

OUTCOMES INVESTMENT FUND 2021-22



**WE BACK
HUMAN
POTENTIAL**

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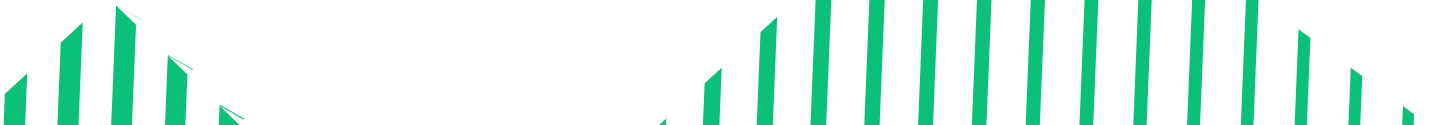
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Vision: A world that works for everyone.

Mission: Create innovative solutions through enterprise, to unlock social and economic opportunities.

15 million people in the UK live in relative poverty¹ and this number is predicted to grow due to the ongoing cost of living crisis. Big Issue Group is setting out a new five-year strategy to support a greater number of individuals, organisations and communities in need, delivering creative solutions to unlock social and economic opportunity for people trapped in poverty.

Through this new strategy, Big Issue Group will deliver an even greater level of impact for marginalised individuals, communities and organisations over the next five years, aiming for up to 11 million people to engage with Big Issue Group products and be positively impacted by Big Issue Group services. You can find out more about Big Issue Group's strategy in the **Big Issue Group Impact Report**.

Delivered through 3 strategic pillars:

Innovation

Creating innovative solutions and income generating opportunities for marginalised people.

Prevention

Offering direct support to help individuals avoid poverty while influencing, through campaigns and journalism, for meaningful social change.

Investment

Investment and lending opportunities for sustainable business, focused on delivering positive social and environmental impact.

As part of the new Big Issue Group strategy, Big Issue Invest aims for 1.5 million end customers per year to benefit from our investments by 2027.

WE BACK HUMAN POTENTIAL

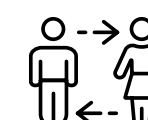
Championing impact-first investing



Supporting with more than money



Pushing for social equality



How will we achieve this?

We will support organisations that generate core solutions to poverty and those who create an enabling environment to supporting people and communities out of poverty.

Core solutions to poverty

Addressing basic needs and essentials of life.



Our objectives by 2030:

- Reach over **10 million** customers in total
- Deliver **70%** of our investments in areas of highest need across the UK
- Maintain over **90%** of the portfolio aligned to core solutions
- Launch **5** new investments funds and programmes
- Grow portfolio assets under management to **£500m**
- Promote the impact investing sector in the UK

Big Issue Invest Outcomes Investment Fund LP

General Partner's Report for the year ended 31 March 2022

The BII Outcomes Investment Fund (OIF or the Fund) has continued to progress with investment since last year and has committed just under 94% of the fund. The £10 million Fund launched in May 2017, providing much needed working capital to enable charities and social enterprises to deliver against results-based contracts, such as Social Outcomes Contracts (SOCs). The Fund now supports SOC's with a total outcomes value of over £58 million.

OIF is one of three funds managed by Big Issue Invest Fund Management Limited ("BII FM"), which is now managing £26.7 million (including uncalled capital) as at 31 March 2022.

In the fiscal year 2021/22, the Fund committed £1.4 million in the Refugee Transition Outcomes Fund, with a £5.6 million outcomes value – bringing the total committed investments up to £9.4 million and investments made to 21 contracts. This was also the last transaction of the Fund as the investment period of the Fund has now finished.

Five of the contracts have now concluded and repaid their original loans, including Apollo Care Leavers (Sheffield Futures), Street Impact London and Five Bridges. Apollo Care Leavers successfully supported care leavers to achieve education, employment, and training outcomes, meeting or exceeding target KPIs cumulatively over the contract. Street Impact London enabled more people with mental health needs to sustain accommodation than targeted but did not assist as many individuals into suitable employment or training as initially planned. Like Street Impact London, Five Bridges also aimed to reverse the rise of rough sleeping through supporting individuals with mental health needs into accommodation,

employment, and training. The project delivery for Five Bridges was completed in March 2021 with 930 individual outcomes achieved over the time of the contract, well exceeding the initial targets.

Since the Fund's inception, the investment team has focused on building trust and confidence with partners through transparent engagement, as well as being flexible and providing technical support to support the evolution of contracts. This approach has been particularly crucial during the two turbulent years of the Covid-19 pandemic. Like many individuals and organisations globally, we have also found that our partners have experienced a lot of upheaval and change, and we have been on hand to support them through this.

As well as the direct impact of the Fund on the organisations and individuals, our aim is also to drive the development of SOC's and outcomes-based investment as a sector. To do this, we are continuing to work with other industry partners, such as Big Society Capital, to share our learnings and insights.

We are very grateful to the members of the Investment Advisory Committee, our fund administration team at NCM Fund Services, the investment team at Big Issue Invest, our Non-Executive Director appointees and, of course, the hard working and innovative social entrepreneurs of our investees and their teams for all their achievements during the period. We would also like to thank Big Society Capital for their support and funding to make the delivery of this pioneering fund possible.

Danyal Sattar
CEO, Big Issue Invest

November 2022

Q&A with one of the OIF Partners

Commissioner at Doncaster Local Authority

Doncaster Big PictureInvest is a social outcomes contract with the aim to improve educational engagement and attainment for students who are disengaged from mainstream school systems.

1

Tell us about your relationship with BII? How did BII facilitate your relationship with the initial provider, Big Picture Learning?

BII have been instrumental in building a strong collaborative and solution focussed relationship amongst the partners. The BII team have been able to translate the Local Authority's (LA) commissioning intent into practice and provided invaluable support and advice to the provider - particularly in terms of business acumen and expertise. BII established a close working relationship with Doncaster Metropolitan Borough Council (DMBC) and have been flexible and creative in considering how joint working can support needs within Doncaster and future strategy. The BII team acknowledges the time and resource pressures within the LA and has adapted to find new ways of working together.

2

Did you face any difficulties in launching the social outcome contract? How did BII support you in this phase?

Yes, there were some difficulties to overcome. For example, LA's traditional ways of thinking in terms of procurement, contracting and legal advice. This was overcome by a lot of patience, collaboration, and negotiation. Out of norm for council procedures and needed some cultural change. BII were instrumental in detailing the benefits of this new way of working and able to demonstrate that the benefits would outweigh the risks. Post-launch the early delivery was also challenging and BII were central to turning around outcome performance and working with DMBC to co-design a new intervention to better meet the needs of students and families. This included further responding and adapting to the impact of Covid as well as launching a new service with Vega College.

3

How does the Big Picture project present new approach to the educational engagement and attainment for students who are disengaged from mainstream schools?

This way of working has enabled strong innovation in this area- developing alternative provision (AP) that connects family, school, and partner agencies in order to get better outcomes for young people. It both supports students to re-engage with mainstream schooling, enabling different tuition and achievements, as well provision that combines workplace experience and a suite of qualifications to enhance post-16 opportunities. The strong work in this area has enabled many young people to access mainstream education, qualifications and post-16 destinations that would not have otherwise been available. Personalised education that exposes children to real life experiences. Doncaster has a well-established AP network, but BPL offers something new that can be flexed to meet the needs of the students. The original Big Picture Learning model has been adapted to 'fit' in Doncaster while still retaining the key principles and we have developed new provision in Vega College building on those personalised approaches.

About Outcomes Investing

How Outcomes Contracts work

Social outcomes are positive results for individuals, for example when a person in long-term unemployment has found a job (the social outcome) after receiving training and support (the service). Typically, the commissioner is a public organisation that assigns and pays for public services (such as education, care, and health) provided by a local social sector delivery organisation. These traditional, public contracts setting out the provision, often have fixed terms for the service and how it should be delivered.

