

Newpin

Restoring children from out-of-home care to their families

The Newpin Social Benefit Bond supports families to break cycles of neglect and abuse and provide safe, nurturing environments for children. Newpin aims to safely restore children in out-of-home care to their families and work with at-risk families to keep children out of care.

The program will work with around 700 families; more than half of which have at least one child aged six or under in out-of-home care. Parents attend Newpin centres at least two days a week over 18 months. In this time, they are supported to develop their parenting skills, attend therapeutic support groups and interact meaningfully with their children.

Background

Nearly 19,000 children are in out-of-home care in NSW. This figure has almost doubled in the past decade. Compared to their peers not in care, children in care:

- » have poorer educational and health outcomes
- » are more likely to become homeless
- » are more likely to interact with the criminal justice system as juveniles and adults.

NSW will spend more than a billion dollars on out-of-home care in 2016-2017. One study has shown that in some instances a child in out-of-home care may cost the NSW Government about \$290,000 over the 20 years from when he or she leaves care.

Outcome measurement

The key outcome measurement for Newpin is the restoration of children from out-of-home care to their families. All family restorations are independently decided by the NSW Children's Court. The outcomes are compared to a control group and independently certified, with measurements monitored throughout the bond.

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Office of
Social Impact Investment

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Performance

Performance payments are linked to the achievement of restorations from care, compared to the control group. Findings from the most recent annual reporting period show that Newpin has successfully restored 203 children to their families and supported another 55 families to prevent their children from entering out-of-home care. Newpin's overall restoration rate for the first four years is 63 per cent, compared to 19 per cent for similar families with at least one child under the age of six that were not part of the program. Based on this performance, investor returns were 13.16 per cent for the first four years. Results are cumulative and final returns to investors will depend on the performance of the bond at the end of 2020.

Investment type: Social Benefit Bond

Social Benefit Bond Principal: \$7 million

Total expected contract value: \$47 million*

Term: 7 years (starting in 2013)

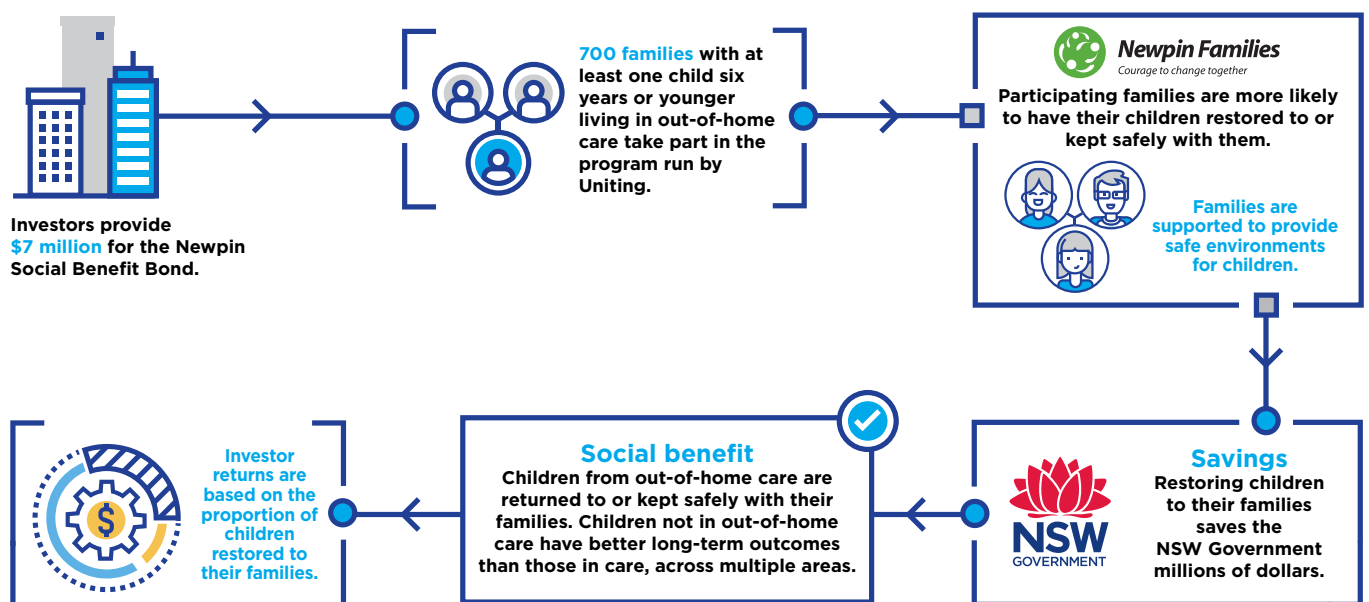
Parties:

- » Service provider - Uniting
- » Government agency - Family and Community Services
- » Financial intermediary - Social Ventures Australia (SVA)

* This value includes the social benefit bond principal of \$7 million.

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