



2025 Northern Ireland Social Enterprise Sector Report

for Department for the Economy (DfE)

Contents

Acknowledgements	5
Foreword	6
Executive summary	7
1. Introduction	11
2. Methodology	13
3. Social enterprise demographics	16
Estimating the number of social enterprises	16
Economic significance	18
Employment contributions	19
Trading age and longevity	19
Area of operation	22
Contribution in areas of deprivation	22
Principal social and environmental missions	23
Principal trading activity	24
4. Financial performance and operations	26
Income generation from trading	26
Trading partners and customers	27
Public contracts and social value	30
Recent turnover trends	32
Looking forward	33
Profits and surplus	34
Actions for growth	35

5. Leadership, governance, and employment	37
Leadership	37
Governance and board composition	38
Employment	40
Workforce diversity	40
Staff growth and retention	42
Real Living Wage	42
Staff development and training	42
6. Environmental performance and operations	44
Integrated environmental action in practice	44
Social and environmental prioritisation in procurement	46
Energy efficiency	46
7. Support eco-system for social enterprise development	47
Barriers to growth	47
Support received	48
Support organisations	51
8. Finance and funding	52
Sources of finance	52
Discouraged borrowers	55
Perceptions of available finance	56
9. Conclusions and recommendations	58
Annexes	60

Figures

Table 1: Registered legal form of surveyed social enterprises	17
Figure 1: Annual turnover last year	18
Figure 2: Trading age of social enterprises	20
Figure 3: Percentage of social enterprises spread between least and most deprived areas	22
Figure 4: Socio-environmental objectives of social enterprises	24
Figure 5: Principal trading activity for generating income	25
Figure 6: Trading partners and customers	28
Figure 7: Percentage bidding for public contracts in last year	30
Figure 8: Turnover change last year and forecast for next year	32
Table 2 : Turnover expectations in areas of different levels of deprivation	33
Figure 9: Percentage with profit/surplus in the last year	34
Figure 10: Business development activities undertaken in last year	35
Figure 11: Plans for achieving forecast growth (60 respondents)	36
Figure 12: Groups social enterprises seek to employ	41
Figure 13: Procurement priorities relating to cost, social and environmental factors	46
Figure 14: Barriers to sustainability and growth	47
Figure 15: Most frequently sought information and advice (59 responses)	49
Figure 16: Support organisations used by social enterprises	51
Figure 17: Current external finance used	52
Figure 18: Net perceptions of external financing statements	56

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Foreword

The growth and continued support of the Social Enterprise sector remains a strategic priority to me. The publication of this report is a timely and positive step towards strengthening the sector's contribution to inclusive and sustainable economic growth.

This report provides a comprehensive and current analysis of the social enterprise landscape in the North. It will inform my Department as it seeks to shape policies and priorities aligned with our Economic Vision—centred on creating good jobs, regional balance, productivity and decarbonisation.

The research demonstrates how social enterprises contribute to economic, social, and environmental outcomes, particularly in areas of disadvantage. It highlights areas where the sector is thriving and where further development or support is needed. Findings show the positive growth taking place in the sector, whilst highlighting where additional action is needed to support sector growth.

I would like to put on record my sincere thanks to Middlesex University, Queen's University Belfast and Social Enterprise UK for their contribution to this research and report.

I welcome the evidence-based policy and practice recommendations and believe that this is a key step forward in growing a globally competitive and sustainable economy here in the North of Ireland.

Dr Caoimhe Archibald, MLA

Minister for the Economy



Executive summary

Social enterprises are an important part of the Northern Ireland economy and this report shows the ways in which they are contributing to meeting a wide range of social and environmental objectives. This report also identifies a range of barriers to increased impact in terms of encouraging social enterprises to start up and grow.

Social Enterprises are businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners. At a challenging time for many businesses, social enterprises demonstrate resilience and growth ambitions. They also show alternatives for how business can be done, and the lessons for other parts of the economy in terms of leadership, governance and purpose.



Key findings:



1,225+ Social Enterprises



17,300+ Jobs Created



£932.9m turnover

Scale of social enterprises in Northern Ireland:

While there is no legal category of social enterprise, this study has examined the expected number of social enterprises meeting a definition that prioritises those organisations with a legal form that restricts distributions of assets. This includes Charities, Community Interest Companies, different types of cooperatives and some private businesses with core social and environmental purposes. From this analysis, it is estimated that there are at least 1,225 social enterprises. These make a considerable contribution to the NI economy with their combined turnover cautiously estimated to be £932.9m and employing at least 17,300 people.

Meeting a wide range of social and environmental objectives:

Social enterprises are delivering services to meet a wide range of societal needs. In Northern Ireland, social enterprises are found to be particularly focused on supporting community activity, vulnerable people, health and wellbeing initiatives and creating employment.



Providing essential care and support



Creating employment opportunities



Improving mental and physical health



Strengthening local engagement

Working across all areas:



Social enterprises are spread across Northern Ireland and they meet their social missions by being predominantly located in the more deprived locations. 44% are located in the most deprived quintile areas.

Key findings:

Resilient and viable enterprises:

Despite the challenges facing many businesses, social enterprises appear to be weathering the storms, with 53% trading for more than 10 years. On average 69% of income comes from trading rather than grants or donations. 72% were making a profit or breaking even. They have multiple income sources with 80% trading with the general public as well as having other trading with private, public and third sector organisations. 47% grew their turnover last year and 45% are forecasting growth next year.

53%

Trading for over
10 years

69%

Income from
trading, not grants

72%

Profitable or
breaking even

80%

Trading with the
general public

47%

Increased turnover
last year

45%

Forecasting
growth next year



Public sector contracting remains important:

28% of social enterprises are bidding for contracts and a further 8% are dissuaded due to the difficulty in identifying opportunities and the process of bidding. Three quarters of those bidding had been asked to detail the additional social value created although only 37% of those bidding said this was required in all their bids.

Diversity in leadership and governance:

Social enterprises showcase ways of doing business that are more reflective of society than mainstream businesses. 44% of social enterprises are led by women and 97% have women in the leadership team. 75% of social enterprises have someone in the leadership team with the lived experience of the social issue being addressed. 46% include service users on their boards and 90% have boards that include community representatives.



Key findings:

Increasing access to employment:

Social enterprises employ a higher proportion of women than other businesses with 82% reporting that at least half the workforce are women. 31% expect to increase employment and 50% aim to retain current levels. They also aim to have quality jobs with investment in training by 74% of respondents, and 73% paying a minimum of the Real Living Wage.

82%

have workforces where at least half are women

74%

invest in training

73%

pay at least the Real Living Wage

Financial constraints were the main barrier to growth:

67% of social enterprises identified financial barriers as a key obstacle to growth – especially younger enterprises. Wider economic challenges, including inflation and instability, were also significant, reported by 62% of respondents.



Steps being taken to embed environmental considerations:

15% address the climate emergency in their missions and 9% are addressing sustainable consumption. 74% are addressing social and environmental issues in the own procurement. 36% have invested in energy efficiency measures.

Grants remain important, but more are exploring repayable finance:

58% of social enterprises were receiving grant funding, while 39% had used repayable finance such as loans, credit cards, or overdrafts. In the past year, 10% applied for repayable finance, and 21% considered it but were deterred by financial risk, borrowing costs, and the complexity of the application process.



Introduction

This report provides an up-to-date and in-depth picture of Northern Ireland social enterprises (NISEs) – their scale, strengths, challenges, and opportunities. Designed to inform policy development and support, it offers a robust evidence base to help advance the Department for the Economy’s (DfE) Economic Vision¹ for good jobs, regional balance, improved productivity, and to decarbonise the economy.

Drawing on a large-scale survey, in-depth case studies, and engagement workshops, the report explores the diversity, performance, and evolving role of social enterprises in Northern Ireland. It provides insights into their size and structure, trading models, income sources (public, private, B2B, and B2C), and financial performance. It also identifies areas where NI social enterprises are outperforming counterparts elsewhere in the UK, and where further development or support may be needed.

The research builds on and updates the 2019 *Re-balancing the Northern Ireland Economy* report commissioned by Social Enterprise NI (SENI), while incorporating learning from recent national studies in the Republic of Ireland², Scotland³, and across the UK⁴. These studies confirm that, while social enterprises are far from homogenous, they have remained remarkably innovative, resilient, community-oriented, and disproportionately women-led. Moreover, they have remained a source

of good quality living wage jobs through a period marked by COVID, Brexit, high-inflation, and energy crises.

That said, this report also surfaces persistent challenges. While social enterprises are delivering real social and environmental value, many struggle to evidence this impact in ways that are recognised and rewarded – particularly in procurement processes. In addition, there are ongoing challenges related to accessing new markets and encouraging the scaling of impact.

Northern Ireland’s support ecosystem for social enterprises is rich and wide-ranging, encompassing advisory services, networks, skills and training, access to finance, and public and private procurement initiatives. Yet, as this report shows, that support does not always reach where it is most needed. By mapping the lived realities of social enterprises on the ground, this report identifies where gaps remain – and where the greatest opportunities lie – for more targeted, effective policy and support.

1 <https://www.economy-ni.gov.uk/news/statement-minister-murphy-economic-vision>

2 <https://www.gov.ie/en/publication/b30e5-social-enterprises-in-ireland-a-baseline-data-collection-exercise/>

3 <https://socialenterprisecensus.org.uk/wp-content/themes/census19/pdf/2021-report.pdf>

4 <https://www.socialenterprise.org.uk/seuk-report/mission-critical-state-of-social-enterprise-survey-2023/>

The report is structured around five key themes:

1

Social enterprise demographics – an overview of the size, scale, and defining characteristics of social enterprises in NI today.

2

Financial performance and operations – a look at the economic achievements of NI social enterprises and their markets.

3

Leadership, governance and employment – an exploration of social enterprises as employers and the ways in which they achieve social and environmental impact.

4

Environmental performance – a study of the impact of social enterprises on sustainability.

5

Landscape of support – a review of current support structures, including funding, advisory services, and skills development.

Methodology

The study was conducted in three interconnected phases:

1. Stakeholder consultations and secondary data mapping
2. A sector-wide survey and case study interviews, and
3. Research engagement workshops to test and refine initial findings.

Phase 1. Stakeholder consultations and secondary data mapping

The project began with desk research to review key policy and other documents relevant to the NI social enterprise landscape. These included, for example, the *DfE 2024–2027 Social Enterprise Action Plan*⁵, *SENI's 2025 Barriers to Growth Research*⁶, and the *2019 Re-Balancing the Northern Ireland Economy* report, the last major analysis of the NI social enterprise sector⁷. We also drew on other influential publications such as *A Social Economy for a Shared Island*⁸, ensuring our approach was responsive to both regional dynamics and all-island perspectives. To complement this, we reviewed recent social enterprise reports from neighbouring jurisdictions in ROI, Scotland, and across the UK, helping us to contextualise NI's distinct characteristics within wider developments in policy and practice.

In parallel, we undertook 20 stakeholder consultations with social enterprise support providers, membership bodies, and other intermediaries. These conversations were essential in surfacing priority issues, refining our lines of enquiry, shaping the survey instrument, and supporting engagement with social enterprises. In particular, we are grateful for the early insights and assistance provided by member and support organisations, who played a key role in facilitating sector access and engagement.

To support comparability – particularly with the State of Social Enterprise survey series – we also worked with Social Enterprise UK (SEUK) and BMG Research. This enabled us to adapt SEUK's core instrument for the NI context while ensuring alignment with broader UK datasets. This was not only a technical consideration but a means of situating our findings within wider policy debates, while remaining sensitive to the region's distinct political and institutional environment. The study took a definition of social enterprise that allows comparison with the UK wide study: “businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners”. Social enterprises also had to have more than 25% of their income from trading activity, rather than grants or donations.

⁵ <https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Social%20Enterprise%20Action%20Plan%20-%20%28FINAL%29.pdf>

⁶ <https://www.economy-ni.gov.uk/sites/default/files/2025-05/Barriers%20to%20Growth%20Research%20Report%20FINAL.pdf>

⁷ <https://socialenterpriseni.org/wp-content/uploads/2024/07/Re-Balancing-the-NI-Economy-2019-Report-1.pdf>

⁸ <https://www.dtni.org.uk/wp-content/uploads/2025/02/A-Social-Economy-for-a-Shared-Island-Full-Report.pdf>



Phase 2. Survey of NI social enterprise and case study interviews

The core fieldwork included a large-scale survey of NISEs, incorporating SEUK's State of Social Enterprise Survey (2009–2023) question set, supplemented by NI-specific questions. BMG Research managed the data collection using a mixed-mode approach: (1) Computer-Assisted Web Interviewing (CAWI), via unique invitation links and a public open link to online surveys, launched 24 February 2025; and (2) Computer-Assisted Telephone Interviewing (CATI), launched on 3 March 2025

A total of 132 surveys were completed: 65 by telephone, 38 via emailed invitation to online surveys, and 29 via the open online survey link.

Survey contacts were compiled from three sources:

- **Social Enterprise NI (SENI) membership directory,**
- **Northern Ireland Housing Executive (NIHE) social enterprise directory,**
- **Social Value NI broker directory.**

After deduplication, 786 unique contacts were available. Of these, 734 had telephone numbers (460 from the files; 234 added via online search by BMG).

Email addresses were available for all contacts, though 7.6% were undeliverable. Following the initial email invitation, four reminder emails were sent. The telephone survey followed after initial email outreach. Overall, 44% of the sample was successfully contacted. Response rates were 13% for telephone and 6% for email invitations.

To complement the survey, we conducted 10 case study interviews with selected social enterprises, chosen to reflect diversity in location, size, legal structure, and business model. Case study organisations are listed in the annex and referenced throughout the report.

Analysis identified patterns and explored differences within the sample according to the age, size and other factors. Significant differences are identified where there is more than 95% confidence level. Tables and figures relate to the 132 responses, unless stated that the analysis is focused on a smaller sub-sample. Comparison is made with the SEUK 2023 survey that has used similar methodologies. This has the limitation of not reflecting recent socio-economic issues such as the cost of living crisis and global financial situations. The 2025 SEUK survey data was not available at the time of completing this report.

Phase 3. Research engagement workshops

In the final phase, three research engagement workshops took place – one in Belfast, one in Derry/Londonderry, and one online . These sessions brought together 40 organisations, including social enterprises, support providers, intermediaries, and policymakers. Workshops served three main purposes:

- To test and refine initial findings,
- To surface new or underexplored issues,
- To co-develop practical recommendations based on the findings.

The workshops offered an important space for reflection and dialogue, helping to ground emerging policy insights and recommendations in the lived realities of the sector.

As with any survey, this study has several limitations. While the sample size allowed for rigorous analysis, smaller response numbers from particular segments of the sector limited more detailed breakdowns. For instance, cooperative forms appear to be under-represented. There is also a risk that newer or early-stage social enterprises are less visible in the data, as they may not yet be connected to established support networks. On the positive side, the survey achieved strong geographic coverage across Northern Ireland.



3. Social enterprise demographics

This section offers an overview of the size, scale, age, and key characteristics of social enterprises in Northern Ireland today, including their areas of operation and core missions.

Estimating the number of social enterprises

Accurately estimating the size and economic contribution of NISEs is inherently complex. This reflects varying definitions, data availability, registration practices, and survey reach. To estimate the number of social enterprises, we can examine the numbers of social enterprises using different legal structures. Research for this project found there are currently 405 Community Interest Companies (CICs) in NI, (2.1 per 10,000 inhabitants in NI⁹, compared to 4.2 per 10,000 across the UK) although estimates in UK wide studies found that half may not be trading but reliant on grants or dormant¹⁰. There are also 7,202 charities in NI (37.7 per 10,000 inhabitants compared to 25.0 per 10,000 across the UK). Estimates of the proportion of charities that are trading as social enterprises draws on older data and suggests that 10% were meeting the definition in terms of having more than 25% of their income from trading¹¹. This analysis implies there are 720 charity social enterprises, 200

CIC social enterprises and 214 cooperatives/credit unions¹², totalling 1,134 social enterprises.

These figures can be cross checked with other estimates. EU research on the scale of the UK social enterprise¹³ population found that there are 30,753 social enterprises if taking the most restrictive EU definition that only includes social enterprises with asset locks (i.e., charities, some cooperatives and CICs). This comes to 4.5 social enterprises per 10,000 inhabitants resulting in an estimate of 860 social enterprises for NI.

If we apply a similar tight definition to the Longitudinal Small Business Survey, it is estimated that there are 35,000 asset lock social enterprises in the UK (5.1 per 10,000 inhabitants)¹⁴, resulting in an estimate of 979 for NI. Interestingly, a similar approach taken in Scotland found an estimated 5,199 social enterprise (9.5 per 10,000 inhabitants).

However, this excludes a large proportion of social enterprises with other legal forms¹⁵. These can be identified by drawing on the findings from the current survey. The most frequently reported structure shown in Table 1 is the Company Limited by Guarantee (CLG), accounting for 45% of respondents and the preferred legal form for charities that are trading. This is followed by Community Interest Companies at 25%, including CICs limited by guarantee (18%), CICs limited by shares (2%), and 5% who were unsure of their

9 [Population Estimates for Northern Ireland - Northern Ireland Statistics and Research Agency](#)

10 [Social enterprises and their ecosystems in Europe. Updated country report: United Kingdom](#)

11 [Social enterprises and their ecosystems in Europe. Updated country report: United Kingdom](#)

12 <https://www.coopalternatives.coop/wp-content/uploads/2020/09/Co-op-Infographics.pdf>

13 [Social enterprises and their ecosystems in Europe. Updated country report: United Kingdom](#)

14 [Social Enterprise: Market Trends 2019](#)

15 <https://assets.publishing.service.gov.uk/media/5a79cda1ed915d6b1deb375d/11-1400-guide-legal-forms-for-social-enterprise.pdf>

subtype. Co-operatives or community benefit societies only make up 4% of the sample which is an under representation of the 214 registered cooperatives.

