

"We get one tiny, precious, fleeting life and I want to squeeze every last drop of amazingness out of it," (Bec Scott¹)

STREAT is a Melbourne based social enterprise that supports marginalised and disadvantaged youth through providing opportunities for vocational training in hospitality, as well as holistic personal support which helps them to achieve their goals for a healthy self, healthy job and a healthy home².

HISTORY:

STREAT was founded in 2009 by Rebecca (Bec) Scott and Kate Barrelle. Their inspiration for STREAT was sparked by their time volunteering in a similar social enterprise called KOTO (Know One, Teach One), which empowers disadvantaged youth in Hanoi and Saigon by providing them with opportunities for hospitality training.

Inspired by their time with KOTO, Bec and Kate returned to Australia with the hopes of creating a similar venture to support young people struggling with homelessness and disadvantage. This resolve was only strengthened upon learning that 1 in 10 Australians will suffer from homelessness at some time in their life³, with 105,000 people each night lacking access to adequate, tenured and secure accommodation⁴. Approximately 25% of these individuals are aged from 12 to 24, a large majority of who fail to complete a year 10 education. This means that whilst 52% of homeless young people are wanting to find work⁵, they face barriers related to the lack of skills and education, as well as a lack of work experience. According to Bec,

"We couldn't imagine what it must be like for a young person to be starting life knowing that the disadvantage, unemployment and poverty that their parent's suffered was also to become their fate. We also believed it was immoral to have young people in our communities have an absence of both home and hope" (Bec Scott)⁶

¹ http://www.generositymag.com.au/audacious-leadership-and-social-enterprise-rebecca-scott-streat/

² https://www.streat.com.au/youth-programs

³ https://www.streat.com.au/

⁴ https://www.streat.com.au/about/history-and-model

⁵ https://www.streat.com.au/sites/default/files/streat_impact_investment_case_study_final2015.pdf

⁶ https://www.streat.com.au/about/ceo-bec-scott

When initially conceptualising STREAT, Bec and Kate designed the enterprise in a way that would enable it scale both in Melbourne, and beyond. The choice of establishing the enterprise in Melbourne was based upon the belief that the city would provide better access to philanthropic donations⁷, something they knew would be important when getting their idea off the ground.

Drawing upon start-up funding provided from overseas philanthropists, STREAT started very humbly as a mobile street food cart based in Federation Square in Melbourne. Operating outside in the

elements had its challenges, and after a year of exposure to sun, rain and wind, the cart moved indoors to Melbourne Central, where they still operate today selling take-away coffee.

In 2012, STREAT acquired the Social Roasting Company – and in doing so, pioneered one of the first equity investments in an Australian Social Enterprise. This meant that capital from investors, who were sold a share of ownership, was used to acquire the Social Roasting Company – which operated two cafes and a coffee roastery⁸





In September 2016, STREAT opened its new flagship site Cromwell STREAT. This site was gifted to the enterprise by Geoff Harris, a strong supporter of STREAT and the co-founder of Flight Centre. To read about Geoff's motivation in becoming an impact investor, click HERE. Originally built in 1869, Cromwell Manor has had a colourful past. The site has been offered to the enterprise on a 50-year lease for a peppercorn rent of \$5 per year⁹. The opening of this site was a result of a 3 year, 6.5million project, involving

collaboration with a wide range of partners. Once again, STREAT drew upon impact investment to secure the \$3.5m of philanthropic grants and repayable finance required to develop the site. More information can be found by clicking HERE. This site will allow the enterprise to provide a large training academy to its young people, provide a community meeting space, as well as house STREAT's head office. STREAT have opened a high-end cafe at this site, as well as a catering company, artisan bakery and a coffee roaster.

STREAT now operates 7 interconnected businesses (four cafes, a catering company, an artisan bakery and coffee roastery).

⁷ https://www.theaustralian.com.au/business/companies/street-smart/news-story/cbd9e4eb3930dd302261afa015f01cd2

⁸ https://www.socialventures.com.au/assets/STREATs-Acqusition-of-SRC-Case-Study-FINAL.pdf

http://www.generositymag.com.au/audacious-leadership-and-social-enterprise-rebecca-scott-streat/ XBR302 Social Entrepreneurship in the Digital Age STREAT Case Study

MISSION:

According to their website, STREAT are focused upon creating social impact across four key areas: People, places and planet, and performance. Their mission is to work with disadvantaged youth aged 16-25 to provide them with a supported pathway from the street to a sustainable livelihood¹⁰.

