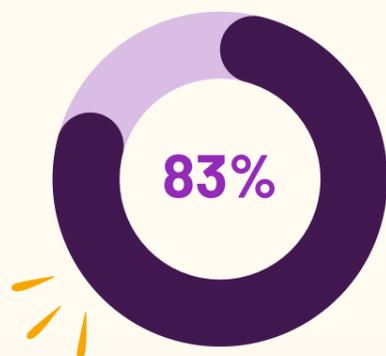


Operational and financial changes between August and November 2025:

Responses from local VCSE* (Voluntary, Community, and Social Enterprise) organisations highlights a sector under continued strain. Many groups experienced a rise in demand for their services, whilst at the same time seeing the cost of delivering those services also increase. This places additional pressure on already stretched resources. Compounding these challenges, income streams for many organisations responding to the Pulse Check weakened, and financial reserves – where they exist – were used for additional support. Taken together, these trends tell a story of organisations being asked to do more with less.

83% of VCSEs reported an increase in service demand between August and November 2025.



Three-quarters (75%) of VCSEs report increases in operating costs over the same period.



More than half (55%) of responding VCSEs report their income decreased between August and November 2025. A fifth (20%) note their income has remained the same whilst only a quarter (25%) report an increase in income over this period.



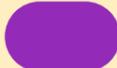
Over three-fifths (62%) of VCSE organisations with reserves have seen their reserve levels decline between August and November 2025.



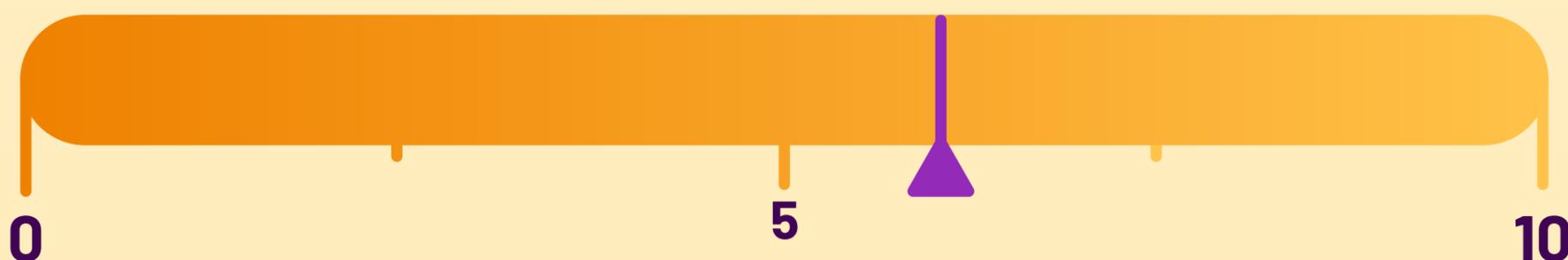
Digital Skills and AI

'On a scale from 0 to 10, Where would you place your organisation in terms of its digital maturity - that is, how effectively it uses digital tools to support the organisation and deliver services?'

0 - Not digitally mature

 **Median = 6**

10 - High digital maturity



A median digital maturity score of 6 indicates that responding organisations are already making effective use of digital tools in many areas. It also suggests that further opportunities exist to strengthen digital capability when circumstances allow.

*Voluntary groups, community groups, charities, community work from faith organisations and social enterprises.

'What, if anything, has helped your organisation to build digital confidence so far?'

For responding organisations, digital confidence has been most often built through a mix of external training and support, leadership commitment, practical investment in infrastructure and skills, and peer to peer (internal) learning.

“Some members of staff are quite tech savvy and able to train others. We are a small organisation so are able to quickly introduce new digital features if all in agreement.”

“External expertise and advice; commitment from SMT to invest in IT infrastructure; relevant policies and guidance developed for staff.”

