

Victorian Social Enterprise Strategy 2021-2025



Creating greater
opportunity, inclusion
and impact

Acknowledgement of Aboriginal Victoria

We proudly acknowledge the First Peoples of Victoria and their ongoing strength in practicing the world's oldest living culture. We acknowledge the Traditional Owners of the lands and waters on which we live and work and pay our respects to their Elders past and present.

Victorian Traditional Owners maintain that their sovereignty has never been ceded. Since time immemorial, Victorian Traditional Owners have practiced their laws, customs and languages, and nurtured Country through their spiritual, material and economic connections to land, water and resources.

We acknowledge that while Aboriginal Victorians are strong in their culture and identity, there are long-lasting, far-reaching and intergenerational consequences of colonisation and dispossession. The reality of colonisation involved the establishment of laws and policies with the specific intent of excluding Aboriginal people and their laws, customs, cultures and traditions. We acknowledge that the impact and structures of colonisation still exist today.

Finally, we acknowledge the invaluable contributions of all those who have paved the way and fought for the rights of Aboriginal people, including the right to self-determination. We also recognise the ongoing contribution of Aboriginal people and communities to Victorian life and how this continues to enrich our society more broadly. Through the strength, resilience and pride of Aboriginal Victorians, their cultures, communities and economies endure and continue to grow and thrive today.

Language statement

We recognise the diversity of Aboriginal people living throughout Victoria. Whilst the terms 'Koorie' or 'Koori' are commonly used to describe Aboriginal people of southeast Australia, we have used the term 'Aboriginal' to include all people of Aboriginal and Torres Strait Islander descent who are living in Victoria. The use of the words 'our' and 'we' throughout this document refers to the Victorian Government.



CLOTH
THE
GAPS



Pictured: Clothing The Gaps co-founders Laura Thompson (Gunditjmara) and Sarah Sheridan in front of their flagship store. Clothing The Gaps is a Victorian Aboriginal social enterprise that exists as a self-determining vehicle working to add years to Aboriginal people's lives through both the brand and the Clothing The Gaps Foundation. They are a fresh and dynamic fashion label managed by health professionals that celebrates Aboriginal people and culture. They produce clothing with a meaning and encourage people to wear their values to unite non-Aboriginal and Aboriginal people through fashion and causes, one of which is Closing the Gap. Image courtesy Clothing The Gaps.



Image by Journey by Light Photography,
courtesy of Sweet Justice.



Contents

Minister's Foreword	6
Message from the Chair of the Social Enterprise Strategy Reference Group	7
Introduction	8
A connected policy landscape	11
A snapshot of the social enterprise sector in Victoria	12
Key achievements to date	14
Elevating the voice of the sector - Social Enterprise Network Victoria (SENVIC)	14
Growing market opportunities through certification	14
Growing the market through the Social Procurement Framework	15
Supporting robust research and evidence	16
Developing skills and capability across the sector - Boost Your Business Social Enterprise Capability Voucher Stream	17
Driving innovation and collaboration to solve complex problems	18
Supporting Work Integration Social Enterprises	20
Supporting regional and rural enterprises	22
Fostering social entrepreneurship	24
Aboriginal social enterprises	25
A strategy to create greater opportunity, inclusion and impact	28
Themes and Action Areas	30
Theme 1: Building business skills and capability and capturing impact	30
Theme 2: Enhancing recognition and access to innovative financing to scale impact	31
Theme 3: Fostering a connected and innovative social enterprise ecosystem across Victoria	32
Theme 4: Opening doors for social enterprises across government	34
Next steps	37
Acknowledgements	38

Minister's Foreword



Victoria leads the nation in its efforts to support the social enterprise sector and recognises the important contribution social enterprises make to our economy and society.

The *Social Enterprise Strategy 2021-25* builds on the strong foundations of the first Strategy. It sets an ambitious agenda for a thriving Victorian social enterprise sector – creating jobs, fostering social entrepreneurship and supplying the marketplace with quality and diverse goods and services.

Our social enterprise sector is already the largest in Australia, with over 3,500 social enterprises employing around 60,000 people, and generating \$5.2 billion to our economy every year. Among a wide range of social, economic, cultural and environmental benefits, the sector's growth has enabled Victorians facing barriers to work to gain meaningful employment in supportive workplaces.

It is vital that our progress does not stop here, which is why we are committing to a sustained focus on supporting social enterprises right across government. By opening doors and embedding opportunities for the sector across our systems and processes, we will enable the sector to realise its full potential and do what it does best – create real impact.

Through this Strategy, we are committed to unlocking significant potential for our social enterprise sector through the government's Social Procurement Framework and inclusive employment policy settings. By directing a growing portion of our own purchasing toward social enterprises, the Victorian Government can both grow the sector and drive social outcomes through our spending.

I would like to thank the social enterprise sector for their deep engagement in the development of this Strategy. The feedback we received from extensive consultation has been key to shaping this ambitious Strategy. Our Social Enterprise Strategy Reference Group has guided the development of this Strategy and ensured that it reflects the aspirations of Victoria's social entrepreneurs – I thank them for this.

Finally, I'd also like to thank The Hon. Jane Garrett MP, Parliamentary Secretary for Jobs, for leading the development of this Strategy. Jane is passionate about social enterprise. I know she has loved working with the sector on this Strategy and is excited about leading the work on its implementation.

It is a privilege to have such a strong social enterprise sector in Victoria and we look forward to working with social enterprises across the state in the years to come.

The Hon. Jaala Pulford MP
Minister for Employment
Minister for Small Business

Message from the Chair of the Social Enterprise Strategy Reference Group



It has been a great privilege to have overseen the development of this new Strategy.

As part of the process, I was fortunate to visit several social enterprises to gain first-hand insights into their operations and impact, alongside listening to experts from the Reference Group provide invaluable advice about how government can best support the sector. It is an understatement to say that I have been truly inspired by the sector's creativity, collaboration, resilience, and ability to deliver tangible benefits to our society.

I am proud to say that this Strategy has been informed by a rigorous policy development process – through which we consulted widely over many months to capture the diverse needs of the sector. This included garnering rich data from over 50 high quality submissions and workshops with Aboriginal social enterprises, philanthropic foundations and employment focussed social enterprises. We also wanted to ensure the new Strategy was grounded in the most recent, best practice evidence, and built upon learnings from the first Strategy. To facilitate this, we undertook an independent evaluation of the first Strategy and developed a Discussion Paper informed by a review of existing evidence, research, key issues and gaps undertaken by the Centre for Social Impact, Swinburne University.

Ultimately, we know that to support a thriving social enterprise sector that can create real impact and is well placed to respond to persistent and emerging challenges, government must play its part as an enabler. I am pleased that through extensive consultation with Victorian Government departments and agencies, local governments, the Commonwealth and international counterparts, we were able to identify key opportunities to open doors for the sector – including leveraging off our existing social procurement and inclusive employment policy settings. Transforming the way government does business with the sector will be instrumental to driving the sector's growth, alongside efforts to build skills and capability, unlock capital and build a coordinated, cohesive ecosystem.

I look forward to building on the Victorian Government's strong partnership with the sector, to not only realise inclusive employment outcomes for all Victorians, but to also stimulate a dynamic and flourishing social enterprise sector that delivers environmental, cultural, social and real economic value to Victoria.

The Hon. Jane Garrett MLC

Parliamentary Secretary for Jobs

Introduction

The Victorian social enterprise sector has grown rapidly over the past decade and is incredibly diverse, with enterprises operating across a broad range of industries and locations. Social enterprises in Victoria represent various sizes - ranging from solo entrepreneurs, to small (fewer than 20 employees), medium (20-200 employees) and large enterprises (more than 200 employees).¹ In Australia, social enterprises operate under various legal structures, with over 70% of social enterprises in Victoria incorporated as not-for-profits, and many others as for-profit businesses.²

To drive a consistent approach, the government is guided by the definition of a social enterprise outlined in the Finding Australia's Social Enterprise Sector Report 2016, as follows:

Social enterprises are:



Led by an economic, social, cultural or environmental mission consistent with a public or community benefit



Derive a substantial portion of their income from trade



Reinvest the majority of their profit/surplus in the fulfilment of their mission

Social enterprises have a unique business ethic – which blends business principles, market characteristics and values such as competition, diversification and entrepreneurship, with a primary ‘purpose driven’ mindset. This requires them to be creative in unlocking capital through a variety of means to simultaneously create social and economic value and be financially sustainable.

