

A group of children are outdoors, making bubbles. In the foreground, a young boy in a green plaid shirt is focused on his work. Behind him, a girl is blowing into a bubble wand. To the right, another girl in an orange dress is holding a large, clear bubble. The background is filled with green foliage and more children, creating a bright and lively atmosphere.

NewGround

Homes for Tamariki

Impact Report

2023

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Introduction

Homes for Tamariki (H4T) was established to provide the Ministry for Children (M4C) with sufficient fit-for-purpose rental homes for the children and young people in its care who are unable to be placed in the care of extended family or foster homes. As well as aiming to deliver market-rate financial returns, H4T is expected to elicit significant improvements in the lives of these children and young people, as well as important social and economic outcomes for Aotearoa New Zealand as a whole.

The impact measures for H4T are expected to evolve over time as the procurement of safe, stable homes triggers a range of downstream outcomes. In the long-term these are anticipated to include factors such as reduced truancy rates, improved educational attainment, stable employment, reduced serious offending and access to treatment for substance abuse and mental health issues. We look forward to tracking and reporting on these factors as the data becomes available. At this time, the impact achieved by H4T is focused on the number of homes secured by the fund and the number of children housed.

This document is intended to provide a high-level summary of the impact that H4T has achieved so far, as well as convey our processes for assessing, measuring and reporting that impact. It aims to highlight the progress that has been made in the first year of operation.

We are proud to deliver the H4T fund and have no doubt that it is a powerful demonstration of how rewarding impact investing can be for investors, and how potentially life-changing it can be for the beneficiaries, in this case arguably New Zealand's most vulnerable members of society.

