



Social
Enterprise UK

One Year On: The effect of COVID-19 on the social enterprise sector



Key Findings

Social enterprises are delivering high returns to the 'build back' effort. Not only does the sector provide economic value through job creation, GDP contribution and efficient use of state support, but it does so while also producing social and environmental benefits – vital to rebuilding a strong economy and society.

Social enterprises are generating jobs – fewer staff are on furlough than in other businesses, there are good jobs on living wages, flexible working arrangements, and they target staff requiring additional support to enter the labour market.

Social enterprises survived thanks to their creativity, entrepreneurial mindsets and sheer determination to continue providing vital goods, services and support. In spite of acute challenges including difficulties accessing support, 65% are now expecting to retain their position or grow (compared to all SMEs who experienced around 50% turnover growth in the last 12 months),¹ and only 1% expect to close (compared to 11% of business as a whole).

Troubleshooting need throughout the crisis, social enterprises have supported communities, addressed health and social care inequalities and responded to need over the last year, with many going beyond their normal business activities and social missions.

The last year has seen a jump in interest in social enterprise. As well as a general rise in consumer interest in socially and environmentally inclusive business models, and growing engagement on socially and environmentally inclusive activity in core business, there has been a significant rise in community interest company (CIC) registration over the last 12 months. Social Enterprise UK (SEUK) has also seen an increase in sector support members joining the organisation in 2020.

Introduction

The last year has seen much change and uncertainty. But two things remain true: first, social enterprises continue to deliver pioneering business solutions while increasing social and environmental justice. Second, there is no shortage of need for social enterprise activity. The picture across the last year for social enterprises is very varied.

Social enterprises have proved uniquely positioned to be both relatively resilient to the crisis – and able to swiftly adjust their business models, in particular to respond to societal need. This could be due to the fundamental nature of their business models, which have provided more stable foundations in the form of social capital and embedded community engagement.²

This paper looks back at the last year for social enterprises, looks forward to what social enterprise looks like in 2021, and what the sector needs to maximise its potential.

This report is predominantly based on [Social Enterprise Advisory Panel \(SEAP\)](#) survey data, including unpublished open-text data and case studies.

¹ <https://www.enterpriseresearch.ac.uk/wp-content/uploads/2021/02/ERC-Insight-The-impact-of-the-COVID-19-pandemic-on-UK-SMES-and-their-response-2.pdf>

² Sophie Bacq and GT Lumpkin (2020) Social Entrepreneurship and COVID-19 <https://onlinelibrary.wiley.com/doi/10.1111/joms.12641>

Surviving, thriving, learning

At the start of the COVID-19 crisis, there was acute concern that much of the social enterprise sector – 3% of the UK economy – was at risk of closure due to emergency support not being structured in a way that was accessible to social enterprises. Thanks to changes in the way that government support was delivered and the resilience of social enterprises, the worst-case scenarios haven't materialised.

In April 2020, social enterprises reported that they expected to see a 50% decrease in turnover.³ However, as we tracked growth expectations across the last year, they got steadily more positive. From June 2020, we saw that under 10% of social enterprises expected income to reduce and/or to lose staff.

There has been a steady decline in uncertainty and a rise in expectations for growth. By February 2021, 30% of respondents to the SEAP survey reported that they expected to grow, and 65% of social enterprises envisaged either static performance or growth in the next three to six months. This compares to a more pessimistic picture in the rest of the economy, where the Federation of Small Businesses' Voice of Small Business Index in Q4 2020 reported its second-lowest reading on record⁴ and SME data indicated that two-fifths had experienced reduced revenue over the last 12 months.⁵

Growth expectations for the next 3–6 months	Jul/Aug 2020	Sep 2020	Nov 2020	Feb 2021
Uncertain – depends on the outcome(s) of pending funding applications/income/contracts	38%	35%	30%	29%
We expect to maintain a similar position to now	21%	30%	35%	35%
We expect to grow staff and turnover	17%	25%	25%	30%
We expect income to reduce and/or to lose staff	8%	8%	7%	3%
We expect to close	1%	1%	1%	1%
Don't know	5%	0%	1%	1%

SEAP July 2020 – February 2021

Social enterprises are more optimistic about closure than 'traditional' businesses, 11% of which had no or low confidence of surviving the next three months, as of late February – early March 2021.⁶

Closure rates for social enterprises have remained static and low at around 1% (lower than traditional business counterparts, 3% of whom permanently ceased trading in the period 22nd February to 7th March 2021).⁷ That isn't to say the sector didn't lose great businesses to the crisis. But according to data from November 2020, the 1% of social enterprises expecting to close said that their business model was viable but had to close due to inadequate government support. Most closures seem to have been generic natural attrition or the inability of certain business models to continue operating due to changed conditions resulting from the crisis.⁸ A number of social enterprises have been forced to close temporarily for all or parts of the last year. Due to the nature of their work, community businesses have been significantly affected – only 15% remained open during the first lockdown.⁹

³ <https://www.socialenterprise.org.uk/wp-content/uploads/2020/05/Social-Enterprise-COVID-19-research-report-2020.pdf>

⁴ <https://www.fsb.org.uk/resource-report/sbi-q4-2020.html>

⁵ <https://www.enterpriseresearch.ac.uk/wp-content/uploads/2021/02/ERC-Insight-The-impact-of-the-COVID-19-pandemic-on-UK-SMES-and-their-response-2.pdf>

⁶ <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronavirustheukeconomyandsocietyfasterindicators/latest>

⁷ <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronavirustheukeconomyandsocietyfasterindicators/latest>

⁸ Anecdotally and from open-ended response information, although data in November 2020 did not indicate this

⁹ <https://www.powertochange.org.uk/research/understanding-impact-covid-19-community-businesses/>

Business's risk of closure over the next 3 months	
We expect to continue operating – similar to before	41%
We expect to continue operating and are increasing support to vulnerable groups during this lockdown	29%
We expect to continue operating – but we've reduced product/service delivery to vulnerable groups as a result of this lockdown ⁵	28%
We have already closed	1%
We expect to close – our model is viable but we lack sufficient Government support to survive during COVID restrictions on our operations	1%
We expect to close- COVID-19 has made our business model inviable (e.g. because we work in city centre/supply offices, etc)	0%

SEAP November 2020

Cracked It closes

The 2019 Evening Standard social enterprise of the year Cracked It closed its doors in January 2021 due to the COVID-19 crisis. With many offices lying vacant, Cracked It's business model became unviable. A smartphone repair service staffed by young ex-offenders and youth at risk, founder Josh Babarinde decided not to become grant-reliant due to the loss of corporate clients.

“ This has been a super hard decision to make. We're gutted that our unique business model of office-based repairs has been busted by coronavirus – and that our agile pivots haven't done our mission nor balance sheet justice. But it's an exciting decision full of opportunity too. Between August and January, we devoted all of our resources to incubating several innovations to seed systemic change beyond our closure. Cracked It decided to 'keep (their) eyes on the mission and off the perpetuation of one entity ¹⁰ ”

Innovations include building a digital platform connecting willing corporates' pop-up spaces with B2C social enterprises; establishing a structured network of transitional employment initiatives – a space for systematic knowledge exchange and collaboration; and using podcasts, webinars and talks to share their model, share how they cracked it in many areas, and how they would 'turbocharge' other areas to do even better.

