The Charity Digital Code of Practice

1. Background

Digital is fundamentally changing the way we all live and work. Across the world, more than 4 billion people now use the internet, with 3.2 billion on social media. Charities, like every other sector, need to tap into the potential offered by this. Digital skills will help charities increase their impact, efficiency and sustainability. Digital is essential for charities to be relevant and to fulfil their purpose in the digital age.

For the purposes of the Code, we are using the Co-op's definition of digital which is: "Applying the culture, practices, processes & technologies of the Internet era to respond to people's raised expectations". This definition shows how digital has evolved beyond channels (e.g. social media or websites) to a mindset, reflecting how it is forming people's beliefs, attitudes and behaviours. If your charity is small, or if you are new to digital, a good starting point here is to see it as a set of tools to help you be even more effective and increase impact, and to learn from how beneficiaries and other supporters are using these channels. Digital can help charities to not only reach more people but also to free up time and resources to focus on human intervention where it is needed most. The Code aims to support charities of all sizes, budgets or causes in progressing with digital, offering a consistent framework for the sector to work towards. It is not a regulatory requirement, so it focuses on the principles and best practice in digital. Given the rapid pace of change in this area, the Code must be aspirational. Some organisations will find it raises the bar for the experience they offer beneficiaries, supporters and other stakeholders.

We hope that charities will use the Code as a practical tool to identify what they are doing well in digital and any gaps they need to address. Digital moves fast and is constantly evolving. Why and how your charity uses it is a dynamic process. Organisations who deploy digital successfully constantly test, learn from and improve their strategies, tactics and the technologies they use. It is envisaged that organisations will review their progress against the Code at consistent intervals, ensuring it is part of continuous improvement. The Code is ambitious and offers a positive challenge to charities, yet also includes best practice that can be adopted with limited resources.

2. Scope

The Code is intended as an overview of the key areas that charities need to be aware of in digital. It therefore majors on the how and why, not the more granular what, when and where. However, in the resources section, we have put together plenty of content to help charities.

Who is it for?

The Code is for charities registered in England, Wales and Scotland. However, we're aware that other organisations, such as small community groups who may not be registered charities, could find it useful. The Code's principles and best practice have been designed to apply to charities of all sizes. We have also developed a version for small charities, which we define as being those with an annual income of £1 million or under, and one for larger charities (those who generate over £1 million of income a year).

3. How should it be used?

The Code should be used as part of how charities benchmark their progress in digital and to inform key decisions in this area. As such, we hope that organisations will use it regularly. Some charities may wish to make digital a standing item at board and executive team meetings, whether separately or part of other points on the agenda, and if appropriate for their size of organisation.

The Code is broken down into key principles, an explanation of why each matters, what success looks like and the best practice that is needed to achieve it.

In the Code we have used 'must' and 'should' to indicate what we see as the minimum standard of good practice and 'could' to indicate enhanced best practice.

We've assumed that charities will be complying with any legal obligations related to their use of digital, such as data protection legislation and the GDPR.

The Code should be read in conjunction with other codes and best practice guides, including the following:

- The Charity Governance Code
- The section on digital media in the Fundraising Code of Practice
- Cyber Essentials
- The Charity Commission's digital guidelines for trustees
- CAST's digital service design standards
- Voluntary Sector Digital Maturity Matrix
- Principles for Digital Development (for NGOs).

We have also assumed familiarity with the charity's strategy, vision and mission.

If you are looking to develop a product to support the Code, you will need to contact the steering group.

4. Steering group

The Charity Digital Code of Practice has been developed by a steering group of organisations across the sector, comprising:

- Association of Chief Executives of Voluntary Organisations (ACEVO)
- CAST (The Centre for Acceleration of Social Technology)
- The Charity Commission
- Charity Finance Group (CFG)
- Charity IT Leaders
- Co-op Foundation
- Lloyds Bank Foundation
- Lloyds Banking Group
- NAVCA (the National Association for Voluntary and Community Action)
- NCVO (the National Council for Voluntary Organisations)
- Office for Civil Society
- Small Charities Coalition
- Tech Trust
- Turn2Us
- SCVO (the Scottish Council for Voluntary Organisations)
- WCVA (Wales Council for Voluntary Action).

The group's role is to develop, promote, review, maintain and champion the Code. It has an independent chair, Zoe Amar.

Thank you to the Co-op Foundation and Lloyds Banking Group for funding the development of the Code.

The Charity Digital Code of Practice is part of the Digital Enterprise Delivery Group which Lloyds Banking Group is proud to lead. As part of the Digital Enterprise Delivery Group, Lloyds Banking Group works with supporting partners to drive improvements in digital capability across the UK and with organisations to enable local digital champions' programmes.

