

Market Overview- Not-for-Profit (NFP) Industry

In 2025, the UK's not-for-profit sector continues to play a vital role in delivering public services and supporting communities. The sector faces challenges such as funding constraints, regulatory changes, and increasing demand for services. Despite these hurdles, charities and other NFP organizations are adapting through innovation and collaboration.



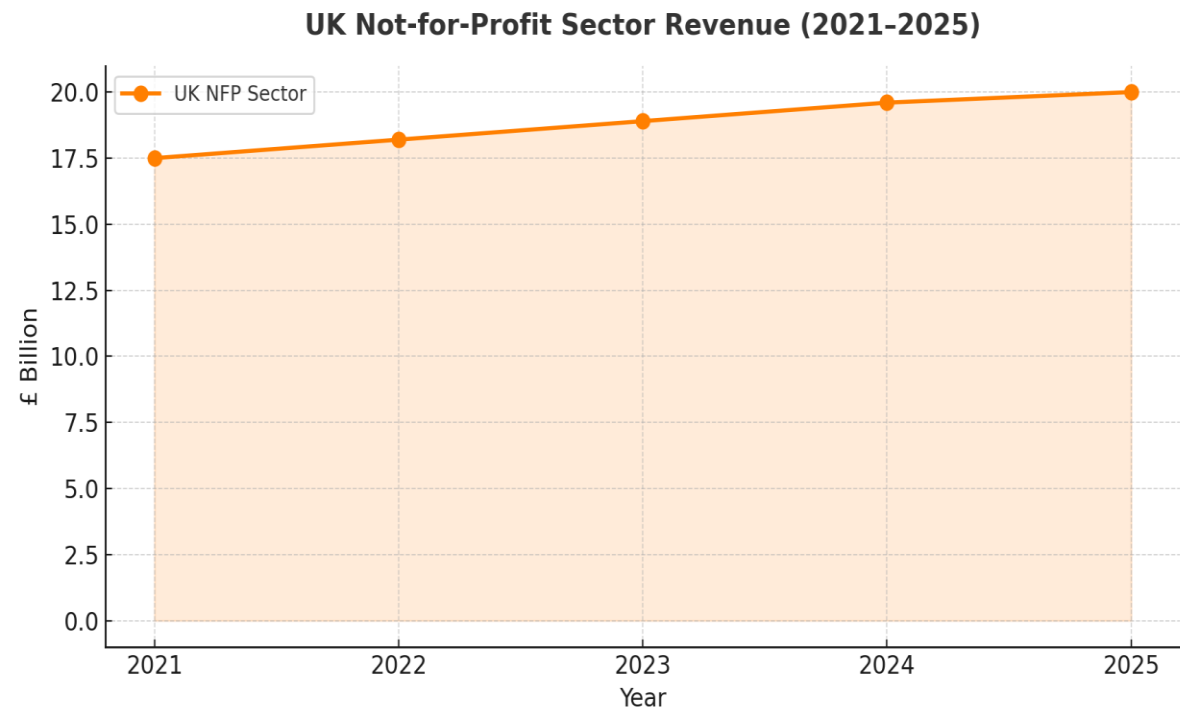
Economic Contributions and Employment

Market Size:

The UK not-for-profit sector contributes approximately £20 billion to the national GDP annually.

Employment:

The sector employs nearly 1 million people, with 46% of the population in England volunteering annually.



Current Trends and Challenges

Funding Pressures:

Charities are grappling with increased operational costs due to rising employer National Insurance contributions and inflation, leading to potential service reductions.

Regulatory Changes:

The Fundraising Regulator is updating the Code of Fundraising Practice, aiming for a more principles-based framework to enhance compliance and public trust.

Digital Transformation:

Organizations are increasingly leveraging digital technologies to improve fundraising, service delivery, and stakeholder engagement.

Source: [UK Code of Fundraising Practice Updates](#)