¹⁰ https://ssir.org/articles/entry/social_entrepreneurs_must_achieve_not_survive

Business support provision

Prior to the government support packages being announced, almost 80% of social enterprises said grants were their greatest need¹¹ and there was acute concern about high closure rates across the sector. As the furlough scheme and new funding began to ease some of the immediate pressures caused by pandemic restrictions, social enterprise needs diversified. Throughout the crisis, social enterprises have relied on the same support schemes available to all business, reinforcing the fact that social enterprises are businesses, not philanthropy. They have, however, faced obstacles in accessing certain schemes due to their distinct operating models.

Overall, state support has sustained much of the sector and major losses have been averted. The furlough scheme has been particularly important as social enterprises are more 'employment rich' than other forms of business – with staff costs making up a bigger proportion of their costs. However, provision has often been difficult to obtain and there are eligibility issues limiting support provision to social enterprise.

Eligibility criteria

SEUK and partners have successfully lobbied the government about criteria limiting social enterprises' eligibility to some forms of support. For example, initial business grants were tied to paying business rates, but lobbying from SEUK to call for more discretion given to local authorities to distribute grants to businesses that most need and deserve them has seen more funding flow into the sector. Criteria for business support loans have been extended, making them more flexible and relevant to social enterprise through the Resilience and Recovery Loan Fund, targeted grants were made available through the National Lottery Fund to social enterprises, and schemes such as Kickstart have been made more inclusive (for example, removing the requirement to hire 30+ staff or go through a gateway organisation).

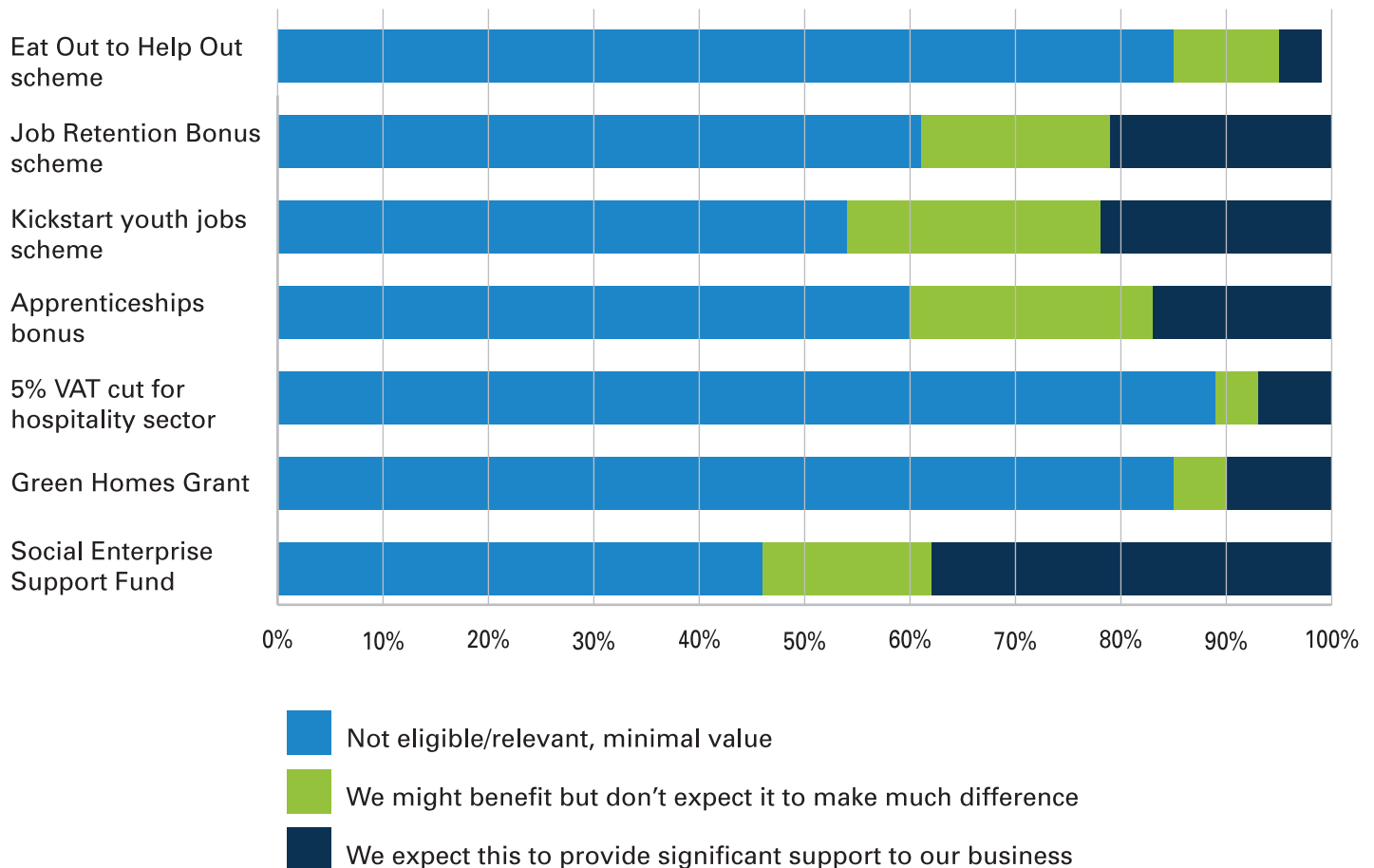
We continue to promote awareness of unique features of social enterprise that require understanding and adaption to ensure that social enterprises have a level playing field to access business support.

Access to appropriate support

Even where social enterprises are formally eligible for support, it has not always been straightforward to access. Sometimes the difficulties are for generic reasons that apply to any applicant (e.g. bureaucratic delays), but on occasion because of factors specific to social enterprise. One example is the difficulty social enterprises have faced opening new bank accounts to be able to access Bounce Bank Loans. Banking services have been in high demand during the crisis, but social enterprises face particular challenges in opening new accounts due to having 'complex bank mandates' and 'out of the ordinary' legal structures. 'Traditional' finance providers don't understand social enterprises, putting them at a disadvantage when trying to access support resources.

Beyond the headline mechanisms such as business grants and the furlough scheme, some aspects of the government support provided to business have been irrelevant to social enterprise, as the table below shows. As focus increasingly switches to the medium- and longer-term impacts of the crisis on our economy and society, state support needs to address challenges holistically. This means not only sustaining individual businesses, but their workforces, the wider labour market, and the communities in which they operate.