This profile differs notably from the rest of the UK. Compared to SEUK's 2023 UK-wide survey, social enterprises in NI are far more likely to operate as CLGs (45% vs. 22%) and less likely to be CICs (25% vs. 51%). This may reflect a more mature cohort of organisations that predate the introduction or popularisation of CICs, or a support ecosystem where legal advice at start-up has historically favoured CLGs.



Table 1: Registered legal form of surveyed social enterprises

Registered legal form of social enterprise	%
Company Limited by Guarantee (CLG)	45%
Community Interest Company (CIC) CLG	18%
Community Interest Company (CIC) CLS	2%
Community Interest Company (CIC) (Unsure)	5%
Cooperative forms including Community Benefit Society – BenCom and Industrial Provident Society	4%
Charitable Incorporated Organisation (CIO) ¹⁶	10%
Company Limited by Shares (CLS)	8%
Unincorporated association	2%
Limited Liability Partnership	2%
Other	5%
Don't know / Can't remember	1%

¹⁶ Charitable Incorporated Organisation (CIO) status is not currently available in Northern Ireland, despite being established in law under the Charities Act (NI) 2008. Implementation has been delayed pending secondary legislation. Guidance from NICVA (updated Dec 2024) advises that organisations in NI may be misreporting their structure or could be registered in England, Scotland or Wales but operating in NI. See NICVA guidance here: <https://www.nicva.org/resource/setting-up-a-charitable-company>

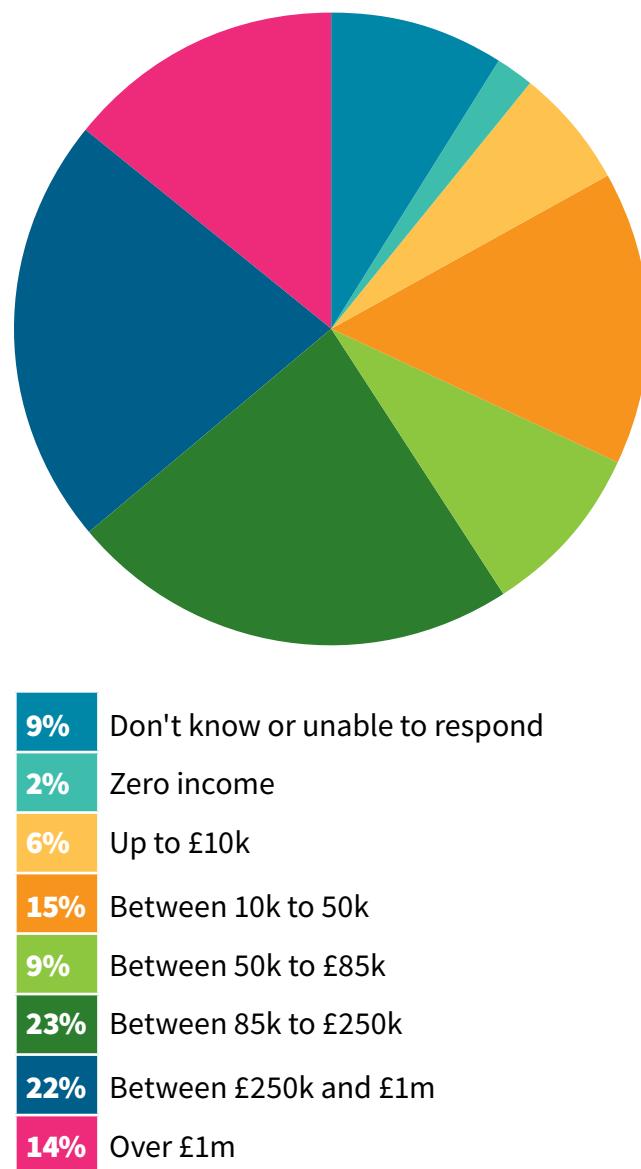
The survey has found that 8% of the sample had private sector legal form of Company Limited by Share, which is the same as the survey of social enterprises in Republic of Ireland.¹⁷ This is lower than the State of Social Enterprise survey (2023) from SEUK which has a sample with 25% having wider legal form, self-identifying as social enterprises and picked up by the survey because they are engaged in the social enterprise networks. The lower numbers for NI may be due to their lower prevalence but also due to their lack of engagement in SE networks and so making them under-represented in this survey. If we take the assumption of 8% of the SE population having private sector legal forms, then we would expect there to be an additional 91 SE. This gives a total of 1225 social enterprises.

Economic significance

To estimate the economic significance of these businesses, we can draw on the data of turnover collected by the survey and extrapolate to the population of NISE. Exact turnover data was not reported by all respondents but data on the size band is available for all. We have therefore used this size band data, with further analysis of the turnover of the SEs over £1m turnover. We have better data for these large SE in the sample.

Social enterprises reported a wide range of turnovers for the last year, with almost three-fifths (59%) earning above £85k with a median turnover in the range of £85-£250k. This is higher than the median figures found in SEUK 2023 survey and these findings may reflect the older, more mature profile of NISE, when compared to the UK as a whole, but may also be due to potential under-representation of younger organisations in the survey. This is also supported by the similarity of our findings with the 2019 survey, where two thirds reported over £100k annual turnover and one third reported above £500k annual turnover.

Figure 1: Annual turnover last year



¹⁷ Social Enterprises in Ireland - A Baseline Data Collection Exercise | 2023- This study found that the sector comprise of 4,335 organisations (approximately 8.5 social enterprises per 10,000 inhabitants)

To estimate the value of the sector, we have taken the midpoint of each category or turnover band and multiplied this by the estimated number of social enterprises in this turnover band. A small number of very large outliers can have very large effects on the mean, so we have taken the accepted practice of using a trimmed 5% mean where the top 5% and bottom 5% are excluded from the analysis. This results in the average size of the £1m+ category social enterprise turnover being £4m. This is also very close to the median figure in this category. We estimate the total sector turnover at £932.9 million.

Even cautious projections highlight a sector that contributes substantially to the Northern Ireland economy. And these figures likely understate the full value of the sector – particularly in terms of unpaid work, volunteer contributions, and wider community impacts that are not effectively captured in financial metrics. Further research is needed to refine and extend this baseline, but the current analysis clearly demonstrates that social enterprises are a vital part of Northern Ireland's economy.

Employment contributions

One of the most substantial economic benefits of social enterprises are the employment opportunities they create. The majority of social enterprises surveyed in Northern Ireland are small-scale employers. Over half (51%) reported having between two and nine employees, while nearly a quarter (23%) had either no employees or just one. A further 21% of respondents employed between 10 and 99 staff. Only 4% employed above 100 individuals. These figures indicate that the social enterprise sector in Northern Ireland is predominantly made up of micro and small enterprises.

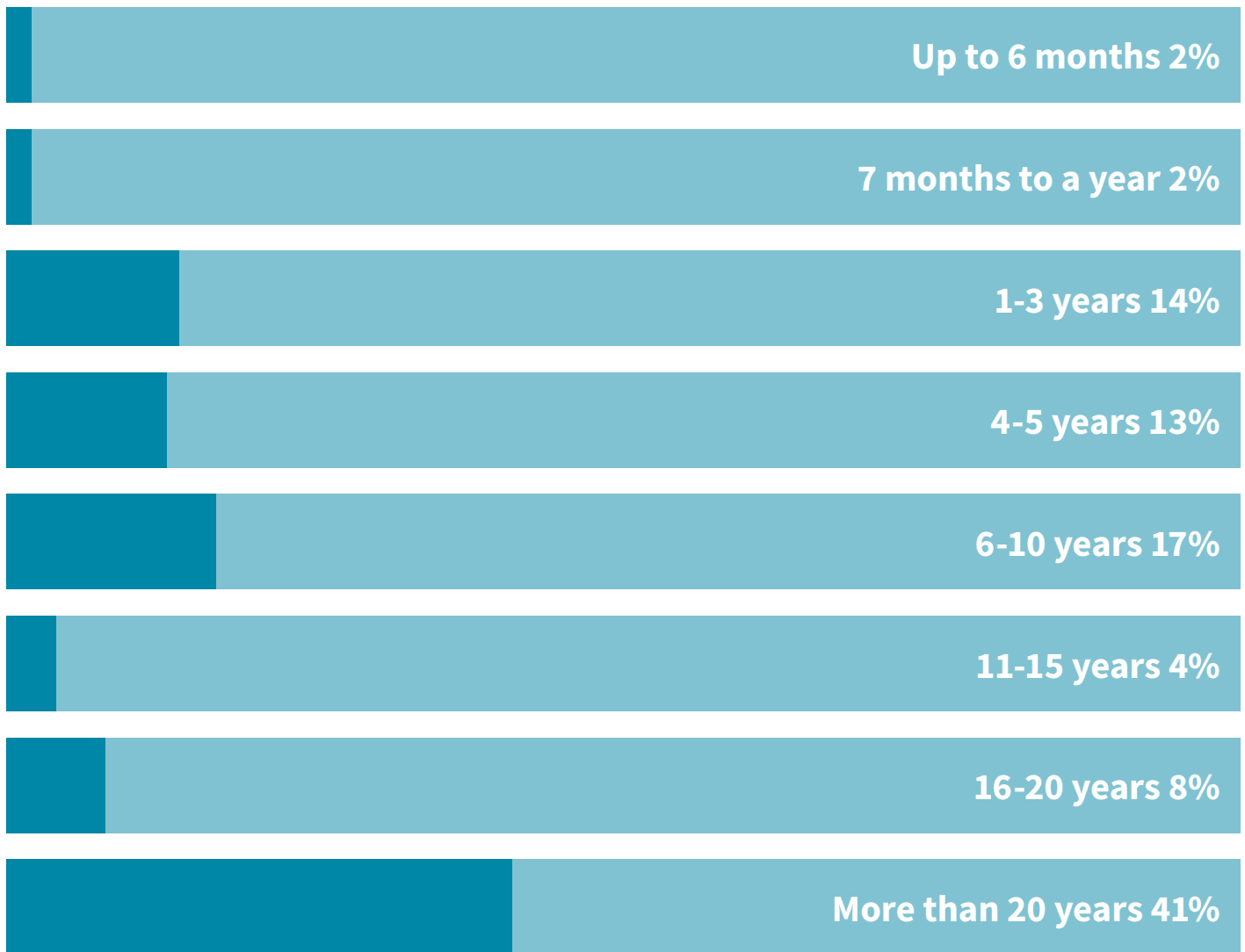
We have also used the 5% trimmed mean to estimate the total employment of NI social enterprises. This has excluded 5% of enterprises with no employees and 5% of the largest outliers. This gives an estimation of 17,300 people.

Trading age and longevity

Over half (53%) of surveyed social enterprises have been trading for more than a decade – highlighting a mature and resilient core of businesses characterised by long-standing community-rooted organisations that have weathered multiple economic and political disruptions. At the other end of the spectrum, 18% of respondents had been trading for fewer than three years. This is notably lower than the proportion of newer enterprises in the SEUK 2023 survey, suggesting either a slower rate of start-up formation in NI or that newer organisations are less likely to be captured in this kind of survey research—perhaps due to limited network engagement or visibility.

Broader UK business data supports the possibility of slower start-up formation. According to ONS Business Demography 2023, the proportion of start-ups in NI has declined from 10% in 2021 to 8% in 2023, while the UK average has remained relatively stable over the same period¹⁸.



Figure 2: Trading age of social enterprises

Interestingly, among the small cohort of younger social enterprises (under 3 years), we found a higher likelihood of these businesses being woman-led and having a higher proportion of trading income compared to older organisations that had a higher proportion of grant income. This points to an emerging generation of entrepreneurial, mission-led organisations with the potential to reshape the

landscape if provided with the right support to scale. One such organisation is Empatheyeyes: a pioneering, women-led, tech-driven social enterprise that exemplifies this new wave of innovation-led social entrepreneurship in Northern Ireland.

Case study: Empatheyeyes

Very few social enterprises globally – let alone in NI – operate at the cutting edge of advanced technology. Fewer still are led by women. Empatheyeyes stands out on both fronts. Founded in 2020 by Sara McCracken, the enterprise combines clinical expertise with virtual reality (VR) innovation to transform how society understands visual impairment. Inspired by her experience as the parent of visually impaired twins, McCracken launched Empatheyeyes to promote greater empathy and inclusion across healthcare, education, and the workplace.

Initially incubated within the charity Angel Eyes NI, Empatheyeyes became a standalone venture to commercialise clinically informed VR training tools. Developed in collaboration with consultant optometrist Professor Jonathan Jackson and software developer Dr Alec Kingsnorth, the platform enables users to experience conditions such as glaucoma and macular degeneration through layered simulations grounded in real clinical data.

The innovation has gained significant traction. With support from Belfast City Council and the Public Health Agency, Empatheyeyes has delivered CPD-accredited training to professionals across all five NI Health Trusts. Its reach has since expanded to Vision Ireland, multiple charities in England, Liberty IT, Power NI, and international partners including ONCE (Spain) and the University of Alabama. Collaborative work is underway with Stranmillis and Queen's University Belfast to embed VR modules into their academic courses.

Yet operating at the intersection of social purpose and tech presents unique challenges. As a social enterprise, Empatheyeyes reinvests profits into social impact, not investor returns: a model often misaligned with tech accelerators and

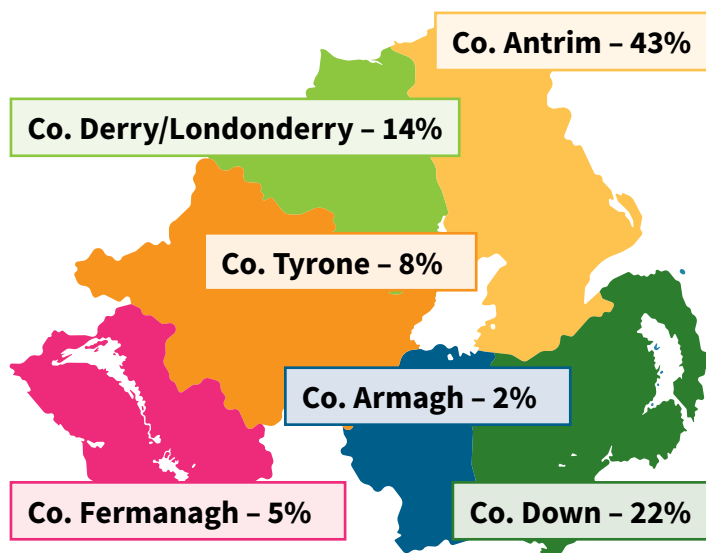


existing funding schemes focused on rapid scale and equity exits. “We don’t make profit to pay bonuses to directors – we’re here to deliver real impact through empathy and understanding,” says McCracken. “But there’s little structural support for tech social enterprises. People don’t know where to place us.”

Empatheyeyes’ journey highlights both the potential of social innovation and the limitations of current support systems in recognising it. Despite delivering award-winning technology and measurable impact, the enterprise remains under-recognised in regional ecosystems. “We need to change the story around social enterprise and the benefits to our communities,” McCracken argues. “It’s not all coffee shops and charity shops. We’re delivering high-tech, high-impact solutions that deserve a seat at the same tables as any other innovator.”

Area of operation

In terms of geographic spread, social enterprises reported being primarily based in:



This survey did not capture data at the Belfast City level specifically. However, given that the city spans parts of both Co. Antrim and Co. Down, a substantial proportion of respondents are likely based in and around Greater Belfast. Previous research suggests that Belfast has become the dominant hub of social enterprise activity, hosting over half (53%) of all SEs as of 2018. This reflects a sharp increase from 35% in 2013, underscoring social enterprise's growing concentration in urban centres.

This urban clustering is consistent with trends across the UK and Ireland and beyond, where access to networks, funding opportunities, and population density tends to favour city-based operations. However, the presence of respondents from every county also reflects the geographic breadth and adaptability of the sector.

Contribution in areas of deprivation

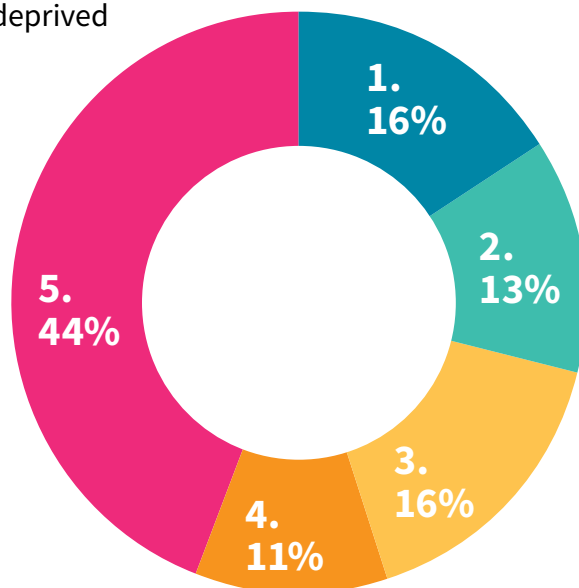
Beyond their geographic and export reach, social enterprises in Northern Ireland are also disproportionately located in areas of highest deprivation. Each small area or neighbourhood can be classified based on its relative deprivation

(based on average incomes, employment rates, health metrics, educational attainment etc) and ranked. This ranking can be divided into five categories or quintiles. According to this survey, 44% of respondents are registered in the most deprived IMD quintile, and 55% fall within the bottom two quintiles (Figure 3). While this data reflects registered addresses rather than the full extent of trading operations, it nonetheless highlights the sector's embeddedness in disadvantaged areas. Of course, some enterprises may be based in deprived neighbourhoods yet trade in less deprived areas, where market conditions may be stronger – particularly for income-generating activities.

This spatial distribution contrasts to some extent with the UK-wide picture: the SEUK 2023 survey found that just 22% of UK social enterprises are based in the most deprived quintile, although this is much higher than the 14% of the broader UK business population. These findings reinforce the particular contribution of NI social enterprises in tackling regional inequality and reinvesting in communities often underserved by mainstream businesses.

Figure 3: Percentage of social enterprises spread between least and most deprived areas

1 being least deprived and 5 being most deprived



Principal social and environmental missions

Social enterprises in NI, like their counterparts elsewhere, trade to achieve social and environmental goals rather than to maximise profit. However, the mission profiles of respondents reveal some notable regional distinctions.

The most frequently reported primary mission among survey respondents is benefitting a particular community (50%). Other leading goals include supporting vulnerable communities (42%), improving mental health and wellbeing (42%), creating employment opportunities (34%), improving physical health (28%), and addressing social exclusion (25%).

These patterns align broadly with SEUK 2023 data, where employment creation, mental and physical health, and climate-related missions also

featured prominently. Yet, NI Social enterprises place significantly greater emphasis on benefits to particular community (50% in NI vs. 37% UK-wide) – a difference that may reflect Northern Ireland’s distinct historical context. The region’s social enterprise ecosystem has been shaped by grassroots efforts to rebuild trust and community resilience in the wake of conflict, often supported by targeted reconciliation funding such as the PEACE PLUS programme (€1.1 billion, 2022–2027).

Survey analysis also shows that organisations with a primary mission of benefitting particular communities are significantly more likely to be well-established with 68% of those trading more than 10 years having a focus on benefitting particular communities. This suggests that a long-term, place-based commitment is closely linked to wider forms of social and economic contribution.

Case study: The Workspace Group

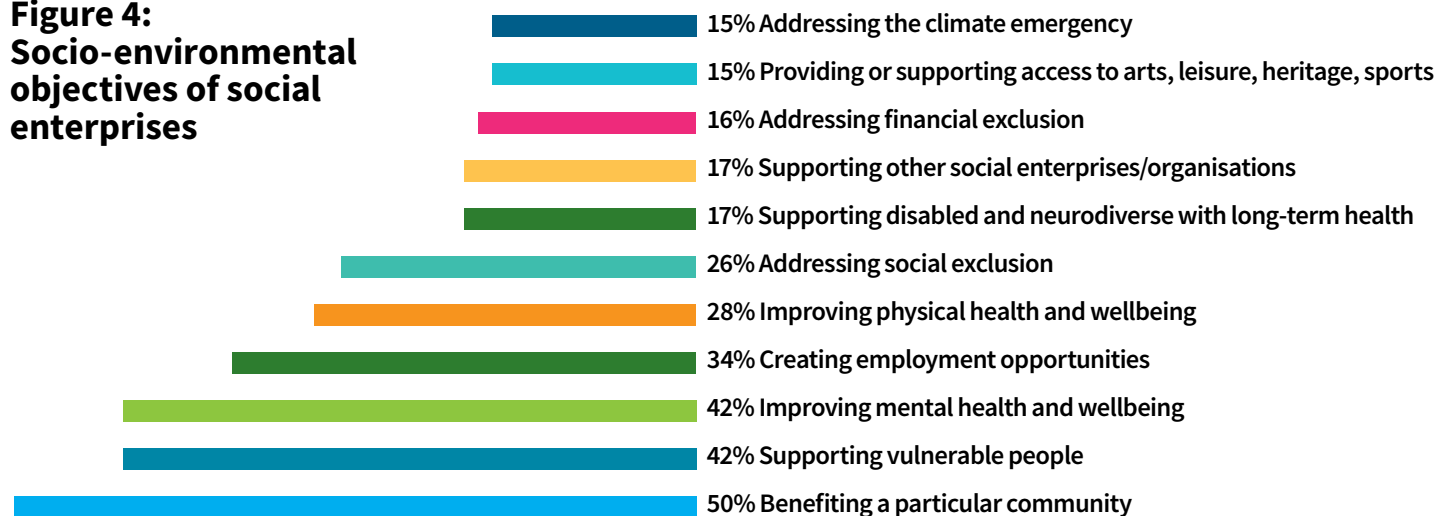


An exemplar of this community-rooted, employment-creating model is The Workspace Group. Founded in 1985 in Draperstown, the Workspace Group emerged as a response to deep rural unemployment and community decline. A handful of residents, frustrated by decades of

neglect, chose to act. By raising £40,000 locally to build enterprise units, they began a journey of grassroots regeneration that would transform their area. Today, The Workspace Group is a major enterprise operating across property, recruitment, manufacturing, and energy efficiency sectors. All profits are reinvested into the Draperstown community, supporting everything from youth clubs to sports facilities and a thriving community hub.

In 2024, Workspace won both Social Enterprise NI’s and Social Enterprise UK’s ‘Social Enterprise of the Year’ awards – recognition of its exceptional impact, innovation, and sustained commitment to place-based regeneration.

Figure 4:
Socio-environmental
objectives of social
enterprises



Principal trading activity

Social enterprises can have trading or business activity aligned with their mission or in other activities that can generate a surplus to fund their wider goals. They are active across every sector of the economy, from delivering critical public services such as education and healthcare to high street retail and professional services. Social enterprises in NI are clustered predominately in culture and leisure (14%), education and skills development and financial support services (both 11%).

This differs from the UK-wide pattern, where education (14%), retail (14%), and creative industries (9%) dominate (SEUK 2023). It is particularly notable that culture and leisure activities account for a much higher share in NI than in the UK overall (14% in NI vs. 3% in UK). This may reflect NI's strong community centre and sports-based activity, where related cross-cutting services like childcare (46%) and healthcare (30%) are commonly offered. The case study of Playing for the Future shows how sport activities are both a source of trading income and a way to have greater social inclusion.

Case study: Playing for the Future

Founded in Portadown in 2011, Playing for the Future is a Community Interest Company (CIC) that uses football and multi-sport programmes as vehicles for social inclusion, youth empowerment, and cross-community integration. Initially formed as a constituted group in 2009, the organisation now operates across Northern Ireland and England, delivering high-profile events and grassroots engagement alike.

Its principal trading activities centre on sport-based programmes, including academy membership fees, tournament participation, and sponsorships. Flagship initiatives such as the ABP Craigavon Cup, Belfast Youth Cup, and Playing for

the Future Academy attract hundreds of teams from across the UK and Ireland each year. These activities generate income while simultaneously creating powerful social value: fostering new friendships, building confidence, and showcasing Northern Ireland as a welcoming and inclusive place.

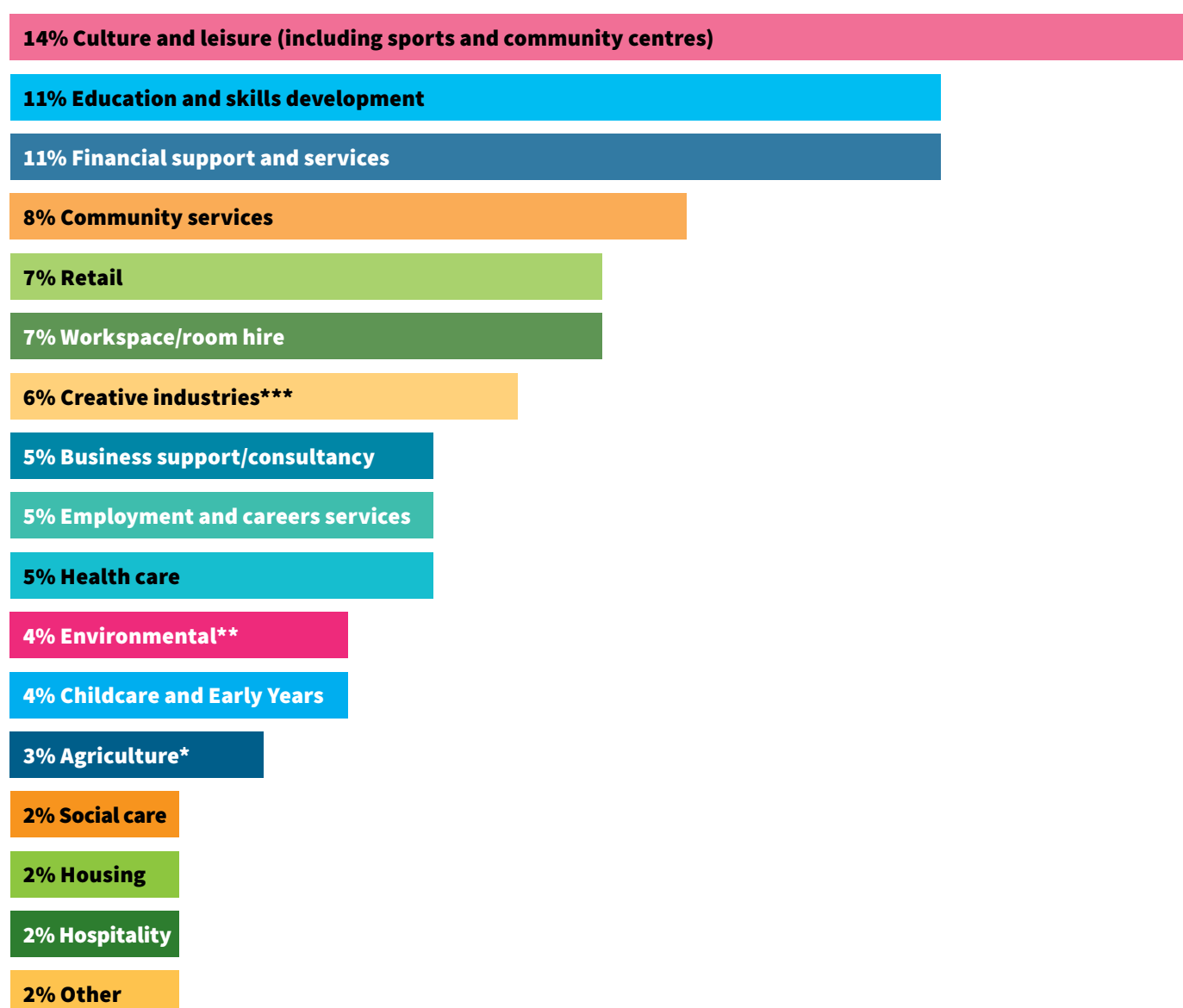
Playing for the Future exemplifies the contribution of culture and leisure enterprises to Northern Ireland's social economy – demonstrating how sports-based trading models can deliver meaningful impact across health, education, and community cohesion.

The financial services sector (11%) is also significant, pointing to the unique strength of credit unions and community finance providers in Northern Ireland - more prominent than in other UK regions.

It is notable that both in NI and across the UK social enterprises are far more common in education than in the mainstream UK business population. Just

1.7% of all UK businesses operate in education, making the high prevalence in social enterprise a strong marker of social value creation through training, skills development, and lifelong learning.

Figure 5: Principal trading activity for generating income



* Agriculture – farming/gardening

** Environmental – recycling, re-use, awareness etc

*** Creative industries – performing arts, music, film and television, book/magazine publishing, advertising, web, design, print, digital marketing

4. Financial performance and operations

This section explores how social enterprises in NI generate income, who they trade with, the nature of their trading activity, and how their performance compares to UK-wide trends. It also highlights the hybrid business models many employ and reflects on how service-based delivery remains central to their identity.

Income generation from trading

Of the 91 respondents who could give details, an average of 69% of their income is generated through trading activities, with 77% of respondents reporting that more than half of their income comes from trade rather than grants or donations. By

comparison, UK-wide data from SEUK 2023 shows an even higher trading ratio, with social enterprises on average generating 82% of income from trade. Older established respondents (established over 10 years) are more likely to be earning a higher proportion trading income (72%) than those established for up to three years (58%). CIC's were significantly more likely to derive a higher proportion of income from trading activities.

The overwhelming majority of organisations deliver services (87%), while fewer offer products (28%). Compared to UK-wide data (SEUK 2023), NI social enterprises report similar levels of service delivery (86% in the UK) but lower levels of selling products (45% in the UK). This highlights a somewhat more specialised, service-oriented economy among NI social enterprises.





Among the 37 organisations that offer products, 70% (26) also provide services—indicating a hybrid operational model where goods are integrated into broader service delivery. Only 11 organisations focus solely on product sales.

Trading partners and customers

The general public is by far the most common trading partner for social enterprises in NI: 80% of NISEs sell goods or services directly to individuals, and for over a third (35%), this is the main source of income. This direct-to-consumer trading underlines the sector's visibility in everyday life—from cafés and childcare centres to training services and community events.

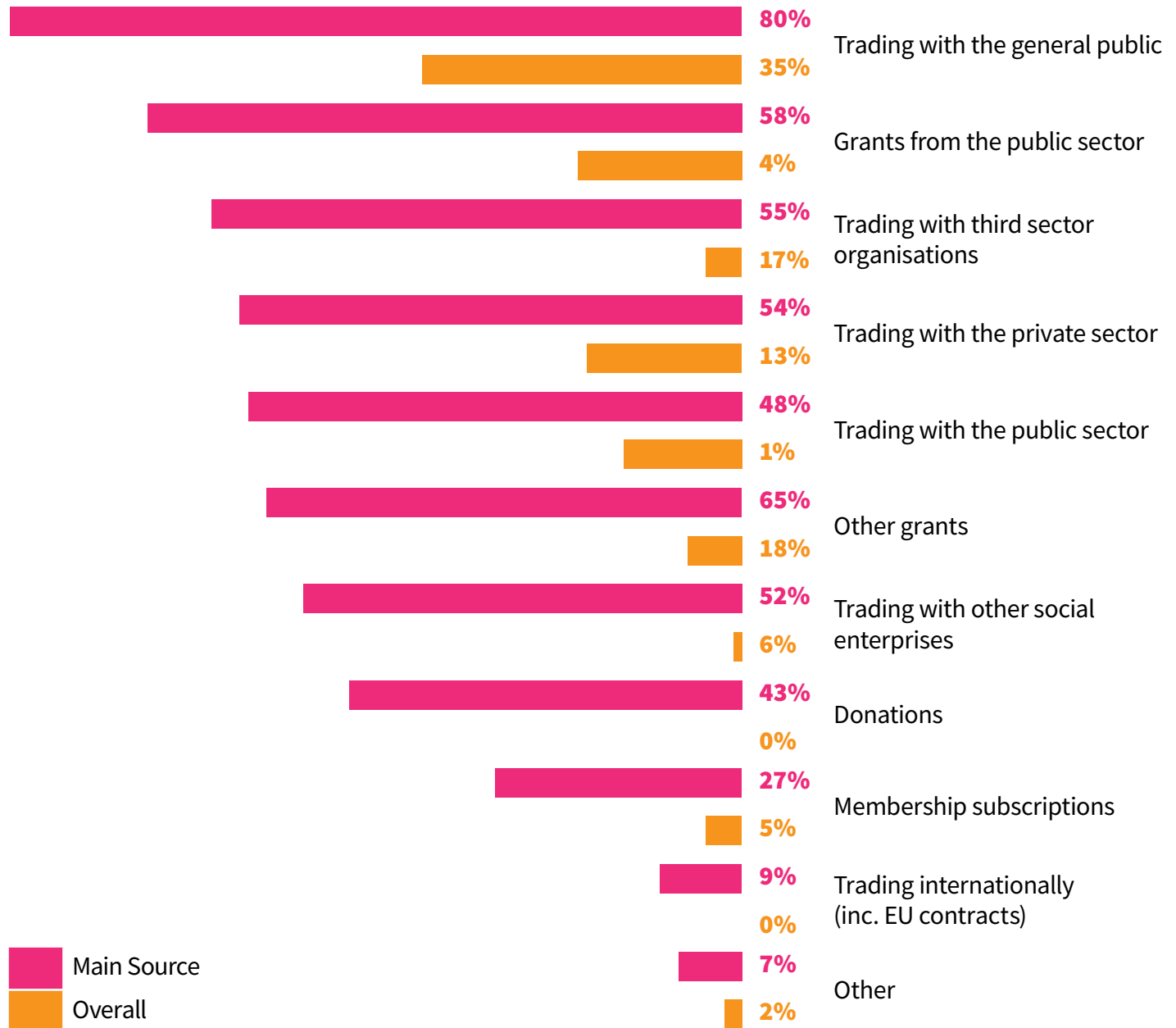
However, trading with other sectors is also widespread:

- **58% trade with other third sector organisations, though only 4% cite this as their main income source.**

- **55% trade with private businesses (17% primarily rely on this stream).**
- **54% trade with the public sector, though just 13% name it as their dominant income source.**
- **Nearly half (48%) trade with other social enterprises, but for only one respondent was this the primary income stream.**

Despite these diverse trading relationships, public sector grants remain essential:

- **65% of social enterprises receive grants from government or local authorities, making this the second most frequently cited income source and the main income stream for 18%. Other grants (52%), donations (43%), and membership fees (27%) also supplement income, particularly for organisations delivering community and social outcomes not easily monetised.**

Figure 6: Trading partners and customers

This profile is broadly in line with UK-wide data from SEUK 2023, though NI social enterprises appear more slightly reliant on public sector grants (65%) than their counterparts elsewhere in the UK (52%). This may reflect both the nature of social needs in NI and the continued role of government in supporting social value creation.

Case study: Madlug

Madlug (Make A Difference Luggage), founded in 2015 by Dave Linton, is a social enterprise committed to restoring dignity to children in care. Upon learning that many children in the care system move their belongings in black bin bags or plastic shopping bags, Linton created Madlug with a clear social mission: “No child or young person carries their life in a bin bag.”

Operating on a “Buy one, Wear one, Help one” model, Madlug offers a range of high-quality bags, including backpacks, roll-tops, duffels, and travel luggage. For every bag purchased, a pack-away travel bag is donated to a child in care. To date, over 125,000 bags have been distributed across the UK and Ireland—directly addressing the indignity these young individuals face.

While most NI social enterprises are service-led, Madlug stands out as a product-based trading enterprise, generating income primarily through direct and B2B sales. Its growth was initially supported by influencer-led visibility and consumer sales, but the organisation’s real scaling power has come through strategic corporate partnerships—with clients including IKEA, Shopify, John Lewis, and BT. These B2B channels now account for the majority of Madlug’s income, demonstrating how social enterprises can thrive in mainstream markets while delivering high-impact missions.

Yet despite its success, Madlug’s experience also illustrates the structural limitations facing social enterprises. “Social enterprises like us aren’t at the table enough,” says founder Dave Linton. “Business leaders get invited into rooms that we’re kept out of—strategic networking, being

showcased as Northern Irish companies. When we speak, we’re still treated as tokenistic rather than serious players.”

Madlug shows what’s possible when strong branding, clear social purpose, and corporate partnership come together. But it also highlights the importance of creating equitable access to strategic networks and business development ecosystems, so that high-performing social enterprises can fully realise their potential as economic and social contributors.



Public contracts and social value

Just over a quarter (28%) of NI social enterprises reported bidding for public sector contracts in the past 12 months, with a further 8% expressing interest without submitting a bid. Larger social enterprises (those with more than 10 employees) were significantly more likely to have bid (49%), particularly those focused on social exclusion (47%) and physical/learning disabilities (48%). This bidding rate is slightly higher than the UK average reported in SEUK 2023 (28% in NI vs 23% for UK) but similar in terms of the proportion expressing an interest but then deciding not to bid (8%).

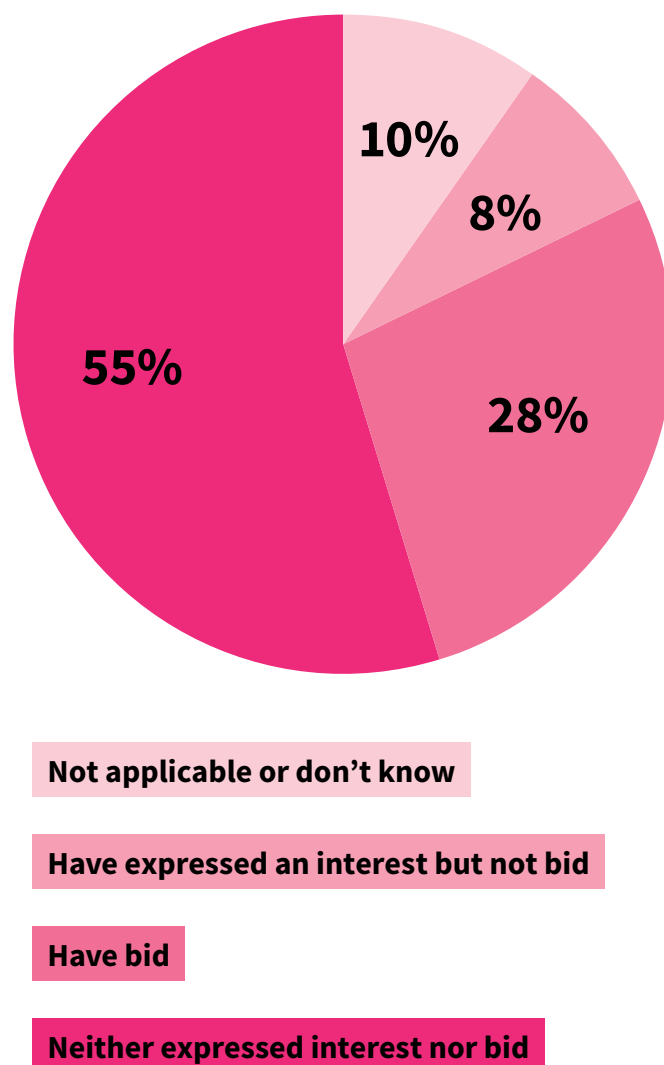
Both survey responses and workshop discussions revealed ongoing challenges in identifying suitable opportunities and navigating procurement processes. Although guidance in Procurement Policy Note (PPN) 04/21¹⁹ encourages public bodies to give ‘consideration...to seeking quotations from SE, CVS and Microbusinesses for contracts below £50,000’, workshop participants noted that implementation of this guidance is inconsistent, and awareness of this guidance varies across departments and agencies.

Similarly, PPN 01/21²⁰ mandates that those assessing bids must have a scoring criteria with a minimum of 10% of the total award criteria be allocated to social value, but this requirement only applies to larger contracts. Contracts falling below thresholds are not required to score social value—although social value may still be included as a contract condition. This thresholding creates inconsistencies in how social value is factored into smaller-scale procurement exercises, which many social enterprises are more likely to engage with.

Among the 35 respondents that had considered bidding, over three-quarters reported being asked at least once about additional social or environmental value beyond the core deliverables. However, only 37% said this was found in all their invitations to bid they responded to. The most commonly requested areas of social value were promoting wellbeing and

increasing employment and skills (each cited in around 75% of cases), followed by building ethical and resilient supply chains (37%) and delivering climate action (23%).

Figure 7: Percentage bidding for public contracts in last year



19 <https://www.finance-ni.gov.uk/publications/ppn-0421-procurement-control-limits>

20 <https://www.northernireland.gov.uk/publications/ppn-0121-social-value-procurement>

Case study: Revisiting The Workspace Group

As described above, The Workspace Group exemplifies an award-winning, community-rooted social enterprise model. But beyond its place-based mission, Workspace also illustrates the strategic role public sector contracts can play in sustaining and scaling social impact.

Public sector contracting has been a cornerstone of The Workspace Group's impact and financial sustainability. Through ventures like 'Network Personnel' and 'HomeSeal,' the group has delivered key services funded by government and EU programmes, including employment support and home insulation schemes, across Northern Ireland and the Republic. These contracts, together with their other commercial enterprises, have generated stable income while enabling tangible social, economic and environmental benefits, from reducing fuel poverty, facilitating business start-ups, providing social inclusion activities, childcare and health facilities to helping people into work.

Yet Workspace acknowledges systemic challenges in public sector contracting. Contract cycles are often short-term, with decisions arriving dangerously late. "We're often on a cliff edge,"

says CEO Georgina Grieve. "We've waited until March for decisions on contracts ending the same month. You can't invest strategically or retain talent under these conditions." Such uncertainty hampers proactive growth and strategic investment, undermining otherwise strong relationships with public bodies.

Another issue raised by former Chief Executive Patsy McShane is the persistent misunderstanding of profit within the social enterprise sector. "Profit isn't a dirty word," he says. "It's what you do with it. If you don't make profit in some of your ventures, you will have nothing for the community." That's why The Workspace Group proudly describes itself as a "profit-for-purpose company."

Looking ahead, The Workspace Group advocates for longer-term public contracts, earlier decision-making in procurement cycles, and a sector-wide shift to embrace "profit-for-purpose" as fundamental to the sector's impact and long-term sustainability. Their experience shows that, when trusted and supported, social enterprises can deliver on public goals with scale, quality, and long-lasting community benefit.

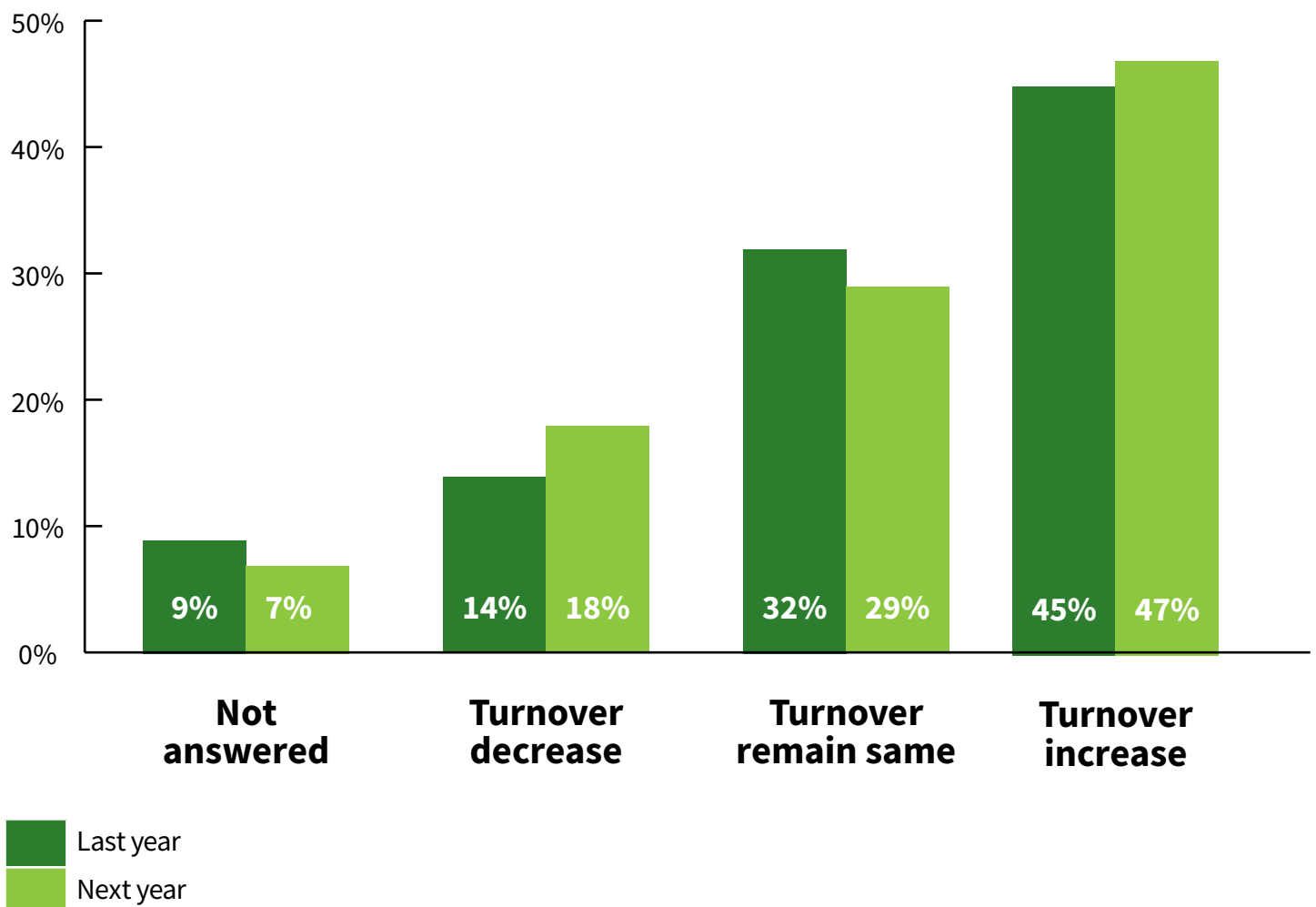


Recent turnover trends

Nearly half (47%) of NI social enterprises reported an increase in turnover over the last financial year, with a further 29% remaining stable and 18% experiencing a decline. This growth rate is slightly behind that of social enterprises across the UK in 2023 but still ahead of the UK's mainstream small and medium-sized enterprises (SMEs), where only 40% reported turnover growth and 27% reported a decline (LSBS 2023). Employment trends show a similar pattern: 31% of NI social enterprises increased their staff number in the past year, compared to 28% of mainstream SMEs in 2023.

Growth was not uniform across the sector. Smaller social enterprise with annual turnover under £85k were less likely to report growth (only 33%). Those under £150k were also more likely to experience declining sales (27%). Social enterprises that sell directly to the general public were also more likely to report turnover increases, perhaps suggesting a stronger market position in B2C environments.

Figure 8: Turnover change last year and forecast for next year



Looking forward

Looking to the next 12 months, 45% of social enterprises in NI expect to grow their turnover, while 14% anticipate a decline. This outlook is more cautious than that reported across the UK social enterprise sector, where 62% forecast growth (SEUK 2023). The lower forecast in NI may reflect the comparatively smaller share of younger enterprises (under three years old), which typically report faster growth, but it may also reflect a more challenging external environment in 2025, including continued inflationary pressures and recent increases in employer National Insurance Contributions (NICs).

Nevertheless, NI social enterprises remain more optimistic than UK SMEs overall: only 40% of SMEs across the UK forecast turnover growth in 2023, and 27% expected a decline (LSBS 2023).

Age appears to be a factor in growth expectations. Social enterprises operating for more than 11 years were significantly less likely to forecast increased turnover—only 11% expected growth.

Table 2 : Turnover expectations in areas of different levels of deprivation

	Increase turnover	Decrease turnover	Stay the same	Don't know
1 - Least deprived	26%	11%	7%	
2	14%		20%	
3	14%	16%	17%	22%
4	12%	5%	15%	11%
5 - Most deprived	34%	68%	41%	67%
Total responses (count)	58	19	41	9



Expectations also vary markedly by geography and deprivation. Of those anticipating turnover growth, the largest share (34%) are based in the most deprived areas (quintile 5), compared to 26% from the least deprived (quintile 1). However, the most deprived quintile also accounts for the vast majority (68%) of those expecting a decline in turnover. This suggests that while many social enterprises in deprived areas are optimistic about growth, others are facing acute challenges – pointing to a more volatile and uneven operating environment. By contrast, social enterprises in less deprived areas show more moderate expectations: they make up 26% of those forecasting growth, but just 11% of those expecting a decline.

These findings highlight the importance of place-based policy support. Social enterprises in deprived areas often demonstrate strong ambitions for growth but operate under more precarious conditions – suggesting that targeted interventions could unlock their potential and build resilience.

Profits and surplus

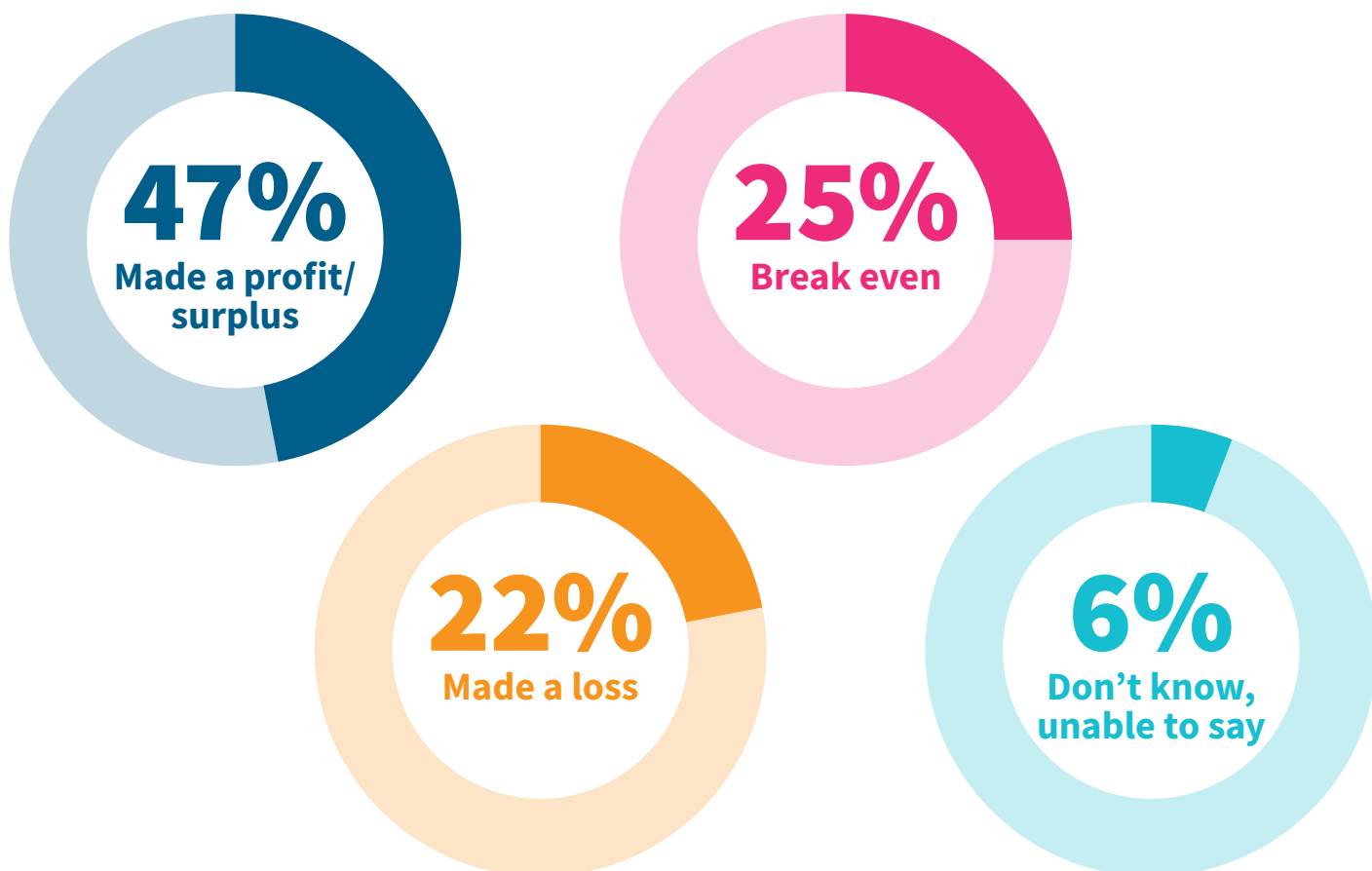
Social enterprises generate profits and surplus for a purpose, most of which is reinvested into their social and environmental missions. This report does not attempt to quantify exact profit figures, as most social enterprises reinvest surpluses in their mission throughout the year in ways that may not be fully captured in year-end accounts.

Almost half (47%) of NI social enterprises reported making a profit in the last financial year, while 22% reported a loss. Profitability was more common among larger social enterprises, particularly those with more than 10 employees. It was also more likely among enterprises that focused on employment outcomes (62%) or traded directly with the general public (65%). In contrast, profit was less common

among smaller organisations, especially those with annual turnover under £150,000 (only 30% reported a profit) and using public sector grants (33%). These relationships were statistically significant, with confidence levels exceeding 95%, indicating that they are unlikely to be due to chance.

NI social enterprise levels of profitability are broadly in line with the UK-wide picture reported by SEUK in 2023, where 48% of social enterprises made a profit and 26% reported a loss. However, given that the sample contains a higher proportion of more established and higher-turnover organisations compared to the UK average, the level of reported profitability may be somewhat lower than expected – particularly as younger social enterprises tend to take longer to reach financial sustainability.

Figure 9: Percentage with profit/surplus in the last year



Actions for growth

Over the past 12 months, social enterprises across NI have taken a range of actions to support business and impact growth. These efforts range from increasing marketing efforts, to developing new products or services, through increasing cross-sector partnerships. Among those expecting to grow in the coming year, many are already planning further strategic investments and initiatives to achieve this.

Actions taken in the past 12 months

The vast majority of NI social enterprises (94%) took some form of action to grow in the last year. These actions reflect a broad understanding of growth, not only in financial terms but also in relation to social impact and organisational capacity.

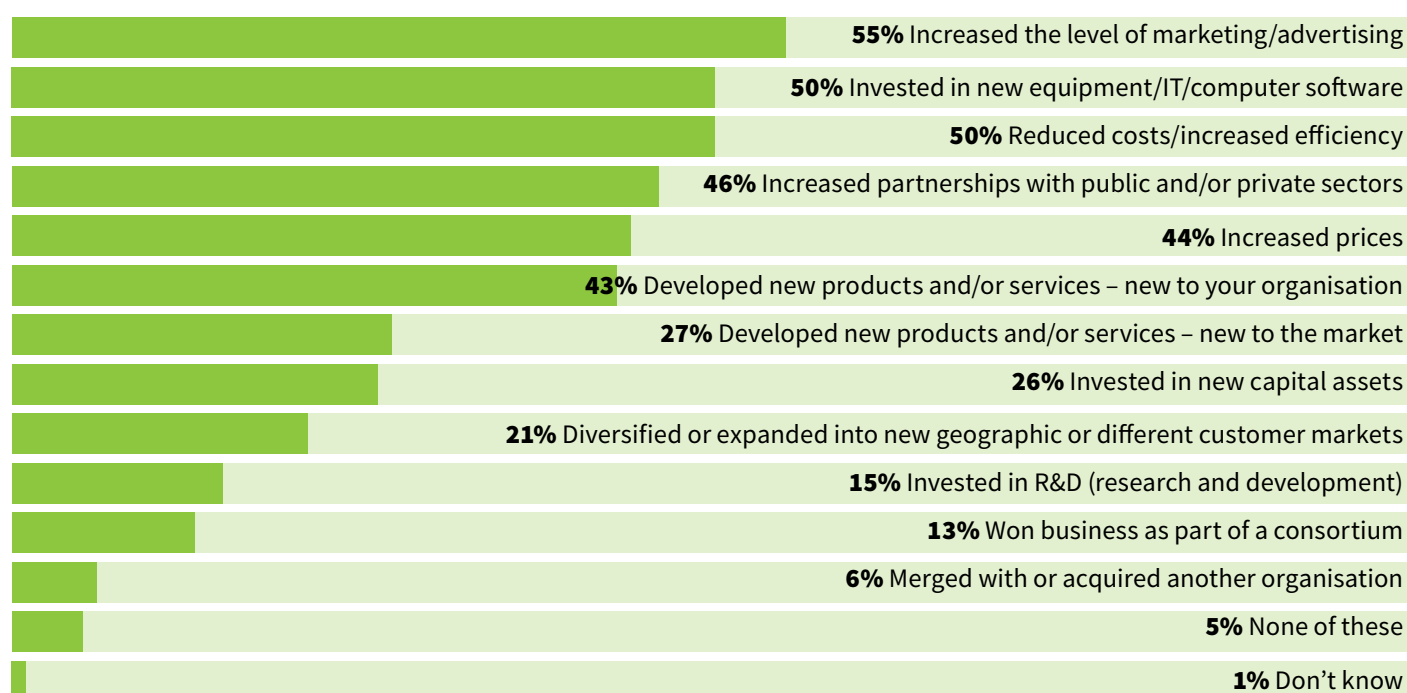
The most common activities included: Increasing the level of marketing (55%); Investing in IT and digital tools (50%); Implementing cost-saving efficiency measures (50%); Expanding public and private sector partnerships (46%); Increasing organisational spending to enable future growth (44%); and Developing new products or services that were new to the organisation (43%).

These figures align closely with UK-wide data from SEUK (2023), though NI social enterprises placed slightly more emphasis on marketing and slightly less on new product development (53% across the UK). However, NI social enterprises remain notably more innovative than mainstream SMEs; fewer than one-third of UK SMEs reported innovating with goods or services in 2023 (LSBS 2023).

Larger social enterprises – those with 10 or more employees – were significantly more likely (at a >95% confidence level) to have taken proactive steps to grow. These included: Investing in new IT systems (80%); Purchasing capital equipment (40%); Reducing operational inefficiencies (69%); Securing business as part of a consortium (26%).

Efforts to secure public contracts were also associated with particular growth strategies. Social enterprises bidding for public contracts were significantly more likely to: Implement efficiency improvements (68%); Diversify into new markets (38%); Invest in capital assets (44%) and Expand cross-sector partnerships (68%).

Figure 10: Business development activities undertaken in last year

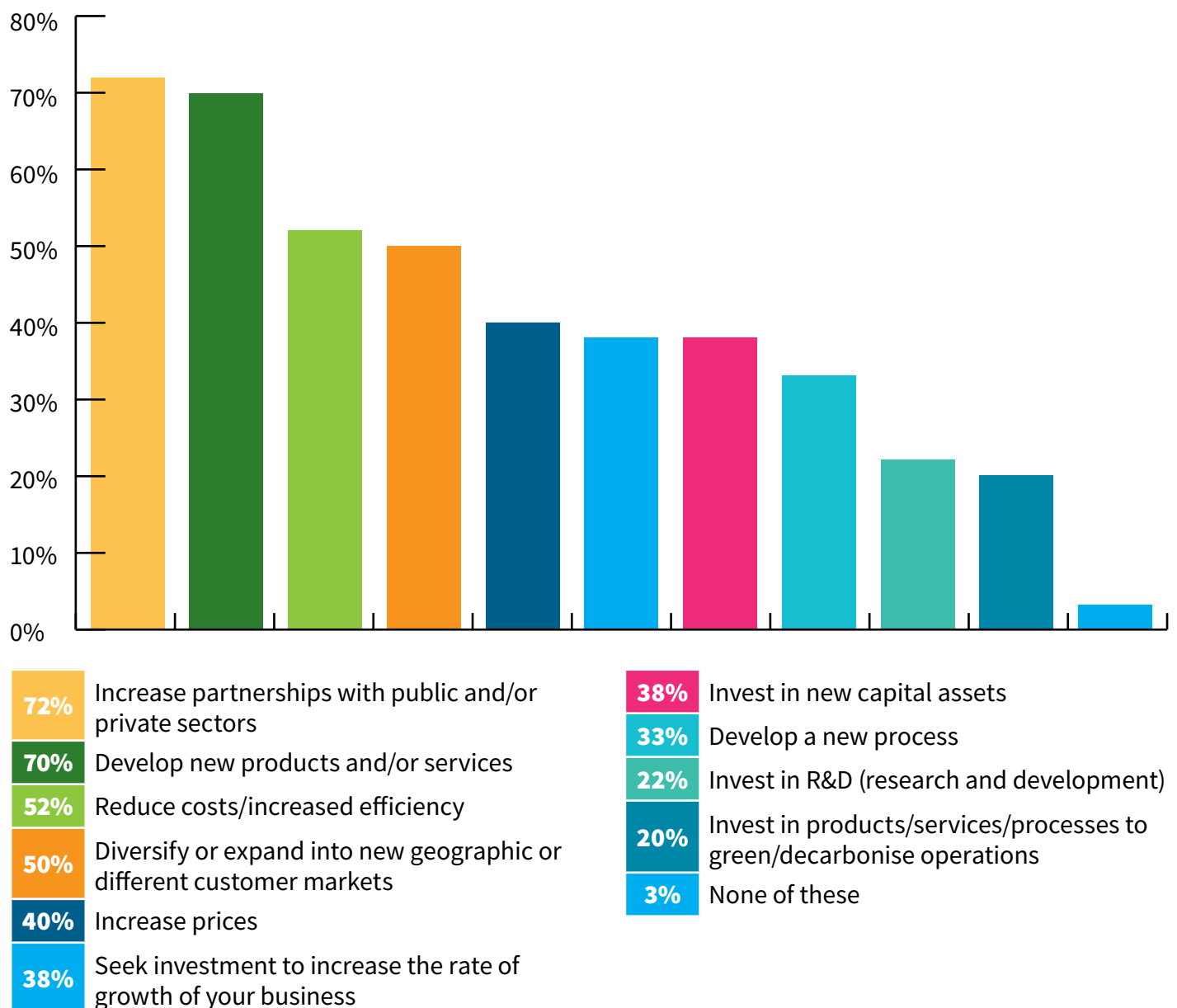


Actions taken by those forecasting future growth

Among the 47% of 60 respondents who expect to grow their turnover in the coming year, several forward-looking strategies stand out: Increasing public and private partnerships (72%), Developing new products and services (70%), Reducing costs and improving efficiency (52%), Diversifying into new markets (50%), Raising prices (40%), and Investing in capital assets (38%).

These intentions mirror patterns seen in the SEUK 2023 data, reinforcing the idea that social enterprises in Northern Ireland are pursuing broadly similar strategies to their counterparts elsewhere in the UK.

Figure 11: Plans for achieving forecast growth (60 respondents)



5. Leadership, governance, and employment

This section sets out the social characteristics of social enterprises, how they are led, who they employ and what kind of difference they are trying to make.

Leadership

Social enterprise leadership is integral to their mission delivery and, as such, senior teams tend to be more reflective of wider society than in other forms of business.

- **75% of NI social enterprise leadership teams include at least one person with lived experience of the social issue their organisation aims to address**
- **44% of NI social enterprises are female-led, significantly higher than the UK average for all businesses, though slightly below UK social enterprise average of 59% (SEUK 2023).**
- **97% of NI social enterprise leadership teams include at least one woman**
- **4% of leadership teams are led by people from ethnic minority backgrounds in line with regional population demographics**
- **17% are led by people with disabilities or who are neurodiverse and almost half (49%) include at least one person from these groups in leadership teams**

The typical leadership team comprises six members, including directors, trustees, and non-executive board members. Over a fifth (22%) of NI social enterprises have leadership teams of 10 or more, reflecting the diversity, complexity and participatory nature of social enterprises.

These figures suggest that social enterprises in NI are not only committed to addressing structural inequalities in representation and voice, but are also working to embed that commitment in how they structure and lead their organisations.



Governance and board composition

Boards play a central role in how social enterprises in NI govern their activities and uphold their social missions. The data reveals a sector that is deeply rooted in community representation, with governance models that prioritise accountability, inclusion, and stakeholder voice:

- **90% of boards include local community representatives, with over half (57%) comprising almost entirely local representatives.**
- **29% include employees, a figure lower than the UK SE average (55%).**
- **46% include service users, well above the UK-wide average of 31%.**
- **48% include elected representatives, compared to 26% in the SEUK survey.**
- **97% of boards have at least one female member.**

These patterns reflect the participatory ethos of social enterprise in NI, where governance structures often prioritise proximity to place, service users, and community stakeholders. Compared to the SEUK 2023 survey, NI social enterprises show a significantly higher inclusion of local voices, service users, and political representatives on their boards. However, they are less likely to include employees or be led by women (44% vs. 59%).

This strong community orientation brings both strengths and challenges. On one hand, it enhances trust, legitimacy, and alignment with local needs. On the other, it can raise practical questions about how best to balance inclusive representation with effective governance. One social enterprise that has grappled with this tension directly is Boundary Brewing Cooperative.



Case study: Boundary Brewing Cooperative

Founded in East Belfast in 2014 as an Industrial and Provident Society, Boundary Brewing Cooperative set out to create a different kind of brewery - one owned by and accountable to its members. Today, it operates two sites: The *John Hewitt* in Belfast city centre and its brewery and taproom on the Newtownards Road. Funded through community shares and supported by over 2,000 members, Boundary combines commercial activity with a participatory governance model.

The cooperative's structure ensures that each member has a vote and a voice. Key decisions – from board elections to the reinvestment of profits – are made democratically. The intention is to build a business that values inclusion, transparency, and shared ownership alongside commercial resilience.

However, running a democratic business model brings practical challenges. As co-founder Matthew Dick explains, “One of our biggest governance challenges is that anyone can become a director. It means we sometimes lack the experience needed on the board... and that can slow things down.”

To strengthen governance, Boundary has engaged Co-operatives UK to support board development, clarify roles, and build capacity.

The aim is to maintain accountability and openness while improving strategic decision-making.

This tension between inclusive representation and professional governance is not unique to Boundary. Across the social enterprise sector, organisations often rely on boards made up of volunteers or elected members who care deeply about the mission but may lack formal business experience. This can pose challenges in areas such as risk management, financial oversight, and strategic planning.

Boundary's response has been to acknowledge these trade-offs and seek practical solutions – a lesson that applies more broadly. As the cooperative continues to expand, its focus remains on refining governance processes that work for its size, structure, and values.

The case highlights a broader need for tailored board development support across the social enterprise sector, particularly for organisations with participatory governance models. Investment in governance training, succession planning, and strategic guidance can help social enterprises grow without losing what makes them distinctive.





Employment

Social enterprises in NI are important employers – not only in terms of numbers (which we estimated to total some 17,300 people) but also in how and whom they employ. This section explores the composition of the workforce, expectations for staff growth, and the employment conditions that shape working life across the sector.

Workforce diversity

Social enterprises in NI play a key role in offering inclusive employment opportunities, particularly in communities facing labour market disadvantage. Among those with paid employees:

- **82% report that at least half of their workforce are women, and 22% say their entire workforce is female**
- **Among enterprises with more than 10 employees, 71% report that at least half of their staff are women**

This reflects a relatively high rate of female participation, though overall gender diversity appears slightly lower than across the UK social enterprise sector as a whole.

These patterns are also shaped by geography. Social enterprises with a high proportion of female staff are more likely to be located in areas of higher deprivation:

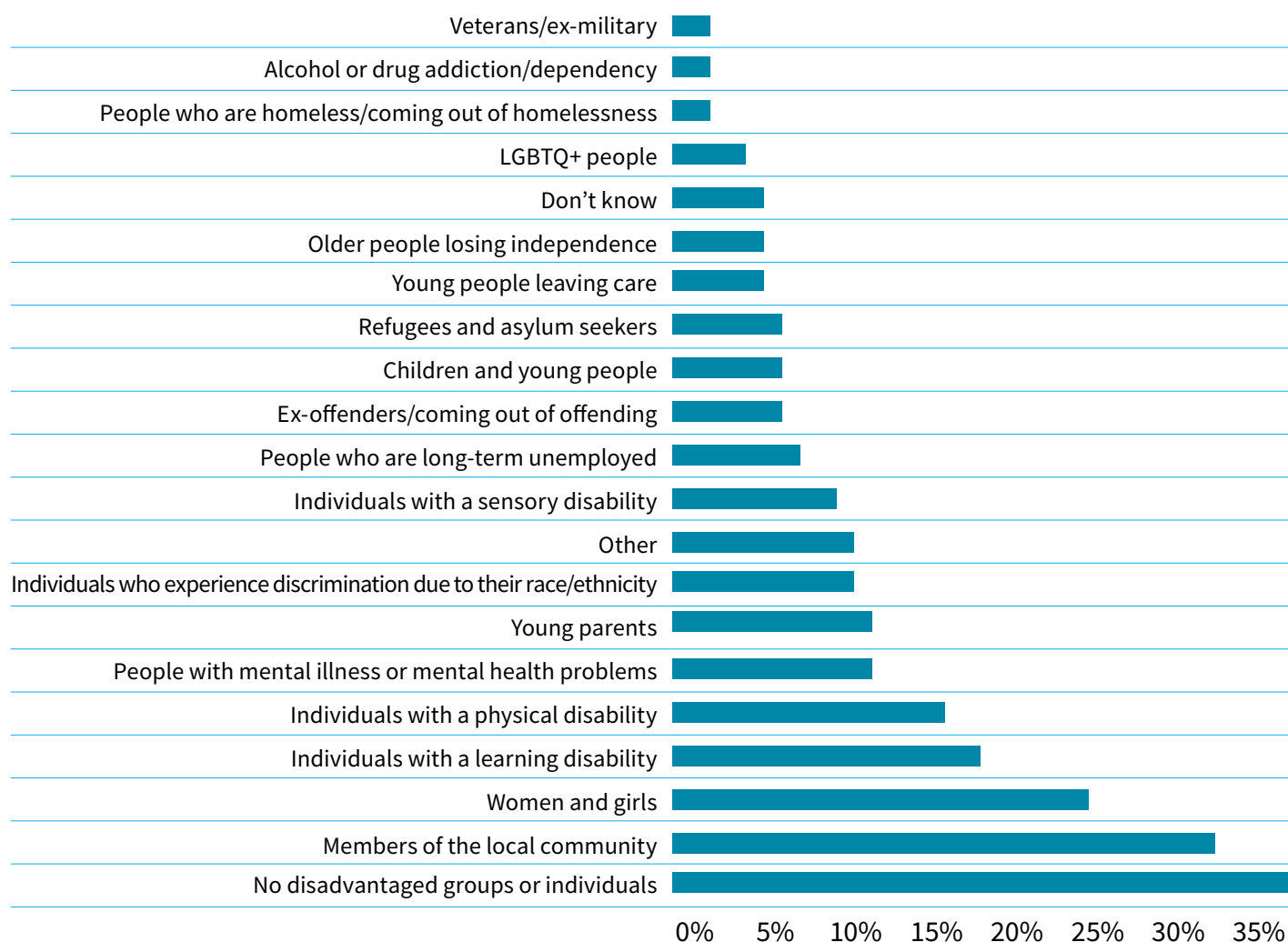
- **50% of those with at least 50% female staff are based in the most deprived quintile, compared to just 21% in the least deprived**
- **Among those with an all-female workforce, around a quarter operate in the most deprived areas**

In terms of ethnic and disability representation:

- **70% of NI social enterprises report having no employees from ethnic minority backgrounds**
- **38% report having no staff with a disability, a figure broadly in line with UK averages (SEUK 2023)**

While these figures may seem low compared to the UK as a whole, they align with the wider demographic context of NI. According to Census 2021, just 3.4% of the NI population identified as belonging to a minority ethnic group, making it the least ethnically diverse region of the UK (compared to 18.3% in England and Wales, and 12.9% in Scotland). By contrast, the SEUK 2023 survey found that just over half of social enterprises across the UK reported having at least one staff member from an ethnic minority background. This gap reflects structural differences in population diversity rather than a lack of inclusive intent on the part of NI social enterprises.

Importantly, many social enterprises in NI actively work to widen access to employment. This includes recruiting from communities that face barriers to the labour market, such as ex-offenders, young people leaving care, veterans, people with physical or learning disabilities, and other marginalised groups.

Figure 12: Groups social enterprises seek to employ

Case study: Harry's Place CIC

Harry's Place CIC and Harry's at 387 are two social enterprise cafés based in Ballynahinch and South Belfast. Operated under the umbrella of 'Harry's Mates,' they are dedicated to empowering adults with learning disabilities, physical disabilities, sensory impairments, and mental health challenges through inclusive employment.

These fully plant-based cafés reflect the founders' ethical and environmental values, offering spaces where customers come for the food but return for the welcoming, community-driven atmosphere.

Many of the team members – known as "Harry's Mates" – face barriers to traditional employment. Through supported training and real-world roles in hospitality, food prep, and customer service, participants build confidence, gain experience, and in some cases move into paid employment and leadership positions.

By embedding inclusive employment into a commercially viable enterprise model, Harry's Place exemplifies how social enterprises in Northern Ireland are creating pathways into meaningful, valued work.



Staff growth and retention

Looking ahead, 31% of NI social enterprises expect to increase their staff numbers over the next year, while 50% anticipate maintaining their current workforce. A smaller share (12%) expect to reduce staffing, and 8% remain uncertain.

Although this is slightly less optimistic than the UK social enterprise average (47% forecast growth), it still compares favourably to the wider SME sector, where only 26% with paid employees anticipate workforce expansion.

Place continues to play a significant role in employment patterns:

- **45% of SEs that plan to increase staff are based in the most deprived areas (lowest quintile)**
- **36% of those maintaining staff numbers are also based in these areas**

This reinforces the sector's importance as a source of employment in areas most affected by labour market exclusion.

Real Living Wage

Social enterprises are also considering the quality of employment with 73% of NI social enterprises with paid staff report paying a minimum of the Real Living Wage.

Staff development and training

Staff at social enterprises are more likely to receive training and development opportunities than employees in other businesses. Only 15% of NISEs offer no training at all, while the majority invest in multiple forms of learning:

- **52% provide both formal and informal training**
- **22% offer informal training only**
- **12% offer formal training only**

These patterns closely align with SEUK 2023 findings, where 77% of social enterprises across the UK reported offering some form of staff training in the past year.

Case study: Sew Ready

When Sarah Hoppé launched Sew Ready in 2022, it wasn't just to teach sewing – she was tackling a gap that had frustrated her for years: fashion graduates finishing university without basic garment construction skills. Sew Ready's mission is to bridge this skills gap by equipping children and adults with sewing know-how, aiming to prepare them for future job opportunities – especially as garment production potentially re-shores to the UK and Northern Ireland.

The enterprise offers a wide range of classes tailored to different age groups and skill levels, from afterschool sessions and holiday camps to adult programmes. Participants learn to mend, alter, and upcycle garments – often culminating in group clothing swaps that promote repair culture and challenge fast fashion habits. “We’re not about producing fashion designers,” says Hoppé. “We’re giving people tools they can actually use – whether that’s mending clothes, starting a creative business, or just feeling capable.”

For many, the impact is tangible: school leavers gain access to further training or apprenticeships; adults returning to work build confidence and



direction; and some participants have launched micro-enterprises or pursued careers in the creative industries.

Sew Ready also creates employment through its own operations. Initially, it hired young people through the JobStart scheme, offering early-career roles in a supportive, values-led environment. But moving from time-limited placements to stable employment has proven difficult. “A salary is expensive,” says Hoppé. “After JobStart ends, our trained staff leave... disrupting our rhythm and creating a cycle of constant retraining.”

The team is now exploring new revenue streams – including social franchising and subscription models – to grow income and support long-term job creation.

Sew Ready's story highlights a broader challenge across the sector: the need for flexible funding that supports both direct employment and employability outcomes. With better access to bridging finance or subsidised wage schemes, social enterprises like Sew Ready could potentially scale their impact, creating hands-on, community-rooted pathways into meaningful, sustainable work.



6. Environmental performance and operations

Environmental sustainability is playing an increasingly important role in how social enterprises operate, make decisions, and define their wider impact. While it is not yet a central mission for most social enterprises in NI, many are taking meaningful steps to embed environmental considerations into procurement, operations, and enterprise models.

Integrated environmental action in practice

In terms of broader mission, 15% of NISEs identify the climate emergency as a central focus—just below the UK SE average of 19%. A further 9% are working on sustainable consumption and production and 4% addressing biodiversity loss including marine conservation. While only a minority of NISEs currently frame the climate emergency as a core mission, some are leading the way in integrating environmental sustainability with social inclusion and economic regeneration. One such example is ReStore, operated by Habitat for Humanity Ireland.



Case study: ReStore (Habitat for Humanity Ireland)

Habitat for Humanity Ireland, established in 1993, began with a mission to promote reconciliation through housing. Over time, the organisation has evolved to address broader social and environmental challenges. A key initiative in this evolution is ReStore, a social enterprise launched in 2012 that operates a network of low-cost home improvement stores across Northern Ireland and the Republic of Ireland.

ReStore embodies a triple-impact model centred on affordability, skills training, and environmental sustainability. By selling donated new and used building supplies, ReStore enables families to improve their homes at reduced cost. The enterprise also delivers OCN-accredited training programmes, such as Foundations at ReStore, which equip individuals with practical skills for employment in retail and related sectors. Environmentally, ReStore supports the circular economy by diverting significant volumes of reusable materials from landfill.

In the financial year ending June 2024, ReStore supported over 120,000 customers, diverted 1,600 tonnes of material from landfill, and

facilitated the reuse of 250 kitchens through its Kitchen Rescue programme. In addition, the House to Home initiative, expanded with support from partners such as M&G, provided practical assistance to vulnerable individuals moving into new accommodation, helping to create safe and welcoming home environments.

ReStore currently operates in Lisburn, Ballymena, Belfast, Newry, Newtownards, Drogheda, and is expanding to Derry and Dublin. Each site is located in an area of demonstrated social need, with premises carefully selected for accessibility and community reach.

Reflecting on this holistic approach, CEO Jenny Williams explains: “ReStore was never about fundraising for charity; it was about sustainability, poverty alleviation, and inclusion in tangible, measurable ways.”

However, Habitat faces challenges common to social enterprises pursuing multi-dimensional environmental impacts. Funding streams often fail to align with the breadth of their outcomes, limiting their ability to scale. “Sustainability grants often prioritise narrow projects,” the team notes. “Our model integrates waste diversion, training, and social inclusion...yet we often fall outside rigid funding categories.”

To address this, Habitat is actively advocating for policies and funding mechanisms that recognise integrated sustainability initiatives. Through its collaboration with Rethink Ireland, which will support ReStore scaling to 3 new communities in ROI, the organisation will also build internal capacity to better measure and communicate its social and environmental impact demonstrating a model of joined-up impact that it believes should become standard across the social enterprise sector.



Social and environmental prioritisation in procurement

Social enterprises often make purchasing decisions based on more than just price:

- **11% prioritise the social and environmental impact of goods and services above cost**
- **63% say cost and social/environmental considerations are equally important**
- **24% prioritise cost alone**

This means nearly three quarters (74%) of NI social enterprises place at least equal weight on social and environmental impact in procurement, though this is slightly lower than the UK average (83%, SEUK 2023).

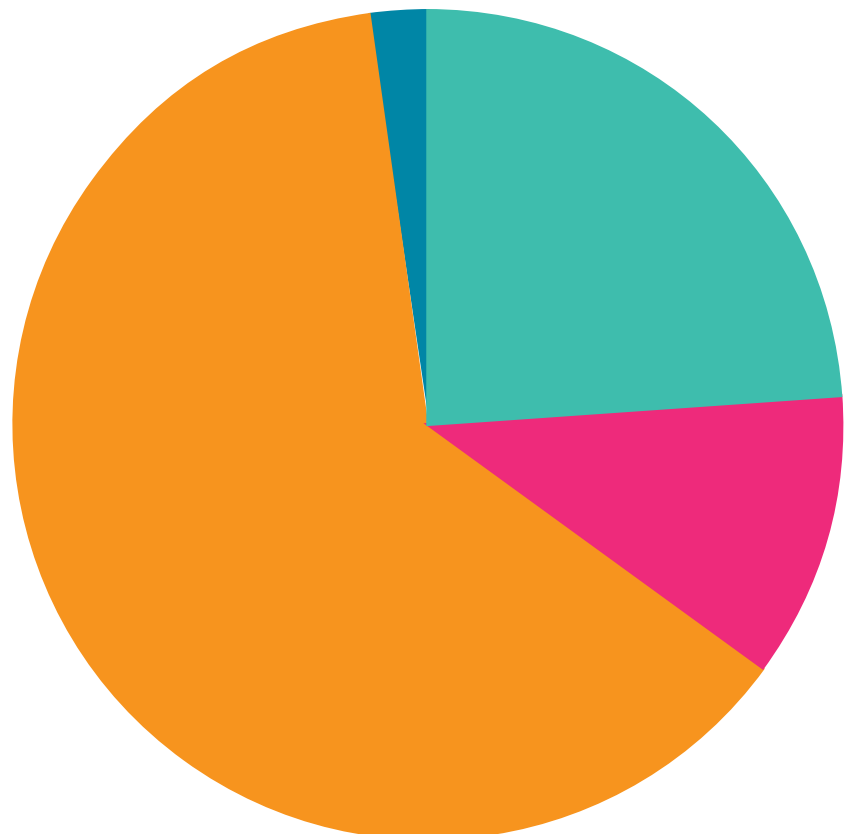
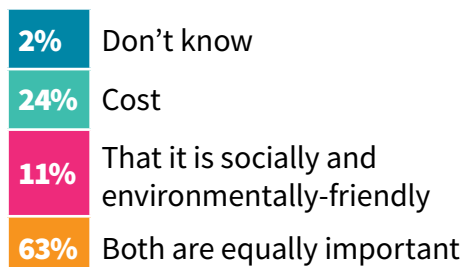
Energy efficiency

Beyond mission and procurement, many NISEs are also making operational investments to reduce their environmental footprint. Over the past 12 months:

- **36% of NISEs installed energy efficiency measures**
- **This rose to 57% among larger organisations (10+ employees)**

Profitability appears to correlate with environmental investment. Organisations that were financially stronger were more likely to report taking action. This level of action is broadly in line with UK-wide figures, where 33% of social enterprises reported installing energy efficiency measures in the past year (SEUK 2023).

Figure 13: Procurement priorities relating to cost, social and environmental factors



7. Support eco-system for social enterprise development

Social enterprises in NI operate in a complex business environment shaped by financial pressures, shifting economic conditions, and evolving support needs. This section explores the barriers they face, the support they currently access, and where gaps remain.

Barriers to growth

Financial constraints were the most commonly reported barrier in our survey, cited by 67% of respondents. Start-ups and younger enterprises appeared particularly affected:

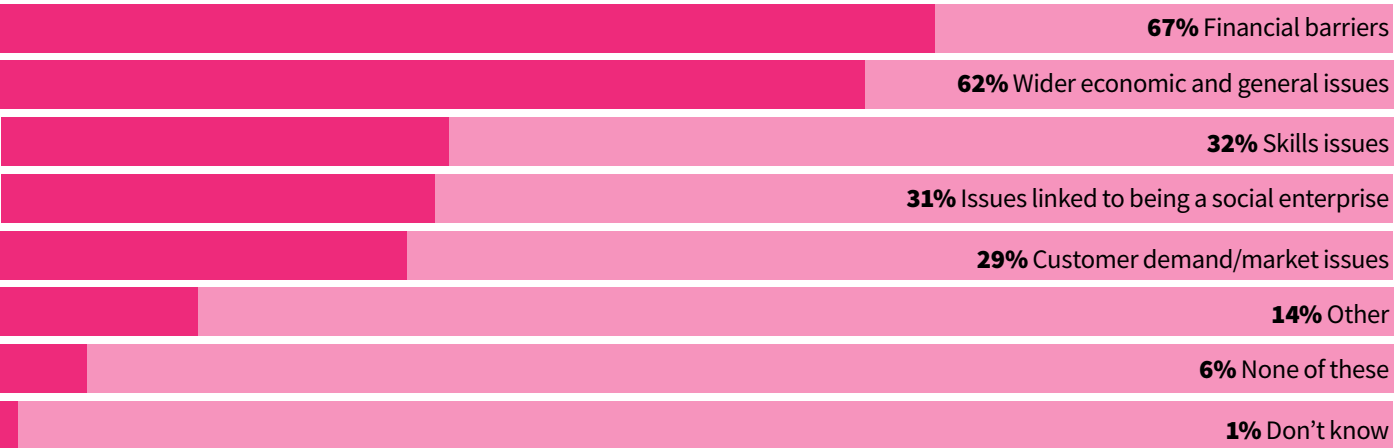
- 75% of social enterprises aged 0–3 years flagged financial barriers as a key barrier to growth
- This rose to 77% among those aged 3–10 years

- In comparison, only 59% of more mature enterprises (10+ years) reported financial barriers, suggesting these pressures may ease over time

This broadly aligns with SEUK’s 2023 survey, in which 62% of UK social enterprises identified financial barriers. However, findings from the 2025 SENI–DfE study suggest that financial resilience may be especially challenging in NI. In that study, they found: 76% of social enterprises reported less than 12 months’ reserves; 47% had only three months or less in hand; 25% had annual turnover below £50,000.

Such figures point to a degree of financial fragility, which may limit agility and investment capacity, especially among smaller or early-stage organisations.

Figure 14: Barriers to sustainability and growth





Wider economic conditions were cited as a barrier by 62% of respondents, with commonly mentioned factors including the cost-of-living crisis, inflation, and general economic uncertainty. These concerns were more frequently raised by enterprises older than three years (67%) than by start-ups (46%), perhaps reflecting greater exposure to fixed costs and longer-term delivery obligations. These patterns are similar to those reported in SEUK (2023), where 76% of social enterprises facing wider economic challenges highlighted recession fears and inflationary pressure. The SENI (2025) research also points to rising cost pressures.

Skills-related issues were noted by 32% of respondents, including challenges with recruitment and general skills shortages. This is consistent with long-standing concerns across the sector about workforce capacity.

