



# Treasury Report-Back on B25 Spending Decision Performance Indicators

February 2026

## Background

Cabinet has established an enduring system for monitoring and reporting on major operating spending, savings, and review decisions ('major decisions'). Cabinet has directed departments with major decisions to report forecast funding, deliverables and results, and progress against these.

Cabinet agreed the Budget 2024 and 2025 initiatives to be included in this monitoring framework. The Social Investment Agency (SIA) has one Budget 2025 initiative included: *Social Investment Fund – Building Foundations to Drive Social Investment*. This includes the funding in two of our appropriations:

- Identifying and coordinating social investment opportunities – \$5m per annum (p.a.)
- Delivering Social Investment Outcomes (multi-category appropriation (MCA)) – \$5m p.a. departmental funding and \$16m p.a. non-departmental funding.

## Reporting requirements

Cabinet requires each department with an identified major spending decision for both Budget 2024 and Budget 2025 to report on:

- i. The name of the decisions as described in the table in their guidance.
- ii. Intended results, as communicated in budget documentation
- iii. Deliverables and planned timeline
- iv. Amount of funding allocated over the forecast period (in total and annually
- v. Indicators of performance and value for money, and
- vi. The location of reporting (this must include the department's Annual Report and website) and how often the above information will be reported on the department's website, which must be a least twice year.

SIA has agreed with the Treasury to use the relevant measures in the Vote Social Investment Estimates 2025/26 to meet this requirement.

## Social Investment Fund (SIF) Indicators and Standards

Monitoring Requirement	SIA Response
The name of the decisions as described in the table in their guidance.	Social Investment Fund – Building Foundations to Drive Social Investment.
Intended results, as communicated in budget documentation	<p>This funding is intended to establish and operate the Social Investment Fund. The Fund will use data and evidence to identify priority cohorts, outcomes, and initiatives focusing especially on early supports for those facing a range of challenges to achieve their goals. It will have a strong focus on commissioning for outcomes, as well as monitoring and evaluating whether those outcomes have been achieved.</p> <p>The Social Investment Fund aims to invest in early supports to enable children, young people, and families to achieve a range of outcomes. It is designed to be a catalyst for change - change in the way we support those who need it, change in the way government works with organisations who provide social services, and ultimately change the life trajectory for children facing challenges.</p> <p>The Social Investment Fund will:</p> <ul style="list-style-type: none"> <li>• focus on priority outcomes and cohorts agreed by Fund Ministers</li> <li>• invest early to help New Zealanders overcome a range of challenges to achieve their goals</li> <li>• enable SIA to test and scale the social investment approach <ul style="list-style-type: none"> <li>work in partnership with social sector organisations, iwi and other agencies.</li> </ul> </li> </ul>
Deliverables and planned timeline	<p>Fund design</p> <ul style="list-style-type: none"> <li>• Agree the design of the Fund and expectations with Ministers by June 2025 so that the first pathway can be opened soon after. This includes agreement to the outcomes sought from the Fund and the priority cohorts for investment.</li> </ul> <p>Demonstration projects</p> <ul style="list-style-type: none"> <li>• 3 projects in place by mid-2025</li> </ul> <p>New Investment pathway</p> <ul style="list-style-type: none"> <li>• Round 1 open August 2025</li> <li>• Round 1 initiatives underway early 2026</li> <li>• Round 2 open February 2026</li> <li>• Round 2 initiatives underway early 2026</li> </ul> <p>Contract Consolidation pathway</p> <ul style="list-style-type: none"> <li>• EOI applications open September 2025</li> <li>• Application outcomes announced first quarter 2026</li> <li>• New agreements live – July 2026</li> </ul> <p>Community Commissioning pathway</p> <ul style="list-style-type: none"> <li>• Decisions about approach in early 2026</li> </ul>