¹¹ <https://www.socialenterprise.org.uk/wp-content/uploads/2020/05/Social-Enterprise-COVID-19-research-report-2020.pdf>



SEAP July/August 2020

Going forward, the sector needs support to reflect both the value for money that social enterprises provide¹² and current inequities in subsidy and support to business. For example, over £1bn¹³ has been provided in equity investments for ‘innovation’, of which 74.2% went to the tech sector.¹⁴ Although in theory social enterprises could apply for this support, in practice there are barriers – the criteria on past equity investment is an issue for a sector known to face challenges with raising finance through equity.¹⁵ There are also issues with the definition of research and development in the context of state support, which excludes important new product and service delivery by the social enterprise sector. The government’s new investment ‘super-deduction’ tax relief is for physical investment only. Expanding the remit to include social and environmental impact could potentially provide significant support to social enterprise.¹⁶

Support to individual social enterprises cannot be usefully assessed in isolation of other factors. The last year has seen key target demographics for social enterprise support – the most impoverished and marginalised in our society – suffer most throughout the crisis. People of Black and Asian background have been disproportionately hit by the virus itself.¹⁷ People in insecure work have found it more difficult to access support and are more likely to have been made redundant;¹⁸ pregnant women and those relying on childcare to work have faced particular issues.¹⁹ Where these inequities persist, and where social

¹² https://www.unltd.org.uk/uploads/general_uploads/SCBA_Report_Final.pdf

¹³ <https://www.gov.uk/government/news/billion-pound-support-package-for-innovative-firms-hit-by-coronavirus>

¹⁴ <https://www.beauhurst.com/blog/future-fund-proxy-analysis/>

¹⁵ <https://shiftdesign.org/beyond-demand-social-sectors-real-need-patient-capital/>

¹⁶ SEAP March 2021 Budget Special

¹⁷ <https://static1.squarespace.com/static/58f9e592440243412051314a/t/5f7d95645a8dd315c8ec4dd8/1602065770242/Ubele+Rapid+Review+-+VCSE+Analysis+report%2C+October+2020.pdf>

¹⁸ <https://www.ft.com/content/01143e91-bf35-4480-b90f-cab139765e18>

¹⁹ <https://pregnantthenscrewed.com/2020/07/24/46-of-mothers-being-made-redundant-blame-a-lack-of-childcare-provision-during-the-covid-19-pandemic/>

enterprises continue to play a vital role in addressing them, there is a need for resource to ensure this continues to happen.

The uptake and importance of business support during the crisis by social enterprise underlines that these are businesses and that mechanisms that are here to support business, such as the tax system, are effective ways to support social enterprises. For example, SEUK has estimated that a 50% business rate relief for community interest companies and community benefit societies would be worth between £300–400m per year. As a comparison, this would be worth ten times the amount that was provided in dedicated grants for the social enterprise sector through the Coronavirus Community Support Fund.²⁰

Over half of social enterprises may be affected by the increase in corporation tax in 2023, despite the fact that social enterprises have to reinvest a minimum of 50% into their social mission. Although the rise will only affect businesses with over £50,000 profits, it reflects an imbalance in the taxation system. Efforts to reduce the tax burden on social enterprises would do more to improve their cash flow and make them investable than just focusing on investment-readiness grants alone.

Do you currently pay corporation tax?	
Yes	52%
No	38%
Not sure/prefer not to say	10%

SEAP March 2021

More widely, there is concern that the absence of broader planning for a socially inclusive economy means that when short-term COVID-19 support measures end, support mechanisms that reward ongoing social and economic contributions from social enterprises may be lacking. Billions of pounds have been allocated for the economy to survive – it would be a tragic waste if this investment is not leveraged to maximum medium and long-term returns for society and only provides a short-term fix.

There are lessons to be learned from the variation between national responses to business support across the UK over the last year. SEAP data in November 2020 showed that social enterprises in Scotland²¹ were far more likely to say that nation-level government (the Scottish Parliament) was the best-placed level of government to provide social enterprise support compared to respondents based in England.²² All the devolved nations have provided direct grants to social enterprises, including the Covid Social Enterprise Fund in Northern Ireland,²³ the COVID Business Grants programme in Wales²⁴ and the Community & Third Sector Recovery programme in Scotland.²⁵

Employment, retention and good quality jobs

In 2018, social enterprises had around 2 million employees across the UK.²⁶ Social enterprises are not just significant employers, but they hire diverse workforces and explicitly recruit people who typically find it harder to access the labour market.²⁷ In addition, they are more likely to provide good quality jobs in terms

²⁰ <https://www.gov.uk/government/news/coronavirus-community-support-fund-awarded-to-8250-charities>

²¹ 71% of a sample of seven

²² 37% of England-based respondents said that English nation/national UK government was best-placed, 50% said regional or local government.

²³ <https://www.communities-ni.gov.uk/covid-social-enterprise-fund>

²⁴ <https://businesswales.gov.wales/coronavirus-advice/covid-19-support-business>

²⁵ <https://scvo.scot/support/coronavirus/funding/scottish-government/community-recovery/crf>

²⁶ https://www.socialenterprise.org.uk/wp-content/uploads/2019/05/The_Hidden_Revolution_-_FINAL-1.pdf

²⁷ According to data from June 2020, 19% of social enterprises have staff in groups the government classified as vulnerable/high risk to COVID-19 – for 3% of social enterprises, this represents all of their staff.

of remuneration, flexible working and involvement in organisational decision-making.²⁸ With unemployment high and previously disadvantaged groups further marginalised by the economic and health impacts of the crisis,²⁹ social enterprise job creation is vital to a sustainable and inclusive future.

Staff losses, retention and recruitment

Government support has helped mitigate jobs losses in the sector. By June 2020, the Coronavirus Job Retention Scheme (furlough) had been used by around 29% of social enterprises. At this point, just under a fifth had staff that had returned to work having been furloughed, with only 18% reporting that they still had furloughed staff.

In November 2020 with new restrictions in place, 28% of social enterprises indicated that they had staff on furlough. By January 2021, 23% of social enterprises told us they had furloughed staff. For these organisations, the average number of staff on furlough was just under eight people. Using the estimate that there are 2 million employees at 100,000 social enterprises in the UK, approximately 9% of staff were furloughed in January 2021. This compares to 19% of businesses as a whole in the period 22nd February to 7th March 2021.³⁰

One of the main ways social enterprises seek to maximise their impact is by employing people, so it is no surprise that social enterprises have fought harder to retain staff. The need to create long-term employment models, rather than depending on grants, may be part of the reason why social enterprises are cautious of becoming reliant on the furlough scheme.

Survival against the odds: SEND Coffee

SEND Coffee is a coffee roasting business that hires and helps people with special educational needs or Disabled People into jobs in the coffee industry through training, mentoring and awareness-raising. At the start of the pandemic, SEND Coffee feared they would be forced to close. But they are still here...

Not only were SEND Coffee unable to secure grant funding through competitions, nor rent relief or grants from their local council, but their funding structure for their support staff didn't allow them to use the furlough scheme.

They did a myriad of little things to survive. They sold assets (usually well below market value), closed sites, pivoted – using remote support for beneficiaries, having support staff run a food bank and continuing their beneficiary work alongside this. The founder used personal savings to sustain the business, then took on two extra jobs (in a warehouse and at a supermarket), working long hours in order to donate his salary to pay SEND Coffee staff. They also ran a fundraiser.

