State of Social Enterprise
in the South West of England

November 2024

This paper sets out headline statistics on social enterprise in the South West 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 **13,000** social enterprises in the South West, creating around **128,000** jobs for the region

These social enterprises generate around **£5bn** in turnover - equivalent to 3% of regional GDP

They generate around **£97 million** in profit, re-investing **£84 million** into achieving their social missions

Last year, **45%** developed a new product or service for their business to deliver, while **24%** reported developing a new product or service for the market

Financial performance

41% of social enterprises in the South West reported making a profit last financial year - slightly down on 46% in previous years - and a further 25% broke even

72% reported their turnover had increased in the last 12 months - an increase from 45% in 2021 - while 14% reported their turnover had remained the same

Leadership

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

4% are majority-led by people from ethnic minority backgrounds

Mission and impact

17% of social enterprises in the South West are operating within the most deprived areas of England

90% believe social and environmental friendliness are equally or more important than cost when buying goods and services

84% pay the real Living Wage to all staff members

61% have a target to reduce carbon emissions over the next three years

Social Enterprise Knowledge Centre

Social Enterprise UK

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Regional distinctions

Community services and retail lead the way
Community services and retail are the most common areas of work for social enterprises in the South West, with 34% of local social enterprises operating in these two sectors, compared to just 20% across the country.

The general public drive demand for social enterprise
Trading with the general public is the most common source of income generation for social enterprises here. Not only do a larger proportion of South West social enterprises report that they generate income through trading with the general public, but 41% report it as their main source of income, compared to 34% across the country.
Less engagement with the public sector

Fewer social enterprises in the South West engage with the public sector. Smaller proportions report generating any income via trading with the public sector or as their main source of income. 73% of social enterprises here have not expressed an interest in applying for public sector contracts in the past year, compared to a national average of 58%.

Towards diversification and higher prices
Among social enterprises looking to achieve growth in the next year, a significant proportion are looking to diversify their offer. 75% of social enterprises in the region said they would look to expand into new geographies or customer markets, compared to 59% across the rest of the country.

Prices are also set to rise among a majority of social enterprises in the South West. In the past year, 60% reported that they had increased prices - significantly higher than the national average of 43%. This gap is likely to remain in the future, with 58% of social enterprises expecting to achieve growth planning on raising prices.

Flexible work
The South West outperforms the national average on a large number of indicators relating to flexible working. Social enterprises here are more likely to offer flexible working hours, annualised hour contracts, job-sharing arrangements and opportunities for home working. However, they are also more likely to report using zero-hours contracts.

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 – Plymouth

Plymouth became the UK's joint first Social Enterprise City in 2013, as part of a nationwide initiative fostered by Social Enterprise UK to nurture hotspots of social enterprise activity across the country. Plymouth Social Enterprise Network (PSEN), aided by voluntary time donated from local social business Iridescent Ideas CIC, led the successful bid that saw the city recognised for its vibrant social economy.

The Social Enterprise Place badge has led to more than £10 million of investment for social businesses of all forms in Plymouth, driving growth in the number and scale of social enterprises as well as developing a healthy eco-system of support for social entrepreneurs.

Plymouth is now home to around 250 social enterprises and co-operatives, employing nearly 10,000 people and bringing around £700 million a year to the city's economy. With two of the five biggest employers in the city being social enterprises, the local social economy is big business – and has an ambitious strategy to keep growing.

PSEN and Iridescent Ideas have worked in partnership with a number of local social enterprises, Plymouth City Council and all three of the city's universities to deliver festivals, social value activities and business advice programmes, as well as engaging in policy and strategy development to ensure that social enterprises and co-operatives are seen as central to the city's growth plans. People and organisations across Plymouth are working to build a greener, fairer, more socially enterprising world.