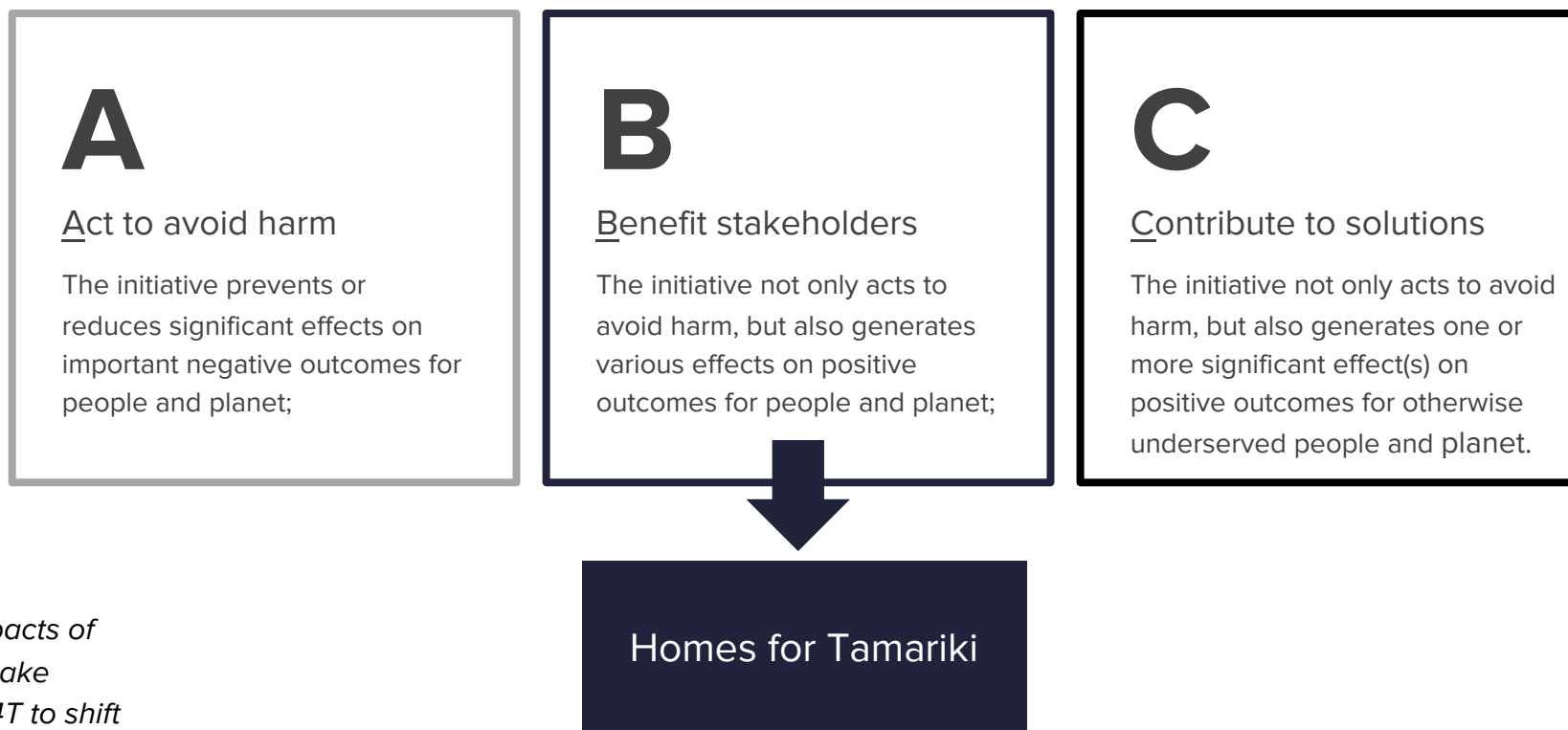


Summary of alignment with IMP

Homes for Tamariki uses the globally leading impact investing framework, the [Impact Management Project](#) (IMP), as the basis of the impact assessment process.

The IMP has created, through co-design with many of the world's leading investors, a consistent and comparable framework to


consider investments. This framework covers both the investors and the fund's intended impact. The diagram below defines the different categories and indicates where H4T currently falls within these categories.



Note: Over time, as the downstream impacts of safe, stable homes take effect, we expect H4T to shift to the 'C' column.

Our impact principles

We use our Impact Principles to guide our approach to understanding and enabling impact.



1 We utilise an Impact Model framework (or Theory of Change) to map H4T's broader outcomes and form the foundation for understanding the overall long-term impact (see Slide 8).

2 The Ministry for Children and their community know best. H4T will ask and learn, rather than assume.

3 We actively work with the Ministry to support their data collection and ongoing monitoring of H4T's impact.

4 We measure what matters. Our measurement approach is:

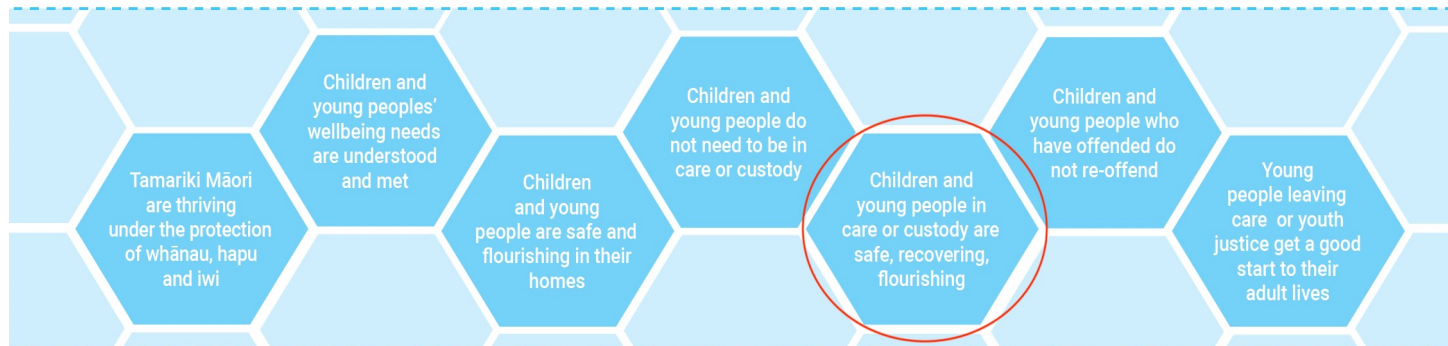
- Complimented by robust logic and evidence
- Within the Ministry's control
- Pragmatic regarding difficult to measure outcomes

The impact of Homes for Tamariki

There are approximately 4,900 children and young people in state care or custody in New Zealand, the vast majority of whom are placed in the care of extended family or foster homes. In some situations, however, this is not viable and the state itself must provide the accommodation and care.

These children and young people are the most vulnerable and have the highest needs in our society. Unfortunately, securing optimal properties can be such a significant challenge that they are placed in inappropriate housing, such as group homes and as a last resort motel rooms. For children and young people with a background of abuse and neglect or complex health needs, living in a transient environment, moving between motel rooms, facilities or even towns, can compound their trauma.

Homes For Tamariki provides fit for purpose homes in their communities to ensure these children and young people are safe, recovering and flourishing, one of the Ministry for Children's end goals. This also aligns with UN Sustainable Development Goal 11.1: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.



The Ministry for Children's end goals.