“ We put an incredible amount of energy into our shops and managed to get them operating at over 70% of their pre-pandemic takings, which has now stabilised to roughly 90% mean average of pre-pandemic takings.

We have not compromised on the support for our beneficiaries at all. That, I think, for a company with 27 staff [and being] 6 weeks old when the pandemic started, is a remarkable accomplishment that I'm very proud of. ”

Harry George, Founder and MD

²⁸ <https://www.socialenterprise.org.uk/wp-content/uploads/2019/10/Capitalism-in-Crisis-State-of-Social-Enterprise-Report-2019-1.pdf>

²⁹ <https://static1.squarespace.com/static/58f9e592440243412051314a/t/5f7d95645a8dd315c8ec4dd8/1602065770242/Ubele+Rapid+Review++VCSE+Analysis+report%2C+October+2020.pdf>

³⁰ <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronavirustheconomyandsocietyfasterindicators/latest>

We asked whether social enterprises are able to top up the salary of furloughed staff, given that surviving on 80% of normal income is likely to be challenging for many people. Of the 28% with furloughed staff, 54% were topping up the missing 20%, although 14% found this difficult to afford.

Of those not providing the top up, some had previously but were no longer able to do so, and some planned to do it as a lump sum payment at the end of the financial year. Over half of those not paying the top up were start-ups – often because they could not afford to.

“ We simply cannot afford to top up the salary as we work within the hospitality sector and our revenue has dropped significantly. We were also not eligible for hospitality funding as we rent a large space in a building that is exempt from paying business rates, even though we pay nearly £1,000 rent a month and employ 8 staff members! ”

Do you top up the 20% shortfall of furloughed staff salary?	
No, we don't top up the 80%	46%
Yes – we can afford to do so	40%
Yes – but we are struggling to do so and may have to stop paying the 20%	14%

SEAP November 2020

By November 2020, only 5% of social enterprises expected to make redundancies, whereas over a quarter expected to take on more staff in the following three months. For the whole sector, this potentially means new jobs at around 25,000 organisations. This compares to 22% of SMEs that reported to the Federation of Small Businesses that they had made redundancies in Q4 and 7% of small businesses who had taken on additional staff.³¹

Job impact in the next 3 months	
We don't expect to make redundancies	44%
We expect to take on more staff	27%
Not relevant/no staff	24%
We expect to make staff redundant	5%

SEAP November 2020

³¹ <https://www.fsb.org.uk/resource-report/sbi-q4-2020.html>

On the frontline: Health and social care

When we clapped for the NHS, we were clapping for many people working at social enterprises. Social enterprises have provided vital services on the health and social care frontline. They have also been delivering vital support to address health inequalities exacerbated by the crisis.

On the frontline, social enterprises in the health and social care sector continue to protect the most vulnerable and support the national effort against the pandemic. For example, Plymouth based integrated health and social care provider [Livewell Southwest](#) has been involved in setting up and running the Exeter Nightingale Hospital to treat patients with COVID-19, supporting individuals to be discharged from hospital early, making much-needed space available in acute care. Livewell Southwest re-purposed staff and visitor accommodation to open a new Extra Care Hotel, relieving pressure on local hospitals by providing space for recovering patients who were not ready to go home without support.

Social care social enterprises continue to ensure that those they support are kept safe, while fighting for their users' rights to receive the care they need. [Turning Point](#), a national health and social care provider, has supported individuals with a learning disability and their families to challenge 'Do not attempt CPR' orders placed on their medical notes inappropriately.³² In some instances, this had led to individuals not receiving the treatment they needed when they contracted COVID-19. Turning Point developed guidance to enable others to provide the same support.

Vaccines offer hope that the acute health crisis will be over before too long. Social enterprises are playing key roles in the vaccine programme delivery. [Sirona care & health](#) in Bristol and [CSH Surrey](#) have both been involved in setting up and staffing the mass vaccination sites; others such as [Here](#) are running local vaccination sites.

At SEUK we are working closely with NHS England and NHS Improvement to ensure that social enterprises can operate on a level playing field with their NHS peers, and are raising the profile of social enterprise nurses with the Chief Nursing Officer.

Earlier this month, SEUK responded to an NHS England consultation on the future of Integrated Care Systems,³³ which sets out NHS England's ideas for how local health care systems will work. As a sector, we're supportive of the proposed move towards more collaborative and integrated care but unsure that the proposals would offer this without further safeguards and guidance. There is a real risk of a reduction in diversity of providers, a lack of transparent decision making and of marginalisation of non-NHS trusts in some less able systems.

Looking to the future and the role social enterprises can play in recovery once the virus is under control, one legacy of the crisis is a very different health and care system, a workforce that needs respite and care, and a huge backlog of non-COVID-19 care to deliver. Social enterprises have a key role to play in addressing these challenges as well as tackling the chasm that COVID-19 has exacerbated in health outcomes between the richest and poorest. With the pandemic highlighting the vital importance of carers, social enterprises working in social care need to have a seat at the table in shaping the future of how we operate and value social care. This is the time for social enterprises to lead the way to a fairer and healthier future for all.

³² <https://www.turning-point.co.uk/DNACPR>

³³ <https://www.socialenterprise.org.uk/press-releases/social-enterprise-uks-response-to-the-consultation-on-the-future-of-integrated-care-systems/>

Social impact

COVID-19 has had a disproportionate impact on more deprived areas and a high proportion of social enterprises focus on responding to this. Data from October 2020 found that over half of respondents address sustainable places and communities directly through core business activity (and many more than this are active in these areas, but don't class it as their primary activity). Around a fifth of respondents address early years, good employment and ill-health prevention, respectively.

Does your social enterprise directly address any of these areas through your core business activity?					
Giving children the best start in life	Enabling children, young people and adults to maximise their capabilities and have control over their lives	Creating fair employment and good work	Creating and developing sustainable places and communities	Strengthening the role and impact of ill-health prevention	We don't focus on any of these areas
23%	42%	27%	43%	29%	13%

SEAP October 2020

Data from February 2021 reiterated the important role social enterprises are playing in the crisis. Over half were addressing mental health needs, and there was significant focus on creating inclusive jobs and opportunities to access the labour market. A quarter of social enterprises are making contributions to educational provision.

Which of these are you currently doing – or planning to do in the next 3–6 months?	
Support mental health needs in your community and for other stakeholders, clients etc.	52%
Support access for young people to employment (e.g. skills/training/work placements)	49%
Create new jobs	47%
Support access for people furthest from the labour market to employment (e.g. skills/training/work placements)	39%
Address health and social care issues in disadvantaged communities	38%
Provide support to schools and/or with homeschooling and educational needs, including SEN provision	24%
Support physical fitness needs in your community and for other stakeholders, clients etc.	23%
Help retain/repurpose local premises for the community (e.g. where a business has closed/a premise has been vacated due to COVID)	15%

SEAP February 2021

We asked social enterprises how COVID-19 has been affecting target social beneficiaries (people or groups who may be staff, volunteers, recipients of products/services, clients or customers). The overriding response across types of social beneficiary is that isolation and loneliness have risen due to the crisis, and this is resulting in increased mental health issues and worse physical health outcomes. Contributing to this, access to services (e.g. for people living with disabilities) is perceived to have worsened. The digital divide is having an additional negative impact – many people in vulnerable groups struggle to access online support and services, which is especially problematic if they are shielding or struggling financially, for example.