	<ul style="list-style-type: none"> <li>Implementation (depends on the approach agreed)</li> </ul> <p>Co-investment pathway Developed in 2026</p>																				
Amount of funding allocated over the forecast period (in total and annually)	<p>\$190m over 4 years, 2025/26 to 2028/29. Annually this is \$47.5m a year, of which:</p> <ul style="list-style-type: none"> <li>\$16m pa is appropriated, and</li> <li>\$31.5m pa is in a tagged contingency.</li> </ul>																				
Indicators of performance and value for money	Initially, the SIA will report performance and value-for-money using the measures in the 2025/26 Estimates for Vote Social Investment. These are designed to measure progress in designing and implementing the Fund and its associated process (see table below).																				
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	opportunities and outcomes (SIA)	
	<p>These measures will be updated as the Fund evolves. It is expected that the first update will be in the Estimates for 2026/27.</p> <p>SIA is also developing a Quarterly Fund Update and an Annual Fund Update that will be provided to SIF Ministers. These documents will be made public.</p>	
The location of reporting (this must include the department's Annual Report and website) and how often the above information will be reported on the department's website, which must be a least twice year.	<p>This information can be found <a href="#">here</a> on the Social Investment Agency website.</p> <p>SIA will report on the information above twice a year in February and September</p>	

## Progress against indicators and standards as at 31 December 2025

Indicator	Standard	Performance						
Investment decisions are guided by a comprehensive investment strategy	Investment Strategy provided to Ministers	<p>Social Investment Fund Ministers agreed their expectations for the Fund in June 2025 along with key aspects of the model, in particular the outcomes sought and the priority cohorts.</p> <p>The priority cohorts are:</p> <ul style="list-style-type: none"> <li>• children whose parent(s) are currently or have recently been in prison,</li> <li>• children of parent(s) who experienced the care system, and</li> <li>• children that were stood down or suspended from school when they were 12 or younger.</li> </ul> <p>The priority outcomes are as follows.</p>						
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		Ensuring stable and secure housing	<ul style="list-style-type: none"> <li>Improved housing stability</li> </ul>
		Improving knowledge and skills	<ul style="list-style-type: none"> <li>Improved attendance in education</li> <li>Improved qualifications</li> </ul>
		Growing income and wealth	<ul style="list-style-type: none"> <li>Higher incomes</li> </ul>
		Supporting people into work	<ul style="list-style-type: none"> <li>Increased employment</li> <li>Reduced need to access benefits</li> </ul>
		SIF Ministers' expectations are document in the <i>Social Investment Ministers' Expectations</i> document which can be found <a href="#">here</a> .	
A systemic approach is used for agency expenditure reviews	Four agency reviews commenced with clear methodology	Four reviews have been initiated. One is being led by SIA and others by agencies with SIA's involvement. This work will be used to develop a repeatable process for future reviews.	
Ministers are supported to identify funding and services for potential transfer	Process established and approved by Ministers		
Investments are allocated in accordance with the Investment Framework	Investment Framework developed	As noted above, SIF Ministers agreed the priority cohorts and outcomes for the Fund in June 2025 as part of setting Expectations for the Fund. The SIA has operationalised these expectations into its activities for 2025/26 which includes the development and implementation of four pathways and three demonstration initiatives designed to test and learn about different aspects of social investment and commissioning for outcomes. These are: <ul style="list-style-type: none"> <li>New Investment pathway - for initiatives focused on priority cohorts and outcomes that clearly demonstrate the social investment approach, including strong evidence of impact, willingness to collaborate, data-sharing, robust evaluation, and outcome-based contracting.</li> <li>Contract Consolidation pathway – combines an organisation's existing contracts with multiple agencies into a single outcomes-based agreement to reduce administrative burden, simplify reporting, increase flexibility, and enable shared learning with SIA.</li> <li>Community Commissioning pathway - devolves decision-making for social service investment to local leaders, enabling communities to tailor solutions. We are</li> </ul>	
Funding is invested in priority cohorts	Priority cohorts identified and approved		
Investments are outcomes based	Outcomes Measurement Framework developed		

