



Social Enterprise Advisory Panel Headlines: May 2021

Key findings

- Over a third of social enterprises increased their staff numbers in the last quarter. This means new roles at potentially 33,000 social enterprises nationwide, so at least as many new jobs created.
- Addressing the climate emergency – 26% of respondents have an environmental mission and are experts in various aspects of sustainability. 81% want to know more about how they can address environmental and climate issues.
- A third of social enterprises have implemented equal parental leave regardless of gender and 7% have implemented a four-day week (on full-time salary) for their staff. Staff-owned organisations are more likely to have made these changes.

Health of the sector

The sector’s cash flow position is maintaining a health position with 65% of social enterprises having at least three months in hand, although a few more respondents this month only have funds for only another week.

What’s your cash flow position?	May/June 2020	July/August 2020	October 2020	January 2021	March 2021	May 2021
We have funds to operate for another week	4%	2%	5%	3%	1%	3%
For about 1 month	8%	6%	5%	7%	6%	7%
2–3 months	21%	16%	23%	21%	16%	13%
3–6 months	24%	30%	21%	22%	25%	25%
6+ months	35%	37%	35%	37%	45%	45%

34% of social enterprises increased their number of paid staff over the last quarter, with no change at over half and only 9% seeing a decrease in staff numbers.

In the last 3 months, compared to the 3 months before, did your number of paid staff...	
Stay the same (including if you have no staff and this hasn't changed)	57%
Grow slightly	29%
Decrease slightly	8%
Grow significantly	5%
Decrease significantly	1%

“We have recruited 4 new staff, 3 of whom had lost their previous jobs due to COVID and business closure.”

“Employing more people to build capacity to meet demand for mental health services.”

“We need more staff but don’t have the funding for some. Core costs are always hard to find.”

Environment

We know that there are many social enterprises with environmental missions pioneering and delivering responses to the climate emergency.

26% of survey respondents had an environmental mission and have a wide and deep range of expertise, with particular focus on recycling, upcycling, reuse and repurposing followed by carbon reduction and eco-friendly production and retail.

Over the next few months, we’ll be doing more to bring this expertise, as well as related products and services, to the sector and wider audiences. If you are an environment-mission social enterprise, what are your areas of expertise?

If you are an environment-mission social enterprise, what are your areas of expertise?	
Recycling, upcycling, reusing, repurposing	57%
Carbon reduction	31%
Eco-friendly production or eco-friendly retail	31%
Sustainability measurement, impact measurement	24%
Resource efficiency	14%
Eco-transport	14%
Renewable energy	10%
Biodiversity	8%

“We do these things but it is not part of our mission statement.”

“We are not an environment mission enterprise, however we are trying to be environmentally conscious. We use renewable energy, recycle and [...] offset our companies carbon emissions by planting trees.”

“We have tasked our employee representation group with managing our green agenda.”

“We do have an environment policy, but it is not the main purpose of our SE.”

We also asked all respondents what information about sustainability and the environment they would find helpful. 81% want more information. Nearly half want more information about environmental policies, with carbon reduction and reusing/resource efficiency also seen as important gaps in existing business knowledge.

What information about sustainability and environment would you find helpful to your business?	
Environmental policies	49%
Reducing carbon/low carbon strategy	43%
Reuse, repurposing and recycling	42%
Resource efficiency	35%
Green procurement	35%
Renewable energy	27%
Protection of environment	24%
Protection of biodiversity	13%

Future of jobs

COVID has speeded up shifts in how and where we work, and under what conditions. We know that the social enterprise sector has overall higher standards of staff treatment, but we wanted to understand more about particular types of provision and how respondents prioritise treatment of staff against other organisational priorities.

Pay and conditions

7% of social enterprise have implemented a four-day week (at full-time salary), compared to 5% for the rest of business.¹ A third of social enterprises offer equal parental leave regardless of gender and nearly a fifth offer equal pay to all staff regardless of their level or role.²

Have you implemented or are you considering any of the following?	Equal parental leave (same provisions regardless of gender)	Four-day week (paid at full-time salary)	Unlimited holiday allowance (fully flexible working)	Equal pay for all members of staff (all staff earn the same regardless of level/role)	Free private healthcare for staff
Considering	16%	19%	13%	9%	11%
Implemented	33%	7%	11%	17%	7%
Not considering/not relevant	50%	73%	76%	74%	82%
We expect income to reduce and/or to lose staff	8%	8%	7%	3%	2%

“We trialled equal pay for all roles. It has issues. We would not do private healthcare as we are anti that.”

¹ <https://twitter.com/bethebusiness/status/1377555571415658499>

² From open-ended responses, we think there was some misunderstanding of this question and not all those who indicated they've implemented this do in fact pay all staff the same amount.