Which of the following are targeted customers/clients/beneficiaries of your core products and services, or recipients of support through your social mission? (primary target)	
Our local community	24%
People from other disadvantaged or marginalised groups	19%
Young people (under 25)	17%
People with physical and mental health issues	17%
Older people (over 65)	6%
People transitioning into 'mainstream' life (e.g. from homelessness, prison, substance abuse, military service or the care system)	6%
Long-term unemployed	5%
People from BAME communities	5%
People shielding due to COVID	1%

SEAP September 2020

Social enterprises make direct and indirect contributions to social justice and wellbeing. We asked social enterprises who invest profits into external social and environmental causes whether these investments have reduced since March 2020. Due to reduced profits, 21% have reduced investment in social causes and 7% have reduced investments in environmental causes, compared to only 8% who are investing more. Using the total sector size estimate, this could mean that the crisis has led to at least a £4.4m decrease in social enterprise contributions to social and environmental causes. Buy Social Corporate Challenge data³⁴ indicates that social enterprises reinvest around 8% of their turnover into a social and environmental mission, so a decrease in turnover will have a significant reduction in the amount reinvested. Across the sector as a whole, this again translates to hundreds of millions of pounds.

This impact also means that as the sector seems to be recovering more quickly than the rest of the business sector, positive turnover and growth rates will benefit not only individual businesses – but wider social and economic need.

If your social enterprise typically invests profit in external social/environmental causes, how has this been affected since March 2020?	
Our business model doesn't invest profits to external social/environmental causes	47%
Our profits have reduced so we invest less money into the social cause(s) we usually support	21%
Our profits haven't changed	18%
Our profits have increased – we're investing more to external social/environmental causes	8%
Our profits have reduced so we invest less money into the environmental cause(s) we usually support	7%

SEAP November 2020

³⁴ <https://www.socialenterprise.org.uk/wp-content/uploads/2020/09/BSCC-Year-4-Report.pdf>

Business model shifts

In April 2020 the vast majority of social enterprises were explicitly undertaking activities to support their community, staff or beneficiaries to get through the crisis. In particular, they focused on mental health and wellbeing support, support enabling remote working and remote access to services, and supporting the community response to the crisis. We saw social enterprises add charitable support to their business models to cater to need in their communities, building on existing community connections.

Most social enterprises have seen their business model operations change as a result of COVID-19. In June 2020, 57% of respondents thought this change may be long-term or permanent. Almost half had reduced their activities overall. Less than a fifth of social enterprises were operating business as usual.

Running as pre-crisis, little or no change to business model ⁸	Modified business model – permanent change	Modified business model – plan to return to normal ASAP	Modified business model – unsure if/when this will change	Reduced activity
18%	17%	24%	41%	43%

SEAP June 2020

By September 2020, many social enterprises reported that they had created new products and services, and nearly a third were providing targeted support to those in need due to COVID-19.

If your business has changed as a result of COVID-19, do any of the following apply?	
We now provide (more) products/services online	47%
We provide new/additional support directly targeted at those in need due to COVID-19	30%
We provide new products/services	29%
We provide reduced products/services	17%
Other (please specify)	16%
We are temporarily closed	5%
We have shut down	1%

SEAP September 2020

There was huge variety in terms of how social enterprise adjusted their business models to respond to the crisis. UnLtd offers a framework for responses – proceed, pivot, pilot or pause.³⁵ Data from our September SEAP survey indicates that while a proportion had completely paused, pivoted or proceeded their operations, most social enterprises were undertaking a combination of these approaches. Many were also working with revised social missions of ‘beneficiaries’, reflecting need in their communities.

³⁵ <https://www.unltd.org.uk/blog/insights/the-4ps-a-framework-for-thinking-about-social-entrepreneur-responses-to-covid-19>

We saw that social enterprises used new and existing products and services to secure existing revenue streams and/or reach new sources of income (e.g. switching focus from B2B to B2C or vice versa). They used these combinations of new and existing processes to reach both their existing social/environment mission targets, and to support new impact goals, particularly supporting people in need due to COVID-19. Some of these shifts required alterations to existing products and services – some required alterations to internal processes – or both.

Several social enterprises saw parts of their operations contract while existing or new areas grew. Frontline social enterprises in particular saw demand increase.

“ We have had to pivot our model to focus on the very small amount of numbers that we can get made. As we have to focus on increasing sales on this small collection (to make up for the fact that our supply chain has collapsed) we are focusing more on wholesaling to independent retailers interested in supporting social enterprise (this is instead of [the] main focus being direct to consumer which is how we previously operated) ³⁶ ”

In October 2020, SEAP respondents told of an ongoing mixed picture of positive and negative impacts of the crisis. Restrictions and uncertainty limited face-to-face access to customers for sales and events, reduced funding and made planning very difficult. Social enterprises found opportunities too – new approaches to delivering their products and services (online, smaller groups, different products or services), new audiences for support (wider reach through being online) and new sources of funding or new clients.

Increased grant dependency and reduced trading potential (often directly linked to lockdown restrictions) is a significant concern for many social enterprises.

How are new restrictions and local lockdowns affecting your social enterprise?	
Little or no impact	10%
Negative impact – limiting our activities and/or income	49%
Offering us new opportunities	23%
Other – please explain	19%

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³⁶ https://www.britishcouncil.org/sites/default/files/socialenterprise_covidresponsesurvey_web_final_0.pdf

Lofty Heights CIC

Suffolk-based Lofty Heights CIC was established in 2012 to provide vulnerable people with practical help around the home and garden, for example moving furniture to make space for hospital beds and mobility aids. They create training, work experience and paid employment for young adults – in particular young people not in education, employment or training (NEET), young carers and care leavers³⁷. When the COVID-19 crisis hit, it felt an impossible challenge for this customer-facing business working in the homes of vulnerable people:

“ Our whole team were devastated at the prospect of ‘shutting up shop’ when lockdown was announced [but] we wanted to protect our staff from the then unknown devastating effects of COVID-19. ”

About three months into lockdown they gradually reopened some services in response to desperate pleas from individuals in dire situations.

“ Our referrals were up and down with no consistent pattern. Felt like we have returned to our early days of operation only with a wider range of services to offer but without the pipeline of work we had stacked before COVID ” Olive Quinton, Founder

In spite of all the challenges, one year on, they have helped more than 420 people return from hospital to a safer and cleaner home. Many of the jobs involved preparing homes for ‘end of life care’, allowing people the opportunity to die in a familiar place and in the company of loved ones.