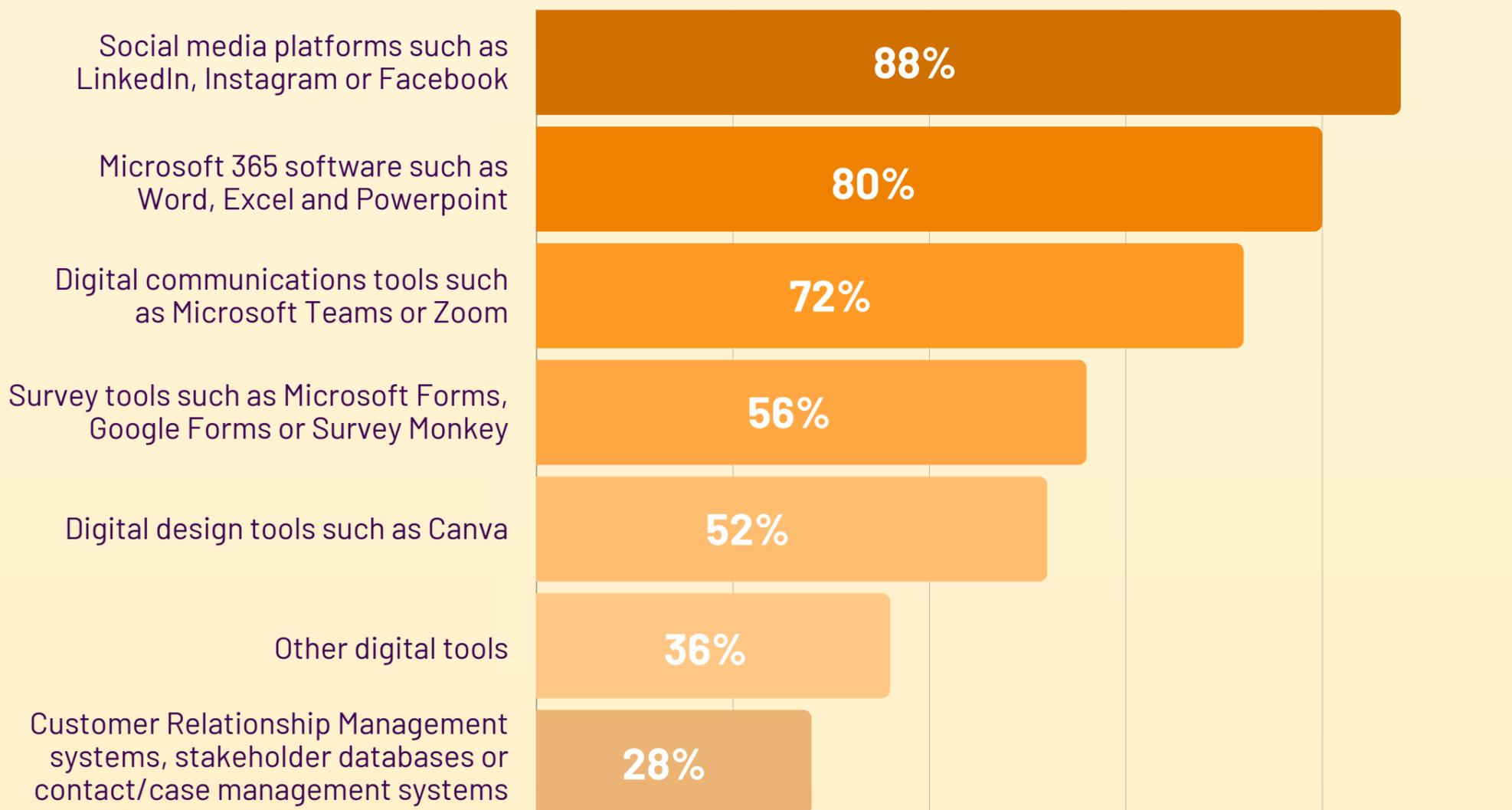
That said, responses also indicate that not all groups have either the capacity or the need to develop or prioritise improvements in their digital capacity.

“We don't have any money to pay towards new laptops. All our hardware is slowly becoming obsolete and certain software isn't allowed [supported] on [our] old hardware.”

“We are a small organisation and are happy to stay 'undigital.’”



