

The Aspire Social Impact Bond (Aspire SIB) is Australia's first homelessness focused SIB. The bond will raise private capital to fund the innovative Aspire Program, designed to make a lasting difference to the lives of people experiencing homelessness in Adelaide.

## AspireSIB

Ending homelessness together

The Aspire Program will be delivered by Hutt St Centre, an Adelaide based homeless services specialist, and supported by housing partners including Common Ground Adelaide and Unity Housing. The \$9 million Aspire SIB will fund the program to commence work with up to 600 homeless individuals over four years.

The returns generated by the Aspire SIB will depend upon the success of the Aspire Program in improving participant outcomes. Under the target scenario the estimated investor return is 8.5% per annum over the 7.75 year term of the SIB.

### Key features

The Aspire Program builds on the deep experience of the service delivery organisations. It is a 'housing first' intensive case management program that supports each participant for three years. The program ensures priority housing for participants, and seeks to build independence and resilience through tiered services including employment pathways, life skills development and connection to broader services.



The outcomes of the Aspire Program will be determined by measuring health, justice and homelessness service utilisation relative to an historical baseline. The performance of the SIB and returns to investors are determined by the level of Government payments to the Aspire SIB Trust, which are based on savings generated from these improved participant outcomes.

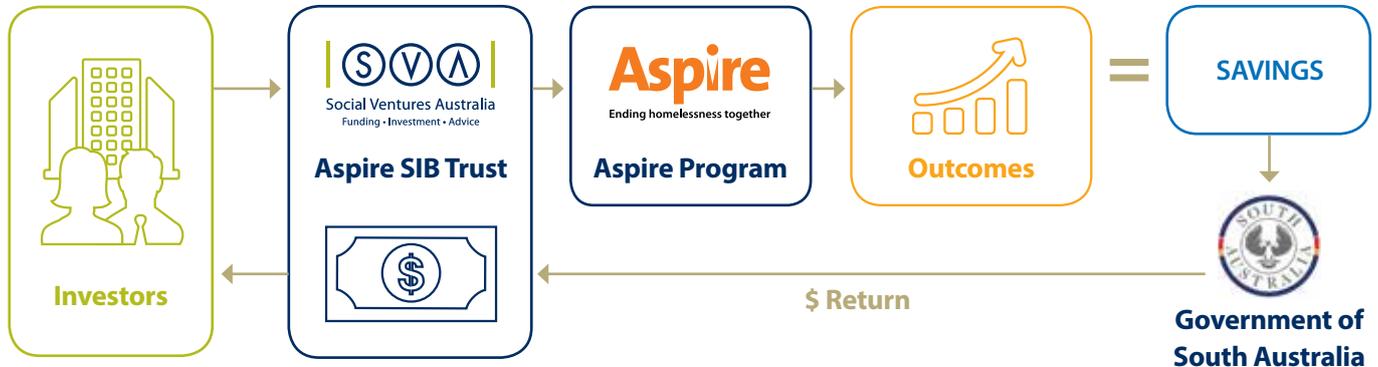
### Illustrative returns

Performance scenario	Underperform	Below target	Target	Above target	Outperform
<b>Estimated Investor Returns<sup>1</sup></b>	Approx 50% loss of capital	4.5% pa	8.5% pa	12.0% pa	13.0% pa
<b>Participant outcomes (% reduction in services)</b>					
- <b>Hospital bed days</b>	5%	10%	15%	20%	25%
- <b>Convictions</b>	5%	10%	15%	20%	25%
- <b>Crisis accommodation periods</b>	15%	40%	50%	60%	67%

1. These are scenarios only and there is no guarantee that the target objectives will be achieved.

## Aspire SIB structure

Investors can invest in the Aspire SIB by subscribing for notes issued by the trustee of the Aspire SIB Trust. The Aspire SIB Trust is managed by Social Ventures Australia (SVA), and will make payments to Hutt St Centre for delivery of the Aspire Program. The South Australian Government will make payments to the Aspire SIB Trust based upon the level of savings generated.



## What are Social Impact Bonds?

Social Impact Bonds are an innovative approach to financing social service programs that combines outcome-based payments and market discipline. They are designed to raise private capital for intensive support and preventative programs which address areas of pressing social need.

Under a SIB, a Government contracts with a service provider or an intermediary vehicle to make payments for the delivery of specified outcomes. As those payments may only be received several years after the delivery of the intervention services that generate the outcomes, investor capital is sourced to provide funding for the services and share in the performance risk.

SIBs have several benefits:

- Private investors and institutions can invest to help create better social outcomes and receive a financial return;
- Public funds are allocated to programs that are demonstrated to succeed;
- Service providers have greater latitude to determine how best to deliver outcomes;
- They embed robust evaluation of the program impact, and a deeper understanding of the cost of disadvantage; and
- They encourage transparency and improve the evidence base for 'what works'.

Since 2010 over 60 SIBs have been launched around the world, spanning more than 15 countries and a diverse range of social issues. It is estimated that over \$200 million of SIB capital has been raised to date. SIBs that focus on homelessness represent a significant proportion of the live SIBs worldwide, and they generally fund programs with a housing first/intensive case management model of care similar to the Aspire Program design.

SVA launched Australia's first SIB in 2013, the Newpin Social Benefit Bond<sup>2</sup>. This bond funds the Newpin program, which seeks to reduce the number of children in out of home care in NSW and is delivered by Uniting.

The Aspire SIB offers a unique opportunity to generate a competitive financial return while making a lasting positive change for some of the most disadvantaged members of our community.

## Contact us



**Ian Learmonth**

Executive Director, Impact Investing  
ilearmonth@socialventures.com.au  
02 8004 6729



**Elyse Sainty**

Director, Impact Investing  
esainty@socialventures.com.au  
0411 253 590

*Please note this is a summary only. Potential investors should read the Information Memorandum to fully understand the risks and features of the Aspire SIB, available at [socialventures.com.au/work/aspire-sib](http://socialventures.com.au/work/aspire-sib)*

2. Information about the Newpin SBB can be found at: [socialventures.com.au/work/newpin-social-benefit-bond](http://socialventures.com.au/work/newpin-social-benefit-bond)