Social enterprises positively benefit our society in many ways, most importantly through job creation – with the net employment effect for new social enterprises being larger than that of commercial firms. By providing meaningful and supportive transitional employment pathways for those experiencing barriers - including young people, people with disability, Aboriginal Australians, women and culturally and linguistically diverse communities - social enterprises play a key role in supporting an inclusive Victorian labour market. By empowering individuals and supporting their health, wellbeing and autonomy, in turn, social enterprises also deliver savings to government across the social services system, including welfare, health and housing costs.³ More broadly, social enterprises facilitate local economic development and the provision of services in thin markets. This is particularly important in rural and regional communities where they play a key role in addressing service gaps, supporting social inclusion and community strengthening.

From an economic standpoint, the sector makes up an important part of the Victorian economy, delivering over \$5.2 billion annually through the provision of high quality, local goods and services. Research shows that, as a whole, the sector is mature and financially sustainable, with many enterprises sustainably operating over multiple decades and being as efficient and productive as other small to medium enterprises.⁴ In fact, international research has shown that in many cases social enterprises double society's return on investment.⁵ Importantly, much of the revenue generated by Victorian social enterprises is re-invested locally, which helps to support a resilient and diverse state economy.

1 Australian Bureau of Statistics (2001) Small Businesses in Australia, available from: www.abs.gov.au/ausstats/abs@.nsf/mf/13210.

2 Castellás, E., Barraket, J., Hiruy, K., and Suchowska, R. (2017) 'Map for Impact: The Victorian Social Enterprise Mapping Project', Hawthorn: Centre for Social Impact Swinburne.

3 Barraket, J., Qian, J. and Riseley, E. (2019) 'Social Enterprise: A people-centred approach to employment services', Report for Westpac Foundation, Australia: Westpac Foundation and the Centre for Social Impact Swinburne.

4 Abbott, M. et al (2019) 'Evaluating the labour productivity of social enterprises in comparison to SMEs in Australia', Social Enterprise Journal, 15 (2), 179-194.

5 Rotz, D., Maxwell, N., and Dunn, A. (2015) 'Economic self-sufficiency and life stability one year after starting a social enterprise job', Mathematica Policy Research, Oakland, 44.

Globally, the social enterprise movement has grown significantly over the past decade. The coronavirus pandemic has challenged social enterprises but also provided countless examples of social enterprises across the world stepping up using agile and innovative approaches to address and mitigate both persistent and emerging challenges. Global connectivity of the sector continues to strengthen year-on-year – with important initiatives such as Catalyst 2030 linking social entrepreneurs and other actors across the globe to develop bold, new, people-centric approaches to achieving the United Nations Sustainable Development Goals. Recognising that effective social and environmental innovation to address complex adaptive challenges requires systems thinking, governments around the world, including Victoria, are increasingly partnering with social enterprises and others to take collaborative and coordinated action.

An employee at STREAT's Cromwell Street Café. Image courtesy of STREAT.



A connected policy landscape

Alongside the Victorian Government’s significant investments in Jobs Victoria services to support jobseekers, the social enterprise sector will continue to play an important role in helping Victoria achieve its ambitious inclusive employment objectives.

In addition, through government’s active ongoing commitment and investments to further embed the Social Procurement Framework across government and the corporate sector, paired with an unprecedented pipeline of investments in infrastructure and social services, countless opportunities will be unlocked to enable social enterprises to scale.

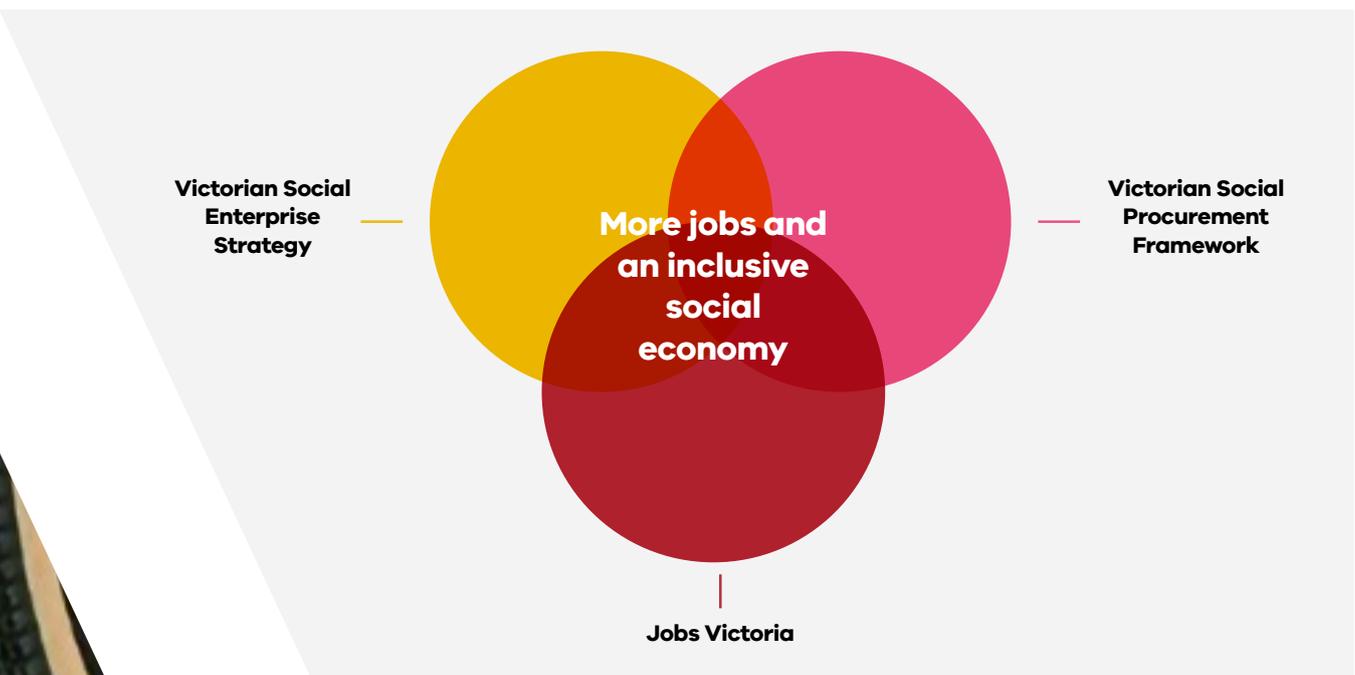
Building on the strong foundations of the first Strategy, the *Social Enterprise Strategy 2021-25* seeks to grow,

better connect and unlock opportunities for the sector, so that social enterprises can play an even greater role in creating jobs, and delivering enhanced economic and social value to the Victorian community.

This Strategy sets an ambitious agenda for Victoria, with a suite of actions across four thematic areas:

1. Building business skills and capability and capturing impact
2. Enhancing recognition and access to innovative financing to scale impact
3. Fostering a connected and innovative social enterprise ecosystem across Victoria
4. Opening doors for social enterprises across government.

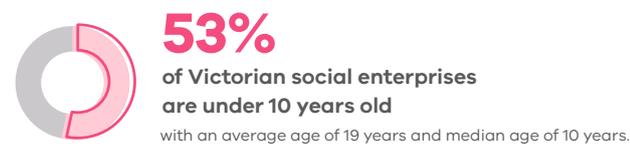
Figure 1: Relationship between social enterprise, social procurement and inclusive employment outcomes



A snapshot of the social enterprise sector in Victoria

The Map for Impact project (2017),⁶ commissioned by the Victorian Government under the first Strategy remains the most comprehensive census of Victorian social enterprises to date.

Impact on our economy



Key beneficiaries and cohorts

The most cited target beneficiaries of Victorian social enterprises were a particular geographic area, people experiencing disadvantage, and people with disability.



Top 5 social missions



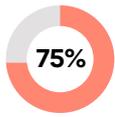
Industries social enterprises operate in and reach

Victorian social enterprises operate across all industries, but a high proportion are part of the service economy.

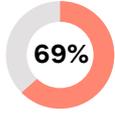


6 Castellas, E., Barraket, J., Hiruy, K. and Suchowerska, R. (2017) 'Map for Impact: The Victorian Social Enterprise Mapping Project', Hawthorn: Centre for Social Impact Swinburne.

Opportunities for growth



more procurement opportunities



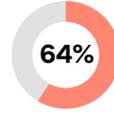
access to development and training opportunities



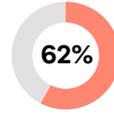
access to appropriate and affordable finance



developing accessible and comparable social impact measurement tools



more policy support for social enterprises



networking opportunities and a more cohesive ecosystem

Where social enterprises are located

Almost half of Victorian social enterprises target their support toward a specific geographic community, and most of that support is for Victorians.



43%

of Victorian social enterprises are located in regional areas



81%

of Victorian social enterprises' trade takes place in Victoria



84%

of the social impact of Victorian social enterprises is within Victoria

Size and legal forms

The majority of Victorian social enterprises (73%) are small (fewer than 20 employees), while 22% are medium (20-200 employees) and 5% are large (more than 200 employees), and they take on a variety of legal forms.



31% are an Incorporated Association



26% are a Company Limited by Guarantee



20% are a Pty Ltd Company



23% classified as Other

Barriers to business development

Social enterprises highlight several barriers to growing their business:



54% – we have limited time or the resources to devote to marketing



38% – we are undercapitalised



38% – consumers have limited awareness of social value of social enterprises



32% – buyers underestimate the quality of work social enterprises can deliver



29% – we don't have enough time to invest in relationships



26% – potential customers don't understand we can meet needs



26% – government/corporate bids/contracts are often too big for our scale



24% – public policies are not supportive of social enterprises



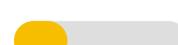
22% – our brand is not strong enough to win us new business



22% – corporate policies are not supportive of social enterprises



20% – pitching for work is too time/cost intensive



20% – government/corporate bids/contracts are too complex/hard to understand

Key achievements to date

Since the first Strategy was launched, great progress has been made towards developing a thriving social enterprise sector in Victoria. This includes efforts to support a more connected ecosystem, grow the market through social procurement opportunities, drive a robust research and evidence agenda and build business skills and capability across the sector.

Elevating the voice of the sector - Social Enterprise Network Victoria (SENVIC)

 As a key initiative under the first Strategy, the government provided \$1.5 million to support the establishment of SENVIC to elevate the voice of the sector and facilitate the growth of a coordinated, connected social enterprise ecosystem in Victoria. Since being founded in 2018 by key leaders from the Victorian social enterprise sector, SENVIC has expanded rapidly, operating across metropolitan and regional Victoria, and has established a strong brand and digital presence. Through the delivery of in-person and virtual events, the network has bridged connections across geographic and sector boundaries to promote greater collaboration and sharing of resources and information. SENVIC has also fostered peer-to-peer learning to strengthen the network of social enterprises in Victoria and has played a key role in national advocacy efforts through the Alliance of Social Enterprise Networks Australia (ASENA).

Growing market opportunities through certification



Since 2016, the Victorian Government has supported Social Traders' certification of social enterprises, which has been instrumental in building the credibility of the sector and strengthening connections between social enterprises, government and corporate buyers. Social Traders has also played a key role in providing contract readiness and other business support to enable social enterprises to access larger contracts and achieve scale. As of May 2021, Social Traders had certified over 224 Victorian social enterprises and had 65 buyer members based in Victoria. Social Traders has facilitated more than \$169 million in sales for certified social enterprises with its Victorian business and government buyer members, resulting in 1081 jobs for vulnerable people facing significant barriers to work. Since 2018 the organisation has strengthened its focus towards stimulating the social procurement marketplace for social enterprises, playing a complementary role to SENVIC's efforts to foster the social enterprise ecosystem's development.

A SENVIC networking event at Sibling Café, a social enterprise by Kinfolk. Image courtesy of SENVIC.





A worker at social enterprise Outlook Environmental's Hampton Park facility. Image courtesy Outlook Australia.

Growing the market through the Social Procurement Framework

The whole-of-Victorian-Government Social Procurement Framework, launched in April 2018, is a landmark achievement of the first Strategy. The Framework seeks to harness government's significant buying power to maximise social, economic and environmental benefits from the goods, services and construction it procures. Through the implementation of the Framework, government has focused on:

- delivering fair and inclusive employment opportunities
- facilitating supplier diversity
- purchasing from social enterprises and Aboriginal businesses
- encouraging environmental sustainability.

In the 2019/20 financial year, Victorian Government departments and agencies directly spent \$14.1 million with 79 certified social enterprises and \$83 million with 273 social enterprises that were identified by the Map for Impact project. In the same period, the major road and rail projects indirectly spent \$15.3 million with social enterprises.

The Victorian Government Social Procurement Framework has supported greater supplier diversity, including through engaging Aboriginal businesses as partners and suppliers. The Social Procurement Framework includes an Aboriginal procurement target to support self-determination, the growth of Victorian Aboriginal businesses, and to ensure Aboriginal people get better outcomes from government spending. As part of these efforts, one of the government's key

"The Social Procurement Framework has been critical to Outlook Australia realising new contract opportunities with a diverse range of corporate buyers. These opportunities have directly translated into thousands of hours of work for our staff annually, who would otherwise have faced significant barriers to securing meaningful employment."

Sam Sondhi, Chief Executive Officer, Outlook (Aust) Ltd.

"The Social Procurement Framework has been instrumental in changing the way businesses approach social procurement".

Dan Renfrey, Regional Sustainable Procurement Manager, Boral.

delivery partners, Kinaway Chamber of Commerce, plays an instrumental role in connecting government and private sector buyers to Aboriginal businesses through their business directory, networking events and business development programs.

From 1 July 2019 to 30 June 2020 the Victorian Government directly spent \$36.9 million with 90 verified Victorian Aboriginal businesses, and \$9.3 million with 37 other Aboriginal organisations. A total of \$124.5 million was also spent indirectly through contractors with Aboriginal businesses across major road and rail projects. Encouragingly, there was a 176% increase in the purchase of goods, services and construction from Aboriginal businesses and a 35% increase in the number of Aboriginal businesses engaged, as compared to 2018/19.⁷



Jadah Pleiter, CEO, Panku - an Aboriginal business and social benefit supplier under the Social Procurement Framework. Image courtesy Panku Safety Solutions.

“The Victorian Aboriginal and Torres Strait Islander business sector has grown substantially on the back of the Social Procurement Framework. This is only the beginning – as business capabilities and capacities increase, so will the opportunity for larger and long-term contracts that will provide the economic benefits to our Aboriginal and Torres Strait Islander businesses and people.”

Scott McCartney, Chief Executive Officer, Kinaway Chamber of Commerce.

Supporting robust research and evidence

In 2017, the Victorian Government commissioned the Map for Impact Project (Project),⁸ which was undertaken by the Centre for Social Impact at Swinburne University of Technology (CSI Swinburne). The Project produced the first searchable map of social enterprises across metropolitan and regional areas of Victoria, a database of Victorian social enterprises and intermediaries, and a report describing the organisational characteristics, activities and impacts of Victoria’s social enterprises. In 2020, to ensure the new Social Enterprise Strategy was informed by domestic and international best practice, the Victorian Government funded CSI Swinburne to undertake a research and evidence review of the key challenges and opportunities for the social enterprise ecosystem. This review then informed a Discussion Paper⁹ which was made publicly available to guide consultations on the new Strategy. Alongside these efforts, government has recognised the importance of making best practice research openly available to capture learnings and foster information sharing across the sector. To enable this, government has supported the development of an online evidence portal - the Social Entrepreneurship Evidence Space. The portal enables social enterprises and entrepreneurs to access a “one stop shop” of evidence-based data and research reports related to the social economy to inform and improve practice, both of which are integral to the sector’s sustainability and growth.



CSI Swinburne’s ‘Social Entrepreneurship Evidence Space’ portal and ‘Map for Impact’ website, available at seespace.com.au and mapforimpact.com.au.

7 Victorian Government Department of Treasury and Finance and Department of Jobs, Precincts and Regions (2020) ‘Whole of Victorian Government Social Procurement Framework Annual Report 2019–20’, Melbourne.
 8 Castellas, E., Barraket, J., Hiruy, K., and Suchowerska, R. (2017) ‘Map for Impact: The Victorian Social Enterprise Mapping Project’, Hawthorn: Centre for Social Impact Swinburne.
 9 Victorian Department of Jobs, Precincts and Regions (2020) ‘Discussion Paper for a renewed Victorian Social Enterprise Strategy’, Melbourne.

Developing skills and capability across the sector – Boost Your Business Social Enterprise Capability Voucher Stream

Across four grant rounds, the Victorian Government provided \$1.62 million to build the business capability and skills of social enterprises to support their viability, sustainability, growth and impact. In total, 59 social enterprises benefited from a total of 74 vouchers which were used to access specialist expertise from registered service providers.



Staff making coffee at Dumu Balcony Cafe, an Aboriginal owned, for-purpose, training café in Bright. Dumu Balcony Cafe utilised a Boost Your Business voucher to support work to refine their business model and grow their social impact. Image courtesy of Dumu Balcony Cafe.

Driving innovation and collaboration to solve complex problems

In Australia and abroad, the social enterprise sector is often characterised as embodying a spirit of collaboration, mutual support and encouragement, where enterprises work together to develop solutions to some of the most pressing problems facing society.¹⁰ As the Victorian social enterprise sector continues to grow each year, there are several emerging innovative and collaborative projects, such as those outlined below. These efforts have facilitated knowledge exchange, resource and asset sharing and have enabled enterprises to leverage greater purchasing

power. While many have been coordinated across geographical boundaries focussing on specific problems, other collaborative efforts have emerged from the co-location of enterprises in clusters. Despite limited research to date on social enterprise clusters in Victoria, evidence from the United Kingdom suggests that clustering social enterprises has positive effects on the survival of new enterprises, fostering innovation and creating a local entrepreneurial “buzz”¹¹

MOVING FEAST

At the start of the COVID-19 pandemic in early 2020, social enterprise STREAT rapidly mobilised Moving Feast – a collaborative project amongst social enterprises to build a fairer and more regenerative food system in Victoria. Initially, the project focussed on providing culturally appropriate produce and meals to groups facing food insecurity during the pandemic. Throughout 2020, the participating 17 social enterprises grew over 60,000 food plants, packed over 30,000 produce boxes, cooked over 130,000 meals for vulnerable communities, created wellbeing materials to accompany food, and developed over 20 food retail products to sell through their various channels. Encouraged by their early success, the collective started to plan longer-term projects in other areas such as food system training and employment pathways, urban farming, circular economies, First Nations food system work, food eco-tourism, food retail, and connecting city and regional food systems. In 2021, the collective was successful in gaining a \$1.5 million Working for Victoria grant and additional philanthropic funding to run an 18-month pilot project to create new training and employment pathways for marginalised young people into horticulture and regenerative urban farming. The project is an impressive example of creating an innovative networked approach to address a complex problem, and how to harness the collective skills, assets and energy across a broad range of stakeholders to improve human and planetary health.



Food relief packages by the Moving Feast network ready for distribution. Image courtesy of Cultivating Community.

10 Pinch, S. and Sunley, P. (2016) ‘Do Urban Social Enterprises benefit from agglomeration? Evidence from Four UK cities’, *Regional Studies*, 50:9, 1290-1301.
11 Ibid; Wennberg, K. and Lindqvist, G. (2007) ‘How do entrepreneurs in clusters contribute to economic growth?’, SSE/EFI Working Paper Series In business Administration, Stockholm.



A young person carrying out bicycle maintenance. Image courtesy of Good Cycles.

GOOD CYCLES

Good Cycles provides employment pathways for young people experiencing barriers to work, while concurrently driving efforts to create more sustainable, livable cities. Since its inception in 2013, the social enterprise has provided bike servicing training and employment opportunities for young people from disadvantaged backgrounds across Melbourne and Geelong. Since 2018, over 671 young people have participated in the program which has enabled them to gain confidence, transferrable skills and facilitated pathways to secure employment in the longer term. More recently, the organisation utilised its second Boost Your Business Social Enterprise Capability Voucher to expand its mission to support sustainable cities through its work.

In addition to providing bike servicing, Good Cycles now also deliver bike share schemes, waste logistics, carshare cleaning, and a variety of civil works services across Australia. The Victorian Government has also supported Good Cycles to establish a place-based social enterprise cluster in Melbourne's central business district. In association with five other social enterprises, this ambitious project will foster collaboration and provide up to 800 transitional employment opportunities to vulnerable young Victorians over the next eight years. The project is leveraging existing assets by activating underutilised space in central Melbourne to ensure the precinct is accessible to the young people involved in its programs and broader clientele.

Supporting Work Integration Social Enterprises

Work Integration Social Enterprises (WISEs) are social enterprises that create meaningful employment opportunities and pathways to employment for people experiencing disadvantage and facing complex barriers to economic participation.¹² They are people-centred, inclusive workplaces, which typically provide wraparound programs and services for employees, such as health, education and wellbeing supports. Government recognises the important role that WISEs play in driving inclusive economic growth and addressing gaps in the employment services system.

Around one third of Victorian social enterprises identify as WISEs and operate across a variety of industries, including hospitality and healthcare. Importantly, studies have found that WISEs produce better employment outcomes than mainstream employment services for people experiencing significant disadvantage and have been shown to be as efficient and more productive than their commercial counterparts.¹³ Other research has found that WISEs play a key role in improving people's livelihoods while directly reducing the costs of welfare, health and housing services.¹⁴

STREAT

STREAT is a WISE that strives for all young people to have a strong sense of inclusion and belonging, and be thriving with a healthy self, job and home. The enterprise operates a portfolio of hospitality businesses that enable marginalised young people to access the necessary support and skills development to gain employment. Since its inception in 2010, STREAT has provided over 600 young trainees with pathways into the food service industry. Trainees come from a range of backgrounds and situations and generally face multiple barriers to work and training, including homelessness, alcohol and other drug use, mental health issues, learning issues and experience with the youth justice system. Young people participating in the program are given 12 months of intensive support in two parts: 6 months of 'Learning' where they gain over 500 hours of accredited skills, on-the-job training, life skills and personalised support; and 6 months of 'Earning' where they undertake over 700 hours of paid work alongside receiving employment transition support. STREAT has also built strong partnerships with government to reduce recidivism rates among young people exiting the state's youth prisons. In 2017, STREAT partnered with the Victorian Department of Health and Human Services (DHHS) and the Department of Justice and Community Safety (DJCS) to develop the 'Thyme Out program' which creates more effective transitions for young people from the Malmsbury and Parkville Youth Justice Centres. To further expand impact, in 2018, STREAT used a Boost Your Business Social Enterprise Capability voucher to undertake

background research with Social Ventures Australia into international best-practice programs to support young people transitioning from prison and intervention points that could be targeted. From this rich evidence base, STREAT kickstarted a cafe, bakery and training program onsite at the Parkville Youth Justice Centre which improves the outcomes for young people transitioning out of the justice system.



Young people engaged with STREAT's programs spend time with Magic, STREAT's therapy dog. Image courtesy of STREAT.

12 Barraket, J., Qian, J. and Riseley, E. (2019) Social Enterprise: A people-centred approach to employment services, Report for Westpac Foundation, Australia: Westpac Foundation and the Centre for Social Impact Swinburne.

13 Ibid.

14 Ibid.



Open Spaces festival at the historic Abbotsford Convent. Image by Charlie Kinross.

WORKING FOR VICTORIA WAGE SUBSIDY

The Victorian Government's Working for Victoria program was developed to create employment opportunities for people who lost their jobs due to the COVID-19 pandemic, and to deliver valuable community services. The program has provided up to 100% wage subsidies for new jobs created in eligible Victorian social enterprises. As part of the assessment criteria, social enterprises had to demonstrate ongoing capacity to fund the roles for a further six months beyond the life of the subsidy. Across 2020/21, a total of 20 social enterprises benefited from \$6.27 million in wage subsidies under the program, enabling the creation of 171 new full-time equivalent roles.

"The impacts of the pandemic on the Abbotsford Convent's people-dependent revenue streams have been significant. The Working for Victoria Program has supported the Convent by providing 15 new positions to help revive the precinct and provide a lasting legacy that we can continue to build upon."

John Di Natale, Chief Operating Officer, Abbotsford Convent.

LOCAL TRANSIT

Local Transit provides East African refugees and migrants with income and development opportunities as wheelchair accessible vehicle drivers for people with disabilities. During the COVID-19 restrictions in Melbourne, Local Transit was able to provide drivers with work providing rail replacement shuttle buses for Metro Trains, as well as provide essential deliveries to vulnerable migrant families and non-essential patient transfers for people with disabilities. Alongside this, Local Transit established a mobile vehicle disinfecting team. The support Local Transit received from Impact Co. through a Boost Your Business Social Enterprise Capability voucher enabled the business to scale, including through securing its first major contract with Metro Trains to undertake a public transport trial. Business support provided by Impact Co. enabled the organisation to prepare for critical meetings, negotiate and manage contracts, engage with government stakeholders, and fulfil reporting requirements. The support has also been instrumental in enabling Local Transit to undertake long term business planning through the development of a Strategic Plan.

"Support through the voucher has given me the confidence to access larger contracts, engage with industry and government to provide better transport for people with disabilities, and develop a network of professional, trained wheelchair accessible vehicle drivers from East Africa."

Ali Warsame, Managing Director, Local Transit.



Image courtesy of Local Transit.

Supporting regional and rural enterprises

Social enterprises play a crucial role in addressing market gaps, particularly in regional and rural communities. In Victoria, social enterprises in rural and regional areas are diverse, operating under a variety of business models, including for-profit, not-for-profit and co-operative structures. They provide a relatively broad range of services compared to metro-based enterprises and are in many cases an important anchor

point for communities, responding to unmet needs of the places in which they are embedded. They are truly 'place-based', and social entrepreneurs in regional and rural communities tend to be highly resourceful in their ability to leverage resources and capability within narrower markets. Similarly, they must be agile and resilient to effectively respond to both environmental and economic shocks.

BAW BAW FOOD HUB

Baw Baw Food Hub (the Hub) is a community food social enterprise that facilitates the growth of ecological farming practices and makes fresh, local, organic food available to West Gippsland communities. The Hub supplies weekly vegetable boxes and an extensive range of other products through its Warragul grocery store, online orders and deliveries. It provides a marketplace for around 60 farmers and food producers, and generates local employment, volunteering opportunities and community connections via various events and educational programs. The Hub benefited greatly from the Boost your Business Social Enterprise Capability voucher, as it enabled the enterprise to access extensive mentoring and business support from CERES Fair Food, a much larger social enterprise also trading in local and organic foods. The advice provided was instrumental in strengthening the organisation's business model to support its financial viability, particularly during the height of the COVID-19 pandemic. For example, during the lockdown period, the Hub rapidly adapted to meet local needs by shifting exclusively to online trading through the Open Food Network. More broadly, the business support has been critical in assisting the organisation to move its operations to a larger premises and scale its operations and impact.



Baw Baw Food Hub's market store in Warragul. Images by Lynda Hoare (above) and Dianne Glass (below).



Image by Studio Aton, courtesy of Hepburn Wind.

HEPBURN WIND

Hepburn Wind is a community-owned wind farm co-operative located near Daylesford, Victoria. The enterprise seeks to create environmental, economic and social benefits for members, neighbours and community while acting as a lighthouse to others, demonstrating a successful community energy model. As a renewable energy generator, Hepburn Wind derives income from electricity sales, Renewable Energy Certificates and from its carbon offset product - Community Green. A Boost Your Business Social Enterprise Capability voucher enabled Hepburn Wind to work with The Difference Incubator (TDi) to explore new income streams at the intersection

of agriculture and energy production. This work mitigated risk for Hepburn Wind as the co-operative didn't have the in-house expertise nor the budget to fund innovation in agribusiness. As a result of the support, Hepburn Wind identified a business opportunity for 'behind-the-meter' energy with a potential agricultural customer. To further develop this opportunity the co-operative acquired a second voucher to work with TDi in 2020. The capacity building that occurred as a result of the vouchers has been invaluable and provided Hepburn Wind with a strong foundation from which to scale operations and impact in the longer term.

Fostering social entrepreneurship

The Victorian Government is committed to facilitating social entrepreneurship in Victoria, including through its support for various ideation, start-up and accelerator programs. Alongside these efforts, the

government has also funded initiatives to ensure that social enterprises are resilient, sustainable, and able to respond to economic shocks.

THE SOCIAL STARTUP STUDIO, CSI SWINBURNE

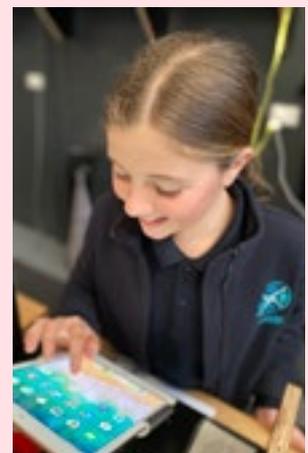
In 2020, the Victorian Government supported the Social Startup Studio's Social Enterprise Fundamentals program, which provides a comprehensive suite of publicly accessible resources for people and organisations considering starting a social enterprise. The program includes information, workbook activities and tools about introducing a social enterprise, designing for impact, business model elements and feasibility considerations. In addition to these resources, from September 2020 to June 2021, 16 virtual workshops were held to enrich learning, with around 25 participants attending each workshop. Government also supported the Social Startup Studio to provide clinic-based support for social enterprises impacted by the COVID-19 pandemic and the 2019/20 bushfires. The support has helped existing social enterprises better understand gaps in their current business model and operations, and optimise financial sustainability and social impact by identifying new business opportunities and/or adjusting and improving their business models.



An employee at Sweet Justice, a training and work experience social enterprise engaged with the Social Startup Studio. Image by Journey by Light Photography.

THE AUSTRALIAN CENTRE FOR RURAL ENTREPRENEURSHIP (ACRE)

ACRE is a social enterprise that is driving the renewal of Australia's rural communities so that future generations may thrive. Through ACRE's Social Enterprise Schools Initiative and its partnership with renowned Scottish learning organisation the Social Enterprise Academy, ACRE provides targeted leadership and enterprise development programs for school aged students, social entrepreneurs and community leaders across Victoria. To ensure a coordinated approach to entrepreneurship uplift across rural Victoria, the Victorian Government has supported SENVIC's partnership with ACRE to establish local sub-networks across regional Victoria and deliver a suite of learning and development programs. This work has already enabled over 100 social entrepreneurs to combine forces with their communities to solve local issues whilst creating sustainable businesses. ACRE also supports communities to become agile, resilient and enterprising, including through leveraging assets. In 2016, ACRE led the community buyback of the Old Beechworth Gaol through a consortium of local investment and philanthropic support. The site is fast becoming a vibrant hub and demonstration site for the role community-led rejuvenation can play in building new localised economies.



A student participating in ACRE's Social Enterprise Schools program. Image courtesy of ACRE.

Aboriginal social enterprises

The Victorian Government is committed to supporting Aboriginal social enterprises, business and entrepreneurs to prosper, recognising the important role they play in enabling self-determination and realising economic prosperity for Aboriginal Victorians. Importantly, they provide culturally safe, inclusive employment opportunities which foster Aboriginal social entrepreneurship and leadership. Aboriginal social enterprises, businesses and entrepreneurs make vital contributions to the state's economy and deliver tangible social benefits to the community, including encouraging greater understanding of, and respect for Aboriginal culture and communities across Victoria.

Through this Strategy, the government is committed to supporting Aboriginal social enterprises to access the culturally appropriate resources they need to build financial sustainability, achieve growth and scale social impact, as well as access market opportunities, including those arising from the Social

Procurement Framework. Government also recognises that while the values and business models of many Aboriginal businesses align strongly with those of social enterprises, many may not identify as social enterprises. In this respect, the government remains committed to adopting a flexible approach to working and partnering with Aboriginal businesses, enterprises and organisations to deliver strong employment and economic outcomes for all Aboriginal Victorians.

This Strategy recognises that Aboriginal people know what is best for themselves, their families and their communities. It aligns with the Victorian Government's broader commitment to Treaty, the Victorian Aboriginal Affairs Framework 2018-2023 and the Closing the Gap Implementation Plan. In particular, the Strategy supports commitments for government to improve life outcomes for Aboriginal Victorians through economic participation and employment.

BLACK DUCK FOODS LTD

Black Duck Foods is an Aboriginal social enterprise committed to traditional food growing practices that care for Country and return economic benefits directly to First Nations peoples. It was established to reintroduce traditional farming practices across native grains and tubers, protect the environment and preserve and celebrate Aboriginal cultural knowledge. In 2019, Black Duck Foods received a Boost Your Business Social Enterprise Capability voucher, which enabled them to engage Social Ventures Australia to support the development and communication of the organisation's Theory of Change. This strategic support enabled the enterprise to acquire the financial and community support necessary to scale up the business's operations – including expanding its traditional food systems and sharing its story with other Aboriginal groups across Victoria. Through its work, Black Duck Foods showcases the critical role traditional knowledges play in revolutionising the agricultural system to ensure that land is effectively managed for future generations, and food security is addressed

in a culturally appropriate way. Alongside the environmental benefits of the enterprise's work, the cultural intellectual property underpinning this knowledge system has important economic benefits for Aboriginal Victorians and Traditional Owner Groups.



Native grass and seeds. Image courtesy of Black Duck Foods.

Raising Victoria's profile on the global stage – Social Enterprise World Forum

The government has supported Victorian social enterprises to participate in several editions of the Social Enterprise World Forum, which is held annually and attended by leading policy makers, social enterprise experts and practitioners from around the world. The event plays an instrumental role in driving the global social enterprise movement, fostering knowledge sharing and showcasing solutions that contribute to a more sustainable and inclusive future. Forum attendees have developed long lasting connections with counterparts abroad, which in turn has informed local policy development and enabled export opportunities in global markets.



SENVIC founding members at the Social Enterprise World Forum 2019. Image courtesy of SENVIC.



Image courtesy of ACRE.

A strategy to create greater opportunity, inclusion and impact

Victoria's first Social Enterprise Strategy was pivotal in promoting the value and benefit of a strong, vibrant social enterprise sector. Building on this firm foundation, the *Social Enterprise Strategy 2021-25* seeks to grow, connect and enhance social enterprises, so that the sector can play an even greater role in creating inclusive employment opportunities and delivering economic and social value to the Victorian community.

The Strategy centres on four key themes and a range of supporting actions under each. Each theme on its own is geared towards enhancing the capability of, and opportunities available to, social enterprises. Importantly, the actions will support social enterprises operating across all markets, industries and geographic locations, including those operating in regional and rural Victoria. The themes are interconnected and mutually reinforcing – actions under one theme will support delivery of another. Taken as a whole, the themes will: strengthen and foster growth of the sector; create new opportunities for social enterprises to sell their goods and services; build a coordinated 'ecosystem' across Victoria; and, improve the measurement and reporting of the outcomes achieved by social enterprises. The Strategy also provides a cohesive approach to transforming government's approach to better working

with the sector – including strengthening alignment with government services and exploring ways to foster social entrepreneurship across the education system. Targeted efforts will improve recognition of the sector across government and the broader community, and help enterprises scale through unlocking access to innovative financing. Broader efforts outlined in this Strategy to drive national collaboration will not only improve strategic alignment and systems thinking, but also inspire other jurisdictions to transform their own social economies.

The Victorian Government is investing to deliver on the Strategy and its key themes. When combined with unprecedented investment in job creation and inclusive employment in the 2020/21 and 2021/22 Victorian State Budgets, the social enterprise sector has access to new opportunities to build a more inclusive economy and create jobs for those that need them. This additional funding will help raise their profile, connect them with more business opportunities, and strengthen the sector, including in regional Victoria.

The *Social Enterprise Strategy 2021-25* outlines the critical actions needed to be taken by government and its partners to ensure that this vision is realised.



Theme 1

Building business skills and capability and capturing impact



Theme 2

Enhancing recognition and access to innovative financing to scale impact



Theme 3

Fostering a connected and innovative social enterprise ecosystem across Victoria



Theme 4

Opening doors for social enterprises across government

Themes and Action Areas



Theme 1

Building business skills and capability and capturing impact

Social enterprises in Victoria are predominantly small to medium enterprises (SMEs) and face similar issues to other SMEs and start-ups, such as building business acumen, accessing funding, business planning, marketing, budgeting and tendering. Building skills, capability and know-how of social enterprises operating in consumer, business and government markets is critical to enabling

financial sustainability and developing the pipeline for quality, investable Victorian social enterprises. Sector consultations have highlighted that the hybrid nature of the social enterprise business model typically requires tailored and differentiated supports depending on the maturity of the social enterprise.

 ACTIONS	 OBJECTIVES
<p>1.1 Support business skills across the social enterprise development lifecycle</p> <p>Government will support programs and initiatives to build business skills and capability across the sector to facilitate the sustainability and growth of social enterprises. A range of partner organisations and intermediary services will ensure the sector can access supports that meet their unique needs. Support will cut across the business lifecycle from ideation and start-ups to procurement and investment ready organisations, onwards to mature social enterprises, and be inclusive of enterprises operating in a variety of markets and geographies.</p>	<ul style="list-style-type: none"> • Social enterprises have the business acumen and capabilities they need to scale and compete in existing and new markets. • A diverse intermediary sector exists to support a strong social enterprise ecosystem. • Government is playing an active role in developing the sector to grow, create new jobs and scale impact.
<p>1.2 Demonstrate impact and social value</p> <p>Government recognises that the ability to demonstrate, communicate and understand impact is crucial to the attraction of investment and long-term sustainability of the sector. The development of a holistic and flexible model to track impact will be explored to support greater consistency in impact measurement across the sector, while ensuring social enterprises have flexibility to tailor approaches to their individual needs. Within this context, government will also support programs and initiatives to strengthen the sector's data, evaluation and monitoring skills. Exploration of ways government can better leverage its existing data sets to support the sector will also be undertaken.</p>	<ul style="list-style-type: none"> • Social enterprises have improved capability to capture, analyse and report the impacts of their programs and services. • Improved impact measurement across the sector will facilitate greater transparency and confidence in the sector's impact, which in turn will support the attraction of private and philanthropic investment. • Publicly reported outcomes will improve public awareness and perception of the social enterprise business model.
<p>1.3 Support research to grow the evidence base</p> <p>Building on the Map for Impact project, government will support further research to ascertain the state of the sector, its impact and value to the Victorian economy. This will include supporting a publicly accessible social entrepreneurship evidence portal for a range of users including policy makers, social entrepreneurs, intermediaries and investors. Rich system-wide and localised data will inform government policy and support efforts to promote the sector to the community, businesses and investors.</p>	<ul style="list-style-type: none"> • Social enterprises and intermediaries can readily access evidence on what works in various contexts to guide business planning. • A strong evidence base on best practice in social entrepreneurship and enterprise will ensure government policy, programs and supports are grounded in evidence and effectively respond to the sector's needs.



Theme 2

Enhancing recognition and access to innovative financing to scale impact

Social enterprises often struggle to gain market access due to factors including: their size; lack of visibility; a lack of established relationships and market knowledge; information deficits on growth opportunities; and capacity constraints. The sector has consistently raised the lack of access to affordable, appropriate and tailored capital as being a major barrier to growth and market access. To support the sector's growth, Government is committed to

continuing its support for social enterprise recognition through certification and strengthening the implementation of the Social Procurement Framework to ensure it is further embedded across government. Recognising that access to affordable and appropriate capital is integral to the sector's ability to scale, government will also work with various partners to develop innovative funding models based on domestic and international best practice.

 ACTIONS	 OBJECTIVES
<p>2.1 Support social enterprise certification</p> <p>Government will continue supporting social enterprise certification and ensure there is a publicly accessible directory of certified enterprises. Certification is important to ensuring that buyers have confidence and trust that they are dealing with legitimate social enterprises, and to facilitate greater recognition of the sector across the community.</p>	<ul style="list-style-type: none"> • Social enterprises are supported to grow through improved access to existing and emerging markets. • Streamlined processes support greater connection and networking between social enterprise suppliers and buyers. • Social enterprises have enhanced credibility, which increases buyer confidence in purchasing from social enterprises and raises community awareness about social enterprises and their value. • Certification contributes to recognition of social enterprises as leading examples of fair workplaces that respect employee rights and champion equality and diversity.
<p>2.2 Assist social enterprises to scale through innovative financing</p> <p>Government will work with the social enterprise, philanthropic and impact investing sectors to explore innovative funding models based on domestic and international best practice. A key focus will be considering ways to leverage co-investment to maximise efficiency, support scaling and enhance impact. Government will work with social finance providers to encourage tailored, responsive forms of finance, including small-scale lending, blended finance (grants and loans), equity and patient capital, while also exploring payment by outcomes approaches. This program of work will also consider making funding available to pilot and test ideas to facilitate the growth of early stage enterprises and asset purchasing for enterprises seeking to scale. Alongside this, government will explore ways to improve the sector's access to government's early intervention and prevention initiatives.</p>	<ul style="list-style-type: none"> • Social enterprises have greater access to appropriate finance from a variety of sources across the business lifecycle. • Social enterprises are supported to test and pilot ideas. • Stronger collaboration, partnerships and strategic approaches to funding between organisations including government, philanthropic and impact investors will maximise efficiency and effectiveness of investments in the sector.



Theme 3

Fostering a connected and innovative social enterprise ecosystem across Victoria

An effective social enterprise ecosystem extends beyond the social enterprises themselves, to include professional networks, support organisations, relevant government departments, partners and supporters, philanthropy and investors, beneficiaries and customers, and research providers. With the Victorian social enterprise sector having grown rapidly over the past decade, cultivating a connected, cohesive and innovative ecosystem is crucial to its longevity. Feedback from sector consultations indicated a need for more support to navigate the system, including to: identify programs and services that support business capability; find opportunities to collaborate,

innovate and pool resources across the sector to leverage purchasing power; tackle complex issues; and maximise impact. Government also recognises that regional Victorian social enterprises face a unique set of barriers and have bespoke needs. In this context, supporting the establishment and expansion of localised networks will be key to ensuring that tailored, place-based approaches are developed to support rural and regional enterprises. Beyond this, activating partnerships between the social enterprise sector and local governments across Victoria will be critical moving forward, particularly in terms of opening doors to localised procurement opportunities.

 ACTIONS	 OBJECTIVES
<p>3.1 Foster the state-wide network and leadership across the sector</p> <p>Government will support SENVIC to expand its membership and sub-networks, and help social enterprises navigate the ecosystem and access programs and services. Various state-wide and place-based activities will be supported such as: face-to-face and virtual workshops, meetings and events, peer learning, information and resource sharing, and the promotion of a diverse range of available supports and opportunities. Activities may also include the delivery of programs that support leadership development. The network will also play a key role in supporting social enterprises to engage with government, intermediaries, buyers and each other. To promote equitable access to support across Victoria, SENVIC will leverage digital platforms and resources.</p>	<ul style="list-style-type: none"> • The sector is well coordinated and networked with strong sector leadership and active participation across a range of activities. • SENVIC’s member engagement increases year-on-year, thus expanding its reach and impact. • Social enterprises are better able to navigate the ecosystem, including identification of suitable programs and services.
<p>3.2 Support strong social enterprise networks across regional and rural Victoria</p> <p>Government will support SENVIC local networks to generate increased interest in the sector and strengthen the regional social enterprise ecosystem. The local networks will deliver various activities, including meetings and events to foster peer learning and information and resource sharing. They will also support cross-sector collaboration to develop solutions to local issues, including through partnering with local private and not-for-profit businesses, state and local governments.</p>	<ul style="list-style-type: none"> • Regional and rural social enterprises can access opportunities arising from the Victorian Social Procurement Framework and local government procurement. • Stronger networks and collaborative efforts will drive greater awareness and understanding of social enterprises in regional and rural Victoria.



Social Foundry in Kyneton provides young people with work and life skills through business operations in hospitality, constructive trades and mineral water. Image by Just Gold.

 ACTIONS	 OBJECTIVES
<p>3.3 Activate partnerships with local government</p> <p>Government will work with local government to drive coordinated approaches to supporting the ecosystem’s growth across Victoria. This may involve exploring ways to leverage local government assets, enhance communications and resource sharing, and ensure social enterprises can easily access government contact points.</p>	<ul style="list-style-type: none"> • Improved collaboration between State and local government will drive coordinated efforts to support the social enterprise sector, reduce duplication and improve policy and program alignment.
<p>3.4 Drive innovation and collaboration</p> <p>Government recognises that social enterprises play a key role in tackling complex issues and will actively encourage the formation of collaborative networks that seek to address critical challenges, such as food security and unemployment. The establishment of innovation clusters will also be fostered to promote greater collaboration, information and resources sharing to tackle complex issues and address market gaps. Similarly, opportunities to develop new consortia models will be encouraged to enable social enterprises to jointly tender for contracts, find new ways of sharing risk and reward, and deliver social impact on a larger scale, with increased efficiency.</p>	<ul style="list-style-type: none"> • Social enterprises collaborate to develop innovative approaches to pressing social, environmental, and economic problems. • Greater resource sharing supports social enterprises to leverage larger contracts and deliver social impact on a greater scale.



Theme 4

Opening doors for social enterprises across government

Elevating the profile and understanding of the social enterprise sector across government is key to transforming the way government does business with the sector and supporting its growth and impact. To enable this, a coordinated, strategic whole-of-government approach is needed to ensure government policies, programs and initiatives are inclusive of social enterprises and that opportunities for social enterprise to deliver on government policy

objectives are identified and realised. This will build on the base established by the first Social Enterprise Strategy and Social Procurement Framework, and include targeted efforts to better integrate social enterprises into complex government systems, such as employment services and the education system, recognising the sector’s unique role in supporting social and economic prosperity in Victoria.

 ACTIONS	 OBJECTIVES
<p>4.1 Leverage opportunities through the Social Procurement Framework</p> <p>4.1.1 Explore and implement mechanisms, such as targets, to improve social enterprises’ access to sustainable contract opportunities.</p> <p>4.1.2 Develop and deliver comprehensive training, resources and communications to support capability uplift across government.</p> <p>4.1.3 Streamline administrative and reporting processes to reduce burdens on suppliers and buyers and drive greater consistency.</p> <p>4.1.4 Broker stronger relationships between social enterprises and prospective corporate partners and purchasers, including through networking events and support for contract readiness programs.</p> <p>4.1.5 Support local governments to implement social procurement policies that leverage local purchasing power.</p>	<ul style="list-style-type: none"> • Government stakeholders across departments and agencies have greater awareness and knowledge of the social enterprise sector. • Social enterprises have greater access to, and benefit from, government policies and services, such as grants programs. • The implementation of the Social Procurement Framework is strengthened to enhance government’s purchasing power to support greater market access for social enterprises. • Social enterprises can readily identify and access procurement opportunities arising from the Social Procurement Framework.
<p>4.2 Increase recognition of Work Integration Social Enterprises (WISEs) across government’s service system and streamline referral pathways</p> <p>4.2.2 Promote and ensure social enterprises have access to Jobs Victoria’s programs and services, such as wage subsidies.</p> <p>4.2.2 Explore approaches to recognise the value WISEs deliver to government and the community, including appropriate remuneration approaches.</p> <p>4.2.3 Promote employment opportunities in social enterprises, including to those from disadvantaged backgrounds, and streamline referral pathways.</p> <p>4.2.4 Work with partners and social enterprises to identify models to transition employees from social enterprises into the open employment market.</p>	<ul style="list-style-type: none"> • WISEs in Victoria are better reflected in the Victorian employment system and connected into government’s programs, services and networks.



Fresh produce grown at Kensington Stockyard Food Garden was donated to food relief efforts as part of the Moving Feast collaboration. Image courtesy of Cultivating Community.

 ACTIONS	 OBJECTIVES
<p>4.3 Foster social entrepreneurship across the education system</p> <p>4.3.1 Explore opportunities across the education system, including primary and secondary education, to embed social innovation and entrepreneurship.</p> <p>4.3.2 Explore mechanisms to streamline pathways into social enterprises from TAFE and other tertiary education providers such as Learn Local.</p> <p>4.3.3 Work with partners across formal and informal education settings to build a pipeline of future social entrepreneurs.</p>	<ul style="list-style-type: none"> • Social entrepreneurship is fostered across the education system. • A growing pipeline of social entrepreneurs and innovators emerge in Victoria.
<p>4.4 Establish governance mechanisms and networks</p> <p>4.4.1 Establish a cross-government executive governance forum on social enterprise and social procurement to ensure strategic alignment and facilitate greater consistency and accountability.</p> <p>4.4.2 Establish an open Victorian Government network on social enterprise and social procurement to build understanding and awareness of the sector and its impact, and share learnings.</p>	<ul style="list-style-type: none"> • Governance mechanisms support greater strategic alignment and information sharing. • Increased number of internal government advocates for the sector. • Improved understanding of social enterprise business models and impact with greater inclusion of social enterprises in initiatives across government.
<p>4.5 Strengthen national collaboration on efforts to support social enterprises</p> <p>4.5.1 Work with and influence other Australian states, territories and the Commonwealth to support greater alignment of social enterprise policies and initiatives, identify opportunities to collaborate and share learnings.</p>	<ul style="list-style-type: none"> • National action to support the sector is strengthened.



Next steps

The Victorian Government is committed to fostering an inclusive economy and continuing its leadership in social enterprise policy and development. To achieve the Strategy's ambitious vision, the government will further strengthen its partnership with the sector, to ensure robust mechanisms are in place to measure, track, adapt and evaluate progress over the coming years.

Implementation

The Victorian Government will work with sector partners to develop initiatives that support the strategic intent highlighted in this document, while also complementing and building upon the foundations and key achievements of the sector to date.

As a first step, government will progress efforts under Theme 4 to open doors to social enterprise across government. These efforts will ensure there is a coordinated, strategic approach to embedding the Strategy across government and strengthen alignment with other key policies and programs, including the Social Procurement Framework.

While the Department of Jobs, Precincts and Regions will lead the overall implementation of the Strategy across government, support and leadership from all departments will be critical to its success.

Monitoring success and continuously improving

This document identifies priority objectives and key actions for the Victorian Government to partner with the sector on to realise its strategic vision. The Strategy development process pointed to the need for both system-level strategic initiatives, as well as a range of supports to social enterprises at different stages of development and maturity.

A comprehensive monitoring and evaluation plan will be developed and evaluation activities integrated into the delivery of this Strategy, enabling the adaptive management of the Strategy and ensuring continuous improvement. Over the life of the Strategy, we will continue to monitor its progress and continuously improve its effectiveness by undertaking the following:

- Develop an outcomes logic model, reflecting the objectives and key actions in this Strategy.
- Establish, track and refine our activities and approaches.
- Build our evidence base and track key data sets, evaluating trends and glean insights to improve approaches and impact.
- Engage actively with contemporary research and best practice by partnering with key stakeholders, experts and institutions, to drive continuous improvement.
- Seek feedback from key stakeholders and beneficiaries to ensure the Strategy is delivering on its objectives to improve service delivery and implementation.

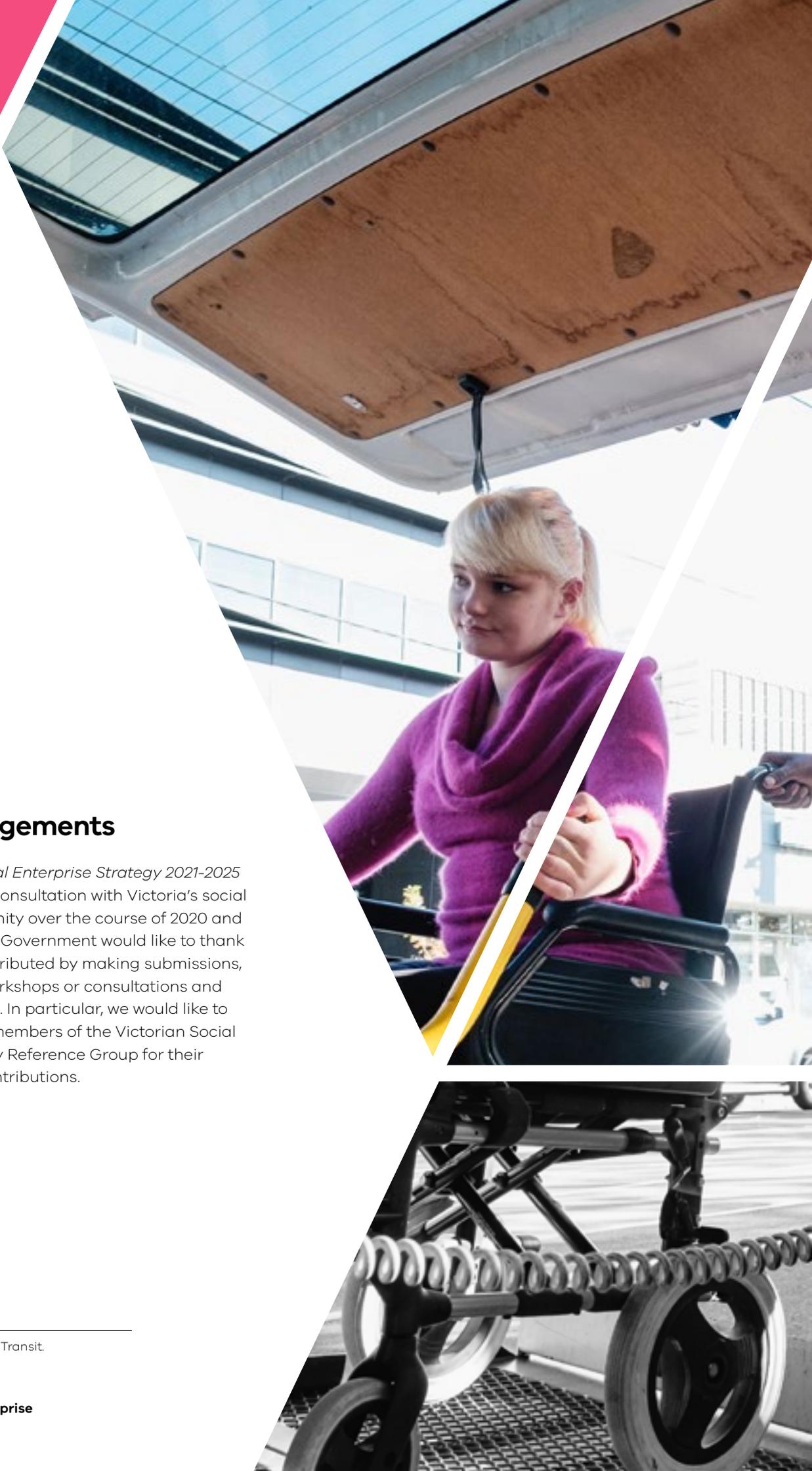
In partnership, we aim to achieve lasting positive change for the broader Victorian community and economy and strengthen the position of Victorian social enterprises as strong, inclusive, sustainable and innovative organisations for the future.

Simon Burnett, Co-founder of Kyneton based social enterprise, Social Foundry.
Image by Just Gold.

Acknowledgements

The *Victorian Social Enterprise Strategy 2021-2025* was developed in consultation with Victoria's social enterprise community over the course of 2020 and 2021. The Victorian Government would like to thank everyone who contributed by making submissions, participating in workshops or consultations and contributing online. In particular, we would like to acknowledge the members of the Victorian Social Enterprise Strategy Reference Group for their leadership and contributions.

Image courtesy of Local Transit.





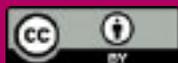
Disclaimer

This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication. While every effort has been made to ensure the currency, accuracy or completeness of the content we endeavour to keep the content relevant and up to date and reserve the right to make changes as required. The Victorian Government, authors and presenters do not accept any liability to any person for the information (or the use of the information) which is provided or referred to in the report.

Published by the Department of Jobs,
Precincts and Regions
Level 35, 121 Exhibition Street Melbourne,
Victoria 3000
Telephone (03) 9208 3799

October 2021

© Copyright State Government of Victoria 2021



This work is licensed under a **Creative Commons Attribution 4.0 International licence**. You are free to re-use the work under that licence, on the condition that you credit the State of Victoria as author. The licence does not apply to any images, photographs, or branding, including the Victorian Coat of Arms and the Victorian Government logo. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>.

Authorised by the Victorian Government, Melbourne.
Designed by Just Gold, Melbourne
Printed by Printing with Purpose, West Melbourne
Printed on 100% recycled paper
ISBN 978-1-76090-477-7 (Print)
ISBN 978-1-76090-478-4 (pdf/online/MS word)

If you would like to receive this publication in an accessible format, such as large print or audio, telephone **(03) 9651 9999** or email SPE@ecodev.vic.gov.au. This document is also available in PDF and Word formats at djpr.vic.gov.au

Front cover image: Verena, a Cooking Instructor at Free to Feed, shares her beloved arepas and her vibrant Colombian culture. Image courtesy of Free to Feed.