Service Innovation and Efficiency

The issue is when this service does not work for everyone: for example, individuals that have complex needs may need personalised support or a different approach altogether to achieve the same results as others. This is where Outcomes Contracts can be an effective way to address these more complex needs: the commissioners pay only once social outcomes have been achieved, rather than for the whole provision of the service. The social service delivery organisation has more flexibility in how it designs and runs its services to achieve the social outcomes and can be more innovative in its approach. Commissioners can benefit from more efficient, quality services, and better value-for-money in a social outcomes contract compared to traditional contracts. Service provisions under the social outcomes contracting arrangement cater to the individual's needs, while the commissioner pays only once the outcomes have been achieved.

Challenges

Outcomes contracts can be challenging to set up: there are numerous stakeholders, budgets, and targets to decide on. Without an external investor, these contracts also place significant financial risk with the delivery

organisation: they would need to finance the service upfront and would only get paid once they have delivered the pre-agreed outcomes.

The Solution: Outcomes Investment Fund

This is where the Outcomes Investment Fund (OIF) comes in. OIF Team works with the various stakeholders to understand the underlying social issue and how it can be solved with a targeted service. The OIF Team works with the Commissioner(s) and Delivery Partner(s), as there can be more than one, to design the solution and agree an outcomes-based contract. OIF finances the contract upfront and takes on the risk from the Delivery Partner(s). As the Delivery Partner(s) works with the individuals to resolve the social challenges, OIF Team tracks the data around the social outcomes achieved by the project. The Commissioner(s) pays for the social outcomes achieved by the Delivery Partner(s). Once the Delivery Partner(s) has covered the costs of the project, it pays back OIF for the upfront funding provided. See the diagram below for an illustrative summary of how outcomes contracts work.

Championing Impact-First Investing

OIF follows the Big Issue Invest principle of impact-first investing through providing flexible and patient capital to the Delivery Partners. Unpredictable events such as Covid-19 can hit the delivery of projects. To help, OIF works with the Delivery Partners to plan the cash flow of the project and delays repayment of funding until the project has covered its costs. Partners. Unpredictable events such as Covid-19 can hit the delivery of projects. To help, OIF works with the Delivery Partners to plan the cash flow of the project and delays repayment of funding until the project has covered its costs.

SOCIAL NEED



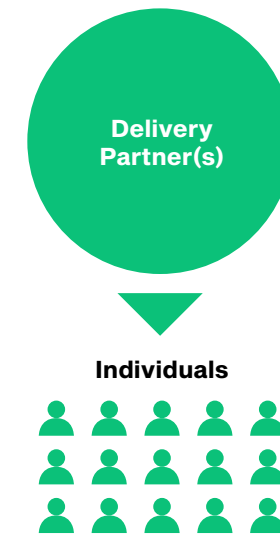
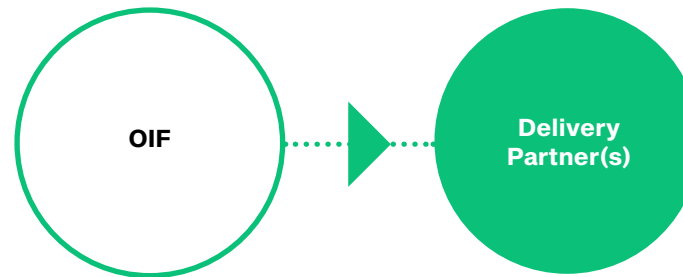
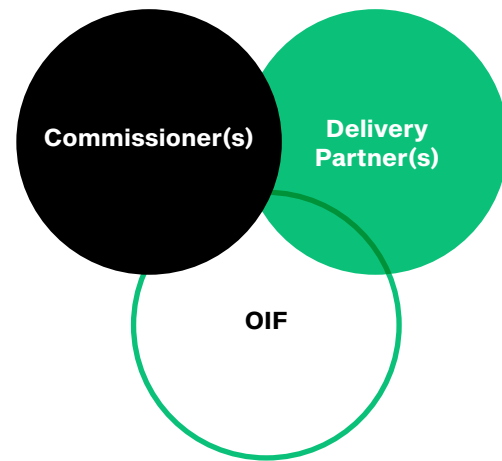
INVESTMENT



SERVICE



OUTCOME



1

Commissioner(s), Delivery Organisation(s) and OIF agree the social contract to deliver the project, including: who will receive the service and how many are targeted to take part; the areas of support to be provided; specifying the outcomes to be achieved; and the payment for each social outcome achieved.

2

OIF's investment provides the working capital needed for the Delivery Partner(s) to start delivering the services.

3

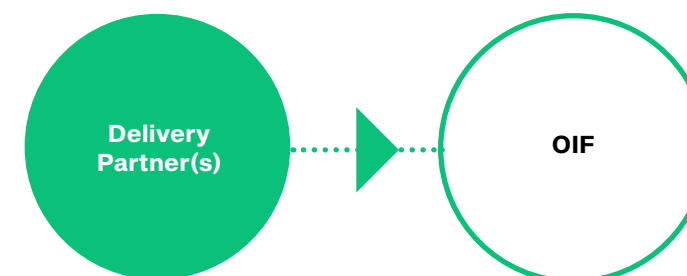
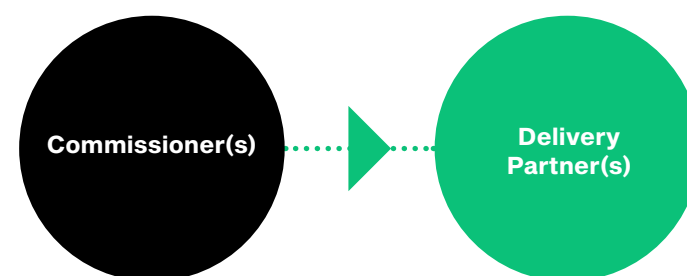
Delivery Partner(s) delivers the services to the cohort, measures and monitors the impact that the cohort experience as a result of the project.

4

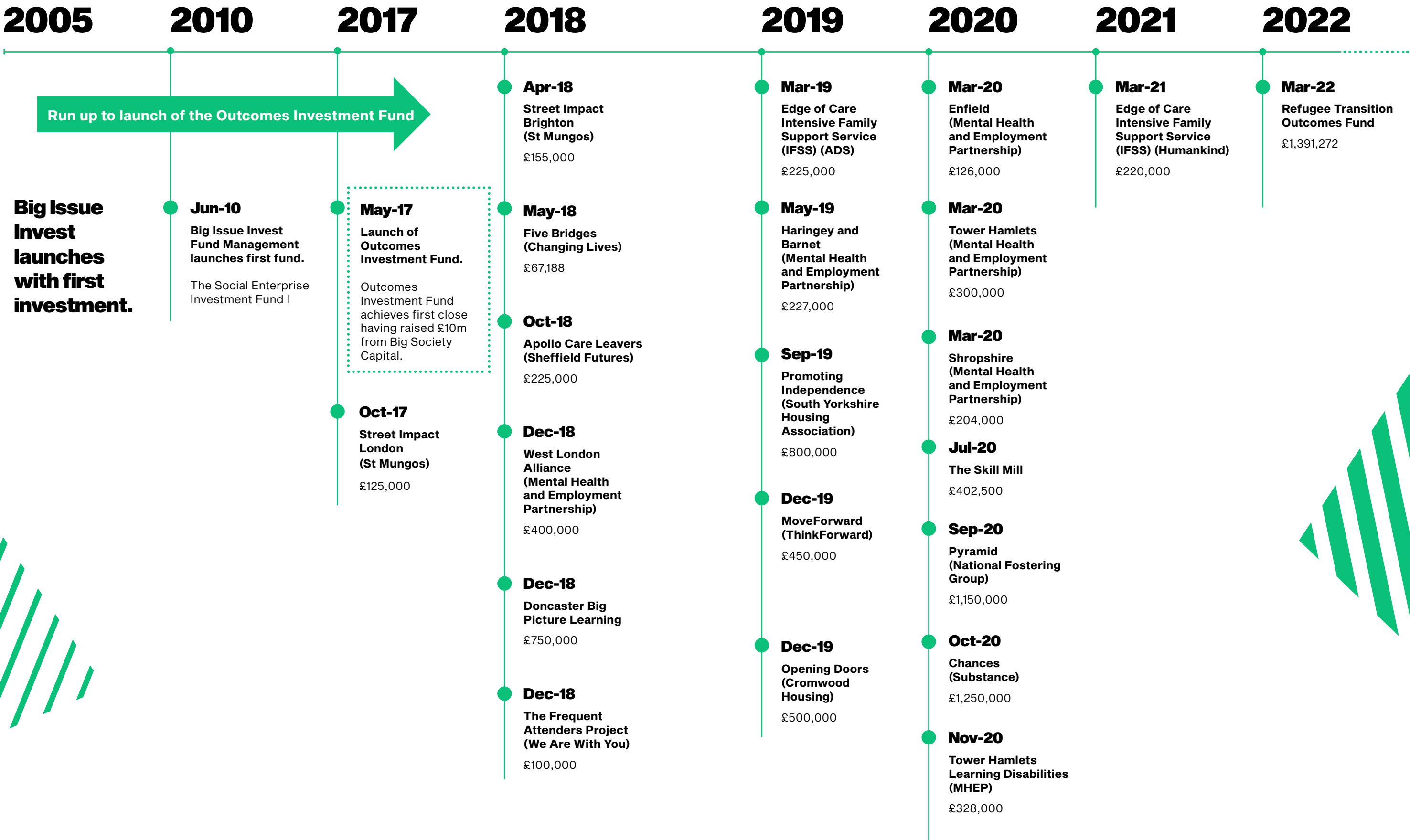
Commissioner(s) only pays for successful achievement of social impact. The payable Social Outcomes are agreed in the 'Social Outcomes Contract' (step 1 in the diagram), reported by the Delivery Partner(s) and validated by the Commissioner(s).

