



AI and the Future of the Non-Profit Sector

INSIGHT REPORT



FORMAT

Yes, But Debate

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AI and the Future of the Not-for-Profit Sector

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Context

For decades, the non-profit sector has periodically revisited questions of structural reform (including consolidation, mergers, shared services, and new operating models), without fully confronting the implications. While collaboration is widely encouraged, deeper forms of integration remain politically sensitive and culturally fraught: a “third rail” issue many acknowledge but few pursue.

In December, The Conduit convened leaders from across the ecosystem to examine whether this reluctance is beginning to shift. Using its signature “Yes, But...” debate format – a fast-paced, participatory structure designed to move from provocation to collaboration – the session explored the future of the non-profit sector and the role AI may play in shaping its next phase. Charity leaders, funders, technologists, and sector experts came together to interrogate not only whether change is needed, but what kind of change is realistic, legitimate, and aligned with sector values. Following the debate, participants joined facilitated discussions to pressure-test assumptions, surface lived experience and explore possible pathways forward, with

particular attention to how AI might support adaptation without undermining trust, equity or organisational purpose.

This convening formed part of the AI for Good series, supported by Google.org through The Conduit Foundation. As a neutral, cross-sector convener, The Conduit is uniquely positioned to bring together perspectives that do not often sit in the same room, creating space for frank discussion across organisational, funding and technological boundaries.

Revolution *vs Evolution?*

The sector is entering a period of sustained pressure. Shifting funding architectures, rising demand for services, increasing regulatory and reporting burdens and heightened public scrutiny are affecting organisations of all sizes. At the same time, many of the informal buffers that historically allowed organisations to persist — flexible funding, institutional patience, long-standing relationships — appear to be weakening. This was reflected in the discussion, with one speaker noting the cumulative strain on people working in the sector:

“We’ve had to go through COVID, cost of living crisis, numerous wars, numerous social and environmental impacts... continual revolution burns people out and that again undermines an organisation’s mission.”

Within this context, questions that were once theoretical are becoming unavoidable

- Is consolidation inevitable, and if so, in what forms?
- What kinds of structural adaptation are already happening quietly?
- Where does incremental evolution end, and more radical transformation begin?

Artificial intelligence was not the central subject of the debate, but rather an enabling and accelerating force — a technology that could make certain adaptations more feasible, surface inefficiencies more starkly, or amplify existing inequities depending on how it is governed and deployed.





The debate was framed around a central tension: is the greater risk moving too fast and breaking what works, or moving too slowly and missing the moment to act?

Two professional debaters took opposing positions to illuminate both ends of the spectrum. One argued that incremental change has failed to address deep structural inefficiencies — including duplication, outdated governance models, and the persistence of inactive or “zombie” charities — and that without more radical restructuring, scarce resources will continue to be misallocated while urgent needs go unmet. This argument was illustrated starkly through an example of duplication:

“111 charities supporting Great Ormond Street Children’s Hospital. What were they specialising on? One patient each?!”

The opposing position argued that while change is essential, revolution is reckless. From this perspective, evolutionary change — grounded in trust, stewardship and lived experience — is more likely to preserve mission integrity, protect staff and communities, and avoid burnout or unintended harm. Lewis Iwu, debater for the opposition, summarised this position directly:

“Revolutions are reckless, evolutions are effective.”

These arguments were then interrogated by a panel representing diverse vantage points across the ecosystem: Helen McEachern (CEO, CARE International UK), Katie Roberts (CEO, Sheila McKechnie Foundation), Olly Willans (Chief Innovation Officer, Torchbox), and Sian Ferguson (Trust Executive, Sainsbury Family Charitable Trusts).

The debate did not produce a binary conclusion. The audience vote leaned slightly toward evolution, though the discussion revealed shared anxiety about the sector’s long-term sustainability and a recognition that existing models are under increasing strain. Instead, the discussion surfaced a set of clear findings:

The current model is under strain, but there is no appetite for reckless change.

