

State of Social Enterprise

in South East of England

November 2024

This paper sets out headline statistics on social enterprise in the South East of England, based on data from Social Enterprise UK's latest State of Social Enterprise (2023) research and wider evidence in their Social Enterprise Knowledge Centre.

Economic contribution



There are around **19,600** social enterprises in the South East, creating around **321,000** jobs for the region

They generate around **£168 million** in annual profit, re-investing **£150 million** into achieving their social missions

These social enterprises generate around **£10bn** in turnover – equivalent to **3%** of regional GDP

Last year, **58%** reported that they had developed a new product or service for their organisation to deliver, while **24%** reported developing a new product or service for the market



Financial performance



45% of social enterprises in the South East reported making a profit last financial year, while a further **22%** reported breaking even

65% of reported their turnover had increased in the last 12 months - up from **35%** in 2021 - while a further **11%** reported turnover had remained the same

30% reported making a loss last financial year – up slightly from **26%** in 2021

Leadership

64% of social enterprises in the South East majority-led by women

6% are majority-led by individuals from ethnic minority backgrounds



Mission and impact

18% of social enterprises in the South East are operating within the most deprived areas of England



88% believe social and environmental friendliness are equally or more important than cost when buying goods and services



83% pay the real Living Wage to all staff members

68% have a target to reduce carbon emissions over the next three years

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Regional distinctions

Trading patterns

Social enterprises in the South East are more likely to trade with the private sector as their main source of income, compared to the national picture. Trading with the public is also slightly more likely to be a main source of income here.

Financial position

Social enterprises here were more likely than the national average to have made a loss over the previous year, with the proportion making a profit also slightly lower – and this position has worsened in the region since 2021. However, turnover growth expectations for the year ahead were on a par with the national average.

To achieve this growth, a higher proportion of social enterprises here plan to increase prices. The proportion of social enterprises in the region that have drawn on reserves to get through the previous year is also higher than the national average.

Workforce

The proportion of women in the social enterprise workforce is higher in the South East than across England overall. However, the proportion of social enterprise employers with flexible working options is lower.

Social enterprises here anticipate less growth in staff numbers in the year ahead than the national average.

Finance and investment

South East social enterprises are more likely to have some form of external finance than the national average, and more likely to intend to seek finance in the next three years. They were more successful at securing the amounts of finance sought, and received higher median amounts than the national average.

A higher proportion applied for finance here than across England overall, but a higher proportion also considered it and then didn't apply. Time pressures were a far more significant reason for not applying here than was the case elsewhere.

Barriers to growth

Cashflow is more of a concern in the South East than other English regions. Social enterprises here are also more likely to report barriers in accessing customers, poor awareness of social enterprise among customers, and difficulty recruiting staff.

For full details of the State of Social Enterprise 2023 research methodology, sponsors and partners, see www.socialenterprise.org.uk/social-enterprise-knowledge-centre/the-state-of-social-enterprise. Due to sample sizes, we have been unable to report on certain data in each of these regional reports. Thank you to all the social enterprises who have participated in Knowledge Centre data collection. Thank you to all the social enterprises who have participated in Knowledge Centre data collection. For any queries, contact research@socialenterprise.org.uk.

Case study – Social Enterprise Kent

Social Enterprise Kent (SEK) has been supporting individuals and organisations across the county since 1985. Its mission is to shape a better tomorrow by promoting social inclusion, enhancing community resilience and driving economic growth through social enterprise.

In the past year, SEK has provided support to more than 400 social enterprises in Kent and delivered training to more than 4,000 people. SEK leveraged funding through the UK Shared Prosperity Fund to support voluntary, community and social enterprise (VCSE) organisations in Thanet and Ashford. SEK also works closely with its local Chamber of Commerce, which funnels VCSE referrals to its highly skilled advisors.

SEK successfully delivered the government-funded Social Enterprise Boost programme in Thanet – one of the most deprived parts of the country. More than 120 social enterprises participated and 56 Community Interest



Companies were created, building a thriving eco-system of social entrepreneurs solving social and environmental problems.

SEK remains a cornerstone of support for social enterprises, offering events and consultancy, as well as funding opportunities and guidance on fulfilling social value obligations. It provides essential resources and expertise to local VCSE organisations, helping them maximise their impact in the community while being sustainable.