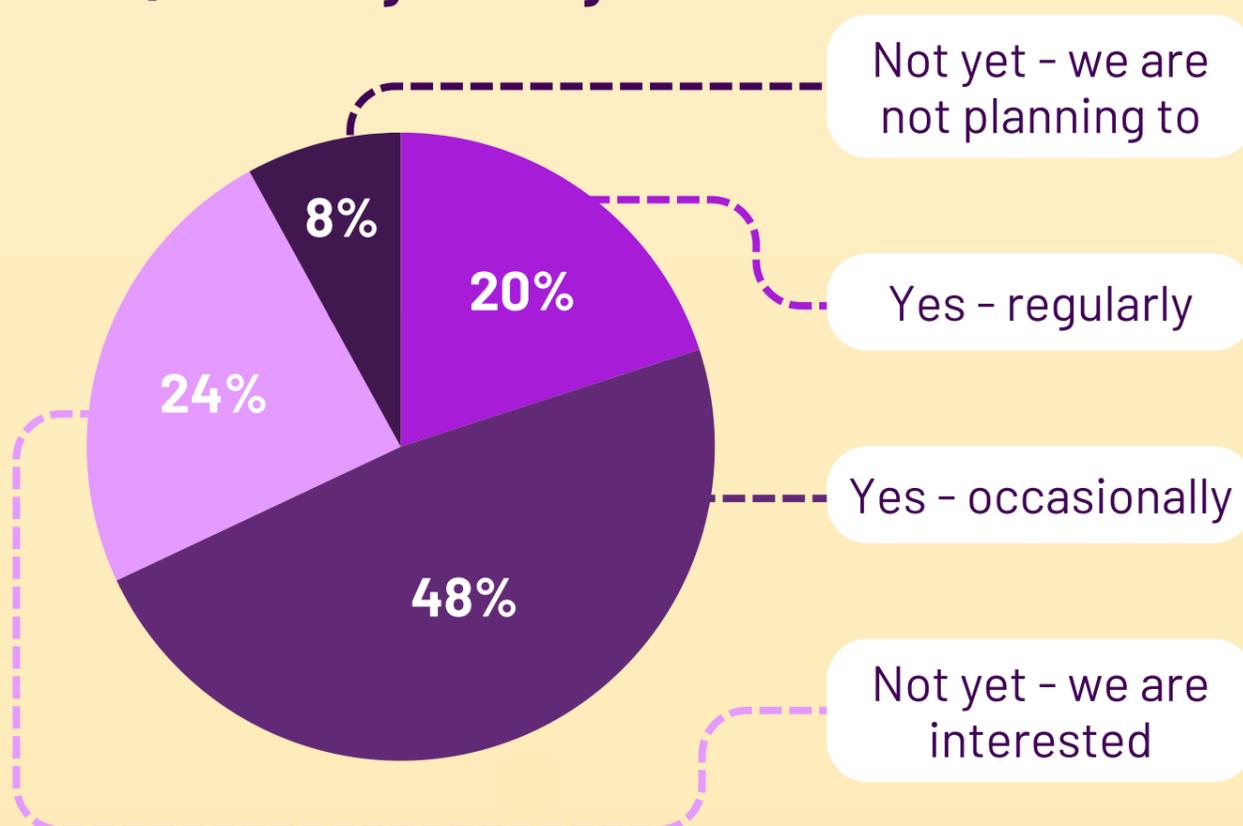
'Which digital tools or platforms does your organisation currently use?'



Digital tools for communication and everyday operations appear widely embedded, with strong adoption of social media, Microsoft 365, and online meeting platforms. Over half of responding VCSEs also used survey and design tools, potentially supporting feedback loops and assisting the creation of consistent digital content and messaging.

'Does your organisation currently use any AI tools (e.g. ChatGPT, Microsoft Copilot, Google Gemini) in its day-to-day work?'

Many organisations (**68%**) have already started using AI tools to some extent, with nearly half doing so occasionally rather than regularly. A further quarter are interested but have not yet adopted AI, suggesting strong potential for growth. Only a small minority (**8%**) have no plans to engage with AI, indicating that the vast majority of responding organisations are open to engaging with AI in some form.



'In which areas of your work are AI tools most useful?' and 'What benefits does the use of AI bring your work?'

- Exploring new ideas and project planning **(71%)**
- Communications - email, newsletters, social media **(65%)**
- Writing funding bids **(47%)**
- Creating digital resources **(41%)**
- Supporting online meetings - note taking, audio and video recordings **(29%)**
- Automating administrative tasks **(29%)**

Responding organisations found the greatest value in using AI to explore new ideas and plan projects, followed closely by communications such as emails, newsletters, and social media. There was also significant uptake for writing funding bids and creating digital resources.

Reflection from Anne-Marie Marshall, Services Manager,

Salford CVS: It is always vital to use AI thoughtfully and ensure your organisation's unique voice and values remain front and centre. For example, in bid writing, funders want to hear your real story, experience, and commitment. AI can assist, but your insight and authenticity are what make bids stand out.



Respondents were also asked to summarise the benefits of using AI for their organisations. In doing so, many respondents acknowledged that their use of AI complements, rather than replaces, essential human input, helping to enhance efficiency while ensuring that work remains authentic, accurate and grounded in real experience.

'Helps to reword existing documents to be specific to a particular funder... I don't use it to write from scratch, but to edit existing work.'