5

Delivery Partner(s) repay the initial investment back to OIF, once the project has successfully achieved the agreed social outcomes.



Investment Timeline



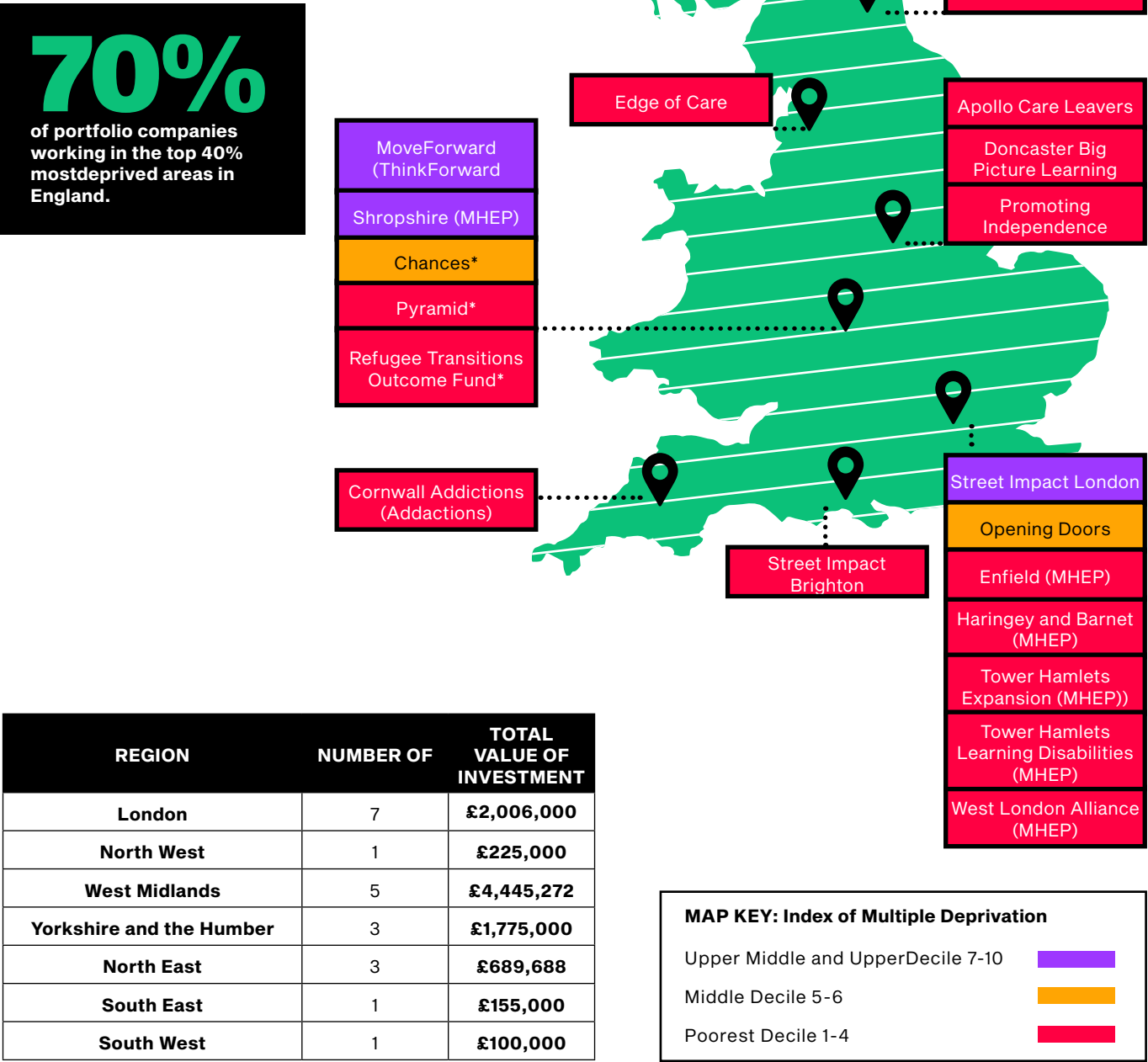
Investment Portfolio OIF

INVESTEES*	UN SDG	BENEFICIARY GROUPS	COMMITTED CAPITAL
Apollo Care Leavers (Sheffield Futures) **	8 - Decent work and economic growth	Vulnerable young people and NEETs	£225,000
Chances (Substance)	3 - Good health and well-being	Vulnerable Children (including looked after children)	£1,250,000
Cornwall Addictions (Addaction)	3 - Good health and well-being	People with addiction issues	£100,000
Doncaster Big Picture Learning	4 - Inclusive and quality education	Vulnerable children (including looked after children)	£750,000
Edge of Care - Intensive Family Support Service (IFSS) (ADS)**	3 - Good health and well-being	People with addiction issues	£225,000
Enfield (Mental Health and Employment Partnership)	3 - Good health and well-being	People with mental health needs	£300,000
Five Bridges (Changing Lives) **	11 - Sustainable cities and communities	Homeless people	£67,188
Haringey and Barnet (Mental Health and Employment Partnership)	3 - Good health and well-being	People with mental health needs	£227,000
Intensive Family Support Service Humankind (Humankind)	3 - Good health and well-being	People with addiction issues	£220,000
MoveForward (ThinkForward)	8 - Decent work and economic growth	Vulnerable children (including looked after children)	£450,000
Opening Doors (Cromwood Housing)	11 - Sustainable cities and communities	Homeless people	£500,000
Promoting Independence (South Yorkshire Housing Association)	11 - Sustainable cities and communities	People with mental health needs	£800,000
Pyramid (Big Fostering Partnership)	10 - Reduced inequalities	Vulnerable Children (including looked after children)	£1,150,000
Refugee Transitions Outcome Fund (Big Integration Partnership)	10 - Reduced inequalities	Refugees	£1,391,272
Shropshire (Mental Health and Employment Partnership)	3 - Good health and well-being	People with mental health needs	£204,000
The Skill Mill	8 - Decent work and economic growth	Ex-Offenders	£402,500
Street Impact Brighton (St Mungos) **	11 - Sustainable cities and communities	Homeless people	£155,000
Street Impact London (St Mungos)**	11 - Sustainable cities and communities	Homeless people	£125,000
Tower Hamlets Expansion (Mental Health and Employment Partnership)	3 - Good health and well-being	People with mental health needs	£126,000
Tower Hamlets LD (Mental Health and Employment Partnership)	3 - Good health and well-being	People with mental health needs	£328,000
West London Alliance (Mental Health and Employment Partnership)	3 - Good health and well-being	People with addiction issues	£400,000
		TOTAL	£9,395,960

*As at 31st March 2022
** Have been exited

Investment Map

The Outcomes investment fund has invested across eight regions in the UK with the majority into London (33%), West Midlands (24%), Yorkshire and Humber (14%) and North East (14%).