“Reduced working hours to 35 per week with same salary and increased annual leave entitlement to 31 days per year plus bank holidays.”

“I would consider all of the above once we’re more established, but we’re so small right now it’s not relevant.”

“Flat pay structure, no executive pay gap, total workforce equality.”

“As a person with disabilities, I have to be able to work flexibly, and I encourage my [assistant] to do the same.”

Social or environmental mission comes first, ahead of staff pay and conditions, for nearly half of respondents. A third shares surplus revenue equally between mission and staff, and a very small proportion prioritises staff pay and conditions over mission. However, pay and conditions are part of the core social mission for 40% of social enterprises and only 3% say they are secondary to social/environmental mission, even if that might not be reflected in how surplus revenue is used.

Use of surplus revenue: prioritisation between social/environmental mission, and pay and conditions for existing staff	
Surplus revenue is/will be primarily invested in delivering our social and/or environmental mission	49%
Surplus revenue is/will be shared between improving staff pay and conditions, and delivering our social and/or environmental mission evenly	32%
Surplus revenue is/will be primarily invested in improving staff pay and conditions	4%
Not relevant – no staff	11%
Other	4%

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“Will be used to pay off Covid-related debt.”

Good pay and conditions are important -- but have to be balanced with the need to survive and to deliver our social/environmental mission	
Good pay and conditions are important -- but have to be balanced with the need to survive and to deliver our social/environmental mission	57%
Good pay and conditions are core to our social mission	40%
Good pay and conditions are secondary to our social/environmental mission	3%

Ownership status

Of organisations with staff, over a third are completely or partially owned by staff, but nearly two-thirds have no plans to move to staff ownership. Staff-owned respondents are more likely to have implemented equal pay, equal parental leave, a four-day week and unlimited leave, but less likely to provide private healthcare for staff.

Staff ownership status	
No plans to move to staff ownership	59%
We are completely owned by our staff (more than one person)	21%
We are partially owned by our staff	14%
We are not owned by our staff but are planning to move to staff ownership in the future	6%

“We are designed for this to be impossible. Ownership transfer runs the risk of diluting mission.”

“We are led by our disabled customers – who own us through elected directors.”

“Common ownership with asset lock so not ‘owned’ by anyone.”

“We are a community association and so we are ‘owned’ by the community.”

“We are a CIC with directors but have no staff – all our staff are self-employed and are responsible for their own projects within the organisation which helps keep the whole going – we pay equally and allow everyone to benefit what works for them in their lives with mutual respect for each other. So far it works!”

Income for start-ups

We also asked start-ups with no staff what their income stream looks like. Roughly a quarter each gain income from other work, non-work income, their social enterprise and a combination of social enterprise income and other work.

Income if you are a start-up with no staff	
No income from social enterprise yet – rely on benefits or other income not from work	28%
Your sole source of income	26%
No income from social enterprise yet – rely on income from other work	25%
Partial source of income, combined with other work	21%

“Partial source of income, combined with a small personal pension.”

“No income, husband’s income supports our family and the social enterprise start-up.”

“Savings...”

Who are the respondents?

We matched demographic data for 79%³ of respondents.

Response rate by turnover

£0–100k	60%
£100k–£500k	26%
£500k–£5m	7%
£5m–£15m	3%
£15m–£50m	2%
£50m+	2%

BAME leadership

7% of respondents are BAME-led (50% or more of the owners/managers come from Black, Asian and Ethnic Minority communities).

Response rate by location

London	26%
North West	14%
East of England	11%
South East	11%
South West	9%
West Midlands	9%
Yorkshire & Humberside	7%
East Midlands	4%
Scotland	4%
Wales	3%
North East	3%
Northern Ireland	1%

What is the Social Enterprise Advisory Panel?

The Social Enterprise Advisory Panel (SEAP)⁴ 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).

This survey ran from 10th to 25th May 2021. It received 208 valid responses from social enterprises.⁵ This report presents the headline findings. If you are interested in exploring any of this data in more detail, please see the contact information below.

Thank you to all the social enterprises who responded to this survey.

A new prize draw is coming next month... watch this space!

For questions about the SEAP – or to join – please contact Emily Darko emily.darko@socialenterprise.org.uk

We are keen to facilitate the use of our data for the benefit of social enterprises. In line with GDPR, we're open requests to use aggregated and anonymised data for research that benefits the sector.



³ Our central database includes data on prospective members and other contacts. We use this data in anonymous and aggregated form to conduct demographic analysis.

⁴ <https://www.socialenterprise.org.uk/social-enterprise-advisory-panel/>

⁵ Four responses were tests, incomplete, duplicate or not from social enterprises