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5. The principles

Digital is a broad area, so we have identified 7 principles which shape areas of focus for the Code. These values show how digital touches much of what a charity does and how it will need to be considered accordingly.

1. Leadership

Charity leaders must lead on digital as a way of helping their charities be relevant and sustainable.

Digital isn't just about channels. It's a strategic and governance issue and charity leaders need to know how digital could help realise their vision for their charity. Equally, digital raises questions about traditional ways of leading, offering opportunities for leaders to build networks and collaborate further.

2. User led

Charities should make the needs and behaviours of beneficiaries and other stakeholders the starting point for everything they do digitally.

3. Culture

Charities' values, behaviours and ways of working should create the right environment for digital success.

4. Strategy

Charities' strategies should be ambitious about how they can use digital to achieve their vision and mission.

This doesn't always mean investing money, but it does mean thinking creatively about how digital can increase impact and sustainability.

5. Skills

Charities should aim for digital skills to be represented at all levels of the organisation.

Digital success is very dependent on the confidence, motivation and attitude of the people who run, work and volunteer for charities. Technical and soft skills, such as questioning, persuading and influencing, are equally important.

6. Managing risk and ethics

Charities need to determine and manage any risks involved in digital.

Charities will also need to consider how some digital issues fit with organisational values and ethics. The latter is a broad area that may include anything from partnerships to the use of data by social networks to content.

7. Adaptability

Charities will need to adapt to survive and thrive as digital changes how everyone lives and works.

1. Leadership

Principle

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Why this matters

Digital should be part of every charity leader's skillset as a means to help their organisation achieve its vision and increase its impact. Digital is a catalyst and enabler for charity leaders, not an end in itself.

What success looks like

Leaders feel confident and motivated about using digital to achieve their organisation's charitable purpose and goals and to improve its sustainability.

Best practice for small charities

Governance

- Charity leadership teams and boards understand how digital can help their charity achieve its objectives, and have the skills to make informed, data driven decisions in this area, and to develop the relevant plans. This may require the leadership team and boards to develop digital skills.
- CEOs will need to play a critical role in initiating and spearheading digital change.
- Digital skills should be represented on all charity boards, with the aim of every trustee understanding how digital could increase their charity's impact. For example, if the charity aims to reach more beneficiaries in its local community, how could digital help?
- Trustees are ultimately responsible for ensuring that the relevant policies and procedures are in place for digital (e.g. social media and IT policies).
- Leaders need to be aware what level of investment in digital is required to achieve their charity's goals (such as a new, mobile friendly website). What will this deliver, how will they know if it offers value for money and how will they know if it has been a success?
- As charities increase their digital presence, trustees and leadership teams should take ownership of increasing cyber security risks and put in place proportionate measures to protect their funds, data, supporters and reputation.

Skills

- Digital can help small charities to be even more efficient and productive. Leaders and boards should explore the new ways of working and communicating that digital offers (e.g. collaborating through platforms such as Slack, WhatsApp and other social media), looking at how peers and similar organisations are using these tools.

2. **User led**

Principles

Charities should make the needs and behaviours of beneficiaries and other stakeholders the starting point for everything they do digitally.

Why this matters

Building the charity's strategy, services and functions around how beneficiaries, supporters, donors and other stakeholders use digital will make them more likely to engage, positioning the organisation as relevant and increasing impact. According to Ofcom, 88% of adults now have internet access at home. Reach is highest among younger age groups, but over half (53%) of over-74s are internet users. For most people, mobile devices are their most important device for accessing the internet.

What success looks like

Stakeholders' needs will be factored into all digital activities from the outset, with key assumptions tested against data. Learnings will then be factored into continuously improving digital services and other work, and also used to inform wider questions about the charity's strategic direction.

Best practice for small charities

Understanding audiences

- Using the data from free tools such as Google Analytics and social media analytics, alongside insights from staff who work closely with beneficiaries and other supporters, will maximise the impact of digital activities. These insights can be used to plan further digital activities, looking at how to improve performance each time. For example, this could involve testing ideas for a new email fundraising campaign, learning from the data and changing it accordingly.
- Charities should aim to map simple user journeys of typical beneficiaries, supporters, donors and other stakeholders to help them inform their planning, service delivery and product development. The digital needs of staff should also be considered when planning internally focused digital activities, e.g. a new intranet.
- Any risks involved in innovation should be managed, for example by piloting new products with small groups before rolling them out more widely.

Accessibility

- The needs of users who are digitally excluded must be considered, including those individuals in vulnerable circumstances. Every effort should be made to ensure that digital services meet accessibility requirements and that the W3C guidance is taken into account. Offline channels should be offered where appropriate.