Fund Level Summary

Over the 2021/22 Financial Year

The Outcomes Investment Fund was launched in May 2017 and has provided investment for twenty-one social outcomes contracts across the UK to date. The last investment made by the fund in 2021/22 was £1.4 million to Refugee Transition Outcomes Fund (see case study). To date, five social outcomes contracts have ended their delivery periods and fully repaid their original loan. This includes Apollo SF Care Leavers, Street Impact London, and Five Bridges – who all concluded their contracts during this fiscal period, 2021/22.

Both contracts have fully repaid their loans.



21

Total number of investments



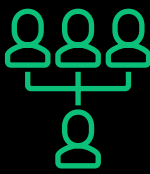
£9,395,960

Total £ value of committed capital



£58,811,454

Total contract outcomes value



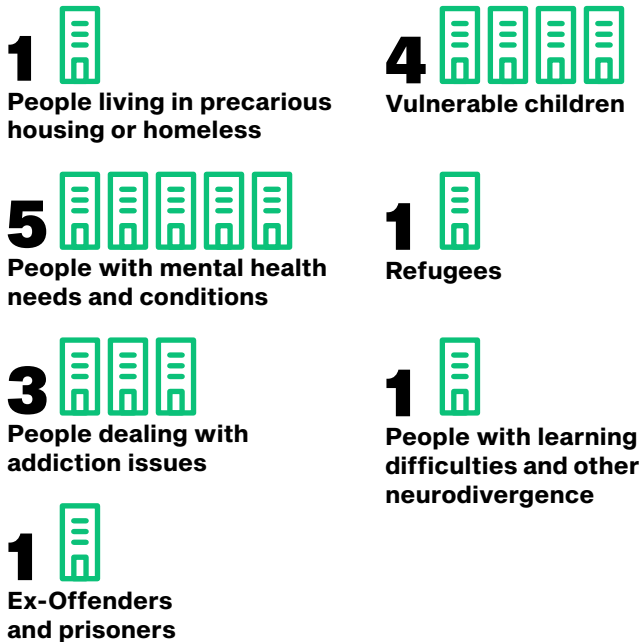
11,494

Total reach

IMP Rating: C - Contribute to solutions (All 21 investments)

Primary Customer Groups*

Number of Investees Working with each Customer Group



* Active investments

Primary SDG alignment



Headline Impact Figures



OIF Portfolio Annual Outcomes

Social Outcomes Contract	Mission	Target Beneficiaries	Target Outcomes	Target Indicators	Target value	Achieved value (2021/22)	Achievement, %
Apollo Care Leavers (Sheffield Futures)	Sheffield Futures is dedicated to helping Sheffield's young people reach their full potential and achieve the best out of life, whatever their starting point.	Young Care leavers (18-25)	Begins the assessment process and receives suitable guidance for next steps	(2021/22)	83	100	121%
			Improvement in educational qualifications	Obtains level 2 qualification	40	17	43%
			Entering and sustaining employment	Care leaver enters Employment	58	66	114%
				Care leaver earns equivalent of 13 weeks x 20hrs (£3550)	36	42	115%
			Feels like the training is suitable for them and their wellbeing is being supported	Care leaver feels safe	104	126	121%
West London Alliance (MHEP)	The Westminster Drug Project's mission is to transform recovery for people with addiction and mental health issues. By delivering free-to-access services in London and Cheshire, the charity aims to curtail the impact that substance misuse has on society at individual, family and economic levels.	Adults with addiction misuse issues, and who are long-term unemployed	Achievement and sustainment of employment	Entering engagement with employment services	973	937	96%
				Entering employment	282	255	90%
				Job sustained 13 weeks	125	80	64%
			Improvement in physical wellbeing	% of clients who had improvement in health scores	108	73	68%
Doncaster Big Picture Learning	Big Picture Learning aims to improve educational engagement and attainment for students who are disengaged from mainstream school systems.	Children who have disengaged/ been excluded from the mainstream schooling system	Engagement with the learning process and attending school	PLP's completed	100	87	87%
				No. achieving target attendance	122	333	274%
			Young person receives the support to progress at the expected level as outlined in PLP	Achieving PLP expected progress	32	50	156%
The Frequent Attenders Project (We Are With You)	We Are With You delivers expert drug, alcohol, and mental health support to empower people to be successful, to make positive changes and to take back control of their lives.	Frequent attenders of A&E due to drug/ alcohol misuse	Engagement with the assertive outreach team to access support and treatment	Sustained engagement with treatment x3 months	416	301	72%
				Reduction in A&E attendances for a drug or alcohol misuse issue	60% Reduction in A&E attendances at 6 months	220	88
				60% Reduction in A&E attendances at 18 months	72	100	139%

Haringey and Barnet (MHEP)	To assist people with longstanding mental health conditions achieve competitive, paid employment through Individual Placement and Support (IPS) services as an integral part of their treatment.	Adults with severe mental health conditions, and who are long-term unemployed	Achievement and sustainment of employment	Referrals	768	1048	136%
				Engagements	458	629	137%
				Entering employment	151	186	123%
				Job sustained 13 weeks	75	76	101%
Promoting Independence (South Yorkshire Housing Association)	SYHA's mission is to provide quality, affordable homes for those in need.	Adults with severe mental health conditions who are in 24/7 residential care	Participant has a secure and suitable place to live in fit condition	Moved into housing	55	31	56%
			Participant has the skills needed to manage and keep a place to live and has a higher level of independence and quality of life	Housing sustained x6 months	39	20	51%
				Housing sustained x12 months	30	13	43%
MoveForward (ThinkForward)	ThinkForward's mission is to support young people most at risk of leaving school not in employment, education, or training ("NEET") to be ready for the world of work, help them overcome the challenges that keep them from succeeding, facilitate employability activities to broaden their horizons and provide experience of the workplace.	Young people with mild to moderate learning disabilities	Increased number of young people with learning disabilities gain work experience, training and successfully transition into full-time employment	Enrolment	302.5	252	83%
				Completion of 4 ready for work activities	247	221	89%
				Completion of Qualification	111	128	115%
				Employment	49	46	94%
Opening Doors (Cromwood Housing)	Cromwood Housing aims to provide social housing and deliver homes that meet a range of needs.	Adults in temporary accommodation/ at risk of homelessness, and with multiple complex needs	Participant is engaging with the support team	Formal Engagement	The Opening Doors SOC has paused delivery of services as of August 2020.		
				Improvement in wellbeing			
			Participant has the skills needed to manage and keep a place to live and has a higher level of independence and quality of life	Improved wellbeing after 12 months			
				Entering accommodation			
				Housing sustained x3 months			
				Housing sustained x6 months			
				Housing sustained x9 months			
				Housing sustained x12 months			
				Housing sustained x15 months			
				Independence			

Enfield (MHEP)	To assist people with longstanding mental health conditions achieve competitive, paid employment through Individual Placement and Support (IPS) services as an integral part of their treatment.	Adults with severe mental health conditions, and who are long-term unemployed	Achievement and sustainment of employment	Referrals	311	205	66%
				Engagements	244	116	48%
				Entering employment	60	43	72%
				Job sustained 13 weeks	33	20	61%
Tower Hamlets SMI (MHEP)	To assist people with longstanding mental health conditions achieve competitive, paid employment through Individual Placement and Support (IPS) services as an integral part of their treatment.	Adults with severe mental health conditions, and who are long-term unemployed	Achievement and sustainment of employment	Referrals	882	906	103%
				Engagements	603	551	91%
				Entering employment	213	164	77%
				Job sustained 13 weeks	121	83	69%
Shropshire (MHEP)	To assist people with longstanding mental health conditions achieve competitive, paid employment through Individual Placement and Support (IPS) services as an integral part of their treatment.	Adults with severe mental health conditions, and who are long-term unemployed	Achievement and sustainment of employment	Referrals	303	365	120%
				Engagements	185	245	132%
				Entering employment	82	63	77%
				Job sustained 13 weeks	49	34	69%
The Skill Mill	Reducing reoffending whilst increasing engagement, participation, employability, and educational levels of young ex-offenders to increase their life chances.	Young ex-offenders	Achievement and sustainment of employment, education, or training	Recruitment	156	122	78%
				Induction completed	156	97	62%
				Qualification achieved	109	93	85%
				6 months completed	94	94	100%
				Secured job or further training	36	43	119%
Pyramid (National Fostering Group)	To move children out of residential care and into stable sustained foster care to improve their life chances.	Vulnerable children in residential local authority care	Children are placed and sustain safe, stable foster homes	Placement in foster care	6	5	83%
				Sustained foster placement for 6 months	6	6	100%
Tower Hamlets Learning Disabilities (MHEP)	To assist people with learning disabilities achieve competitive, paid employment through Individual Placement and Support (IPS) services.	Adults with learning disabilities	Achievement and sustainment of employment	Referrals	882	906	103%
				Engagements	603	551	91%
				Entering employment	213	164	77%
				Job sustained 13 weeks	121	83	69%
Refugee Transitions Outcomes Fund (RTOF)		Refugees	Has a secure and suitable place to live in fit condition	Entry into housing	283	82	29%

Chances (Substance)	To ensure children and young people stay physically active and reduce the risk of poor health in later life, and to help the most vulnerable young people improve their school attendance, keep them out of the youth justice system and prepare them for employment.	Vulnerable children and young people, including those from low socio-economic backgrounds, a history of the youth justice system, and/ or low school attendance	Improved Health and well-being	Number of young people Involved in the Programme		1898	
				Improved physical literacy at mid-point	1206	813	67%
				Improved physical literacy at end point	816	215	26%
			Improved EET outcomes	Improvements in school or PRU attendance of each 10% over the three full terms following enrolment compared to the full term immediately prior to enrolment	0	36	
			Reduced Re-offending	Achievement of recognised qualification / award, started during any quarter.	224	281	125%
				Completion of a three-month volunteering or work placement (minimum of 30 hours).	265	28	11%
No further offending over each three-month period following enrolment (achieved up to 4x).	0	125					
Edge of Care - Intensive Family Support Service (IFSS) (Humankind)	Humankind creates services and support to meet people's complex health and social needs, helping them to build healthier lives that have meaning and value for themselves and their families. They support local people to create stronger, better-connected communities.	Families with addiction misuse issues and vulnerable children	Families are entering and engaging with addiction and family support	Families engaged with IFSS	262	366	140%
				Families that complete IFSS	212	314	148%
			Children stay out of local authority care	Children out of care x6 months	228	514	226%
			Families are entering and engaging with addiction and family support	Families that engage with IFSS Lite	441	294	67%
			Children stay out of local authority care	Children not escalated through IFSS Lite	305	324	106%

OIF Objectives

What success looks like

Sustained positive change

The programmes that have been funded through OIF are changing the lives of the participants, from finding employment to helping achieve independence. BII aims for these programmes to be sustained beyond the Fund's lifetime, to ensure the communities continue to benefit from them in the years to come.

Staffordshire CC (HumanKind): This programme looked at preventing at risk children on child protection orders moving into looked after care where the parents suffered from addiction issues. Based on the success and learning from the first two years supported through OIF, a further four-year service was commissioned.

Realising service efficiency

OIF aims to deliver more targeted, higher quality programmes through the SOC's funded, translating into more efficient service delivery. This approach has the potential to create more scalable impact, with a stronger financial business case to ensure programmes continue after the OIF investment.

Doncaster - Big Picture Invest (BPI): The services here work with pupils disengaged from mainstream school systems – BPI has supported over 90% the children they have worked with back into mainstream education and developed post-16 pathways for 14–16 year olds. The services are being maintained by the council and BII is actively working to ensure better quality, higher impact services can be delivered at a cost to the Council below their current average alternative provision cost per pupil.

Wider roll-out

Due to the nature of SOC's, with Commissioners only paying on the achievement of outcomes, along with the rigorous data monitoring and evaluation of programmes, new models can be tested with little or no cost to the taxpayer. Successful interventions trialled through OIF have resulted in both an expansion of innovative service provisions, going from a handful of pilot areas to national rollout, and extension to other target cohorts who may benefit.

Individualised Placement Support (IPS) : IPS focussing on supporting people with severe mental health into employment is being rolled out across England as part of the NHS Long Term Plan, with the aim to help 55,000 people each year by 2023/24. Most recently this provision was further expanded to include people with addictions.

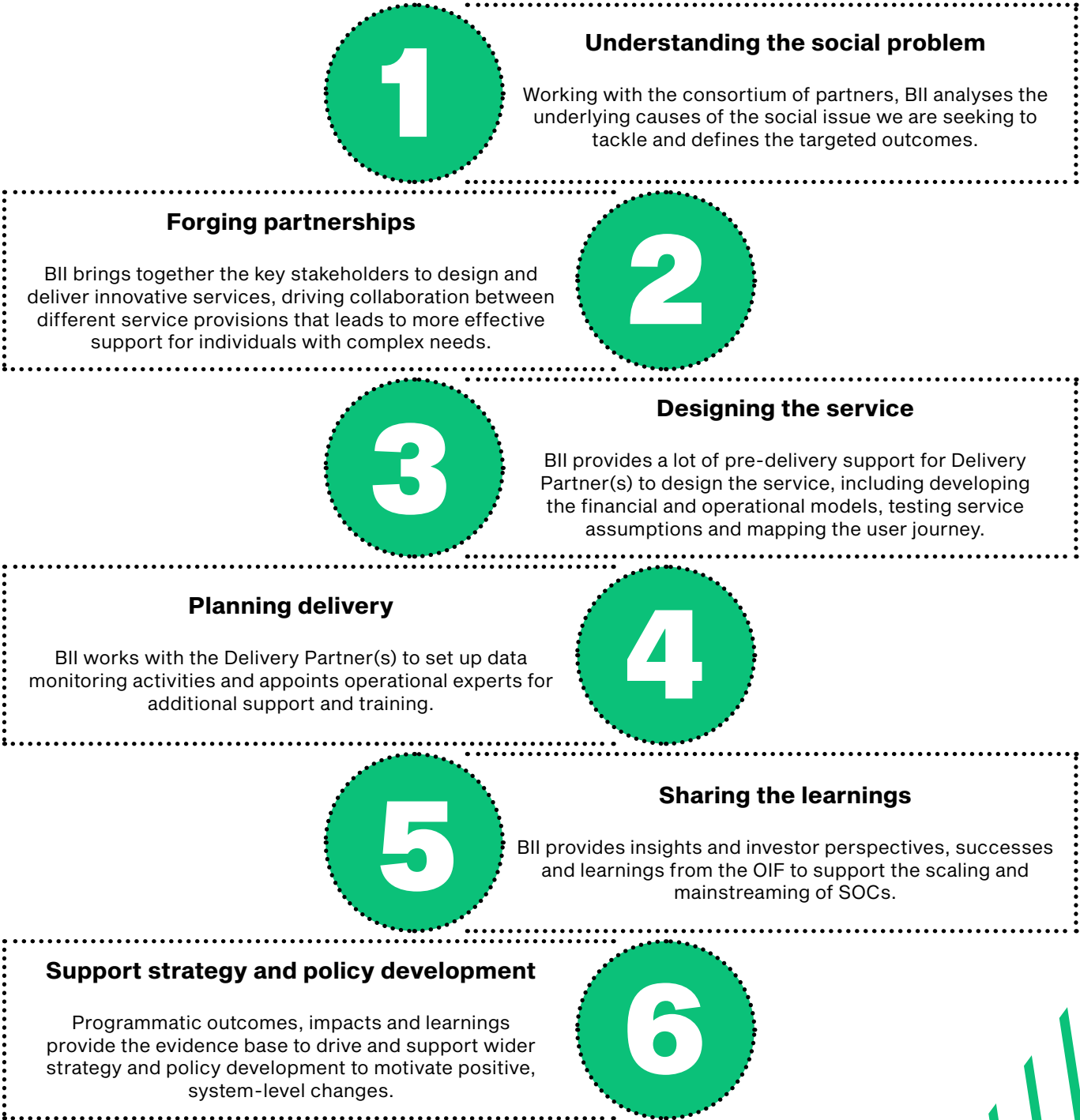
Instrument for social change

One of the overarching ambitions of OIF is to expand the toolbox of innovative tools available to Commissioners to tackle social issues, viewing SOC's as an effective way of commissioning public services. SOC's have now established a proven track record of success, with the various investments in the OIF portfolio delivering successful outcomes for individuals. The majority of programmes have also either repaid or are on track to repaying the original investment.