Participants broadly agreed that existing operating models are becoming harder to sustain. At the same time, there was strong caution about rapid, top-down transformation driven primarily by financial pressure rather than mission or values

There is growing acceptance that “doing nothing” is no longer viable.

While views differed on pace and form, there was a shared recognition that incremental improvement alone may not be sufficient given the scale of pressure the sector is facing. As James, the debater for the proposition, put it,

“We can’t magic more resources. We have to live in the economic world... the question then is where are those resources and what are they being applied to?”

Structural change is already happening — but largely through informal and incremental pathways.

Rather than formal mergers, many organisations are adapting through quieter, pragmatic moves: shared back-office functions, fiscal sponsorship, partnerships, joint ventures and informal consolidation of services. The discussion repeatedly returned to the idea that scarcity is forcing more deliberate choices about structure and focus, rather than allowing organisations to continue operating in parallel indefinitely.

Large-scale consolidation remains culturally, politically and financially difficult.

Participants noted that mergers are still seen as risky, complex, and emotionally charged, particularly where identity, brand, or community trust are at stake. Without funders actively willing to engage, resource, and in some cases facilitate M&A, there remains no clear pathway for how this happens in practice.

Funders play a decisive — and often unintended — role in shaping what kinds of change are possible.

Participants observed that funding structures shape behaviour in very direct ways. Short-term grants, tightly specified project funding, and risk-averse decision-making can discourage organisations from investing in shared services, collaboration or long-term restructuring. In practice, this often pushes organisations to prioritise survival and compliance over deeper, mission-led adaptation. One participant noted,

“When funders only offer one-year project grants, it’s impossible to plan for shared services or long-term collaboration.”

There is a real tension between efficiency and diversity in the sector.

Some participants worried that pressure toward scale and consolidation could narrow the range of voices, lived experiences, and locally rooted approaches represented in the sector — even where efficiency gains appear compelling on paper.

The question is no longer “revolution or evolution?” but “how to change without breaking what matters.”

The strongest signal from the room was not a call for revolution or a defence of the status quo, but a desire for better-governed, more intentional change — supported by shared infrastructure, clearer guardrails, and greater coordination across the ecosystem.

Taken together, the sector appears to be edging toward change — not through a single moment of revolution, but through mounting pressure, informal adaptation, and a growing recognition that evolution alone may not be enough unless it is more deliberate, coordinated, and better supported.

The Innovators

Following the debate, participants heard brief presentations from three organisations experimenting with new tools, operating models, approaches — offering practical examples of how adaptation is already underway across the sector.

These case examples helped ground the discussion, illustrating how organisations are navigating pressure and change in real time — often without shared infrastructure, formal permission, or sector-wide guidance.

The innovators and their presentations were as follows:

**OLLY WILLANS, CHIEF INNOVATION OFFICER,
TORCHBOX**

Focus: Human-in-the-loop AI for supporter engagement

Olly presented a case study of Torchbox's work with Breast Cancer Now to build a human-in-the-loop AI system for managing supporter communications. The system triages, drafts and routes incoming messages, using approved content to handle routine responses while escalating complex or sensitive cases to staff.

The approach has increased response coverage, reduced response times and freed staff capacity for higher-value, human-centred work. The example demonstrated how AI can responsibly scale frontline support without compromising empathy or care.





DOUG AYRES, MANAGING DIRECTOR, EBM

Focus: AI-enabled safeguarding and operational triage

Doug shared EBM's partnership with the NSPCC to develop an AI-powered system that supports child safeguarding operations. The system analyses incoming reports and communications, flags high-risk cases for urgent human review and streamlines lower-risk, routine case handling.

By combining automated triage with professional oversight, the solution improves response times, supports more consistent decision-making and allows safeguarding teams to focus attention where it is most needed. The case illustrated how AI can strengthen operational capacity in high-stakes contexts while keeping ethical safeguards central.

SIAN FERGUSON, TRUST EXECUTIVE, SAINSBURY FAMILY CHARITABLE TRUSTS

Focus: View from a funder: Building AI literacy and learning capacity

Speaking from a funder perspective, Sian focused less on a single deployment and more on how the sector can build long-term capability around AI. She described the growing pressure on charities to extract more value and efficiency through AI, but cautioned against aiming for technical mastery.