3. Culture

Principle

Charities' values, behaviours and ways of working should create the right environment for digital success.

Why this matters

The right culture will develop the confidence and motivation of staff and volunteers in digital, shaping the accompanying behaviour by increasing collaboration, creating momentum, breaking down siloes, empowering people to share new ideas, using data to improve decision making and increasing transparency.

What success looks like

The people who volunteer or work for charities will be in a better position to collaborate, confident in trying new things and learning additional skills, developing the right mindset for change and innovation, and contributing to how the organisation can achieve its goals through digital. They will focus outwards as much as inwards, understanding how beneficiaries and supporters use digital.

Best practice for small charities

Motivation

- Leaders will need to identify how they can create the motivation for change, for example by setting out how digital could help their charities reach more people or increase income through online fundraising. They can encourage this by showing how beneficiaries, supporters and other stakeholders use digital channels.
- Leaders will need to develop the right mindset for digital amongst staff and volunteers, such as being open to trying new ideas and a willingness to collaborate.

Behaviour change

- Charities who are just getting started with digital could take small steps and learn as they go with online tools. For example, consider running a workshop on how staff and volunteers use digital outside of work and how they can apply what they've learned to their roles.

Ownership

- Whilst strategic initiatives and specific products should have clear owners within each charity, digital needs to be involved in everyone's role, from trustees to volunteers, such as reviewing where it needs to be included in development plans and job descriptions.

Collaboration

- Charity staff and volunteers should take advantage of the opportunities digital offers to collaborate on projects, using online tools or different ways of working, such as an agile approach.
- Charities could work with organisations both in and outside the sector on mutually beneficial digital initiatives, e.g. a charity working on a pro bono partnership with a local tech company to develop a digital product that could help their beneficiaries. In doing so, both parties should be clear on what they each bring to the partnership and what they can learn from being exposed to different ways of working.

4. Strategy

Principle

Charities' strategies should be ambitious about how they can use digital to achieve their vision and mission.

This doesn't always mean investing money, but it does mean thinking creatively about how digital can increase impact and sustainability.

Why this matters

Charities need a clear vision, purpose and clarity for how they use digital, all of which will create the motivation for change. By understanding their stakeholders' digital needs and how to meet them in a way that is aligned to the charity's goals, they will be able to improve their organisation's relevance and sustainability.

What success looks like

Charities will be clear about their strategic direction in digital, enabling them to invest time and other resources more effectively. They will be confident about the role digital plays in their value proposition and how this is differentiated from other organisations in the same field, putting the charity in a stronger position for the future.

Best practice for small charities

Organisational strategy

- Charities should use digital tools that support their vision and mission and increase impact, understanding where digital is and isn't the best channel to achieve their aims.

- Charities could develop a strategy that helps them use digital and data to achieve their charitable purposes, aims and objectives. Ideally, this will be part of the overall organisational strategy, but may be a standalone digital strategy until the leadership team have developed their digital experience and skills. In either case, digital should be embedded in the charity's goals and ways of working, not an add-on.

- Roles and responsibilities for delivering the strategy should be identified (ideally this should be at a senior level) and the appropriate accountabilities created.

- To increase the chances of success, the plans to deliver the strategy should be practical, manageable and carefully monitored, and the appropriate resources allocated.

Digital inclusion

- The charity should aim to follow digital inclusion principles, i.e. based on an understanding of beneficiaries', supporters' and other stakeholders' digital skills, their ability to access the internet and any specific assistive technology needed. Beneficiaries and donors who aren't online should be offered alternatives where appropriate.

Approach

- Charities should be ambitious and challenge themselves about what they wish to achieve with digital, whilst being aware of what they can undertake based on capabilities and resources. Partnerships should be considered where appropriate.

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- Charity leaders should identify and agree how best to deal with barriers to achieving the strategy. These will be different for every organisation and could range from risk management to how legacy technology systems may be impeding progress.

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5. Skills

Principle

Charities should aim for digital skills to be represented at all levels of the organisation.

Digital success is very dependent on the confidence, motivation and attitude of the people who run, work and volunteer for charities. Technical and soft skills, such as questioning, persuading and influencing, are equally important.

Why this matters

Everyone who works for a charity, from trustees to volunteers, staff and partner organisations, all play a fundamental role in helping charities progress with digital.

What success looks like

Leaders will have an understanding of the digital skills of their teams. Gaps will be identified and a plan to close them should be in place, with the aim of helping the charity achieve its objectives and attracting, developing and retaining people with good levels of digital skills.

Best practice for small charities

Understanding their skills

- Charities should understand and be able to state with confidence the digital abilities of staff, volunteers and trustees (e.g. "our staff are proficient with managing data") whilst understanding where the gaps are and how to support their team in closing them, whether through mentoring, training or other ways of learning.

Recruitment

- Charities may need to think creatively about how they attract staff or volunteers with digital skills (e.g. by developing partnerships with local technology companies).

Skills development

- Digital skills should be developed in line with benefits for the charity such as increased impact, understanding beneficiaries' needs, staff motivation, increasing productivity and efficiency (e.g. using online tools to edit a shared document easily). Where specialist digital staff or trustees are recruited, charity leaders should be clear on the purpose of the appointment and how this can be supported by the rest of the organisation.

Skills sharing

- Charities should also consider opportunities to maximise digital skills sharing within organisations (e.g. through reverse mentoring or informal coaching).
- Charities could also consider creative approaches to sharing skills. For example, where they have identified a need for specialist digital skills they could ask a tech company for volunteers or other forms of pro bono advice.

6. Managing risk and ethics

Principles

Charities need to determine and manage any risks involved in digital.

Charities will also need to consider how some digital issues fit with organisational values and ethics. The latter is a broad area that may include anything from partnerships to the use of data by social networks to content.

Why this matters

Charities need to assess any risks involved in their use of digital and manage them. Ultimately, this will help them maintain public trust and confidence and handle any reputational issues. Digital technology is evolving rapidly and any organisations who use online tools will need to assess whether they are aligned with their charity's principles and values.

What success looks like

Charities will be confident and experienced in identifying risks and mitigating them.

Both established and emerging digital technologies offer opportunities to charities to improve sustainability, impact and income. Charity leaders should manage this by ensuring that they have sufficient skills and knowledge to make informed decisions about any ethical issues.

Best practice for large and small charities

Managing risk in digital

- Charity leaders and trustees should have the necessary skills and oversight of their charity's digital activities in order to determine risk (e.g. when managing data or using social media to manage reputation). This should be aligned with the charity's risk management policy and process. Any risks should be identified and assessed accordingly.
- When procuring, appropriate due diligence must be taken on suppliers, and legal and commercial advice sought on the terms and conditions of contracts. Any ongoing costs related to the agreement should be understood and evaluated.
- Charity leaders and trustees should periodically review their existing systems and processes, understanding what is in place, how they work together, whether they are obtaining value for money and anticipating and evaluating any risks such as the ability to keep services secure, up to date and working as intended.
- Charities may require support from someone with good technical skills to help them evaluate risk, which could be a member of staff, a trustee or a volunteer (provided the appropriate accountability is in place). Where the risk is potentially significant, all possible actions to manage it should be evaluated and a plan put in place to deal with different scenarios.
- Risks should be reviewed, monitored and assessed periodically. Where relevant, they should be recorded on the risk register.
- Charities should read this principle alongside the Charity Commission guidance on charities and risk management.

Cyber security

Charities should have a board level awareness of the risks posed to their organisation from cyber attacks. The following 5 steps, taken from Cyber Security: Small Charity Guide, will help any charity protect themselves from the most common cyber attacks:

- Ensure you take regular backups of your important data.
- Ensure you keep your devices, antivirus and software, including apps, up to date.
- Ensure any smartphones and tablets are kept up to date and can be remotely wiped.
- Avoid connecting to unknown Wi-Fi hotspots while away from home or the office.
- Ensure all devices are password protected and staff know how to set secure passwords.
- Help staff avoid phishing emails, ensuring they know how to report something that looks wrong.

Please refer to the National Cyber Security Centre's charity guide.

Data

- Data must be captured, managed securely and shared as directed by legislation (such as the GDPR, including ICO's data protection guide) and codes of practice.
- Charities should not collect more data than their needs require or can reasonably use. Due diligence should be undertaken on any suppliers or partners who have access to charities' data. Charities should agree how suppliers or partners plan to use their data, ensuring these plans are compliant with legislation.

Digital inclusion
- Charities should plan for the requirements of users with accessibility needs, or those who may be digitally excluded, and address any accompanying ethical issues.
- Charities may wish to lobby for improvements to digital platforms, such as increasing accessibility for their beneficiaries, or on ethical issues, where relevant and appropriate.

Diversity

- We support the guidance on diversity set out in the Charity Governance Code. Charities should ensure that a diversity of backgrounds, life experiences, career paths and diversity of thinking are represented on their digital teams.

Transparency

- Charities should publish how they use data on their websites, annual reports and other channels.
- Charities should use digital channels to share their impact and to demonstrate their openness and accountability.