BII Role In Outcomes-based Contracts

More Than Money

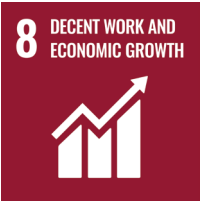
The role that Big Issue Invest (BII) plays in the Outcomes Investment Fund (OIF) has evolved from providing the upfront finance, that is crucial to catalyse the Social Outcomes Contracts (SOC's) to becoming a key partner in their design and development.



¹Delivered through the SPV Mental Health and Employment Partnership in several boroughs in London, and in Shropshire.

Case Study

Refugee Transitions Outcomes Fund (RTOF)



IMP Rating:
C- Contributing to solutions.

Location:
North West and West Midlands

The Refugee Transitions Outcomes Fund (RTOF) was established to improve employment, housing, health and wellbeing outcomes for newly recognised refugees and to help them tackle the barriers and challenges they face to self-sufficiency. Adopting a person-centred individualised integration plan, it is the only measured form of resettlement policy and is designed to improve outcomes for refugees as well as inform longer term policy. It is also the first contract commissioned by the Home Office.

The project is funded by BII’s OIF fund via a Social Purpose Vehicle (SPV) and subcontracted to a group of service providers with existing experience delivering the services in the local areas and the local authorities. In 2021, BII committed to a £1.39m loan to fund working capital requirements to provide an intensive and individually tailored package of support to 1061 service users across the localities.



About RTOF

Building on the successes of the Local Authority Asylum Support Officer (LAASLO) project, RTOF provides dedicated support and advocacy via Key Worker and Case Worker models in the West Midlands and the Greater Manchester. The project is subcontracted to a group of service providers with existing experience delivering the services in the local areas with the support of the local authorities to provide a central point of contact, delivery capabilities and performance management.

The Impact of RTOF

RTOF applies a Case and Key Worker model, as this enables personalised support to navigate and access existing services across disparate services. Since its launch in January 2022, the programme has worked with 82 people to complete integration plans within their communities and supported 39 people into housing.



WHAT

Services to facilitate entry into employment; entry into safe and secure accommodation and 6-months housing sustainment; integration.

Individuals have improved and sustained personal wellbeing and form positive relationships.



WHO

Individuals granted refugee status in the last 12 months in the Greater Manchester and West Midlands areas, specifically Birmingham, Coventry, Wolverhampton, and Sandwell.



HOW MUCH

82 people completed the integration plan within their communities and 39 people were supported into housing since January 2022. The programme aims to support c.900 refugees over four years who have been resettled in the Greater Manchester and the West Midlands regions.



CONTRIBUTION

Big Issue Invest contributed £1.38 million to fund the service and provided support and guidance in developing the outcomes-led contract with the commissioners.



RISK

External risk: One of the key risks is the impact of the tough economic environment and the cost-of-living crisis on disadvantaged people.

Case Study

ThinkForward



MoveForward - Think Forward

The MoveForward was established to address the root causes of the lack of adults with moderate learning disabilities in employment: just 5% of adults with a learning disability known to their local authority in England are in paid work. To tackle this, the MoveForward programme prepares and supports young people in transitioning out of education and into sustained paid work. The programme aims to teach young people the essential life skills and competencies needed for employment by developing their existing strengths and talents along with confidence, self-awareness, independence and ambition, and fostering their independence while taking part in workplace-based activities.

The programme was commissioned by the David Forbes Nixon Foundation and is run by ThinkForward. OIF financed £450,000 of the upfront working capital needed to start the delivery of the programme.



IMP Rating:
C- Contributing to solutions.

Location:
London, South East and West Midlands



About ThinkForward

ThinkForward was created in 2010 by Impetus – The Private Equity Foundation, following its extensive research into how to reduce the likelihood of young people becoming NEET (not in education, employment or training), with its initial coaching programme targeting hard to reach and disengaged young people in London, Nottingham and Kent. Currently ThinkForward runs two long-term coaching programmes for young people at high risk of unemployment; the ThinkForward programme, focusing on hard to reach, disengaged young people, and the MoveForward programme supporting young people with moderate learning disabilities.

The Impact of ThinkForward

The Programme engages with young people on a long-term basis of up to 5 years, building a one-to-one relationship with a highly qualified coach who supports them within and outside of school. During the programme the

participants think about their future goals, take part in activities for work readiness and meet potential employers.

ThinkForward liaises with relevant employers connecting them with students to provide work insight days and work experience opportunities, as well as, to support employers in tailoring their offer to the participants' needs. Moreover, in partnership with Project Search, the programme offers to some students the opportunity of a one-year sponsored internship. The employer will enable them to rotate across different departments and understand various careers opportunities within the workplace. As part of the programme, the school staff will be trained around delivering employability skills to students.

In the last year, MoveForward worked with 252 young people, of which 128 individuals achieved work skills qualifications and 46 entered employment.



WHAT

Increase number of young people gaining work experience and training to successfully transition into full-time employment via bespoke coaching.

The potential to scale the programme across schools located throughout the UK.

Outcomes are based on each child's movement through education, experience, attainment of qualifications and employment.



WHO

Young people aged between 15 and 21 with mild to moderate leaning difficulties.



HOW MUCH

348 young people in total for up to 5 years each.

In the year ending March 2022, 252 people were enrolled in the programme, 128 had achieved work skills qualification and 46 entered employment.



CONTRIBUTION

Big Issue Invest provided £450,000 working capital for the MoveForward coaching programme.

Without this programme, individuals with mild learning disabilities do not have the access to the highly-personalised support and training to move into employment.



