

# STATE OF SOCIAL ENTERPRISE

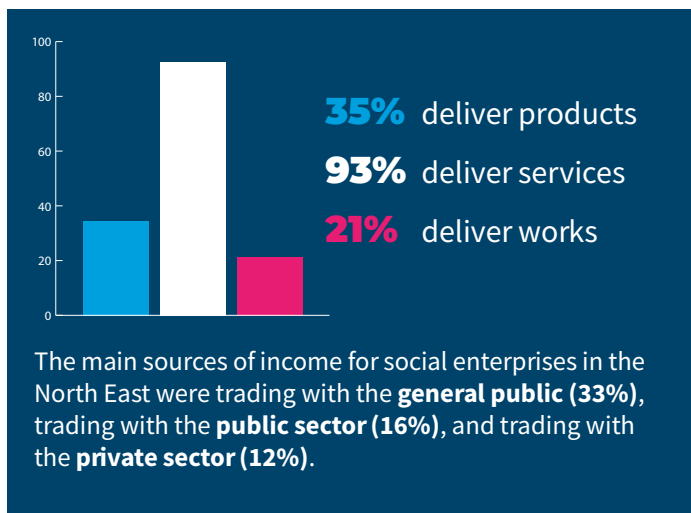
## IN NORTH EAST ENGLAND



This paper sets out headline findings on the state of social enterprise in North East England, using government estimates and data from the State of Social Enterprise 2025 and SEUK's Social Enterprise Knowledge Centre.

<p><b>Around 3,000 of the 100,000 social enterprises</b> in the UK operate in the North East*. <b>56%</b> of these operate as Community Interest Companies.</p>	<p><b>Median social enterprise turnover</b> in the North East was <b>£67,500</b> in the previous financial year.</p>	<p>The <b>median number of employees</b> for social enterprises in the North East was 6.</p>
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Of the social enterprises surveyed:



The median amount of time social enterprises in the East Midlands have been trading is 8 years.

	NE	UK
<b>Up to 6 months</b>	7%	3%
<b>7 months to a year</b>	2%	2%
<b>1-3 years</b>	23%	19%
<b>4-5 years</b>	14%	17%
<b>6-10 years</b>	26%	26%
<b>11-15 years</b>	9%	14%
<b>16-20 years</b>	2%	7%
<b>More than 20 years</b>	16%	11%

## ECONOMY

**49%** of social enterprises in the North East made a profit in **2025**, down from **63%** in **2023**.

**52%** of social enterprises in the North East developed a new product or service in **2025**.

	PROFIT		LOSS		BROKE EVEN	
	NE	UK	NE	UK	NE	UK
<b>2025</b>	49%	40%	19%	26%	30%	28%
<b>2023</b>	63%	48%	26%	26%	7%	22%
<b>2021</b>	53%	49%	25%	25%	22%	25%

	NE	UK
<b>2025</b>	52%	50%
<b>2023</b>	50%	53%
<b>2021</b>	63%	61%

**49%** grew their turnover in the previous financial year.

**26%** decreased their turnover from the previous financial year.

**65%** expect to grow their turnover in the next financial year, and **12%** expect their turnover to decrease.

Of those who expect their turnover to grow, most plan to achieve this through partnerships with the public/private sector (**79%**), developing new products/services (**68%**), and diversifying/expanding into new markets (**61%**).

**Financial barriers** were perceived as the biggest barrier to growth (**67%**). Of these financial barriers, **obtaining grant funding** was seen as the biggest barrier to growth (**87%**).



## SOCIETY

**67%** of social enterprise leaders in the North East are women. This is higher than the UK figure of **57%**.

**5%** are from a minority ethnic background. This is lower than the UK figure of **17%**.

**42%** are disabled or neurodivergent. This is higher than the UK figure of **30%**.

**84%** have lived experience of the social issue(s) addressed by their social enterprise.

**75%** of social enterprises in the North East are real living wage employers.



Planter building by The Skill Mill, which employs young ex-offenders.

The **top three impact** areas for social enterprises in the North East are:

- Mental health and wellbeing **49%**
- Supporting vulnerable people **47%**
- Benefitting a particular locality/community building **47%**

## SUPPORT

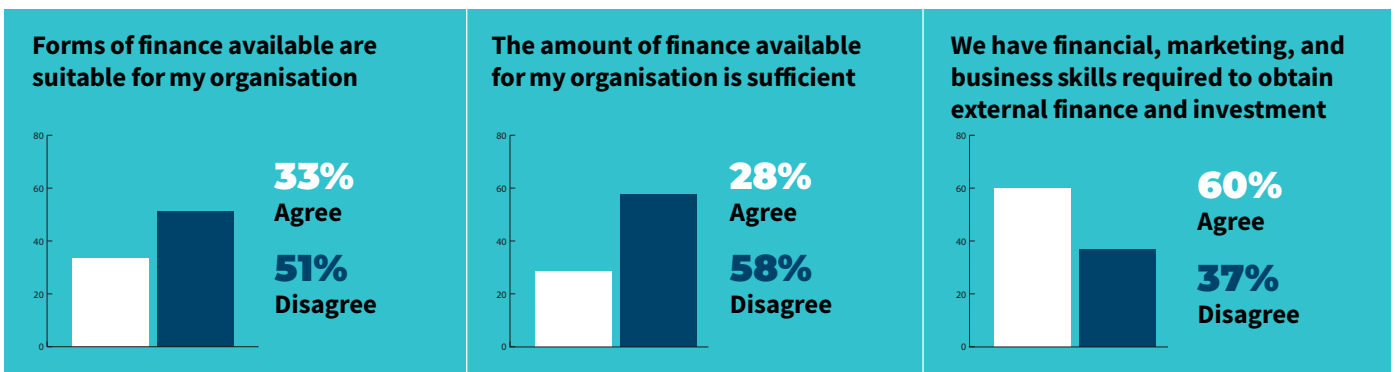
Summary of interest in external finance (not including grants) in the last 12 months.

The four most common reasons for deciding not to apply to new sources of finance in 2025 were:

	2025	2023	2021
Applied for external finance	19%	11%	34%
Considered applying but didn't	28%	26%	34%
Not considered applying	51%	63%	32%
Don't know/prefer not to say	2%	0%	N/A

	2025
Didn't want to take on additional risk	50%
Not the right time (economic conditions)	42%
Thought finance would be too expensive	33%
Time pressures/lack of resources prevented application	33%

Opinions on external finance were as follows:



The five most common areas where external information/advice were sought were:

