

Social enterprises in Banyule: community consultation 2019

SOCIAL ENTERPRISE TEAM



Banyule
CITY COUNCIL

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1. Introduction

Council is working to make sure that Banyule is a *green, sustainable and vibrant place for a healthy, connected and inclusive community*. Yet, some of the municipalities most pressing social challenges – including unemployment and disadvantage in postcodes with 3081 – cannot be solved by Council alone.

In October 2018, Council established a Social Enterprise and Local Jobs business unit to develop and deliver innovative approaches to local job creation for vulnerable diversity groups in Banyule over a three-year period. Through five tailored social enterprise partnerships (Araluen Chancez Café, The Community Grocer, ASRC Cleaning, Nomads Pizza and Café and Youth Projects Rosanna Kiosk), 39 local jobs and 19 capacity building outcomes will be achieved. Furthermore, a focus on sustainable procurement has supported further job creation outcomes within Victoria.

The purpose of this report is to collate the key findings of significant internal and external consultation with a view to exploring how a strong social enterprise sector could help Council realise its vision. This consultation considers the role Council can play in making Banyule a place where social enterprises start up, grow and thrive, and will guide the development of a Social Enterprise Strategy and Action Plan 2020-2025.

2. Methodology

Council's Social Enterprise team undertook two research methods: qualitative surveys and focus groups.

1. The team completed three qualitative surveys. Each survey focused on a key stakeholder audience:
 - Community
 - Banyule Council staff
 - Banyule Council councillors
2. The team formed a Banyule Social Enterprise Working Group made up of various community representatives with a desire to support the co-design of Banyule's first Social Enterprise Strategy and Action Plan. A workshop with this group was held to further explore key findings of the community survey.

3. Findings

3.1 Community survey

An online community survey was conducted between 27 November and 24 December 2018. Respondents included 43 individual community members and 59 social enterprise and organisational representatives; 21 respondents expressed interest in being part of a Banyule Social Enterprise Working Group to collaboratively develop a Social Enterprise Strategy and Action Plan.

Respondents highlighted several barriers and challenges in operating and growing a social enterprise in Banyule as well as opportunities to help develop social enterprises locally. The following key themes emerged through survey responses.

Key Theme	
Theme 1	<p>The social-purpose sector is collectively working to address social, economic, environmental and cultural purposes. Across various industries, the organisations within the sector are responding to the needs of diverse groups of beneficiaries. However, the main actors within the sector experiencing the most barriers and therefore requiring the most support from Council are:</p> <ul style="list-style-type: none"> • Social enterprises. • Not for profit organisations that want to transition to or start a social enterprise. • Community members with a social enterprise start-up idea.
Theme 2	<p>The organisations operating in the social-purpose sector experience business challenges and barriers that are unique to their organisational type and stage in organisational development. However, the top five themes of social enterprise development support desired within the sector for Council to prioritise are:</p> <ul style="list-style-type: none"> • Tailored partnerships – that are inclusive of funding and enables access to in-kind support and capacity building support. • Tailored capacity building support – that includes 1) mentorship/coaching with social enterprise knowledge/experience, 2) impact measurement, evaluation and reporting, 3) sustainable business modelling, 4) business planning, 5) strategic marketing, 6) online presence, and 7) money management. • Appropriate social finance – that is accessible for new ideas, not for profits wanting to transition to or start a social enterprise model and considers in-kind support e.g. lease arrangements. • Procurement opportunities – that increase market access and help broker procurement opportunities with social outcomes. • A social enterprise network – that helps facilitate connection, peer support, learning and collaboration across the social-purpose sector.
Theme 3	<p>80% of social enterprise respondents intend to apply a market development growth strategy over the next three years. This suggests that some social enterprises currently operating and/or trading outside of the Banyule municipality are ready to scale into a new geographical area such as Banyule; and social enterprises within Banyule may be ready to scale into areas outside of Banyule or try to market to new customer segments.</p>
Theme 4	<p>50% of not for profit respondents are looking to transition to or start a social enterprise to improve the sustainability of their organisational and/or impact. This suggests that some not for profit organisations are exploring new terrain and require support outside Council's existing support to overcome the barriers and challenges experienced.</p>

Theme 5	The most significant barrier experienced by community members who want to support social enterprises is a lack of awareness of social enterprises. 97% of community member respondents indicated that they want to learn more about what social enterprises exist in the community so that they can buy their goods and/or services.
Theme 6	<p>Organisation respondents said that they want to support social enterprises, however they require Council to provide brokerage support to help build the relationships. The six key ways they want to support social enterprises are:</p> <ul style="list-style-type: none"> • Procuring from them. • Providing employment opportunities for disadvantaged groups. • Providing mentoring opportunities for disadvantaged groups. • Providing paid internship opportunities for disadvantaged groups. • Providing unpaid structured workplace learning opportunities for disadvantaged groups. • Providing access to in-kind support e.g. volunteering, legal advice, accounting advice, lease, location for meetings, commercial kitchen, facilities.
Theme 7	Organisation respondents suggest that Council should use existing research evidence to inform Banyule’s Social Enterprise Action Plan, and connect with the broader social-purpose ecosystem to avoid duplication of effort and foster a collaborative practice.

3.2 Social enterprise working group workshop

Two workshops were held on the 6 and 8 February 2019. Eleven community members were present and included individuals, social enterprise, not-for-profit organisations and a social enterprise intermediary.

The working group explored the role Council should play in responding to identified barriers, challenges and opportunities. Overall, the working group agreed that the identified themes captured in the community consultation accurately reflected the challenges, barriers and opportunities to develop social enterprises in Banyule. It was stated that Council should consider partnerships with intermediaries and university academics; and consider international best practice and policies for localised application. One individual objected to the idea of Council partnering with intermediaries; all others supported a systems-approach. The working group advised that Council should not be too fearful of duplicating some efforts where a local place-based response is necessary.

Collectively, several ideas were put forward, and key priorities for Council consideration were identified as represented below. The working group understood that due to the quantity of ideas and limited dedicated Council staff to deliver, not all ideas would be actioned and would require further exploration to understand estimated effort, cost and impact.

Key Priorities	
Tailored Partnerships	<ul style="list-style-type: none"> • Continue tailored partnerships with social enterprise to create local employment and training opportunities for local people; and meet the unique needs, challenges and opportunities to develop that social enterprise. • Partnership to be fit-for-purpose in regards to its timeframe, and all other support items mentioned i.e. financial support and capacity building. • Partnership to include measurable outcomes. • EOI process to include a definition of social enterprise that organisations must align with to qualify. • Council to evaluate and understand the model, risk and potential impact of each investment to determine a business case for shared value.

	<ul style="list-style-type: none"> • Support social enterprise models that have proof of success to expand into Banyule by reducing some of the costs of their growth strategy. • Consider community needs outside of employment to explore how social enterprise could respond to other social, economic or environmental challenges. • Financially support evidenced-based social and economic research for each of their tailored partnerships e.g. SROI to help the social enterprise understand and communicate its impact.
Procurement	<ul style="list-style-type: none"> • Identify Council’s procurement needs and identify social enterprises to purchase goods or services from. • Council procurement policy to have mandated targets for procuring from social enterprises, and a measurement and reporting framework. • Broker introductions to larger suppliers to help facilitate potential partnerships that increase market access for social enterprises creating training and employment outcomes (indirect procurement). • Increase Council staff knowledge about sustainable procurement, social enterprise, procuring from social enterprise and why market prices might differ – through team introductions, workshops and an internal database. • Host social procurement in Banyule events/information sessions to help broker new relationships e.g. Council staff, other councils, businesses. • Identify large tenders that can be apportioned into smaller sizes to help increase market access for social enterprises creating training and employment outcomes.
Community Advocacy and Awareness	<ul style="list-style-type: none"> • Regularly promote social enterprises and Council’s sustainable procurement activities and tailored social enterprise partnerships via social media, Council external and internal newsletters, local newspapers, and email communications to existing networks (e.g. other councils). • Video campaign to educate the community about what is social enterprise and their value to the Banyule economy, and to tell the story about how local social enterprises were established, why, what they do, and how the community can support them (e.g. buying their goods and/or services). • List of local social enterprises on Council’s website. • Support the establishment of a community-led Banyule Social Enterprise Network.
Capacity Building	<ul style="list-style-type: none"> • Partner with intermediary organisations to facilitate workshops that help: <ul style="list-style-type: none"> - Individuals in the community to develop new social enterprise ideas, understand legal structure options and develop strong social enterprise models. - Social enterprises to develop strong business models with increased financial sustainability. - Not-for-profit organisations to explore hybrid business models. • Provide access to mentors or business coaches with social enterprise experience/ knowledge. • Provide access to vehicles and equipment that are coming to end of life; in-kind or at a reduced cost. • Provide access to Council meeting spaces, festival attendance and commercial lease agreements; in-kind or at a reduced cost. • Provide in-kind access to Council resources and training opportunities e.g. health and safety, leadership, communications and manual handling.

3.3 Council staff survey

An all Council staff survey was conducted between 30 October and November 2019. Thirty-two survey responses were received.

Respondents were asked to share their insights about Council's role in supporting the development of existing and new social enterprises in Banyule, what local challenges exist in Banyule that social enterprise might be able to respond to, and whether their team is already supporting social enterprise.

The following key findings emerged through survey responses.

Key Findings

- Limited staff understanding of social enterprise exists; some staff demonstrated an understanding of the outcomes that these enterprises can achieve, some confused social enterprise with labour-market programs.
- Low-to-medium staff awareness of existing social enterprises in Banyule exists; with an exception of high level awareness of Chancez Café Possum Hollow.
- Limited purchasing from social enterprise is made by staff, however there is some purchasing activity across Council's three tailored social enterprise partnerships.
- Staff stated that Council's catering panel prohibits staff from purchasing from a social enterprise; which is an activity they previously were able to complete.
- Staff encouraged Council to consider how social enterprise could respond to the following social, economic or environmental challenges:
 - Unemployment
 - Youth disengagement
 - Housing insecurity and homelessness
 - Support for socially disadvantaged groups such as culturally and linguistically diverse, Indigenous communities, people living with disability
 - Social isolation, particularly of older people
 - Climate change
- Staff encouraged Council to support new and existing social enterprises through:
 - Increased community awareness through promotion and marketing
 - Social enterprise funding and grants
 - Partnerships
 - Training workshops
 - In-kind and subsidized support and services provided to social enterprises
 - Peer support network.
- Staff encouraged Council to improve internal support and processes to support social enterprise development, particularly:
 - Staff training and education about social enterprise
 - Preferred suppliers lists inclusive of social enterprises
 - Social enterprise visits
 - Social enterprise 'Show and tell' events
 - Social Enterprise team to collaborate with all areas of Council to explore and support new social enterprise opportunities that could result in new tailored partnerships or procurement activities such as property maintenance, catering, environmentally sustainable cleaning supplies, branded stationary production, consumable restocking, milk delivery and distribution, cleaning, indoor plant maintenance, water cooler services, media production, graphic design, and behaviour change programs.

3.4 Councillor survey

A survey of Banyule Council councillors was conducted between 30 October and 8 November 2019 and was responded to by 6 out of 7 councillors.

Respondents were asked to share their insights about Council's role in supporting the development of existing and new social enterprises in Banyule, and what local challenges exist in Banyule that social enterprise might be able to respond to.

The following key findings emerged through survey responses.

Key Findings

- Strong commitment to developing the social enterprise sector and advocate a strong Council responsibility to do more within Banyule and the northern region.
- 100% acceptance of the Victorian Government's definition of social enterprise.
- Medium-to-high awareness of existing social enterprises in Banyule.
- Encouragement for Council to consider how social enterprise could respond to the following local challenges:
 - Addressing employment barriers
 - Occupation of empty shops, parks and community centres with social enterprises e.g. cafes
 - Delivery of community support services
- Encouragement for Council to support new and existing social enterprises by:
 - Marketing to increase community awareness of social enterprises
 - Buying from social enterprise
 - Tailored partnerships to start new social enterprises in Banyule.
 - Support to help existing community organisations transition to a social enterprise model
 - Tailored capacity building support
 - Creating a peer support network

4. Next Steps

All findings will be further analysed to understand the projected impact of potential activities, resources required to deliver, and Council's capacity and capability to deliver within a five-year period. This report will then guide the development of a draft Social Enterprise Strategy and Action Plan for Council consideration.