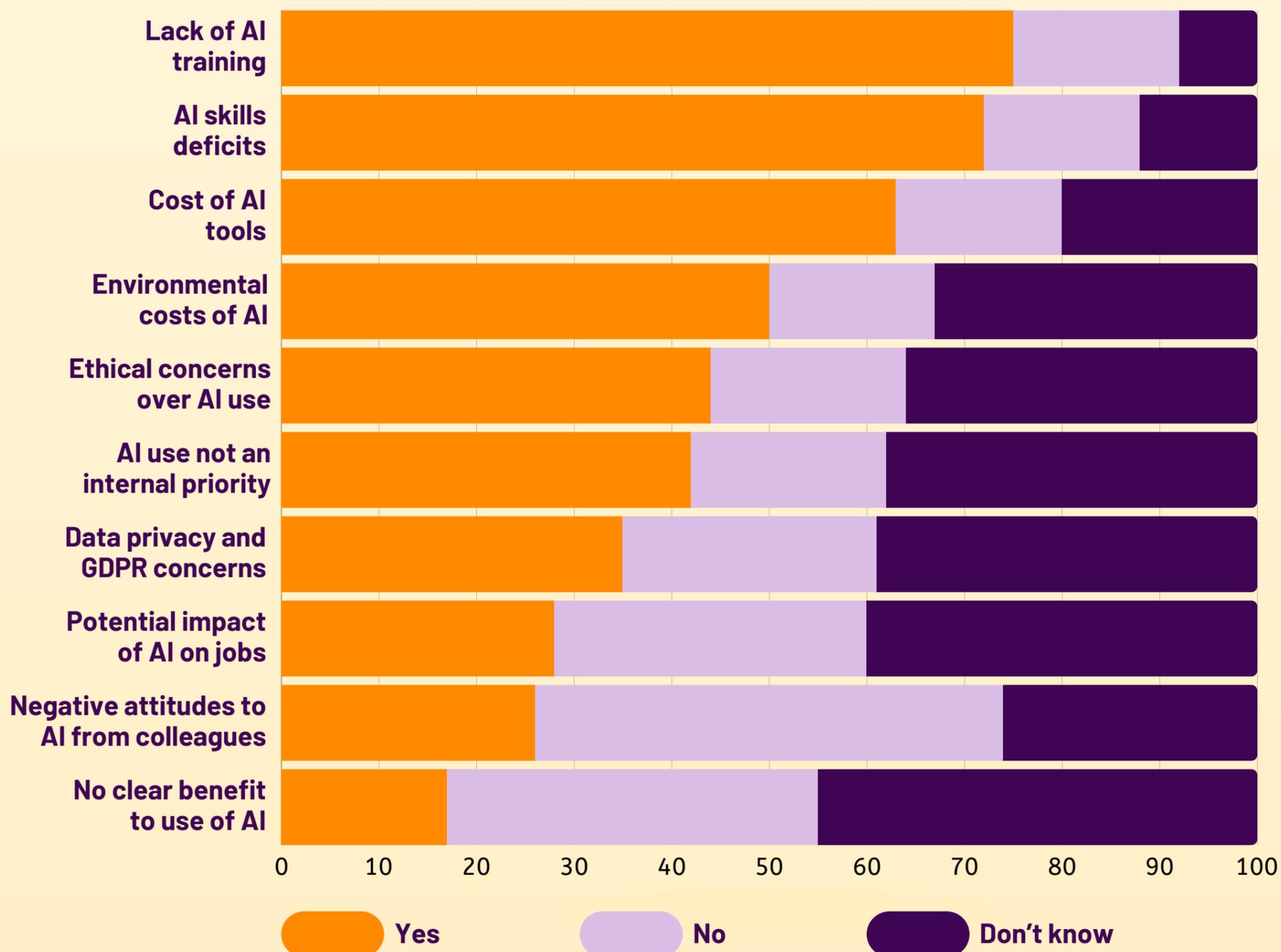
'Makes some tasks quicker. However, we use it sparingly for ethical reasons and to minimise the carbon footprint AI creates.'

'Improved creativity and design of marketing and communications.'

'Speeds up the process of bringing down answers in bids to the required word count.'

'We use AI only to check and improve what we written.'

'Do any of the following feel like barriers to AI use in your organisation?'



Training and skills gaps emerged as the most significant obstacles to further AI use within responding organisations, alongside cost implications. Environmental and ethical concerns around AI use were also raised here.

'I don't feel that there is general awareness of the massive environmental impacts of using AI models.'

'I am personally really concerned about both the ethical and environmental implications of the AI bulldozer...I think that in terms of understanding and writing policies, a lot of people think they know more than they actually do, so training for the decision makers in VCSE organisations is really crucial.'

Salford VCSE Pulse Check

Headline Findings - February 2026

'What support, if any, would help your organisation feel more confident exploring or using AI tools?'

“

'Best practise guidance on using AI for VCSEs...[and] collective buying power for us.'

”

“

'[Support with] using it ethically and safely.'

”

“

'Training that is simple!'

”

“

'We are not looking to develop this area.'

”

Indications from respondents are that the dominant need currently is accessible, practical training – organisations want simple, clear guidance on how to use AI and understand its benefits. Alongside this, there was a strong call for sector-specific best practice, particularly around ethics and safety. Peer learning and networking were also valued, while a minority of organisations are either not interested or adopting a more cautious 'wait and see' approach.

Salford CVS commentary:

At Salford CVS, we recognise both the challenges and opportunities that the use of AI across the VCSE sector presents. We also acknowledge that some of our members have understandable concerns about its growing use. We're committed to providing external training and guidance to help you build confidence and use AI responsibly, effectively and ethically. If you'd like support, we're here to help.

Contact us:

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