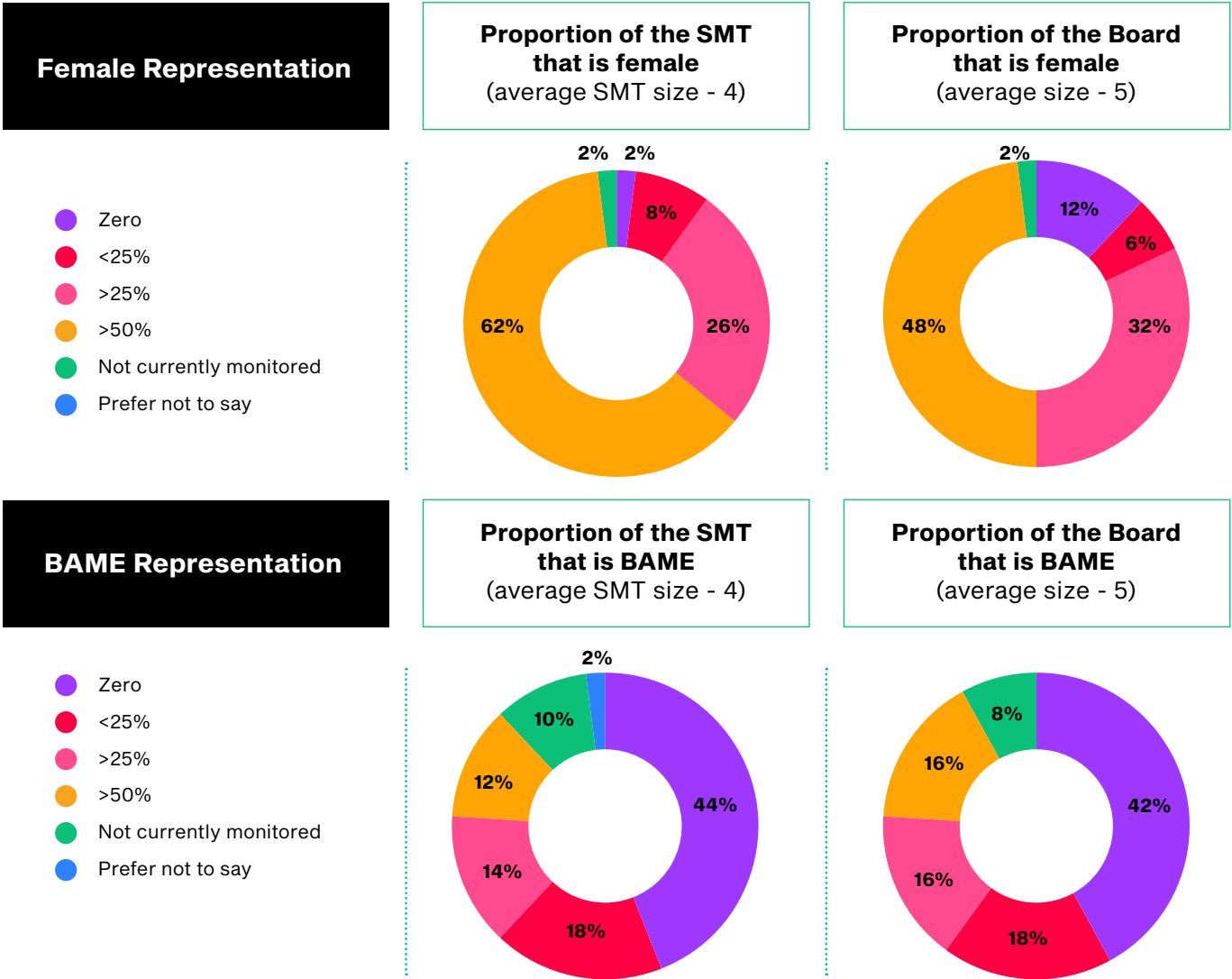
RISK

Employment outcomes affected due to the foreseen Long-Term Recession and Covid19 disproportionate impact on young people.

Diversity, Equity and Inclusion at Big Issue Invest

Over the last 12 months we have continued to prioritise improving diversity, equality, and inclusion (“DEI”) in our work. As part of this, we have included DEI evaluation within the due diligence for our investments and the annual impact survey.

Our BII Investment Portfolio Representation (as of September 2022¹³)
The findings from our annual BII Investee survey are as follows:



Our BII Staff Team and Board Representation (as of September 2022)

The DEI survey includes questions from last year’s DEI survey (our first), with additional questions on age and social mobility, with the following key findings:

- 1

The percentage of women was at 40% for staff team, 33% for Senior Management Team (“SMT”) and 37% for the Board (which also includes subcommittees such as for investment and impact).
- 2

BII’s Black, Asian and Minority Ethnic representation is low at SMT (17%) and Staff team (14%) levels, while at Board level it is at 21%.
- 3

The disability representation across the organisation is low with 87% of staff, 83% of the SMT and 95% of board identifying as “Not disabled”.
- 4

40% of staff members, 33% of SMT and 37% of Board have lived experience of a social challenge.
- 5

Lesbian, Gay, Bisexual, Queer (Questioning)+ representation within team is 27%, 17% at SMT level, and 5% at Board level.
- 6

80% of the Staff team were between 20-49 years of age, which was 50% for SMT and 39% for Board.
- 7

More than half of the Staff team and 60% of the Board members attended state-funded schools, while 50% of the SMT attended independent or fee-paying schools in the UK.

The full findings are outlined below:

Gender Representation	Staff Team	SMT	Board
Male	53%	67%	58%
Female	40%	33%	37%
Non-binary	0%	0%	0%
Prefer to self-describe	0%	0%	0%
Prefer not to say	7%	0%	5%

Ethnicity Representation	Staff Team	SMT	Board
Black African, Black Caribbean, Black British	7%	0%	5%
Mixed/Multiple ethnicities	7%	17%	5%
Asian or Asian British	0%	0%	11%
White any	73%	83%	74%
Prefer not to say	13%	0%	5%

Lived Experience	Staff Team	SMT	Board	LGBQ+	Staff Team	SMT	Board
No	33%	67%	42%	Heterosexual or straight	53%	67%	89%
Yes	40%	33%	37%	LGBQ+	27%	17%	5%
Unsure	20%	0%	5%	Prefer not to say	20%	17%	5%
Prefer not to say	7%	0%	16%				

Social mobility - school attended between the ages of 11 and 16	Staff Team	SMT	Board
Independent or fee-paying school	13%	50%	22%
Independent or fee-paying school, where I received a means tested bursary covering 90% or more of the total cost of attending throughout my time there	0%	0%	11%
A state-run or state-funded school	53%	33%	61%
Attended school outside the UK	20%	17%	0%
I prefer not to say	13%	0%	6%

Age	Staff Team	SMT	Board	Disability Representation	Staff Team	SMT	Board
20-29 years old	27%	0%	0%	Disabled	0%	0%	0%
30-39 years old	33%	17%	0%	Long term health condition	7%	17%	0%
40-49 years old	20%	33%	39%	Not disabled	87%	83%	95%
50-59 years old	7%	33%	39%	Other	0%	0%	5%
60-69 years old	0%	17%	17%	Prefer not to say	7%	0%	0%
70 years old or over	0%	0%	6%				
I prefer not to say	13%	0%	6%				

BII's Gender Pay Gap
For this report snapshot data was taken on 20/09/22¹⁸

Employee numbers: 23 employees.

BII's staff is **68% male** and **32% female**.

As can be seen below, significant progress has been made in the past year: our mean gender pay gap has significantly decreased by 33% and our median gap has seen a 46% shift, now reflecting a median pay that is in favour of women. Additionally, the highest to lowest pay ratio as at September 2022 was 3.68:1 in contrast to a ratio of 5.29:1 for the 2020/21 year, demonstrating an improvement in Big Issue Invest's pay equity. However, there is still progress to be made: those receiving the highest level of pay at Big Issue Invest are 88% male, and 67% of staff are men.

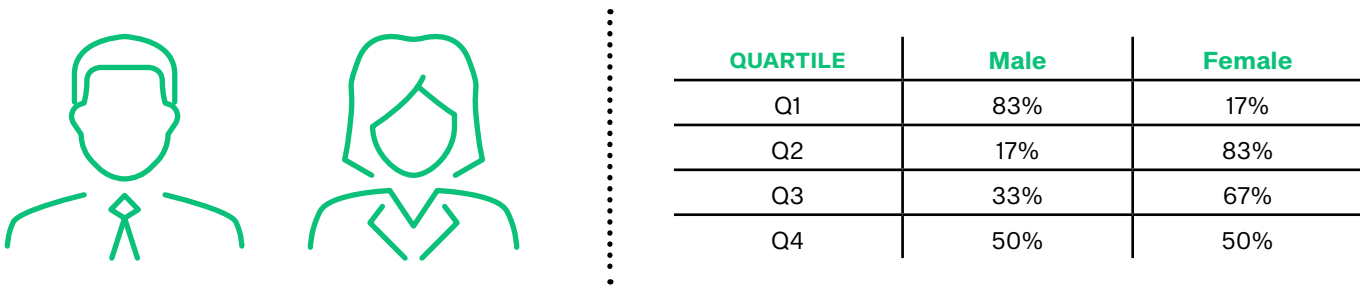
BII will continue to build a more inclusive and diverse culture through engaging the entire workforce in diversity, equity and inclusion training and conversations. BII is also looking to focus on addressing the cost of living impact on its employees.

Big Issue Invest's 2021/22 mean gender pay gap is 11% in favour of men.
Big Issue Invest's 2021/22 median pay gap data is 8% in favour of women.

Last Year:

Big Issue Invest's 2020/21 mean gender pay gap is **44.28%** in favour of men.

Proportion of males & females in each quartile 2021/22



Acknowledgements for OIF
Directors of the General Partner

Danyal Sattar

Danyal Sattar joined Big Issue Invest as CEO in December 2018. He has more than 25 years' experience in the social and ethical investment, charitable and impact investment sectors, working on social investment for organisations such as the Joseph Rowntree Foundation, Esmée Fairbairn Foundation and Access as well as for social investors Big Society Capital, Charity Bank and Aston Reinvestment Trust.

Parveen Bird

Parveen Bird has worked at The Big Issue for 15 years in various roles. Starting on a voluntary basis in the publishing and marketing department, Parveen now sits on the Group Board of Directors and on the Big

Issue Invest Board. Parveen is also a trustee of the Big Issue Foundation. Prior to this Parveen worked as a broadcast journalist at GMTV and the BBC.