Instead, she proposed becoming "students of AI", forming small, intentional learning groups that actively experiment with tools, reflect on what works and share learning over time. The emphasis was on curiosity, collective learning and practical understanding, positioning funders as enablers of responsible adoption rather than drivers of rapid, extractive implementation.

What We Learned About *AI as an Enabler*

Across the discussion, a clear picture emerged: AI is already reshaping the non-profit sector, but whether it strengthens impact and collaboration — or accelerates concentration of power and loss of trust — depends on the choices organisations and funders make now.



TAKEAWAY 1: STRUCTURAL AND DATA BARRIERS LIMIT EQUITABLE ADOPTION

Many AI tools and models are designed primarily for well-resourced organisations, often failing to reflect the operational realities of smaller charities or locally rooted NGOs. Many organisations lack access to high-quality, domain-specific datasets, legal clarity around data-sharing, or the funding and expertise required to build or adapt models.

Large organisations, meanwhile, often carry heavy legacy systems that slow innovation and make integration costly. Without shared infrastructure or collective approaches, AI adoption risks reinforcing existing inequalities — with scale increasingly acting as a proxy for legitimacy.

TAKEAWAY 2: AI USE IS OUTPACING ORGANISATIONAL POLICY AND CAPACITY

AI is being adopted widely by staff in informal or experimental ways without guidance or safeguards. Participants described it as like a junior staff member, capable of adding significant capacity today and potentially much more in the near future but raising questions about accountability and oversight. This rapid adoption has real-world consequences.

As an example, AI is accelerating grant applications, creating potential overload for funders and threatening the accessibility of open funding processes. In many cases, individual adoption is moving faster than organisational readiness, highlighting the need for clear policies and practical frameworks that support safe and effective use.

TAKEAWAY 3: GOVERNANCE, ETHICS, AND TRUST ARE LAGGING BEHIND PRACTICE

Formal governance structures are often fragmented or outdated, and responsibility for ethical AI use is frequently left to technology providers rather than embedded within organisations or across the sector. Participants emphasised the need for reforms that strengthen board accountability, integrate beneficiary perspectives and rebuild trust between donors, organisations and communities. Without these safeguards, AI adoption risks misaligning with sector values and undermining ethical standards and confidence in long-term use.

TAKEAWAY 4: FRAGMENTATION IS PREVENTING SCALE AND COLLECTIVE LEARNING

Fragmentation appeared less as an abstract concept than as a practical reality: multiple organisations building similar tools in parallel; pilots ending when funding ends; incompatible systems that cannot share data; and limited mechanisms for shared learning.

As a result, promising initiatives struggle to scale and lessons are repeatedly relearned. Participants emphasised that no single organisation can navigate AI-enabled adaptation alone and that shared infrastructure and coordination are essential for impact. This challenge is not unique to the non-profit sector. A recent MIT report found that 95% of company-led generative AI pilots fail. While this challenge is not unique to the non-profit sector, participants noted that the sector has a unique opportunity to build shared approaches from the outset — and avoid repeating these mistakes.

TAKEAWAY 5: AI'S VALUE LIES BEYOND AUTOMATION — IF PURPOSE IS REIMAGINED

While administrative efficiency is a clear near-term opportunity, participants cautioned against a narrow focus on automation. AI's deeper potential lies in expanding insight, improving access, reducing barriers and enabling new forms of participation — provided tools are grounded in lived experience and local context.

At the same time, poorly designed systems risk reinforcing Western-centric assumptions or neocolonial dynamics, further marginalising the voices the sector exists to serve.





Conclusion & Direction of Travel

This session underscored that the non-profit sector is at a pivotal moment. Pressure on existing models is increasing, informal adaptation is already underway, and the choices made now — by organisations and funders alike — will shape the sector's resilience for years to come.

AI is not the driver of this transition, but it is a powerful accelerant. Without coordination, shared infrastructure, and renewed governance, it risks amplifying fragmentation and power concentration. Used deliberately, it could support more collaborative, equitable, and resilient models of impact.