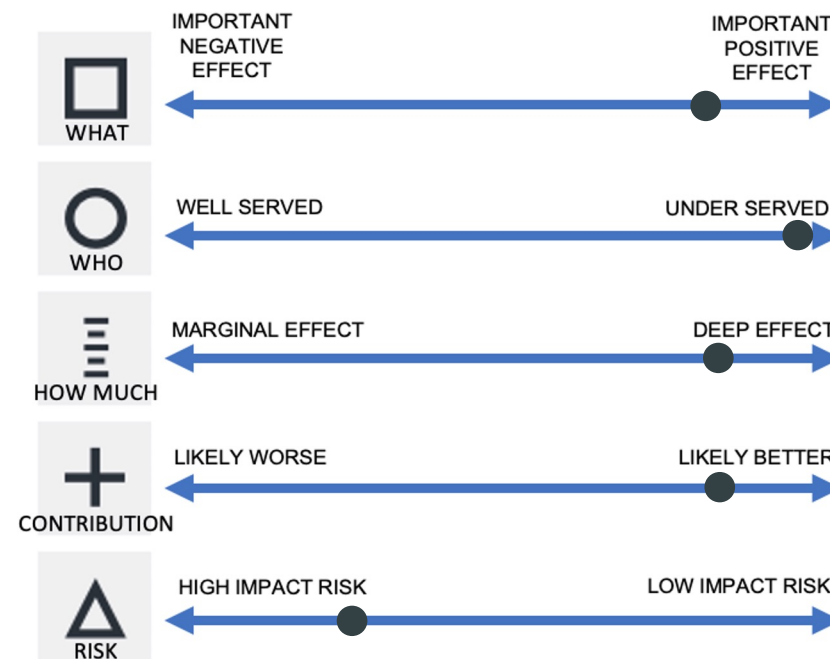
11 SUSTAINABLE CITIES AND COMMUNITIES



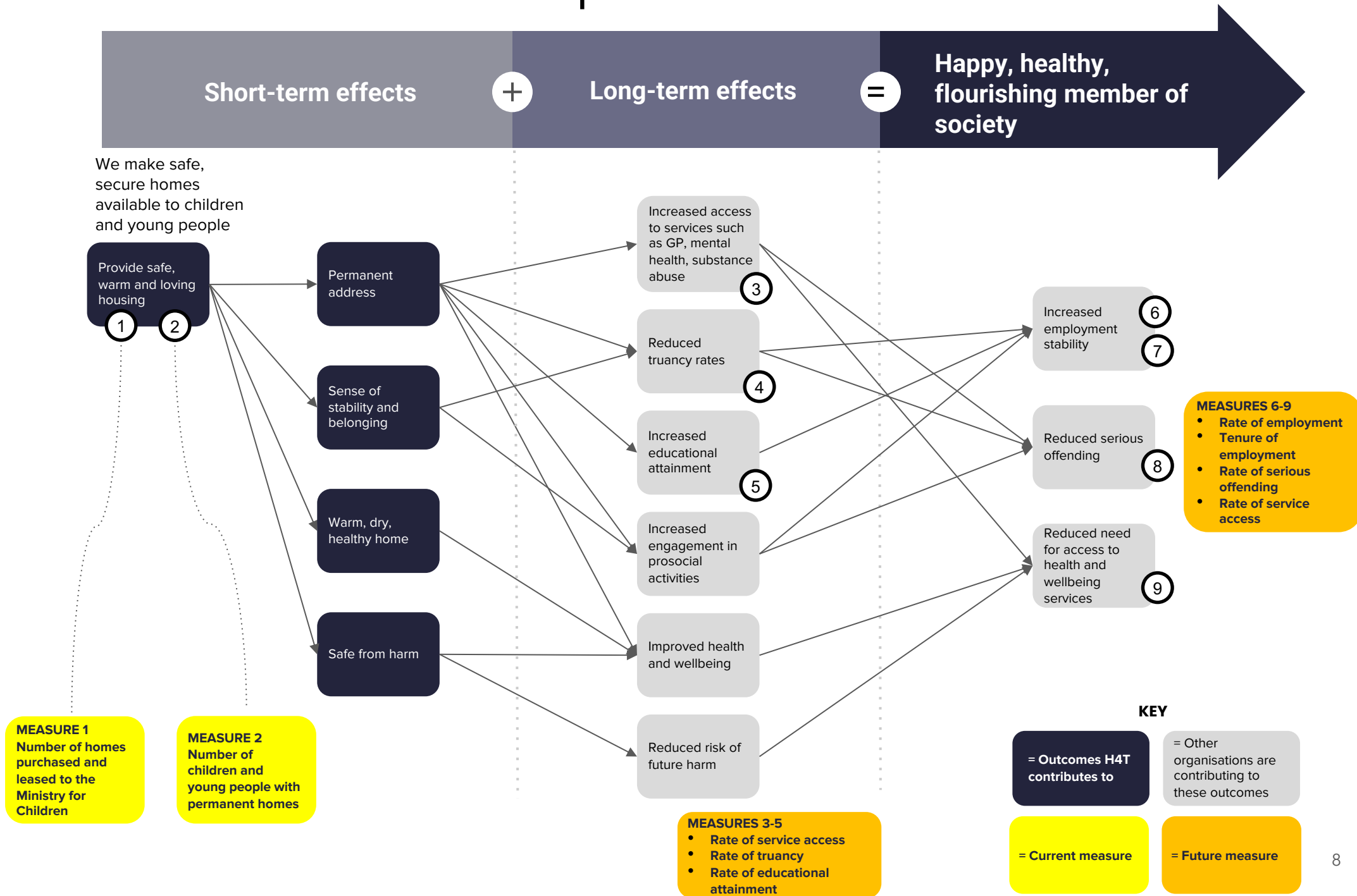
IMP applied to Homes for Tamariki

If we consider the outcomes of materially improving the lives of these children and young people through the Impact Management Project framework:

- **What:** Important positive outcomes through providing fit for purpose, safe and secure housing for our most vulnerable children and young people to recover and flourish.
- **Who:** Vulnerable children and young people, some of the most underserved in our society and suffering from the worst outcomes.
- **How much:** Success of the Fund relies on it having ~100 homes for children and young people, housing ~100 children or young people at a given time. The impact on each child is deep. We expect the homes to have a long lasting positive impact on the trajectory of the children and young people and note that some of the outcomes will take time to occur.
- **Contribution:** Better than what the market is currently providing. The fund was created to ensure our most vulnerable children and young people have safe housing in which to flourish and recover, taking them out of motels and other temporary accommodation.
- **Risk:** The children and young people we are housing have complex needs. While safe and secure housing is critical, this is just one part of a wider system of care that needs to function properly to yield the desired positive outcomes. The key impact risk is that without the entire system functioning properly (which we have limited control over), the positive impact may be limited.



Homes for Tamariki Impact Model



2022 - 2023 Impact Metrics

Firstly, we provide our current impact measures, which we relate to specific IRIS+ Metrics as noted. Secondly, to recognize the longer term intended impact we provide qualitative impact insights to show how things are developing towards our future measures.