“ We are proud of the way we responded to the COVID-19 crisis, not just for the way we adapted our services to continue helping so many individuals and their families, but also because Suffolk has not reported patients waiting for hours in ambulances because of bed shortages and we think our Homeward Bound Service and our staff’s dedication to helping the NHS contributed to this. ” Olive Quinton, Founder

What do the next 12 months look like?

Priorities

In January 2021, we asked survey respondents to tell us their number one concern for the next 12 months. COVID-19-related uncertainty was cited first, followed by trading income and funding.

Open-ended responses revealed that COVID-19 uncertainty and income/funding are closely related. There is a specific concern that the availability of grant funding in 2020 won’t be replicated in 2021, and will leave significant gaps in need for the sector as it continues to navigate significant challenges. Several respondents highlighted that COVID-19 uncertainty is not just an issue of funding and income, but also for premises use, customer and partner engagement, and for business planning.

The mental health of staff and customers/clients/service users was cited as the third biggest concern after COVID-19 and funding in open-ended responses. In SEUK membership, we have seen a number of new start-ups focused on addressing a range of mental health issues across society. This is a crucial issue and social enterprise has an important role to play.

³⁷ Adults who have spent time living in the care system

What is your biggest concern about the next 12 months?	
COVID-related uncertainty	31%
Trading income	30%
Funding/finance	27%
Staffing	9%
Supply chain	3%

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Kris Hall and the Burnt Chef Project

The Burnt Chef Project was set up in 2020 to challenge mental health stigma and increase awareness of mental health issues within the UK hospitality industry. Their survey of 1,273 respondents showed that four out of five hospitality workers had experienced mental health issues as a result of their role. Hospitality is the third largest industry in the UK and currently employs 3.4 million staff equating to £130bn of GDP, so the potential impact of supporting improved mental health to a sector hard-hit by the crisis is huge.

The Burnt Chef Project is a non-profit social enterprise generating revenue through sales of branded merchandise and donations, then reinvesting profits into mental health training and useful resources for hospitality sector workers.

“ Long antisocial hours, tough environmental conditions and pressures to perform are just some of the issues that hospitality professionals are fighting against on a daily basis. I thought maximum stress equalled success. Learning to talk and be more open offered me a way out. ”

Kris Hall, Founder

Finance³⁸

Repayable finance hasn't (ever) been appropriate for all – but there is a question about the influence of the Coronavirus Business Interruption Loan Scheme (CBILS) and the Bounce Back Loan Scheme (BBLs) on short- and medium-term appetite for repayable finance. And in the longer term, the need for social investors to offer loans with lower interest rates. Is now the moment for the social investment sector to fundamentally revisit its terms of lending?

Change has already started. Trading uncertainty means that many social enterprises will not be able to rely on traditional loans to provide finance, as they will not have the balance sheet to take on new debt. This comes on top of growing evidence of the short-comings of traditional debt finance in providing for the social enterprise sector which have been compounded and accelerated by both the COVID-19 crisis and the increased focus on how some people are systematically excluded from finance because of their racial background. This was highlighted by Black Lives Matter protests in the summer of 2020 and subsequent sector-wide soul-searching on inclusion, diversity and equity. This resulted in targeted fund programmes – but also consideration of how to make generic funding and finance less exclusive.

³⁸ Please see this blog for a full version of information about funding and finance data from SEAP over the last 12 months: <https://www.goodfinance.org.uk/latest/post/unprecedented-year-key-lessons-covid-19-according-seuk-research>

The Commission on Social Investment has also found a consensus of opinion around the need for more patient approaches to finance being needed for many social enterprises. There is increased emphasis by social investors on quasi-equity/equity-like finance and 'patient capital' – finance provided on terms requiring slower and lower rate return/smaller ownership stakes, which acknowledge the requirement for social enterprises to build strong foundations rather than make fast financial returns for investors.

Certainly the high application rate for available grant funding from the sector, and ongoing identification of lack of sufficient grant funding as a barrier, indicates appetite for alternatives to fully repayable finance. 83% of social enterprises surveyed in June 2020 said they needed grants in the next two to three months. In January 2021, several social enterprises indicated concern about a funding cliff at the end of the current financial year – especially given that several targeted funds have short spend-term requirements. There is also longer-term uncertainty in some sectors, such as those that previously delivered European structural programmes and a lack of clarity about the successor scheme, the UK Shared Prosperity Fund.

Funding and finance remains an important issue for almost a third of social enterprises. Ongoing COVID-19-related uncertainty is the prominent concern for the sector (January 2021), and this is likely to influence capacity for borrowing. At the moment the sector continues to look resilient – 80% of social enterprises have cash flow for at least two to three months (January 2021) and 65% expect to maintain a similar position or grow over the next three to six months (February 2021).

The combination of the end of government support programmes, lifting of COVID-19 restrictions, continuing innovation to address inclusion of marginalised groups, and experimenting with new finance structures make for at least an interesting year for investment in the sector.

Inclusion and diversity action

The Black Lives Matter movement in the summer of 2020 heightened awareness of social injustice and systemic barriers to change. We heard through the Commission on Social Investment³⁹ about the barriers that Black, Asian and Minority Ethnic group-led social enterprises⁴⁰ encounter to accessing finance, and social investors admitting that more needed to be done to tackle those systemic challenges. Even though we know that social enterprises are more likely to be led by and recruit staff from Black, Asian and Minority Ethnic group backgrounds,⁴¹ evidence arising over the last year has highlighted limitations within the social enterprise sector.⁴² It has also resulted in an increased drive towards proactive change, plus an increase in start-up social enterprises seeking to address racial inequality in society.

At present, social enterprises do not comprehensively collect information about staff demographics. Only 22% of respondents to the October 2020 SEAP survey said that they collect diversity data when recruiting, 24% said they collect no data, and 17% said this data isn't relevant to them. While data alone is a limited tool, without information about staff racial identities, for example, it is impossible to know comprehensively if there are issues with discrimination, inclusion, or to track whether attempts to address such issues are effective.

³⁹ <https://www.socialenterprise.org.uk/adebowalecommission/>

⁴⁰ SEUK Membership data currently asks all members if 50% or more of the owners/managers come from Black, Asian and Ethnic Minority communities. We recognise the limitations the term 'Black, Asian and Minority Ethnic' (BAME) and are in the process compiling data which will allow us to disaggregate sector information in ways that we hope lead to more useful insights and evidence.

⁴¹ <https://www.socialenterprise.org.uk/wp-content/uploads/2019/10/Capitalism-in-Crisis-State-of-Social-Enterprise-Report-2019-1.pdf>

⁴² <https://twitter.com/socentsowhite>

Do you currently collect data on diversity of your staff, volunteers and/or contractors? (Diversity data could include ethnicity, religion, sexuality and gender.)



SEAP October 2020

Where social enterprises work

Rental income and face-to-face working

Many social enterprises have been affected by their inability to work face-to-face, as well as to receive income from room rental or other trading forms reliant on activity made difficult or banned due to COVID-19 restrictions.