In terms of procurement and commissioning,

- **25% of respondents identified difficulties accessing opportunities**
- **15% reported a lack of capacity to meet eligibility or compliance criteria**

Although SEUK does not report directly comparable figures for these categories, the SENI 2025 study found that only 23% of respondents felt confident bidding for public contracts. In our workshops, several SEs expressed a want for smaller, lower-risk contracts to help them gain experience and build internal capacity, a desire also identified by SENI's research.

Finally, 31% of respondents in our survey indicated that a limited understanding or recognition of the social enterprise model — among customers, funders, and support providers — was affecting their growth. While this issue may be improving, it remains a relevant concern for many, particularly those operating outside urban centres or in less familiar sectors.

Support received

Some form of information or advice has been sought by 45% of social enterprises in the past year. While early-stage support remains vital, both survey data and stakeholder workshops point to a growing demand for more tailored, growth-oriented support, especially from mature organisations seeking to deepen or scale their impact.

Participants highlighted several needs that extend beyond initial start-up phases, including:

- **Access to shared services, such as legal advice, HR support, and governance assistance**
- **Peer mentoring and leadership development**
- **Support to measure, report, and communicate social and environmental impact**

These priorities highlight a sector focused on building the internal systems, skills, and compliance needed to grow sustainably and operate with confidence.

Figure 15: Most frequently sought information and advice (59 responses)



Amongst the 59 respondents seeking information and advice, support for business growth and planning was the most frequently cited need (75%), followed by governance (53%), health and safety (49%), leadership and management development (47%), employment law (46%), and legal issues (44%) - highlighting a strong orientation toward internal capacity-building and regulatory readiness.

Marketing was also a priority for over half of respondents (51%), signalling a desire to strengthen communications, positioning, and visibility. In contrast, only 5% sought export-related advice.

Environmental support featured less prominently: just 12% sought help with reducing environmental impact and 8% with emissions reduction. However, 31% expressed interest in environmental impact more broadly, suggesting emerging (if still uneven) engagement with sustainability goals.

These trends largely mirror UK-wide patterns reported in SEUK 2023, where business growth and planning also topped the list of support needs. However, regional differences are notable:

- **Among early-stage enterprises (0–3 years), just 20% in NI reported accessing external advice — compared with 63% of similarly aged SEs across the UK.**
- **Conversely, nearly half of NI social enterprises aged 10+ years had accessed support, suggesting that mature organisations here may be more likely to engage than their UK counterparts (38%).**

Governance and leadership development emerged as two of the most pressing areas for support. Together, they reflect the demands placed on social enterprises to lead effectively in complex environments, balancing economic and social objectives while navigating increasingly intricate regulatory landscapes. This emphasis on leadership is exemplified by Engage Executive Talent, which provides tailored support to strengthen executive capacity across the social economy.

Case study: Engage Executive Talent

Engage Executive Talent, the trading arm of CO3 (Chief Officers Third Sector), was established in 2019 to help tackle a long-standing challenge in Northern Ireland's non-profit and social enterprise sectors: how to build confident, capable, and resilient leadership. As a social enterprise, its income is generated through tailored executive search, interim leadership, board development, and governance consultancy – then reinvested to strengthen leadership capacity across the wider sector.

Mainstream recruitment agencies, says Director Patrick Minne, often misunderstand the governance dynamics, regulatory environments, and value systems of the sector. Engage Executive Talent was created in direct response to this gap, offering leadership solutions that are sector-specific and impact-driven. Over time, it has built a strong reputation for supporting organisations through transition and complexity – whether in succession planning, crisis recovery, or governance improvement.

But Engage's ambitions go beyond executive recruitment. For Minne and his team, placing the right leaders is one part of a bigger ambition: to

elevate the status of the sector itself. That means not only celebrating existing leadership, but also challenging funding models and procurement practices that undervalue third sector roles.

"We have to be able to trust that public sector funders understand a social care worker in a non-profit organisation or social enterprise is worth the same as one in a public sector organisation," says Minne. "We're not advocating for better terms, just level terms." This kind of parity, he argues, is essential for recruiting top talent into roles that carry significant social value but are often undervalued in structural terms.

In this way, Engage Executive Talent sits at the intersection of operational support and systems change. By helping organisations recruit and retain leadership talent, it addresses immediate capacity needs. At the same time, by championing pay parity, contract reform, and leadership development, it contributes to a longer-term shift: one that positions the social enterprise sector as a dynamic, credible, and attractive place to lead.



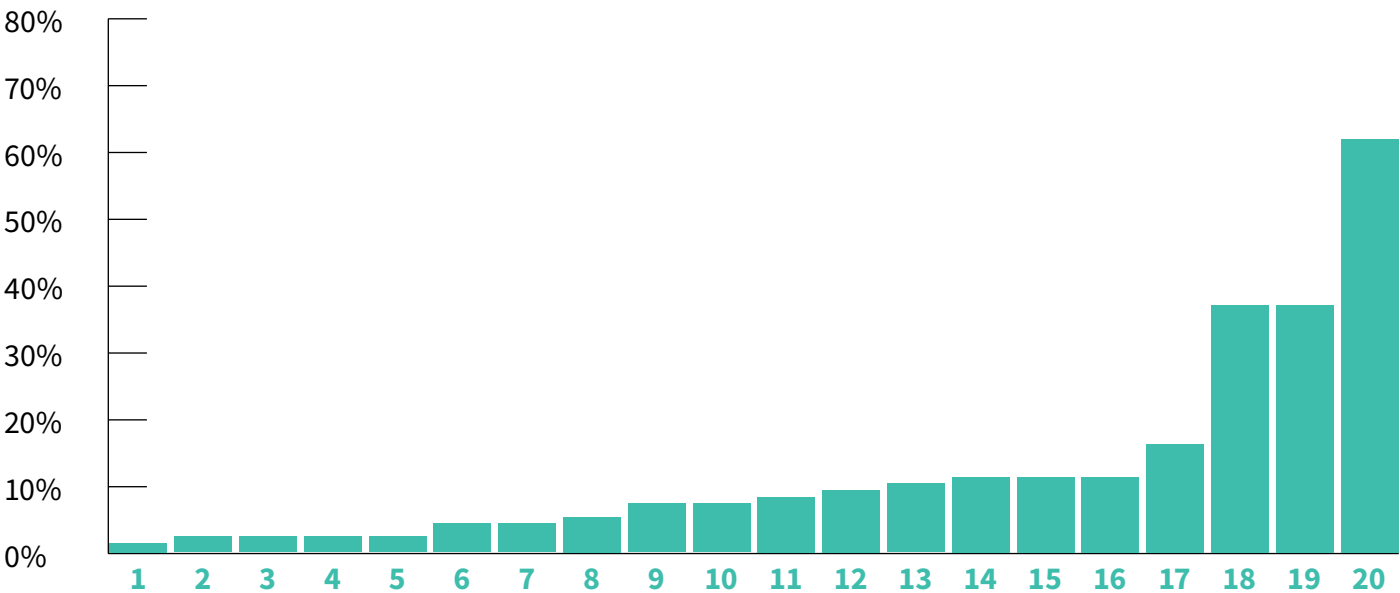
Support organisations

Among survey respondents, Social Enterprise NI (SENI) was the most frequently cited source of support, with nearly 65% identifying it as a key organisation. At the time of the survey, SENI had 578 social enterprise members listed in its directory.²¹

The Northern Ireland Council for Voluntary Action (NICVA) also plays a significant role, with around 40% of respondents reporting engagement.

Co3 Chief Officers 3rd Sector follows, cited by approximately 20%. The Northern Ireland Housing Executive (NIHE), which operates the *Social Enterprise Plus Programme*²² supporting close to 100 social enterprises across the region, was cited by 10% of respondents. Engagement with traditional business-oriented organisations such as the Federation of Small Businesses (FSB) and Business in the Community NI was lower, each registering below 15%.

Figure 16: Support organisations used by social enterprises



- 1

Northern Ireland Federation of Housing Associations (NIPHA)
- 2

Don't know/can't remember
- 3

Ulster Federation of Credit Unions
- 4

Cooperative UK
- 5

Cooperative Alternatives
- 6

None of these
- 7

Social Enterprise Republic of Ireland (SERI)
- 8

Social Enterprise UK (SEUK)
- 9

Irish League of Credit Unions
- 10

Belfast City Council (Go Social)
- 11

Business in the Community NI
- 12

Community Finance Ireland
- 13

Northernn Ireland Housing Executive (NIHE)
- 14

Invest NI
- 15

Federation of Small Businesses (FSB)
- 16

Development Trusts NI
- 17

Co3 Chief Officers 3rd Sector
- 18

Other
- 19

Northern Ireland Council for Voluntary Action (NICVA)
- 20

Social Enterprises NI (SENI)

21

<https://socialenterpriseni.org/directory/>

22

<https://www.nihe.gov.uk/getattachment/9b4e86d3-d6a2-425a-8886-4df61838397d/Social-Enterprise-Plus-Directory-April-2025.pdf>

8. Finance and funding

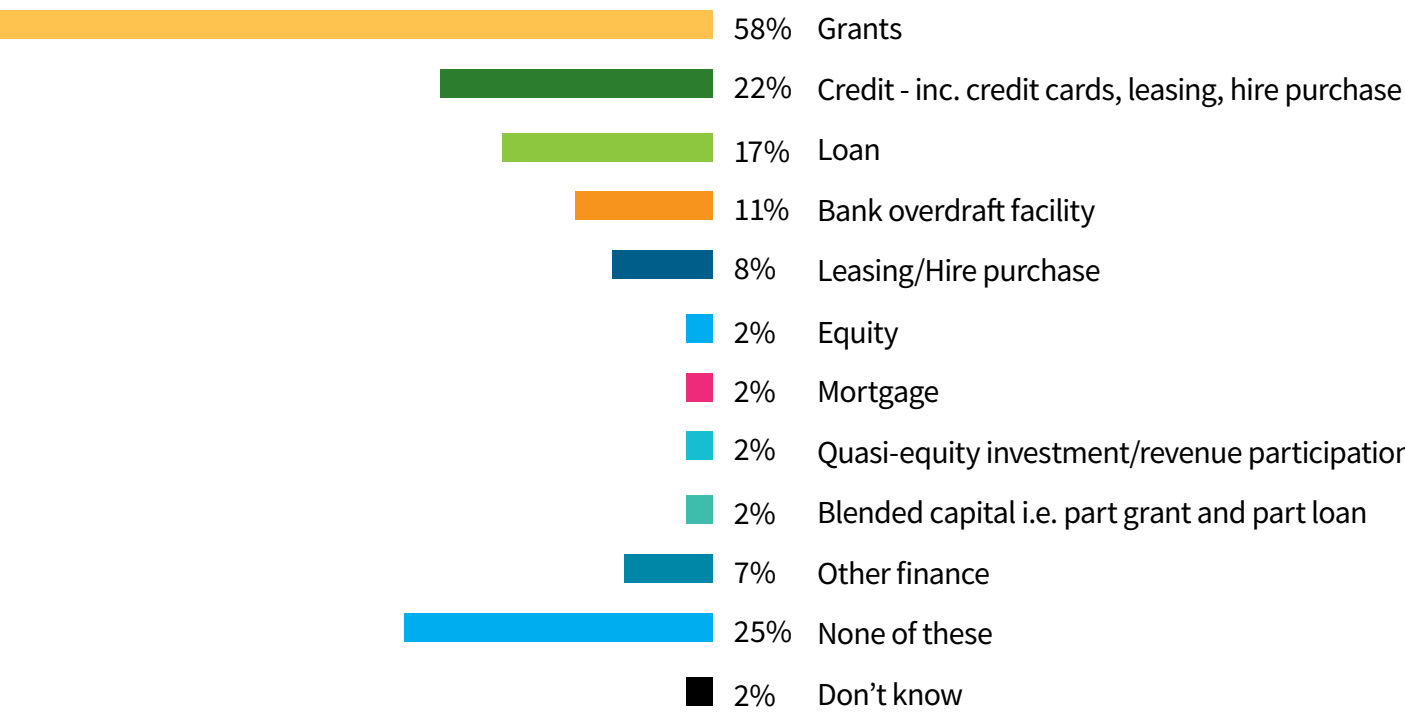
Financial barriers continue to affect the majority of social enterprises in NI, regardless of their size, location, or age. However, as noted above, younger and smaller organisations are disproportionately affected, with a higher percentage reporting financial constraints as a key challenge to growth. In this section, we take a closer look at SEs financing sources, use and access.

Sources of finance

Across the full sample, the most commonly used finance types are grants (58%), followed by credit (22%), loans (17%), and leasing/hire purchase (8%). More complex or hybrid instruments such as blended capital (2%), quasi-equity (2%), and equity finance (2%) remain marginal.

While 39% of social enterprises had used some form of repayable finance in the past, only 10% had applied for external finance in the last 12 months. This is broadly in line with findings from the SEUK 2023 report, which recorded similar low uptake (11%).

Figure 17: Current external finance used



Patterns of financial use

The types of finance accessed vary significantly by enterprise size and age:

- **Larger social enterprises (10+ employees) are more likely to use a mix of financing tools — including mortgages, credit, and leasing — reflecting greater financial complexity and capacity.**
- **Smaller organisations, especially those without paid staff, tend to rely more heavily on grants and show the highest rates of non-engagement with formal finance.**

Younger enterprises (under 3 years old) are least likely to access repayable or complex finance, reflecting common barriers such as limited collateral or credit history. In contrast, organisations aged 4–5 years begin to diversify, increasingly using loans and equity finance. Enterprises over 11 years old display the most diverse financial strategies.

Turnover fluctuations also impact financing behaviours. Organisations facing income decline were more likely to report using loans and grants reactively — highlighting a reliance on external finance to manage periods of strain.

Finance usage also varies by business model:

- **Product-based enterprises favour loans and leasing to support inventory and equipment needs.**
- **Service-based enterprises are more likely to engage with a wider mix of finance options.**
- **Social enterprises engaged in procurement are more likely to access diverse finance types (including loans and equity) than those not bidding for contracts.**

Geography matters, too:

- **41% of grant-using enterprises are located in the most deprived areas, compared to just 14% in the least deprived. This underscores the continued importance of grant funding in areas of higher social need.**

A closer look at financial access

Only 13 social enterprises (around 10%) reported applying for external finance in the past year. Among these:

- **Traditional banks and local authorities were the most frequently cited sources**
- **Others accessed support from specialist social investors (e.g. Community Finance Ireland, Social Investment Business, Big Issue Invest, Key Fund)**
- **No respondents reported using building societies, credit unions, venture capital, peer-to-peer platforms, government funds, or family/friend lending**

Motivations for seeking finance varied, but working capital and cash flow support were the most commonly cited reasons. Most applicants reported multiple motivations, reflecting a mix of operational and strategic needs. Of those that applied:

- **9 were successful (69%)**
- **4 received loans; the remainder secured overdrafts, leasing, or blended finance**
- **60% of loans were unsecured, while 40% were secured against business assets**
- **No respondents used personal assets as security**

The case study of Grow the Glens shows the importance of having specialist social investor support.

Case study: Grow the Glens

Despite living in an Area of Outstanding Natural Beauty, the employment opportunities for young people are limited apart from farming and seasonal tourism. As a group of residents saw their children leave and schools start to close, they decided to use their business experience to create new opportunities, tackle the hidden poverty and stop the community hollowing out. They looked for opportunities and when a disused police station came on the market, they were able to take it on as a community asset. Not only was this to become a focal point but also a sign of intent and a statement that they were taking things into their own hands.

The original concept was to develop the Cushendall Innovation Centre as a call centre using fast internet connections that were unavailable to those working from home. When fibre broadband was provided to all houses, they had to innovate again, turning the centre into small offices, a training room and most importantly consultation rooms for various therapy providers. The purchase and conversion of the site required financing and this came partly from grants and partly from an interest bearing loan from Community Finance Ireland to make up the shortfall. This requires payments every month, but there have been periods when they have been able to take brief pauses. Grow the Glens found that working with a social investor is preferable to banks as they receive a warmer reception and an acceptance that there are volunteer directors without financial 'skin in the game'. The investor continues to take an interest in the social impact of the initiative.

The social enterprise can cover its costs and generate a surplus for repaying the loan from the ground rent for offices and board room and hourly renting of consultation rooms. The original business planning had a revenue model to allow



repayment in four years. With the pandemic and other factors, this had to be reconsidered. To meet their income targets, they also realised they needed someone to manage the site and had to rely on volunteer board members, who could bring their skills from previous jobs and experience elsewhere. While there was initial hesitancy amongst some people to use services at the site of a police station, the social enterprise has initiated courses for people to start their own business and this has attracted women wanting to get back into work, and they have brought their family and friends. Some of these are trainees are now running successful businesses using the rented rooms.

Discouraged borrowers

Despite widespread financial need, many social enterprises in Northern Ireland remain hesitant to pursue external finance.

- **67% did not consider applying in the past year**
- **21% considered but ultimately chose not to apply**

This broadly reflects SEUK's 2023 findings, where 56% did not consider finance and 31% opted out after consideration.

