



THE  
**R E ROSS**  
TRUST

# ADDRESSING HOMELESSNESS

VALUING THE HOMELESSNESS SECTOR: HUMANITY, PRODUCTIVITY  
AND BUILDING FUTURES

Broader community connections: strengthening the homelessness  
sector

Presentation by Sylvia Admans CEO The R E Ross  
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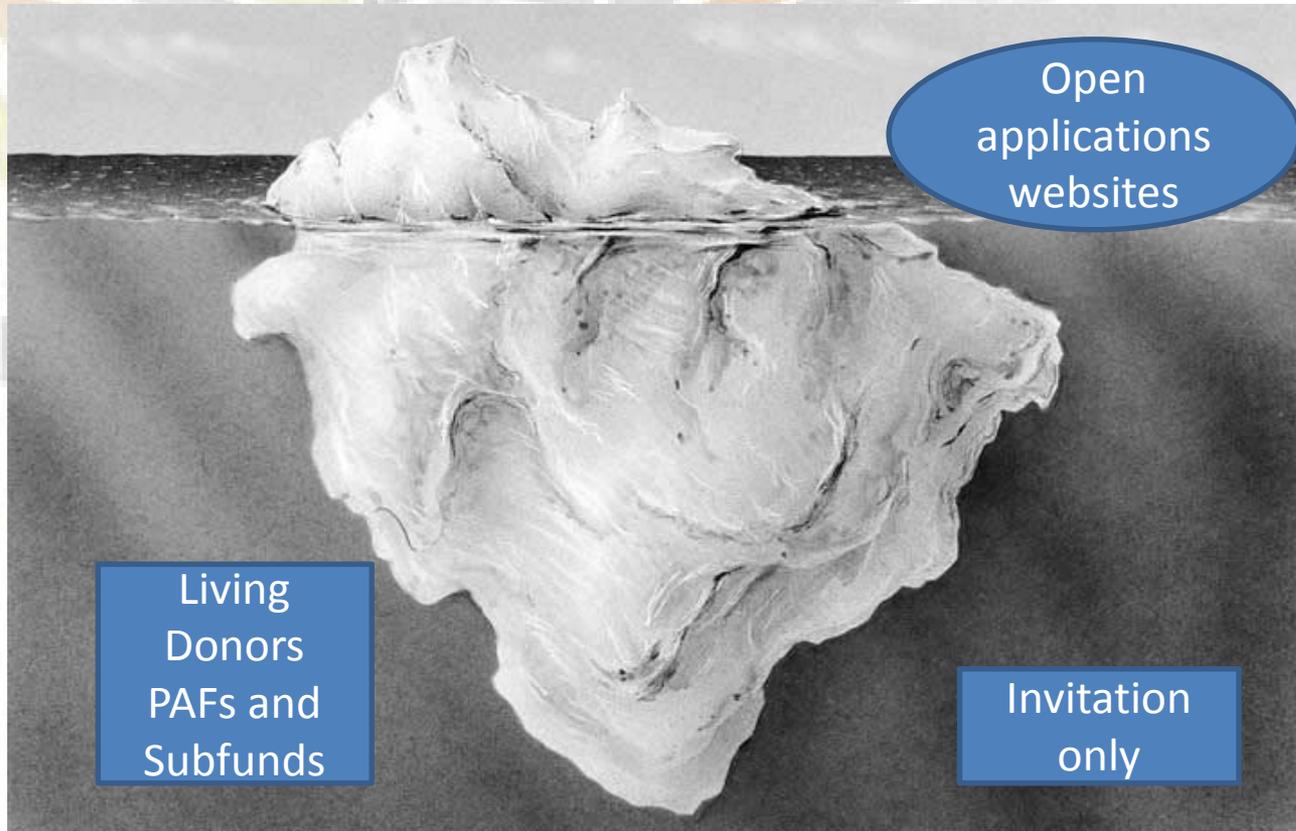


Who is this person?

Does it matter?

What of his legacy?

## The Philanthropic Iceberg!



In Australia there are over 3000 foundations distributing more than \$500M per year



- Philanthropy is a source of private capital for public benefit
- Has the value of perpetuity
- Potential for value adding
- Capacity to work in the 'grey zone' – complexity
- Though there are limitations eg. Tax status, government entities



## Three Case studies – how philanthropy can support the homelessness sector

1. The Alexander Miller Estate – renovating a legacy
2. Sacred Heart Mission – Journey to social inclusion
3. Property Initiatives Real Estate – social impact investment