While they are strongly focused on the youth they support, the enterprise is also very conscious of its impact upon the planet. Over 80% of the food used by the enterprise is sourced in Victoria from organic, fair-trade, and preservative and cruelty free suppliers. Half of the menu is vegetarian, and food is packaged in fully biodegradable packaging, and all their printing uses recycled paper. They also use a leading environmental printer, Finsbury Green, a carbon neutral printer located in Melbourne who use recycled paper and plant-based inks. They also use 100% renewable energy at their head office, and have worked to incorporate energy efficiency initiatives across their different sites. They are active recyclers of paper, plastic and metal waste, and recycle coffee grounds to social enterprises – Reground and Sisterworks. In fact, the enterprise undertook a research project to document and increase the impact of their coffee, and they have discovered 23 ways in which each cup of coffee can create benefit. The enterprise also uses a chemical free cleaning system.

Their emphasis upon people also extends to the types of individuals and organisations that they collaborate with. STREAT are currently working with 25 social enterprises and B-Corps in their supply chain, including Thankyou, Who Gives a Crap toilet paper, fruit and vegetables from Spade & Barrow, and alcohol from Kooks, Goodwill Wine and The Good Beer Co¹¹.

SOCIAL PROGRAMS AND IMPACT:

"You can build everything from nothing...for every single problem that exists in the world, I believe we have the resources to fix it"

(Bec Scott¹²)

STREAT supports marginalised, socially isolated or disadvantaged young people from a wide range of different backgrounds, including:

- Recent arrival migrants and refugees
- Early school leavers
- Homeless, or at risk of homelessness
- Living in Out of Home Care
- Exiting, or have recently exited remand or have history of legal issues
- Learning difficulties
- LGBTIQ+
- Disability
- Mental health issues
- Past substance abuse issues

¹⁰ https://www.streat.com.au/about/streat

¹¹ http://assemblepapers.com.au/2017/06/02/streat-goodness-in-every-drop/

¹² http://www.generositymag.com.au/audacious-leadership-and-social-enterprise-rebecca-scott-streat/ XBR302 Social Entrepreneurship in the Digital Age STREAT Case Study

According to Bec,

"It's not uncommon for us to have a young person come to STREAT with, say, 10 to 12 agencies that they're already involved with. They might go to one for housing, one for mental health, one for their legal issues if they're coming out of prison, and another for detox...there can be so many people and organisations in the constellation that are trying to support a young person – but often that's part of the problem¹³."

To cater for the diverse needs and capabilities of the youth they support, the enterprise offers a range of different programs, which can either be completed individually, or sequentially as a full pathway to increasing their skills and confidence.

- 1. The first program is **'Entree'**, targeted at young people seeking to secure hospitality based work experience, or who may wish to get to know STREAT before taking on a longer program.
- 2. The second program is 'Main Course', which is a 20 week fully supported program which provided opportunities for on-the-job training and mentoring, as well as individual case support which includes support developing life skills, engagement in creative and social activities. Participants in this program acquire a Certificate II in Kitchen operations via Melbourne Polytechnic.
- 3. Their third program **'STREATs Ahead'** is a program that supports STREAT graduates into open employment. STREAT partners with a range of organisations in this program, and hope to offer a fully supported Certificate III program/apprenticeship program which will allow their students to train to become fully qualified chefs and bakers.
- 4. They offer an **Outreach** program which involves working with local community organisations or groups, including police personal on youth programs eg. Sporting activities, group workshops. In addition, the enterprise also offers a fun, three-hour **Taster** program for youth organisations or schools with young people who are interested in STREAT's broader programs.

A foundational element to their services offered is the desire to support program participants holistically, which means providing them with wrap around support designed to provide knowledge, skills and confidence to build a healthy self, healthy job and healthy home. Supported by a team of psychologists, youth specialists and social workers, participants undertake life skills modules, designed to build skills in areas such as emotional management and problem solving, as well as communication and conflict management, and healthy relationships ¹⁴. STREAT have also designed their workplaces to provide flexibility to their students to attend to aspects of their personal life, enabling them to take time to find housing, and attend court or detox centres.