1 Impact Measures

Measure 1: Number of homes purchased and leased to the Ministry for Children. Aligning to IRIS+ metric PI5965.

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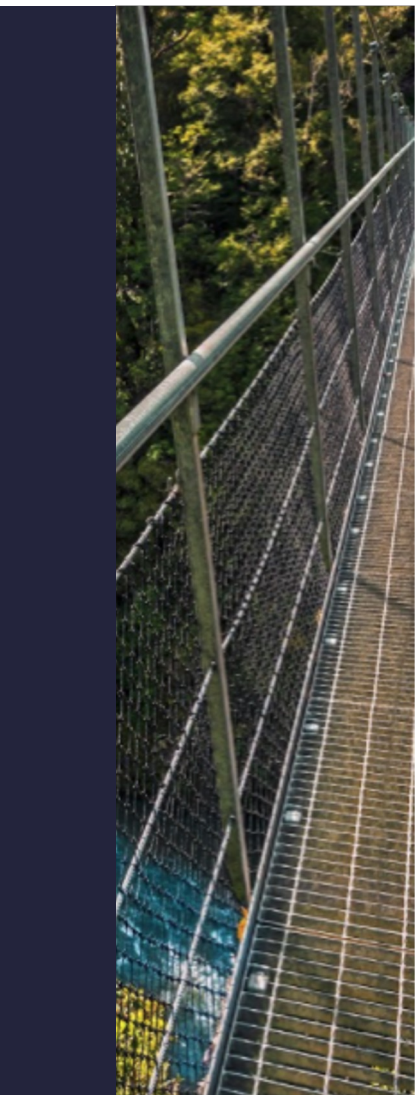
Measure 2: Number of children and young people with permanent homes. Aligning to IRIS+ metric PI4060.

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2 Qualitative Impact

Highlight 1: The two young people in this home 'love' this home and when they saw it for the first time wanted to move in immediately and have commented frequently on how it feels like a home as opposed to a place where they stay. Within the context of their experiences and needs, both young people are progressing well and are now managing to maintain attendance at school.

Highlight 2: The young man living in one home experienced multiple forms of developmental trauma and in his previous home harmed himself and took the home to pieces – Oranga Tamariki used the move as an opportunity to reset the care model and to date the young man is settled, is engaged in community activities and is back at school.



Scaling the fund

With the fund having completed its first year of operation, it is imperative that it is now scaled up in order to support our most vulnerable children and young people.

The Oranga Tamariki/Ministry of Children have advised that they need ~100 properties over the next three years and it is the objective of Homes for Tamariki to provide these. To do this we need to increase the equity base of the fund and are seeking new investors.

We would like to thank our current investors for leading the way and for their continued support of this deeply impactful impact investment.





NewGround Homes for Tamariki

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