer-term partners and donors about the value of unrestricted funding in helping to achieve their mission.

4.

Consider strategies to diversify their income stream, regularly review their fundraising strategy, and analyse market trends to boost financial resilience.

Tapestry Care UK



For donors:**1.**

Make donations unrestricted so that charities can use them where they are most needed.

**2.**

Top up their regular direct debits and payroll giving donations, so they increase in line with inflation.

3.

Tick the box for Gift Aid, if eligible, to enable charities to claim back an extra 25% on their donation at no additional cost to the donor.

4.

Higher or additional rate taxpayers can increase donations by claiming higher rate relief through tax returns.

For policymakers:**1.**

Introduce a co-ordinated, cross-government approach to charitable giving and philanthropy, and develop policies that encourage donations to support charities, such as:

Using match funding schemes to multiply the power of government spending, including by rolling out place-based giving schemes that bring together charities, donors, and communities.

Requiring the Financial Conduct Authority (FCA) to embed conversations about giving into regulated financial planning frameworks and set out a plan for how all regulated financial advisers will receive training on philanthropy.

Modernising Gift Aid to simplify administration and unlock unclaimed funds for charities.

Requiring larger companies to report annually on their charitable giving.

Allowing lifetime gifts to charity from unneeded pension pots.

2.

Provide long-term, inflation adjusted, and unrestricted funding that covers the costs of delivering services.

3.

Work in partnership with charities to develop solutions, engaging in co-design, following principles set out in the Civil Society Covenant.

4.

Increase thresholds, such as the small trading exemption, Gift Aid Small Donations Scheme limits, and financial reporting thresholds, to reduce the administrative burden on charities and keep up with inflation.



Chamwell Centre Charity

Method

The results described in this report were collected between 6 May and 9 June 2025. During this time, responses were collected online from CAF Bank customers and members of Acevo, Acosvo and Co3.

In total, 549 charities responded. The sample collected is an indicative snapshot and no weighting has been applied to the data. Historical data is drawn from previous CAF surveys with charities in the UK.

For a full method statement for the World Giving Report, visit worldgivingreport.org/about.

About CAF

The Charities Aid Foundation (CAF) exists to accelerate progress in society towards a fair and sustainable future for all. Over the last 100 years, we have led the way in developing innovative approaches to giving. Annually, we distribute over £1 billion to social purpose organisations around the globe.

As a leading charity operating from the UK, US and Canada, alongside an international network of partners, CAF works at the centre of the giving world. We collaborate with corporate and individual donors to enable them to give more effectively, strategically and impactfully. This includes connecting them to charities globally and providing access to our in-depth sector knowledge, governance expertise and innovative giving solutions.

We help social purpose organisations to strengthen their resilience and do more of their life changing work, through strategic advisory services from our Impact Accelerator, tools to support charities' fundraising activities, and charity financial services from CAF Bank Limited and CAF Financial Solutions Limited. Using our research, policy and campaigns work, we understand and influence the wider environment for charities and donors.

Registered charity number 268369

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