“ [We] established as a coaching, mentoring and training organisation for Black women engaged in community development activities. [Our] original aim was to work in a highly personal manner with women in communities, to establish community-based groups... We have moved online which has meant that the face-to-face community focus is non-existent. ”

“ We are a pub and forced under government guidelines to be shut. We are unable to offer an alternative service without making a loss. All staff are furloughed. We don't know when we will be allowed to open and under what COVID restrictions. We are therefore unable to plan and budget for the forthcoming year. ”

Hybrid online work

Many social enterprises pivoted part, or all, of their activity to operate online in response to the crisis. As of September 2020, 47% of social enterprise respondents said that they were providing (more) products or services online. There have been challenges – particularly for those for whom this was a completely new way of working. But there have also been opportunities, for example, to expand services into new geographies and to reach different client demographics. There is considerable uncertainty about how online provision will change as restrictions ease, particularly given the incomplete vaccination rollout and ongoing threat of future restrictions should cases rise again. We are likely to see an increased amount of online engagement compared to pre-COVID-19 times, but also more hybrid solutions that take into account the risk of new restrictions, reluctance to engage in face-to-face activities, and the need to continue benefitting from the extended reach that online engagement can offer.

Use of office space

COVID-19 restrictions have resulted in significant shifts in where people work, and we anticipate that there will be a lasting legacy for social enterprises in terms of office use. In January 2021, we asked social enterprises how COVID-19 has impacted office use – and how they expect this to play out in 2021. Nearly a quarter said they have never used office space, but only 15% said that they plan to use offices as they had pre-crisis (that’s around a third of those who use offices). So two-thirds of office users do not expect to use offices as before.

What impact do you expect COVID will have on your use of offices in 2021 and beyond (compared to pre-crisis)?	
Didn't use offices prior to COVID, don't expect to in future	24%
Switched to fully online and don't expect to revert to offices	10%
Continued use of offices, as pre-crisis	33%
Increased home working	67%
Increased use of flexible co-working or 'rent-a-desk' spaces	18%
Increased use of hired external meeting spaces	7%
Increased spend on virtual meeting software	34%

SEAP January 2021

The COVID-19 social enterprise effect: Building the future

The crisis has generated a surge in interest in community, and consumer interest in where products and services come from. This has manifested itself in mainstream business. Recent research shows a general upsurge in ethical business engagement: 'nine in 10 UK businesses are making efforts to become more ethical in response to growing pressure to curb and eliminate social or environmental harms resulting from their operations'⁴³. There is, however, a vital distinction between doing less harm⁴⁴ – and acting for the positive benefit of the economy, environment and society.

We have seen an increase in social enterprise support activity. This has been evident through our Buy Social Corporate Challenge programme,⁴⁵ for example, where preliminary data indicates that year five of the programme (calendar year 2020) will be our best year yet in terms of corporate spend with social enterprises. We have almost doubled the number of Buy Social Corporate Challenge partners in the last two years. We had 15 corporate partners at the three-year mark (spring 2019) and we now have 27 (spring 2021).

We have also seen a rise in support organisations joining SEUK. This includes start-up support providers, but also larger organisations.

⁴³ <https://www.businessgreen.com/news/4028651/uk-businesses-stepping-efforts-operate-ethically-survey>

⁴⁴ One-third of climate funds have invested in oil and gas <https://www.common-wealth.co.uk/reports/doing-well-by-doing-good-examining-the-rise-of-environmental-social-governance-esg-investing>

⁴⁵ <https://www.socialenterprise.org.uk/corporate-challenge/>

Social enterprise start-up growth

Throughout the last year we witnessed an above-average increase in the number of CIC registrations,⁴⁶ accelerating from the middle of 2020. Between April and June 2020, the CIC register grew by just under 7%.⁴⁷ The Companies House register grew by 3.7% in the same period.⁴⁸

By March 2021, the number of CICs had grown to 23,839 – a 15% rise from June 2020. By contrast, the Companies House register had grown by an average of just over 2% between May 2020 and January 2021.⁴⁹

SEUK's new membership reflected an upsurge of COVID-19-related support activity by existing social enterprises, but also a flurry of new organisations. A number of social enterprises that began operating since April 2020 set up as a direct result of the crisis – either a personal decision to move into social enterprise (sometimes for the first time) or to respond to need caused by the crisis.

Pamela Benitez and The Virtual Events Experience

After losing her job at an events management agency, Pamela realised that finding a similar role elsewhere would be hard. She first undertook a virtual events course and then came across social enterprise Elvis & Kresse at a virtual networking event. Inspired by the social enterprise model, she decided to set up her own venture. The Virtual Events Experience is the first events agency specialised in virtual and hybrid events management in a social enterprise business model, and reinvests profits into social causes and to support unemployed events managers. In six months of operation, it has already supported 37 events managers, promoted six different social causes and donated two courses in virtual certification events to unemployed event managers.

“ I lost my job due [to] the pandemic, and opening a social enterprise was the way I found to help others, plus I strongly believe this is the business of the future. I want to help and facilitate corporate companies to use their budget in events that creates social impact improving communities. Also, after working in the events industry for over 10 years, I saw that events would be the perfect place to promote relevant causes. Every event created gives back immediately and promotes a great cause, that way not only final clients but participants can get involved and spread the news about it! ” *Pamela Benitez, Founder & Director*

⁴⁶ <https://www.pioneerspost.com/news-views/20201015/uk-s-social-startup-rate-confounds-expectations-gruelling-year-business>

⁴⁷ From 18,923 to 20,188

⁴⁸ From 4,350,913 to 4,513,392: http://download.companieshouse.gov.uk/en_output.html

⁴⁹ http://download.companieshouse.gov.uk/en_output.html

I am? ME! Love Me, See Me, Be Me CIC©

A non-profit early years social enterprise, I am? provides inclusive teaching and learning resources, child-friendly workshops, CPD training and curriculum development for early childhood (education and childcare) establishments. It was founded in 2020 by early years specialist teachers with over 12 years' experience teaching, mentoring and coaching within education and childcare sectors.

The aim of I am?© is for the Black and Minority Ethnic (BME) community to be empowered, respected and celebrated worldwide. It creates a variety of BME teaching and learning resources for both educational and childcare settings. It is committed to ensuring that children from BME backgrounds are represented in the society, history and curriculum that they are taught. As a BME female-owned company, I am? ME!© aspires to challenge and prevent racial biases, identify misconceptions and stereotypes.

Tracy Reeve and The Cut Back CIC

The Cut Back is a social enterprise which includes a shop that sells items without plastic and unnecessary packaging, and a community space with a cafe for workshops. As an environmentalist, Tracy always tried to buy things without plastic and with as few food miles as possible. With so few options on the high street, she decided to do something about it. She wanted to pull people together and join with local initiatives to show what a community can do if it works together. The overall goal for the business is to support the local community with the fight against climate change.