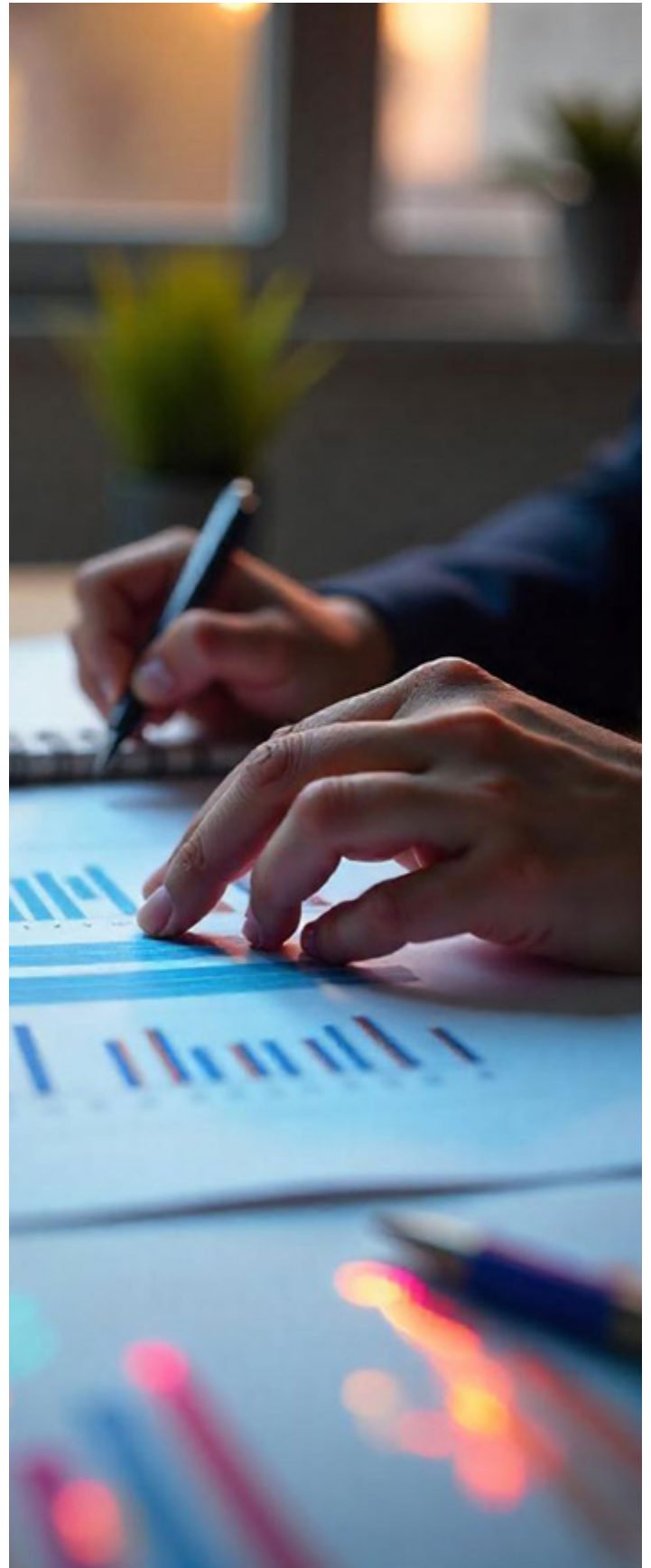
Among those who considered applying but didn't:

- **32% cited time constraints or internal capacity**
- **25% said finance wasn't needed**
- **25% feared rejection**
- **21% were deterred by costs or financial risk**

Other concerns included:

- **The administrative burden of applying (raised in workshops and by 14% of discouraged borrowers)**
- **Cautious governance cultures, particularly among charity-linked SEs with risk-averse boards**
- **Legal structure limitations, lack of collateral, or a sense that suitable financial products were not available**
- **Two respondents feared that external finance could compromise their mission**

These findings highlight both practical and cultural barriers. Many SEs remain “discouraged borrowers”, not because finance is unavailable, but because it feels inaccessible or misaligned with their values and capacity.



Perceptions of available finance

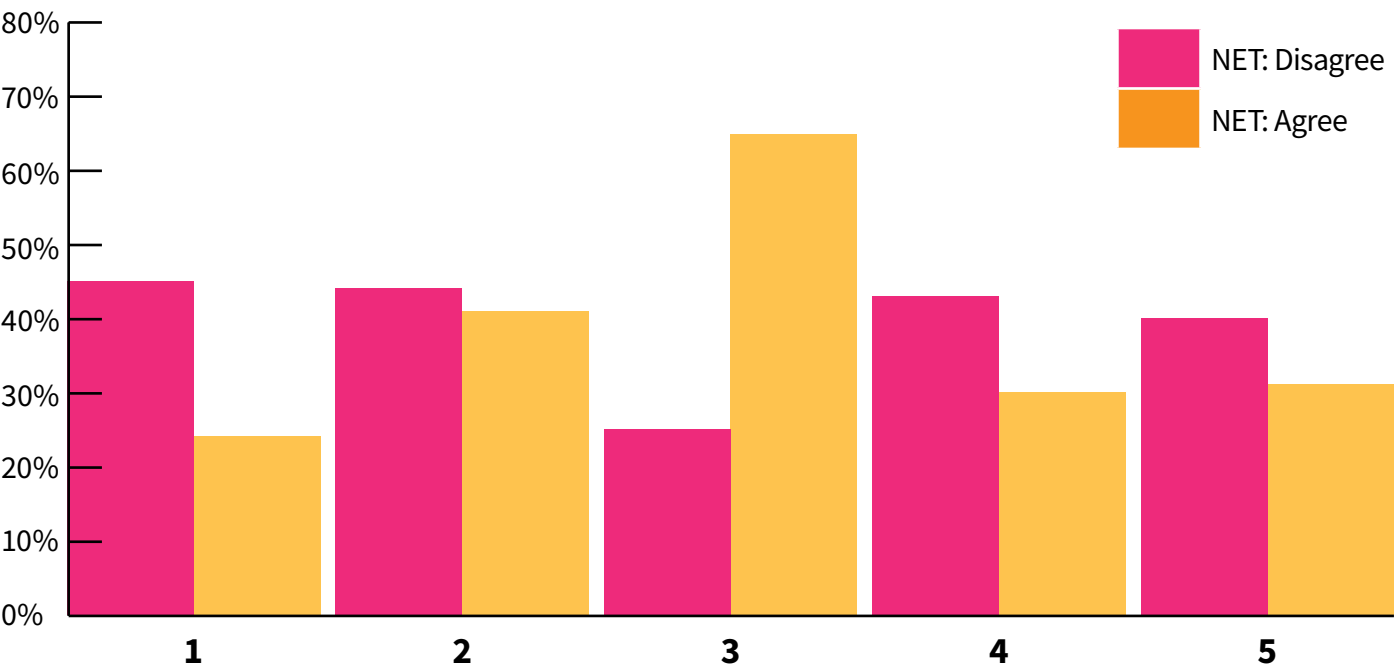
Findings suggest that many social enterprises in NI face challenges not only in accessing external finance, but also in navigating and understanding what is available.

- 43% of social enterprises report the amount of suitable finance available to their organisations was insufficient.

- 40% felt that the forms of finance available were unsuitable for their business.
- 25% reported lacking the necessary skills to obtain external finance or investment.

These perceptions broadly align with SEUK’s 2023 survey, which reported similar figures at the UK level.

Figure 18: Net perceptions of external financing statements



- 1 The application process is easy to navigate
- 2 The finance available to my organisation is well signposted
- 3 My organisation has the financial, marketing and business skills required to obtain external finance and investment
- 4 The amount of suitable finance available to my organisation is sufficient
- 5 Forms of finance available are suitable for my organisation

Looking more closely at perceptions within our own survey:

- Only 31% agreed that the finance available was suitable for their needs
- 40% disagreed or strongly disagreed
- 29% responded “Don’t know,” indicating a potential lack of awareness or engagement

While confidence in internal capability was relatively strong — with 65% agreeing they had the skills to access finance — there is a persistent knowledge gap for some, with 11% unsure and 25% reporting low confidence or ability.

Clarity and visibility also emerged as key concerns:

- Only 41% agreed that finance is well signposted
- 44% disagreed or strongly disagreed
- 15% were unsure

Application processes appear to be a particular sticking point:

- Only 5% strongly agreed and 19% agreed (24% total) that application processes are easy to navigate.
- 46% disagreed or strongly disagreed
- 31% were unsure.

These findings suggest that process complexity, poor visibility, and uncertainty are deterring even motivated organisations from seeking finance. The high rate of “Don’t know” responses may also reflect limited exposure to formal application procedures, particularly among early-stage or grant-dependent enterprises.



9. Conclusions and recommendations

This report highlights the diversity and dynamism of social enterprises in Northern Ireland. Social enterprises not only represent an important part of the NI economy but also offer innovative models that combine commercial activity with social impact—demonstrating what is possible for other parts of the economy.

The diversity of SE types is both a strength and a potential source of confusion. This report adopts a broad definition focused on organisations trading with a core social purpose. This includes a wide range of legal forms—charities, cooperatives, Community Interest Companies and private businesses—with a shared emphasis on maximising social impact while sustaining and growing through trading.

The recommendations below respond directly to the evidence gathered through our primary research—including the survey, case studies, and three regional workshops. They build on, and add depth to, existing sector insights and policy commitments, such as those outlined in the DfE Social Enterprise Action Plan (2024–2027) and SENI’s 2025 Barriers to Growth research, while foregrounding new findings and persistent gaps identified through this research.

1. Enhancing support for growth and scaling

75% of SEs surveyed actively seek growth advice, yet tailored support beyond the early stages remains limited. Case studies reveal mid-stage barriers in strategic planning and investment readiness.

Recommendation: Establish a dedicated SE growth accelerator programme offering tailored mentoring, strategic planning support, investment readiness training, and networking. This can work best when connected to current investment.

2. Providing seed-corn funding for early-stage SEs

Survey results highlight ongoing financial vulnerability, with 22% not making any surplus needed to replenish depleted reserves. This challenge is particularly acute for newer SEs and those operating in high-deprivation areas. Workshops emphasised the importance of seed funding in building early-stage confidence, resilience, and innovation.

Recommendation: Expand one-off seed funding grants, with a clear focus on disadvantaged areas. These can build on DfE’s experience and work with other departments which have legislative competences for specific sub sectors. Build on successful models like NIHE’s Social Enterprise Plus to support innovation and sustainability at start-up stage.

3. Strengthening leadership and governance capacity

Approximately one-third of SE boards are described as cautious and risk-averse. Survey and workshop feedback also identified gaps in strategic governance and financial literacy.

Recommendation: Develop modular leadership and governance programmes tailored to the social enterprise context. These should focus on risk management, strategic decision-making, and financial planning. These can be delivered as formal courses as well as peer support and mentoring programmes.

4. Improving access to public sector procurement

Procurement is a vital trading channel for 28% of SEs, yet barriers include limited awareness, procedural complexity, and capacity constraints. The Procurement Act 2023, which came into force on 24 February 2025, introduces a more flexible and simplified process. Two key policy levers support inclusion: (1) PPN 04/21 encourages quotations from SEs for sub-£50k contracts (£65k for utilities), and, (2) PPN 01/21 mandates a minimum 10% social value weighting in qualifying tenders. Despite this, implementation remains inconsistent.

Recommendation: Develop a procurement support programme that simplifies tendering processes and provides clear, practical guidance on using new systems such as the Central Digital Platform (CDP) and eTendersNI. Offer training, early notice of opportunities, and example templates to help SEs bid effectively. Promote the use of buyer tools—such as pre-approved supplier lists and dynamic purchasing systems—to make it easier for commissioners to invite SEs to quote. Support consortium bidding for larger tenders and ensure consistent departmental application of PPN 04/21 to expand access to lower-value contracts.

5. Increasing access to repayable finance

Although 39% of SEs use repayable finance, only 10% applied in the past year—and many others are being discouraged from applying. Nearly a quarter plan to seek finance within the next 12 months. Workshop feedback highlighted the considerable but largely untapped potential for credit unions to provide greater financial support to social enterprises and this issue is being explored in current credit union consultations. There is potential for further sharing of understanding regarding suitable financial products, eligibility criteria, and diverse financing needs of social enterprises.

Recommendation: Facilitate closer collaboration between different types of social investors including credit unions. Support initiatives that build the capacity of social enterprises to consider and appraise investment options. Introduce a growth fund offering patient capital, deferred repayment, and blended grant/loan packages designed to support surplus generation. Ensure accessibility across legal forms, including CICs, co-ops, and trading charities—aligned with Action 9 of the DfE Action Plan (SE Growth Fund).

6. Encouraging collaboration and shared infrastructure

Workshops and case studies emphasised missed opportunities for effective collaboration, highlighting duplicated efforts and inefficient resource use among social enterprises. Significant potential exists for shared service arrangements (e.g. HR, payroll, finance, marketing), which can reduce costs and enhance operational sustainability, particularly for smaller or newer organisations.

Recommendation: Provide targeted funding and incentives to support collaboration and shared services between social enterprises, including informal partnerships, formal joint ventures, or voluntary mergers. As well as signposting to existing provision. Promote the establishment of specialist service-provider social enterprises that offer affordable, shared professional services sector-wide.

Annexes

Annex 1. List of case study organisations:

1. Empathey
2. The Workspace Group
3. Playing for the Future
4. Madlug
5. Boundary Brewing Cooperative
6. Harry's Place
7. Sew Ready
8. ReStore (Habitat for Humanity Ireland)
9. Engage Executive Talent
10. Grow the Glens

Annex 2. List of workshop participants:

1. Ards and North Down Borough Council
2. Armagh City, Banbridge, and Craigavon Borough Council
3. Ascension Autism & Gut Health Matters
4. Blacksheep CIC / North City Business Centre
5. Boom Studios
6. Co3 Chief Officers 3rd Sector
7. Department for Communities
8. Department for the Economy
9. Derry City & Strabane District Council
10. Destined LTD
11. East Belfast Enterprise
12. Empathey / Angel Eyes NI
13. Enterprise North West Limited
14. Ethical Weigh Co-op
15. Gasyard Development Trust

16. Glenshane Community Development Limited
17. Harp and Crown Credit Union
18. InterTrade Ireland
19. Invest NI
20. Irish League of Credit Union
21. Madlug
22. Mid & East Antrim Borough Council
23. Next Step Transitions CIC
24. Northern Ireland Council for Voluntary Action
25. Northern Ireland Housing Executive
26. Parent Action CIC
27. Queen's University Belfast
28. Repair & Share Foyle
29. Sew Ready
30. Shelter NI
31. Social Enterprise Northern Ireland
32. St Columb's Hall
33. St Columb's Park House
34. Northern Ireland Assembly
35. The Playhouse (Derry)
36. The Turnaround Project
37. Triax Neighbourhood Management Team
38. Ulster University
39. UnLtd
40. Work West

Annex 3 List of support organisations aiding access:

1. Community Finance Ireland
2. Cooperative Alternatives
3. Cooperatives UK

4. Development Trusts Northern Ireland
5. Enterprise North West
6. Federation of Small Businesses
7. Intertrade Ireland
8. Irish League of Credit Unions
9. Local councils
10. Northern Ireland Council for Voluntary Action
11. Northern Ireland Federation of Housing Associations
12. Northern Ireland Housing Executive
13. Queen's University Belfast
14. Social Enterprise Northern Ireland
15. Social Enterprise United Kingdom
16. Ulster University
17. UnLtd
18. Work West

Annex 4. Project team

Professor Fergus Lyon, Middlesex University, Head of Centre for Enterprise, Environment and Development Research (CEEDR) led this research. He is the former social enterprise lead for the UK Third Sector Research Centre, and one of the most highly cited authors on social enterprise development, social innovation and finance for social enterprise. He has conducted research on mapping social enterprise for the UK government and the European Commission.

Dr Christopher Baird is a Lecturer in Social Entrepreneurship at Queen's University Belfast, with expertise in the NISE landscape. His research examines the evolution of social enterprise across the UK and Ireland, and emerging global trends in social enterprise labels and verification. He previously supported ecosystem development with Ashoka Ireland and currently teaches a postgraduate Global Social Entrepreneurship module as an adjunct at Trinity College Dublin. For this project, Chris led the case study research and co-facilitated the engagement workshops informing the report.

Dr Sylvia Gottschalk, Middlesex University, is Senior Lecturer in Economics, and has worked with CEEDR on quantitative data analysis of DCMS 2019 SE Trends survey and on an Enterprise Research Centre grant project exploring Social Enterprise and green mission SME financing using the UK Longitudinal Small Business Survey. She is an experienced econometrician and undertook the quantitative survey analysis and reporting.

Professor Robyn Owen, Middlesex University, CEEDR and Director of GreenFin is a highly experienced social enterprise researcher, specialising in finance and enterprise support policy. She led the DCMS 2019 Social Enterprise Trends report and has worked with SEUK on various research projects, including a National Innovation Centre for Rural Economies study of SE as a driver for sustainable rural economies. Robyn led the quantitative survey work (online and telephone).

Emily Darko is Director of Policy and Research at Social Enterprise UK. She leads policy, public affairs, research and impact work. She has worked on inclusive and sustainable business for the last 15 years, working in corporate social responsibility at RICS, youth business support at the Prince's Trust and she set up a global social enterprise research programme at thinktank ODI. She has worked directly with social enterprises on impact measurement and data collection.

Dan Gregory, Social Enterprise UK, has supported the development of social enterprises, co-operatives and charities for nearly two decades, developing policy internationally and in the UK, and delivering in practice, at the grassroots. He has worked for the UK Treasury and Cabinet Office. For Social Enterprise UK, Dan has advised government departments globally on the development of social enterprise policies and has led research into social enterprise in over 25 countries.

BMG Research undertook the telephone survey and managed the online surveys.