# Transforming The Alexander Miller Trust – ANZ Trustees

- Established in 1914 with the vision of housing the rural elderly poor in Victoria
- In 2007 the Trust was administered by ANZ Trustees and it was as if it was an operating charity and this was not the core skill set of the three Trustees
- How it operated – it purchased and owned regional properties resulting in a significant property portfolio of \$20M, comprising 17 sites and 173 residents, the Trustees were the landlords
- The stock was aged, mostly dating from the 1920-1930s and there was some income from an equities portfolio . Rental income was barely enough to cover maintenance
- So a major renovation was required to make the Trust relevant to contemporary conditions and be true to the benefactors vision
- ANZT Alexander Miller Trust formed a partnership with Wintringham, a specialist provider of housing and care to elderly, frail men and women who are homeless or at risk of homelessness.
- Between 2007-2012 Miller provided philanthropic capital in the form of properties (i.e. leveraged the corpus/assets). Government at this time was asking NFPs to put in 25% of the cost of housing development, and then providing the remaining 75%. So most NFPs were borrowing to bring the 25% to leverage the government contribution
- The partnership with Wintringham totally reshaped the philanthropic trust portfolio of the Miller Trust. Ultimately housing more residents in custom made high quality homes around regional Victoria. Wintringham was given 99 year lease.

# 2012: The Miller Trust – the transformation

## Then

- 17 sites
- 173 residents
- Vacancies
- Adequate homes from the 1920-30s in need of upgrades
  - Local volunteers provided some monitoring
- Rudimentary gardens and landscaping
  - Trustees as landlords

## Now

- **12 sites (5 sold or in process)**
- **160 residents**
- **No vacancies**
- **Brand new purpose built or significantly renovated dwellings**
- **Wintringham provides supervision and care with potential to transition**
- **Outdoor spaces developed including on some sites, men's sheds and personal verandahs**
- **Trustees governing the Estate/oversee Wintringham as leasee**
- **Trustees monitor impact and continue to consider potential for future developments and or property sales/investments**
- **Philanthropy leveraged total government investment of \$33M**

# Sacred Heart Mission – J2SI - Journey to Social Inclusion Pilot

- Sacred Heart, a St Kilda based organisation whose mission is to build people's capacity to participate more fully in community life, by addressing the underlying causes of deep, persistent disadvantage and social exclusion. They are a major provider of services to the homeless
- In 2009 they launched an ambitious 3 year pilot program to work with 40 people experiencing long-term chronic homelessness by delivering a highly intensive model of case management to each participant for the duration of the pilot
- Features of the pilot were:
  - Evidence based, participants were measured through a control group of 44 comparable candidates. The randomised control trial ensured a rigorous, longitudinal evaluation, reporting every 12 months til 48 months

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- It was a well funded pilot, \$3.8M with \$3.5M from nine philanthropic funders (of which \$750K was from the Ross Trust) and \$0.3M from the State Government for the evaluation. Governance was through a steering committee comprising the Grattan Institute’s John Daley as Chair and representatives from philanthropy, service providers, researchers and the Victorian and Australian governments to oversee the conduct of the pilot. There were two sub committees – Evaluation and Service Delivery Implementation
  - The objective was to influence government policy in terms of service design, service delivery and funding
  - Philanthropy’s role was:
    - Demonstrably driving innovative service delivery and design
    - Providing funding without constraint so an unproven model could tested and adapted
    - Philanthropic funding partners enhanced their understanding of the complex problems associated with homelessness
    - Were active participants through reporting, steering committee
    - Learning to work with other funders
    - Value adding beyond provision of a grant
    - Ongoing relationship with Scared Heart Mission
  - Government’s role was to come to the party.....

# Property Initiatives Real Estate (PIRE)

## Social impact investing

- Impact investments are defined as investments that set out to achieve positive social and environmental impact, alongside a financial return, and measure the achievement of both; for this reason they are attractive to philanthropy
- The Ross Trust identified a social enterprise which was being established by the Women's Property Initiative (WPI) who aim to provide stable and affordable housing for marginalised and at-risk women and children, to produce a sustainable income stream from a full service real estate business – Property Initiatives Real Estate Pty Ltd
- PIRE were seeking a \$200,000 impact investment loan to purchase a rent roll to grow the business. Extensive business modelling had been done through Social Traders and a SROI was done by Social Ventures Australia on WPI

- The Trust has made a 10 year patient loan unsecured earning a return equivalent to our banks 6 month term deposit rate, paid 6 monthly
- Social returns from profits are expected to flow in year 3 of the 10 year loan with the aim to increase the capability of WPI to house more women affordably
- Financing for the business is in the form of impact loans, grants, WPI contributions raising a total of \$510,000
- For the Trust it enables the use of the investment funds rather than provision of a grant from income, its further our reach to create a broader community benefit
- It is unproven and a risk both in terms of being unsecured and the success of the social enterprise. In 2024 we'll know much more!

- More information:

[www.rosstrust.org.au](http://www.rosstrust.org.au)

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