Emerging technologies

- Charity leaders and staff should understand and plan for how new technologies could change how they work, from crowdfunding to automation, ensuring that they remain relevant to their audience.
- Charities should monitor ethical issues revealed by technological developments (e.g. data breaches by platforms, bias in algorithms, lack of ethical design or user advocacy) to assess whether these fit with their organisational values and what the implications of unintended consequences might be. They will need to understand the implications for their users and the charity's work and any actions they may need to take as a result.

7. Adaptability

Principle

Charities will need to adapt to survive and thrive as digital changes how everyone lives and works.

Why this matters

Many recent studies have shown that organisations who do not consider how they adapt to the digital age will lose relevance and engagement.

What success looks like

Charities and their leaders take an agile approach, regularly reviewing the key trends in digital (and the accompanying opportunities and risks) and their own data and insights about their audience so that they can continually fine tune and develop their digital activities and include these insights in wider organisational strategy and planning where necessary.

Best practice for large and small charities

Improving current practices

- Charities should aim to make their platforms, systems and services accessible to staff from as wide a range of devices and locations as is appropriate.
- Charities' systems should work with each other internally and with external systems.
- Data should be captured through all interactions where appropriate, creating a single customer view that improves services along with stakeholders' experiences.
- Digital should work in close partnership with those responsible for IT infrastructure. We see IT infrastructure as an enabler of digital.

Looking to the future

- A member of staff or team should be responsible for monitoring emerging digital trends and reporting the opportunities and risks regularly, ensuring that the charity's leaders are made aware of key issues.
- Charities should review at consistent intervals how their use of digital benchmarks against relevant organisations working in a similar field, learning from the findings.
- Charities could aim to solve problems they identify by developing new ideas, products and services and testing them, using free and existing digital platforms if resources are limited.
- Charities should develop a 'fail fast, fail forward' mentality where they pilot new ideas and learn quickly from failure as well as success. Digital creates opportunities for innovating and testing relatively cheaply.
- Insights from users and wider digital trends should be applied to the charity's work, creating a process of continuous improvement.
- Charities should consider the implications of emerging technology, such as blockchain and artificial intelligence, for their business models.

Glossary

- **Accessibility**

Accessibility means that websites, tools and technologies are designed and developed so that people with disabilities and additional needs can use them. Please also take into account our guidance on digital inclusion referenced in the Code.

- **Agile**

Agile means two things. The first is agile working, which is an ethos of flexibility and remote working. The second is agile methodology, which is an alternative to conventional sequential (or 'waterfall') project management. The term comes from software development, most notably iterative working. The idea is that it helps teams assess the direction of travel for a project regularly, reducing development costs and the time it takes to get a product to market.

- **Analytics**

The data which tells you how your channels are performing, such as how many people visit your website or who follows you on Facebook.

- **API**

API stands for Application Programming Interface, or how one website can plug into another. An API is a software intermediary that allows two applications to talk to each other by using code, for example the use of an online giving platform's API as a charity's online donation page.

- **Channels**

Channels are any platforms you use to communicate with your audience, such as social media and websites or online fundraising or payment platforms.

- **Code**

Code is a set of rules or instructions made up of words and numbers, which tells your computer what you want it to do.

- **Cyber security**

Cyber security comprises technologies, processes and controls that aim to protect systems, networks and data from cyber attacks.

- **Digital inclusion**

Digital inclusion, or reducing digital exclusion, means ensuring that people have the capability to use the internet to do things that benefit them day to day – whether they be individuals or organisations.

- **Digital strategy**

A digital strategy sets out how and why your charity will use digital to achieve its goals.

- **Emerging technology**

Emerging technologies are new technologies or those currently being developed that could change how we live and work, such as new ways of raising money online or automation.

- **Legacy technology systems**

Legacy technology systems are old or outdated technology systems or programmes.

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- **Online tools**

Online tools are anything you can use to send data over the internet, encompassing everything from document sharing tools such as Google Drive to online survey tools.

- **Soft skills**

Soft skills are as essential to using digital as technical expertise, such as the ability to communicate, listen, persuade and influence.

- **Stakeholders**

A person, group or organisation that can affect or be affected by your charity's work. They may include beneficiaries, supporters, donors, volunteers and others.

- **User**

A user is a person who uses your charity's services or platforms. Understanding their needs will help you make your services and platforms as helpful as possible for them.

- **User journeys**

User journeys are the sequence of steps a user might take during a time when you can help them. You can define journeys that complete one action, for example the path donors take on your website when signing up to a campaign. User journeys can also cover a longer period when people need support, such as how a cancer charity can help beneficiaries at different stages of their illness.