

Case Study: Newpin



Location

Australia, New South Wales

Commencement date

1 July 2013

Savings area

Out of Home Care

Bond Amount

\$7m upfront

Bond term

7.25 years

INTERVENTION PROGRAM

Program description

Centre-based family therapy program (parenting modules, individual & group therapy, child development).

Treatment duration

Generally 18 months per family. Families continue on program for 6 months post restoration of child.

Target population

Cohort 1: Families with at least one child aged 5 or under who has been in OOHC for at least 3 months (50%).

Cohort 2/3: Families with at least one child aged 5 or under who has been assessed as at risk of serious harm (25%) or who need support (25%).

Intervention cohort

Target Population members able to access Newpin centres that are referred by FACS (and NGOs).

>700 families (~1,400 children) across all cohorts over 7 years (ramping up).

OUTCOME MEASUREMENT

Metric

The number of participating Cohort 1 children who are restored to the care of their family over a program year.

For investors: the proportion of Cohort 1 children in a Mother's Centre who are restored to the care of their family over a year.

Counterfactual

First 3 years: fixed estimate (based on analysis of historic data).

Thereafter: administratively constructed control group (built up over first 3 years) – inclusion of families jointly approved to ensure reflective of Newpin participants.

Investors: effectively fixed throughout.

Outcome calculation and target

Investor payments: Rate of Restorations (RR) of Cohort 1 children in Mother's Centres.

Govt payments to UnitingCare Burnside: number of restorations relative to counterfactual. Target ~50% reduction in proportion of children remaining in OOHC.

CONTRACTING PARTIES

Government agency

NSW Government - Family and Community Services.

Service provider

UnitingCare Burnside

Intermediary

Social Ventures Australia

Evaluator

Deloitte

INVESTOR DETAILS

Investors

Wide range of investors (59 in total): HNW individuals, SMSFs, trusts and foundations, institutions.

Returns

Returns vary with RR:
<35% - 50% principal lost
50% - breakeven
55% - 3% IRR
60% - 7.5% IRR
65% - 12% IRR
>70% - 15% IRR (max)

Capital protection

50% principal protection.

COMMENTS

Investors not exposed to counterfactual/control outcomes - fixed target.

Government contracts directly with service provider rather than SPV. Component of payments not outcome linked.



Government of South Australia
Department of the Premier
and Cabinet