Since opening in 2009, 900 young people have been supported by STREAT, and over 2 million people have bought meals and coffees provided by the enterprise. With the opening of Cromwell STREAT, the enterprise is now able to take in 365 youths each year, and they are working towards a goal of changing one life every mealtime by 2022.

¹³ http://assemblepapers.com.au/2017/06/02/streat-goodness-in-every-drop/

¹⁴ https://www.streat.com.au/youth-programs

FINANCIAL SUSTAINABILITY:

STREAT is a fabulous example of how a social enterprise, with careful thought and planning, is able to scale its scope of activities and overall impact. STREAT has grown from using mobile coffee carts, to an enterprise which operates a portfolio of seven hospitality businesses. These businesses enable the enterprise to train young people and provide work experience opportunities, and also provide sources of revenue for the enterprise. The enterprise generates 70% of its revenue through its income generation activities (cafes, coffee roastery, artisan bakery and catering services), and the enterprise is striving towards a goal of becoming self-sufficient by 2020¹⁵. The enterprise also sells their coffee through their online store. Setting the enterprise up to be self-sufficient was a vital element to its design, as it would enable them to 'sidestep funding hurdles, but also triple the number of youth it can assist'¹⁶.

In addition to generating revenue through its trading activities, the enterprise has used crowdfunding very successfully to provide supplemental income. The enterprise's first use of crowdfunding was in 2012, where they used Pozible to raise \$40,000 to develop a permanent cafe in Melbourne Central. They were successful in raising this amount, which was generously matched by GPT, a key partner.

Crowdfunding was used by the enterprise again in 2016, where the platform Chuffed.org was used to raise \$131,742 to help provide finishing touches on Cromwell Manor, ready for them to open to the public¹⁷.

AWARDS & RECOGNITION:

STREAT is now well-known for their innovative approach to tackling youth homelessness and disadvantage. They have been recognised in a number of awards, including:

- Winner: Australian Social Enterprise Awards 2015
- Winner: Most Innovative Australian Social Enterprise 2013
- Winner: Melbourne Business 3000 Award in Social Enterprise 2013
- Finalist: Ethical Enterprise Awards 2014
- Finalist: Cool Company Awards 2012
- Golden Bean National Coffee Roasting Championships: Gold Medal 2014, Silver Medal 2013, 2014, 2016

CEO Bec Scott has also been recognised:

- Victorian Local Hero Award 2016
- Entrepreneur of the Year Award 2016 (from Ernst and Young and the Commonwealth Bank)



CEO Bec Scott

¹⁵ https://www.streat.com.au/about/history-and-model

¹⁶ http://assemblepapers.com.au/2017/06/02/streat-goodness-in-every-drop/

¹⁷ https://chuffed.org/project/streat

MOVING FORWARD:

Looking to the future, STREAT is committed to deepening and expanding their model further across Victoria. Because of their success in generating positive social outcomes for the youth they support, the enterprise is being contacted by an increasing number of people from the greater Melbourne area seeking assistance. The goal of the enterprise is to operate where they are needed the most, and after commissioning Social Ventures Australia to map disadvantaged youth across Victoria, it became clear that there is a need for STREATs programs in a number of regional areas, Dandenong in particular.

"I'm very realistic about the fact that we're just done this tiny, tiny drop in the ocean – and that ocean is very big and very deep. I just want STREAT to keep committing to doing as much good as possible and keep building enterprises to be part of that solution. We're just getting started."

(Bec Scott)¹⁸

CONTACT DETAILS:

Website: www.streat.com.au
Instagram: streatmelbourne
Twitter: www.streat.com.au

Facebook: https://www.facebook.com/streatmelbourne/

OTHER RESOURCES:

https://www.streat.com.au/sites/default/files/the goods of streat v16 0.pdf

REVIEW QUESTIONS:

Prior to the webinar, please take some time to think about the following questions.

- 1. What are the key objectives of STREAT, and how do they align with the concept of a triple bottom line?
- 2. What are some of the key political and economic factors which have influenced the development and operation of STREAT to date?
- 3. How have cultural values impacted upon STREAT's success?
- 4. How is technology used by the enterprise to support its organisational objectives?
- 5. Which of the Sustainable Development Goals are addressed through STREAT's activities?

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¹⁸ http://assemblepapers.com.au/2017/06/02/streat-goodness-in-every-drop/