Stephen Howard

Stephen Howard is the chair of Power to Change after retiring as chief executive of Business in the Community after 10 years in post. Stephen brings a wealth of senior management experience acquired in the corporate sector. He has held a number of executive and non-executive roles including chief executive of Cookson Group plc and Novar plc. Stephen's other roles include chair of Thames Reach and trustee of Big Society Capital.

Investment Advisory Committee

The Investment Advisory Committee includes the following members:

Tim Farazmand (Chair)

Tim has worked for over 30 years in private equity and was Chair of the British Venture Capital Association for the 2014-2015 term. Tim chairs the Palatine Impact Fund, PCB Partners and Estio. He sits on the boards of BSVT plc, The Lakes Distillery, Vinoteca and the Advisory Board of Beechbrook Capital.

Daria Kuznetsova

Daria Kuznetsova is currently an executive director for Strategy, Research and Performance at Teach First, a charity tackling educational inequality. Prior to that she was a strategy director at Big Society Capital. Daria has broad experience in the social and public sectors, including at New Local Government Network, NHS England and the Cabinet Office Strategy Unit. She is also a regular outreach volunteer for St Mungo's Broadway.

David Holmes

David Holmes has been chief executive of the national charity Family Action since 2013 and was previously chief executive of British Association for Adoption and Fostering. David also chairs the charities Children England and Naomi House and is a former chair of the End Child Poverty Coalition. He was awarded a CBE in 2014 for services to children and families.

Georg Stratenwerth

Georg Stratenwerth works as a senior adviser to Pillarstone. He spent most of his career in private equity, initially with JP Morgan Partners and then Advent International. He worked as a management consultant at Mercer Management Consulting and Roland Berger and Partner. Georg also serves as a member of the Ashoka support network and is on the Board of Trustees of ClientEarth and CASA, a Big Issue Invest investee.

Jeremy Rogers

From 1998 to 2008 Jeremy Rogers was at JP Morgan, where he set up their successful European High Yield and Distressed Debt group. When he was promoted to MD in 2005, he became the youngest MD in JP Morgan's history. Jeremy is now chief investment officer for Big Society Capital. He also sits on the Investment Committee of the Lankelly Chase Foundation and is a senior adviser to the Rockefeller Foundation's Innovative Finance programme.

Fund Management Team

Lars Hagelmann Head of Fund Operations & Portfolio Management

Lars Hagelmann has 20 years' experience in direct investment and investment management and joined Big Issue Invest in 2016 and is now leading the fund management team. He started his career in Berlin with BDO in the Corporate Finance Team before moving to London to work for SISU Capital, sourcing and managing direct private equity investments. Lars worked in the Middle East as Investment Director and CIO managing investments into education and healthcare.

Mark Lovell Head of the Outcomes Investment Fund

Mark Lovell has more than 20 years' experience as a CEO, executive chairman and non-executive director of organisations involved in the delivery of public services both in the UK and internationally. Having worked across the social investment market since 2008 he has extensive experience working with commissioners, providers and investors on the development of social impact bonds.

James Potter Investment Director

James has a background in corporate finance having spent over 10 years advising on stock market flotations and helping large companies with debt financing. Before moving to BII in 2019, he spent four years in the social investment sector working as an Investment

Nick Temple

Nick Temple is CEO of Social Investment Business. Prior to joining SIB, Nick was deputy CEO at Social Enterprise UK, the membership body for social enterprise, contributing towards the organisation's transition away from core government funding and tripling of membership numbers. Before SEUK, Nick worked at the School for Social Entrepreneurs, helping expand its franchise across the country.

Director at Numbers for Good, a social finance intermediary specialising in assisting social enterprises of all sizes prepare the materials that they needed in order to secure social investment.

Sergio Sanchez Toledo Investment Director

Sergio started his career in finance control, then moved to PwC where he worked as a systems and processes auditor and further developed his career as a risk management consultant. He combines experience working for commercial, public sector and non-profit organisations in the UK and Spain.

Ben Tiplady Investment Associate

Ben supports the fund management side of Big Issue Invest. He helps with reporting requirements to the board and outside stakeholders, social impact scoping and analysis. He comes from a background in social finance.

Sasha Afanasieva Head of Impact and ESG

Sasha is an impact management specialist and social entrepreneur with a background in investment banking. As an impact & ESG consultant, Sasha has advised over 50 organisations, including fast-growth early-stage businesses, corporates, charities and investors. She has extensive experience in leading complex time-sensitive projects and data-driven research.

Rhys Corley-Morgan Senior Impact Manager for Group

Rhys' current role of Senior Impact Manager for Group focuses on measuring the impact of the services, programmes and ventures across Big Issue Group while striving to embed consistent approaches to impact, measurement and data across all of BIG. Before starting his current role, Rhys spent more than five years working in Big Issue's Frontline team delivering services and enabling outcomes for Big Issue vendors.

Lizan Kawa Senior Impact Manager for Investment

Lizan's role focuses on streamlining data collection processes, measuring and impact reporting of current funds, and supporting development of impact metrics and due diligence processes for new funds. Lizan has a background in designing social outcomes contracting and innovative financing instruments in a range of sectors. Her experience spans the public, private, and third sector, with her most recent roles at the non-profits Social Finance, and the Bill and Melinda Gates Foundation. Lizan holds a PhD in Neuroscience.

Stepan Zelinger Grants and Data Manager

Stepan has a background in modern history and international affairs and has worked as coordinator of volunteering programmes in his early career. In recent years, he's led the development of grant-making and technical assistance programmes in a Czech foundation, focusing on community development, social entrepreneurship, and youth philanthropy. Before joining BII, he was responsible for a portfolio of grants in Central and Southeast Europe at the Open Society Foundation's

education programme. At BII, Stepan focuses on the delivery of the Social Enterprise Support Fund and developing BII's grant-making and data management capabilities.

Ilana Darrant Impact Officer

Ilana has a background in working with small businesses with community impact, including working as part of a team to convert a privately owned bookstore to a member-owned worker run co-operative. Before joining Big Issue Invest she provided technical assistance for a portfolio of over 80 energy efficiency and solar grant contracts as program coordinator for the Washington State Department of Commerce's Energy division. As part of the Big Issue Invest Impact team, Ilana has worked both on the delivery of the Social Enterprise Support Fund and, currently, on developing and implementing BII's impact management frameworks, impact measurement and reporting.

Carolina Cirillo Programmes and Partnerships Officer

Carolina facilitates the creation and implementation of Group's partnerships, liaising with corporates, charities and government authorities. She contributes to impact management activities including research, reporting and data analysis. With a background in international development, she has experience in programme management around sustainability and human rights' issues.

Concluding remarks

A focus on achieving defined social outcomes, building an Outcomes Partnership including small and local social enterprises, and providing flexible social investment through OIF has proven to be an effective way to tackle societies most challenging problems and have sustainable, deep positive impact on individuals.

In a recent partnership briefing², The Centre for Social Justice and Big Society Capital advocate for the government to establish a £1 billion Outcomes Fund to transform the way public services address complex social need, drawing on the successes achieved through Social Outcomes Contracting (SOCs) over the last ten years, including several projects funded through OIF. Comprehensive work done by ATQ Consultants to evaluate the public value of 72 of the 90 SOC in the UK has revealed for every £1 spent by commissioners, £10.20 of public value has been generated³.

c.£9.4m
of committed
capital

£58m
in outcomes
contracts

The OIF portfolio of 21 investments has leveraged c.£9.4 million of committed capital to catalyse over £58 million in outcomes contracts to date. As OIF ends its investment period, BII is hopeful about the potential expansion of SOC and its proven efficacy in achieving longer term strategic objectives supporting system-level impact. Meanwhile focus remains on supporting the continued delivery of the current SOC, capturing, and sharing learnings, and the sustainment and expansion of successful programmes.

²Outcomes Partnership Briefing – CSJ, BSC, 2022

³Outcomes For All – a look back at a decade of social outcomes contracts - Big Society Capital, 2022.

Fund Information

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