

Report to the Future Melbourne Committee**Agenda item 6.2****Social Enterprise City Impact Grant Program Funding Recommendations****1 March 2022****Presenter:** Andrew Wear, Director Economic Development and International**Purpose and background**

1. The purpose of this report is to seek approval of recommended applications for funding through the City of Melbourne Social Enterprise City Impact Grant Program (the Program).
2. Social enterprises are organisations that promote, encourage, and make positive social change while maintaining financial sustainability. To be considered a social enterprise, the business must have a defined primary social, cultural or environmental purpose aligned with a community benefit, derive a substantial portion of their income from trade, and invest efforts and resources into their purpose such that public/community benefit outweighs private benefit.
3. Business formation and growth is a key element of the city's recovery from COVID-19 and a range of sophisticated business-types – including social enterprises – will contribute to this activity. Through the Program, the City of Melbourne is seeking to encourage the advancement of social enterprises that will help reinvigorate the city's economy and respond to challenges arising from the pandemic.
4. At its 26 October 2021 meeting, Council endorsed a new approach to the \$200,000 Program, to support social enterprises as part of the city's post-crisis recovery efforts. The Program supports delivery of Major Initiative 3 in the Council Plan 2021-25 - Drive economic growth and resilience by implementing the Economic Development Strategy.
5. The Program provides funding of up to \$10,000 for social enterprises across two application categories: one for new startup enterprises; and the other for existing enterprises who are expanding or developing new products or services. In support of the City of Melbourne's Waste and Resource Recovery Strategy, a separate program stream also supports social enterprises that provide positive circular economy outcomes in the community.
6. The Program opened for applications on 22 November 2021 and closed on 14 January 2022.

Key issues

7. A total of 75 applications were received, with 45 in the startup category and 30 in the expansion category. Approximately 45 per cent of all applications nominated for the Circular Economy stream. In aggregate, applications sought \$716,934 against the available \$200,000, which ensured a highly competitive grant round.
8. All applications underwent a rigorous, merit-based assessment process undertaken by a team of subject matter experts. Applicant organisations had to be located within the City of Melbourne, or be clearly delivering their activity, product or service for the benefit of our community.
9. 11 social enterprises are recommended for Council's approval to share grant funding of \$100,000 (ex GST) in the open funding stream. Of these, eight are startups and three are enterprises engaging in expansion activities. In the circular economy stream, nine social enterprises are recommended for cash grants to the value of \$82,000 (ex GST), with 12 businesses to be offered professional development opportunities through Circular Economy Victoria worth a total of \$18,000. A full list of recommended applicants can be found in Appendix 2.
10. In addition to the provision of cash funding, a range of high-quality capacity-building and development opportunities will be offered to grant recipients through City of Melbourne networks. These opportunities will allow entrepreneurs to build professional skills in order to increase the sophistication of their product or service and grow their networks. These opportunities are as follows:
 - 10.1. Participation in the Shopfront Activation Program, which affords opportunities for suitable social enterprises to access a temporary or pop-up space in the City of Melbourne to trial and develop an

activity, product or service. 32 applicants – 12 of these being grant recipients – expressed an interest in participating in a potential shopfront activation in Docklands, CBD or Lygon Street.

10.2. Four grant recipients will be offered entry into the following highly-regarded accelerator programs:

10.2.1. MAP Velocity program is an early-stage startup incubator run by the Melbourne Accelerator Program (MAP) at the University of Melbourne. The 10-week program comprises 10 workshops centred on customer discovery and market validation with specialised experiences for both for-profit and for-purpose entrepreneurs.

10.2.2. RMIT Activator's LaunchHUB program is a 12-week intensive pre-accelerator program which supports a cohort of social impact-focused founders on their journey to product-market fit. The program offers access to co-working space, coaching, professional advisory, workshops, student interns, and RMIT expert connections, as well as the opportunity to pitch for up to \$25,000 funding during and post program.

10.3. A further six grant recipients will be selected to pitch their business solution at the Melbourne Knowledge Week Pitch Showcase event taking place on Thursday 12 May 2022 at Melbourne Connect in Carlton.

10.4. Suitable grant recipients will be offered membership packages to social enterprise procurement peak body, Social Traders. Membership includes one-on-one mentor advice and tailored direct approaches to access new customers from the Social Traders business and government member network.

10.5. All eligible applications that are unsuccessful in receiving grant funding will be offered access to the Small Business Mentoring Service for subsidised sessions to improve capability and skills in key areas of their business such as marketing strategy or financials.

Recommendation from management

11. That the Future Melbourne Committee:

11.1. Approves applicants through the City of Melbourne Social Enterprise City Impact Grant Program in accordance with the recommendations in Attachment 2 of the report from management.

11.2. Endorses management offering professional development opportunities to unsuccessful applicants through the Small Business Mentoring Service.

Attachments:

1. Supporting Attachment (Page 3 of 9)
2. List of recommended applicants (Page 4 of 9)

Supporting Attachment

Legal

1. There are no direct legal implications for council in the recommendation of this report.

Finance

2. The approved 2021-22 Council Budget includes an allocation of \$100,000 for the Program and \$100,000 from the Waste Minimisation and Innovation Fund.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

Health and Safety

4. In developing the Program, Health and Safety factors such as adherence to COVID-19 safety were taken into account. The Program includes the opportunity to showcase successful applicants through a public pitch event on 12 May 2012. COVID-19 safety protocol will be strictly followed in the delivery of any such event.

Stakeholder consultation

5. The Program was shaped by Council's Economic Development Strategy, which was developed with extensive stakeholder input. Further engagement was undertaken with key stakeholders such as RMIT University, University of Melbourne, Social Traders, Circular Economy Victoria, Melbourne Connect and the Small Business Mentoring Service to fully develop the Program.

Relation to Council Policy

6. The Program aligns with Major Initiative 3 in the *Council Plan 2021-25* – 'Drive economic growth and resilience by implementing the Economic Development Strategy'.
7. It also seeks to deliver on the *Economic Development Strategy 2031* priorities of Business Friendly City, Action 3 ('support for Melbourne's innovation, entrepreneurship and start-up ecosystem, to encourage business development and capacity building') and Unlock Climate Capital, Action 30 ('support small businesses and start-ups that demonstrate positive social and environmental impacts, through incubators and investment programs'). It will also deliver on the *Waste and Resource Recovery Strategy 2030*, Action 2 ('*Incentivise and promote innovative solutions*').

Environmental sustainability

8. In developing the Program, environmental sustainability issues have been considered and no direct issues were identified.

List of Recommended Social Enterprises for Funding

Social Enterprise City Impact Program 2021-22				
Recommended - Open Stream				
	Business Name	Category (Expansion or Startup)	Description	Funding allocation
1	Divtal	Startup	<p>A CoM-based enterprise, Divtal creates an online jobs board for Black, Indigenous, People of Colour (BIPOC) job candidates accessible to Australian organisations. DivTal also offers training, workshops and consulting for employers, and free career resources, toolkits, and coaching opportunities for candidates.</p> <p>Funding approved for in-person events for BIPOC candidates to connect and network with inclusive employers in Melbourne CBD, 1:1 career coaching opportunities and online marketing efforts to attract more BIPOC candidates into the Melbourne CBD.</p>	\$10,000
2	Kinaway	Startup	<p>Kinaway is the official Victorian Aboriginal and Torres Strait Islander Chamber of Commerce. Proposal is for their First People's Fashion and Textiles program titled - KIN Fashion. The program provides local product development and production opportunities for First Peoples in the fashion sector. A pavilion activation will be held in Federation Square during Melbourne Fashion Festival.</p> <p>Funding approved to produce a series of high quality photographic portraits to be taken of First Nations artists who have participated in the project to be exhibited at Federation Square. They will also be used in the London Fashion week activation and digital communication channels, enriching the content for a global market.</p>	\$9,091
3	Small Fires Publishing Pty Ltd	Startup	<p>Small Fires publish multicultural and multilingual books and toys. By partnering with creatives and translators from different cultural backgrounds they create space for underrepresented people in education and publishing. 12 short stories will be produced as freely accessible resources to build intercultural capability and create employment opportunities as 50% of profits are redirected back to artists.</p>	\$7,200

			Funding approved for engaging with writers and creatives from the municipality and a pop-up activation exhibition of the illustrations and stories, increasing accessibility and creating a space in the City of Melbourne.	
4	The Centre: Connecting Community in North & West Melbourne	Startup	<p>A CoM based enterprise, "Local Eats" aims to localise ready-to-eat food delivery. The program will initially target North & West Melbourne, supporting local business and community, whilst addressing disadvantage.</p> <p>Funding approved for contributing to development of the business model, creating pitch documents, developing the 'Local Eats' brand, marketing assets, and developing the technology/app platform.</p>	\$10,000
5	ArtsPay Pty Ltd	Startup	<p>A new credit card and payment processing company directing profits into the ArtsPay Foundation, an artist-led charitable foundation established to support independent artists. ArtsPay seek to establish a permanent, sustainable source of funding for the arts. As Australia's arts capital with a large artist community, CoM is a main target market for ArtsPay services who will extend lower fees for CoM businesses.</p> <p>Funding approved to run a marketing campaign to promote to City of Melbourne based businesses and to showcase City of Melbourne businesses using ArtsPay to support the arts industry.</p>	\$9,091
6	Multicultural Minds	Startup	<p>A CoM-based enterprise, Multicultural Minds provides an accessible platform to support and connect people from culturally and linguistically diverse (CALD) backgrounds experiencing mental health challenges.</p> <p>Funding approved to reimburse their 'Experts by Experience' - multicultural people with lived experience who will share their insights as guests for the program.</p>	\$9,091
7	Aubot	Startup	<p>A CoM-based enterprise, Aubot teaches kids aged 5-17 computer science skills like coding, through an online platform and in-person through collaborations with other companies and events for students.</p> <p>Funding approved to expand an educational technology platform with drag-and-drop artist programming with Python and Java exercises.</p>	\$10,000
8	Linkmate	Startup	<p>Linkmate offers a peer-to-peer social network for individuals seeking emotional support and community connection due to loneliness. The platform has a strong focus on students aged 18-25 and operates a subscription service to connect individuals seeking mental health support with vetted and trained 'Mates' based on shared interests and past experiences. With nine</p>	\$9,091

			<p>universities located in the CoM, the municipality forms a major target market.</p> <p>Funding approved to optimise the user experience of the app, partner with leading universities to conduct evidence-based research to support the efficacy and impact of the solution, scale their volunteer base, cover costs of digital tools for operations and marketing and promotional efforts.</p>	
9	VCPS Pty Ltd	Expansion	<p>A highly experienced CoM-based enterprise offering accessible, evidence based mental health treatments delivered at a low cost whilst addressing the skills shortage in mental health by providing training to provisional psychologists.</p> <p>Funding approved to help establish a dedicated clinic to treat the increasing number of adults suffering from ADHD due to Covid-19. The increased capacity aims to alleviate long waiting lists in the City of Melbourne, provide training for mental health professionals to grow the workforce and offer more affordable treatments for patients.</p>	\$10,000
10	San Marco in Lamis Social Co-Operative Club Limited	Expansion	<p>A CoM-based enterprise founded in 1973 to provide a gathering place and point of connection for Italian immigrants from the town of San Marco in Lamis and Puglia region of Italy.</p> <p>Funding approved to reinvigorate their community-based club through improvements to online presence, creating new events and initiatives to retain connections whilst introducing Italian heritage and culture to new audiences.</p>	\$7,300
11	Local Transit Pty Ltd	Expansion	<p>Local Transit provides accessible and consistent transportation solutions for mobility-restricted clients. Local Transit are committed to offering employment opportunities for migrants and refugees.</p> <p>Funding approved for the integration of a digital platform to increase clientele base in the CoM, increase visitation to the city and improve the overall customer journey.</p>	\$9,136
Total:				\$100,000

Social Enterprise City Impact Program 2021-22					
Recommended - Circular Economy Stream					
	Business Name	Category (Expansion or Startup)	Description	Funding allocation	Circular Economy Training
1	Rollup Recycling Pty Ltd	Startup	<p>Recycling carpet into new products whilst aiming to reduce the volume of carpet waste that fills council landfills. They also provide recyclable plastic materials to local universities to support waste and recycling productisation programs.</p> <p>Funding approved for purchase of machinery, equipment and expertise to expand their operations, prototype new products and circular economy solutions with reclaimed carpet materials.</p>	\$10,000	\$1500
2	Kelland Environmental Technologies Pty Ltd	Startup	<p>Enterprise recycles nappies into cat litter with a tested viable waste collection and recycling process available to customers in the City of Melbourne and the wider metro area.</p> <p>Funding approved to purchase a vehicle to help improve services and build customer base.</p>	\$10,000	\$1500
3	Farmwall Pty Ltd	Expansion	<p>Farmwall offers high-tech, hands-on learning tools for schools and educators to offer project-based learning to students of all abilities, instructing them about sustainability, closed-loop practices, environmentally conscious farming and food security.</p> <p>Funding approved to relocate their hydroponic food systems education centre into the City of Melbourne to be widely available to all members of the public and visiting school groups.</p>	\$10,000	\$1500
4	City Compost Network	Startup	<p>A CoM-based organisation focused on providing composting education for apartment dwellers.</p> <p>Funding approved to increase exposure and communications efforts including a new website, digital marketing and greater representation at community gatherings and other forums.</p>	\$2000	\$1500
5	Coffee Service Solutions Pty Ltd	Expansion	<p>A CoM-based social enterprise providing zero waste coffee machine rental and bean supply/collection.</p> <p>Funding approved to purchase equipment needed to easily handle</p>	\$10,000	\$1500

			more organic waste to divert more waste from landfill and create value-add products for the community.		
6	Billy Bubbles Pty Ltd	Expansion	<p>Long-lasting soda bottles made from locally sourced recyclable materials. Billy Bubbles provides a circular service to CoM residents and businesses with zero waste and encourages their community of customers to repair/reuse rather than discard.</p> <p>Funding approved for product design and development costs to help increase the viability and accessibility of sourcing local recycled materials to manufacture.</p>	\$10,000	\$1500
7	Reground	Expansion	<p>Social enterprise provides waste collection services to the hospitality sector, retailers and offices diverting coffee waste products and soft plastics from landfill.</p> <p>Funding approved to support the digitisation of collections data through an online client portal for CoM businesses.</p>	\$10,000	\$1500
8	Precious Plastic Melbourne	Expansion	<p>A community-focused recycling workspace manufacturing products from 100% locally sourced plastic waste.</p> <p>Funding approved to fast-track a project with FilmNeverDie, a film developing lab and camera shop based in the CoM, to utilise film canister waste to develop and produce recycled sunglasses to be sold at Carlton Eyelab.</p>	\$10,000	
9	STEM Sisters Vic Incorporated	Expansion	<p>A CoM-based social enterprise connecting migrant women with reused business clothing.</p> <p>Funding approved to expand their current initiative Dress to Impress to the BE YOU program with a physical store where STEM students can openly and securely swap and donate items.</p>	\$10,000	
10	RNTR. Pty Ltd	Startup	Fashion rental platform and logistics service with a proposal to pilot a CoM-based bricks and mortar expansion, whereby shared-wardrobes are physical locations including a pop-up in Fed Square during Sustainable September.		\$1500
11	Sustainable Stripout	Startup	A CoM-based enterprise diverting office fit-out waste from landfill and donating second-hand items and profits to charitable organisations.		\$1500
12	Fruit2Work	Expansion	Corporate food delivery service, eliminating food and packaging		\$1500

			waste whilst providing employment opportunities for marginalised groups.		
13	AV Help	Expansion	A CoM-based electronics repair and e-waste recycling service with a focus on education for businesses to avoid and reduce waste.		\$1500
14	Open Table	Expansion	Provides access to healthy food for people experiencing food insecurity and runs workshops that aim to inspire people on their journey to reducing food waste.		\$1500
Totals:				\$82,000	\$18,000