The direction of travel emerging from this discussion is clear:

- away from isolated pilots and tool-led experimentation
- toward shared infrastructure, collective learning, and coordinated governance
- from survival-driven adaptation to mission-led structural change

Funders have a particularly influential role to play — not by dictating outcomes, but by enabling the conditions for collaboration, underwriting shared systems, and investing patiently in long-term capacity.

This report marks a step in a longer journey. Future conversations, pilots, and investments should build on these insights — translating debate into coordinated action that strengthens organisations, protects trust, and delivers meaningful impact.

Appendix A: *Solutions Map*

This Solutions Map translates debate insights into actionable pathways, illustrating where momentum can be built in the near term, where ecosystem coordination is required, and where longer-term structural reform may generate the greatest system-level impact. It reflects a portfolio of interventions — not a single prescription — recognising that different actors (funders, charities, technologists, intermediaries) operate with varying risk tolerances, time horizons, and leverage points.

The map is structured along two dimensions:

- Impact: Incremental → Transformational
- Feasibility: Near-term → Longer-term

Together, these solution areas translate debate insights into actionable pathways, showing where momentum can be unlocked now, where coordination is required, and where longer-term structural change may deliver the greatest return.

AI FOR THE NONPROFIT SECTOR: SOLUTIONS MATRIX



IMPACT (INCREMENTAL → TRANSFORMATIONAL)

FEASIBILITY (NEAR-TERM → LONGER-TERM)

Appendix B: *Participants*

Name	Job Title	Organisation
Jaanki Patel	UK Energy Programme Lead	Amnesty International
Lucy Standing	Founder	Brave Starts CIC
Pratik Dattani	Founder	Bridge India
Helen McEachern	CEO	CARE International UK
Nicolette Bartlett	Strategic Advisor	CDP, Point One
Sebastien de Menthon	Philanthropy Manager	ClientEarth
Divya Iyer	Campaigns and Impact Director	Crisis Action
Doug Ayres	Managing Director	EBM AI / Chat2Impact
Eleanor Mae O'Hagan	UK Energy Programme Lead	E3G
Zoe Le Grand	Managing Director, UK/EU	Forum for the Future
Cathy Drew Beresford	Head of Major Giving	Friends of the Earth
James Probert	Director of Development	Historic Houses
Tim Nelson	CEO	Hope for Justice
Jennifer Vilorio	Founder & CEO	IISLA Ventures
Dominic Castro	Youth Project Coordinator	Indoamerican Refugee and Migrant Organisation
Moinul Zaber	Research Fellow	Institute of Development Studies (IDS)
Josie Stewart	Programme Director	Joffe Charitable Trust
James Clarry	CEO	Justice & Care
Lewis Iwu	Co-Managing Director	Purpose Union
Ana Lucia Gonzalez	Development Assistant	Range of Motion Project
Anthony Bennett	CEO	Reboot
Sian Ferguson	Trust Executive	Sainsbury Family Charitable Trusts
Darren Chin	Deputy Trust Executive	Sainsbury Family Charitable Trusts
Alice Garnett	Trustee	Schoolreaders
Katie Roberts	Chief Executive Officer	Sheila Mckechnie Foundation'
Victoria Denison	UK Operations Manager	Shivia
Kate O'Brien	Executive Director	The Costa Foundation
Lara Fatah	Head of Communications	The Freedom Fund
Olly Willans	Chief Innovation Officer	Torchbox
Lisa Ballam	Head of Marketing	Torchbox
Bryan Cortright	Corporate Partnerships Manager	Water Unite

Appendix C: *Further Resources*

- [Yes, But debate - Future of the Non-Profit sector write up on TheConduit.com](#)

OTHER YES, BUT DEBATES IN THE SERIES

- [Yes, But debate - AI and Humanitarian Action video](#)
- [Yes, But debate - AI and Humanitarian Action insight report](#)

SUPPORT FOR NON-PROFITS

- [FastForward's Non-profit AI Policy Builder](#)
- [Google.org's Get Time Back resources](#)

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