



eleven Augsburg

The first successful SIB in continental Europe

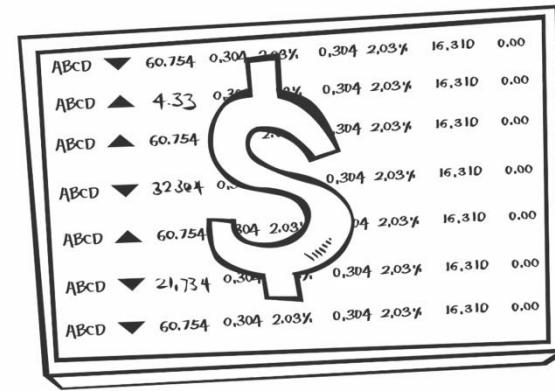
Session 5 | Business Case

5.1. SAVINGS

Visible **cost savings**, which can e.g. be analysed by means of a return on investment study, are generated by a SIB in the long run.

Instead of focusing on generating a profit for the investors, we rather put our focus on improving the **personal situation** of the beneficiaries.

Therefore, the project can be seen rather as a **donation** for a certain goal than as means for a financial profit.



In terms of our project, questions pertaining to **cost savings** for the commissioner and **profits** for investors can – from a strictly economic point of view – be answered with a clear **yes**.

5.2. FINANCIAL BENEFIT FOR GOVERNMENT DEPARTMENTS

With our **SIB** we managed to generate **savings** for more than just one political or social sector at once.

The savings mainly resulted from the ability of the teens to transfer the **structure, control** and **responsibility** they learned within the project to their daily lives.

Apart from being able to deal with their own lives, the teens also benefited from participating in **social life in general** as a direct result of the intervention.

The following groups were the main ones to **benefit** from the **SIB**:



Health insurances



Social insurances



Employers

Which will benefit from more qualified personal

5.3. CASHABLE SAVINGS LINKED TO THE AGREED OUTCOMES

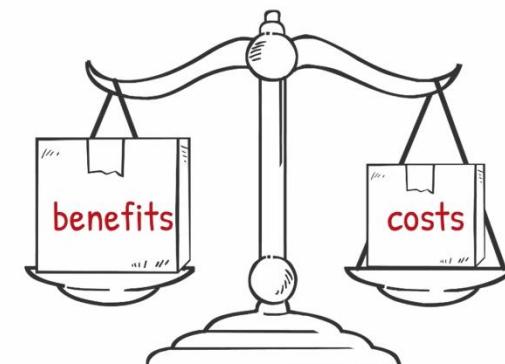
Apart from generating cost savings, a **SIB** is also about finding new **sources** of capital for addressing social issues that could not be dealt with by means of conventional financing tools.

The focus of the investors lies mainly on solving a **social problem** instead of benefiting in a monetary way.

There has to be a clear division between a **social investment** and a **SIB** as the social investment is always about generating a certain **profit**.

Even though the financial tools cannot be illustrated via the usual profit and loss calculation, they do have a certain benefit.

A social **return on investment study**, which in our case demonstrated that the **benefits** were clearly higher than the associated costs, has to be used for measuring.





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Leading questions developed by Social Finance

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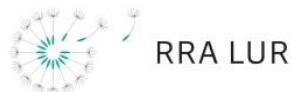
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