“ After a lot of setbacks and complexities due to the pandemic, I am opening on 27th March. I have been humbled and grateful to many people who have shown me support and kindness through my journey. I am so excited now to give something back to the community around me. The shop will open first, then I will be applying for some funding to develop the community space and cafe area ”

Tracy Reeve, Managing Director

Greater Govanhill CIC

Greater Govanhill CIC is a new social enterprise located in the Southside of Glasgow, in one of the most multicultural areas of Scotland. It's a solutions-focused community magazine – online and in print – that provides a platform to under-represented voices, challenges negative stereotypes and brings people together. It doesn't shy away from serious issues, but looks to see how others may have found answers to big questions, avoiding sensationalism in favour of stories with real depth. Workshops, training and events also enable local residents to feed into the magazine, empowering people to tell their own stories in their own words.

“ **Setting up a social enterprise during a pandemic has been challenging. Building a community has been harder without the possibility of in-person meetings. But there has also been overwhelming support from people who want to get behind something which helps to spread positivity and build connections. It's been lovely to hear comments from readers who have said that even when isolating, the magazine has helped them to feel closer to their neighbourhood - and their neighbours.** ”

Rhiannon Davies, Founder/Editor

Black United Representation Network (BURN) CIC

The Black United Representation Network is a new membership organisation of nine Black-led voluntary, community and social enterprise (VCSE) and micro companies. It exists to tackle persistent racial inequalities which negatively impact people of African descent in Greater Manchester to bring around systemic change. Its mission is to achieve Black economic empowerment, advancement and collective self-reliance to level the playing field. There is an acute shortage of people of African descent in senior leadership positions that can influence policy and decision-making. The decades-long lack of strong and coordinated Black leadership has resulted in persistent racial inequalities in business, employment, education and health. BURN was created to fill this gap through: representation – building the pipeline of senior Black leaders; procurement – developing the pipeline of contract-ready Black VCSEs and businesses through capacity building and supply chain inclusion; and intra-commonwealth trade – acting as a gateway for doing business in Africa and the Caribbean.

“ **I am extremely proud of the progress that our organisation has made in the short time that we have been in existence. Our efforts began with petitioning Andy Burnham to set up the Race & Equality Panel. We have since launched initiatives such as Board Apprentice (gives Black professionals with senior management experience the opportunity to gain 12 months insight into the workings of a board). In partnership with Be the Business and the North West Business Leadership Team, we introduced Advisory Boards - a 12-month programme that gives Black-led organisations the opportunity to tap into their own board of advisors. We hosted the first Northern Powerhouse Africa Trade Showcase in partnership with the Department for International Trade. 2021 is set to be a monumental year for BURN CIC and I look forward to leading our organisation through this transformational period and beyond.** ”

Lisa Maynard-Atem, Managing Director

Recommendations: Supporting social enterprises to thrive

Social enterprises are businesses: The impact of COVID-19 and the entrepreneurial spirit of social enterprises has shown their character as businesses, rather than as philanthropy. The support that has most benefited social enterprise has come in the form of business grants, loans and the furlough scheme – like their peers in the private sector. Social enterprises should be taken seriously as businesses by policymakers. Their efforts to build back better through trade strengthens the case for social enterprise policy to sit within the Department for Business, Energy & Industrial Strategy, rather than as an addition to the civil society brief within the Department for Digital, Culture, Media & Sport.

Social enterprises are integral to our national health and social care: Social enterprises have made a major contribution to the national health and care effort to tackle COVID-19. Social enterprise services have helped the sick, provided vaccinations and cared for people in the community. They must be seen as an essential part of our health and social care system, not as a luxury. The NHS White Paper and legislative proposals to create Integrated Care Systems must provide a seat at the table for social enterprises and a strategic role for the sector in the delivery of care.

Social enterprise is the business of the future: The government should capitalise on the growing strength of social enterprise and responsible business approaches through providing a support environment for these models of business to flourish. For example, in the upcoming review of business rates due this autumn, the UK could provide social enterprises with a permanent form of business rate relief in recognition of their contribution to local economies. Similarly, with corporation tax rises due to kick in from 2023, a special rate of social enterprise corporation tax could be introduced in recognition of the profit reinvestment rate in the sector. Tax policy is a way that the government can show the market its support for the work of the sector.

Social value embedded across all government policymaking: During COVID-19, the government unveiled its 'Social Value Model'⁵⁰ for central government procurement, which means that the government will take into account the added social, economic and environmental value when awarding contracts. The social value approach should not just be limited to procurement but should stretch across all government policymaking. Decision makers should consider the whole picture when determining how to value business, not just financial cost. An approach that values social and environmental impact would recognise the contribution of social enterprises and other forms of business which improve wellbeing, tackle inequality and protect the planet. As in procurement, when you take a social value approach you end up getting better financial performance over the long-term as well.

Buy social: Maximising the contribution that social enterprises play means enabling them thrive and access new markets. This can be done by buying products and services from social enterprises whenever possible. Social enterprises have an important role in supporting their sector by procuring from fellow social enterprises. The SEUK Buy Social Corporate Challenge will continue to support access to corporate buyers. [SEUK's Buy Social Directory](#) is being expanded and improved in 2021 to make Buying Social easier for all businesses and the general public.

Further research: Over the coming year, SEUK and partners will continue to track social enterprise performance, impacts and needs through the SEAP. In September 2021, results of the largest social enterprise survey – The State of Social Enterprise – will reveal in detail how the sector has fared over the last 12 months. This data will be used to understand regional differences, differential impacts by sector and types of business model, wider implications for employment and jobs as well as the role of social enterprises in addressing the climate emergency.

⁵⁰ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940826/Social-Value-Model-Edn-1.1-3-Dec-20.pdf

What is the Social Enterprise Advisory Panel?

The Social Enterprise Advisory Panel (SEAP) is an SEUK initiative to collect regular and light-touch data from social enterprises to evidence need and impact. SEAP survey data is used to influence policymakers, to promote social enterprise in the media and general public, to drive more relevant investment and funding, and to inform useful product and service delivery (including by SEUK for our members).

For the seven surveys run between June 2020 and February 2021, there was an average response rate of 311 per month, on average 79% of whom SEUK holds demographic information about. Below is the average split of respondents by turnover size and location.

Response rate by turnover	
£0–100k	72%
£100k–£500k	16%
£500k–£5m	5%
£5m–£15m	2%
£15m–£50m	2%
£50m+	3%

Response rate by location	
London	24%
North West	12%
South East	12%
South West	9%
Scotland, Northern Ireland and Wales	9%
East of England	9%
West Midlands	8%
Yorkshire & Humber	7%
East Midlands	6%
North East	3%

Acknowledgements

This report was written by Emily Darko with Andrew O’Brien, Shehan Perera and Nancy Towers. Thank you to Amy Rutter for copy editing and Katie Apps for design.

Many thanks to the social enterprises who agreed to their case studies being included. This research would not be possible without the contributions of over 800 social enterprises to the SEAP surveys – many thanks to all of you who spared valuable time to provide information.

Thank you to Linklaters, SAP and PPL for sponsorship of the SEAP in 2020–2021.

April 2021.