		<p>exploring policy, legal, and design options and engaging with philanthropic organisations, iwi, and local collectives.</p> <ul style="list-style-type: none"> <li>• Co-investment pathway – enables partnerships with philanthropic or other funders to jointly invest in initiatives that boost impact and innovation. We are exploring policy, legal and design options and engaging with philanthropic organisation, iwi, and local collectives.</li> </ul> <p><b>Demonstration Initiatives</b></p> <p>The Social Investment Fund invested in three demonstration initiatives in mid-2025. These initiatives provide tangible examples of the social investment approach and enabled commissioners to test new outcomes-based agreements, data sharing approaches and protocols, and impact analysis and reporting, before scaling these approaches from August 2025. The three initiatives are:</p> <ul style="list-style-type: none"> <li>• Autism New Zealand’s early screening and intervention programme that provides services and support for family/whānau, caregivers and professionals.</li> <li>• Ka Puta Ka Ora Emerge Aotearoa’s evidence-based approach to tackling youth offending and truancy that will help at least 80 families each year to address youth offending and truancy; and</li> <li>• The He Piringa Whare programme with Te Tihi o Ruahine (an alliance of nine hapū, iwi, Māori organisations) and Te Oranganui that will support 130 families at a time with a wraparound service that delivers stable housing, education, training and employment, and other services</li> </ul> <p><b>New Investments</b></p> <p>Organisations seeking new investment through this pathway are required to evidence how their proposed initiatives will support priority groups of the population (cohorts) to achieve one or more priority outcomes.</p> <p>Round 1 opened in August 25 as planned and decisions announced in December 25. Decisions were made using an open and transparent Assessment Framework across seven domains and were made by an expert panel made up of community and sector leaders, alongside government staff. SIA is now working to put in</p>
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		<p>place Outcome Agreements with these organisations. The following initiatives were selected in Round 1:</p> <ul style="list-style-type: none"> <li>• Te Hou Ora Whānau Services Limited: support for 120 children per annum for individual and group sessions to reduce school drop-out rates and justice and care system involvement – Dunedin.</li> <li>• Tākiri Mai te Ata Trust: support for counselling and trauma therapy for 200 young people per annum in care, have parents in prison, or have been stood down from school – Lower Hutt and Upper Hutt.</li> <li>• Te Puawaitanga ki Ōtautahi Charitable Trust: support for 200 children per annum for health, safety and life skills – Christchurch and wider Canterbury.</li> <li>• Ngāti Awa Social and Health Services Trust: support for 450 children per annum, providing support for families dealing with historic trauma, and building specialist forensic nursing for child sexual abuse – Eastern Bay of Plenty.</li> <li>• Barnardos New Zealand Incorporated: support for 100 children per annum for family mentoring, and parenting support to help children reach developmental milestones, such as early childhood education attendance – Māngere.</li> <li>• Horowhenua New Zealand Trust: For more than 400 children per annum for a behaviour change programme – Levin</li> <li>• Kaikaranga Holding Ltd: support for 150 disabled and neurodiverse children per annum who have been suspended or stood down from school. Services include tutoring, sensory tools and short-term behavioural guidance – Auckland.</li> </ul> <p>Round 2 is on track to open in February 2026.</p> <p><b>Contract Consolidation</b></p> <p>This pathway opened as planned with in September 2025. Successful applicants were informed in December 25 and SIA is currently working with these organisations to get new Outcome Agreements in place.</p> <p><b>Community Commissioning</b></p>
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		<p>Design work has been done and we expect to get decisions from SIF Ministers on the approach to this pathway in early 2026.</p> <p><b>Co-investment</b></p> <p>Under development</p>
The SIA Investment Agency receives reports from funded providers, which includes emerging/early leading indicators of the impact of initiatives	Approach to measuring lead indicators is developed	The approach to measuring the performance of individual Fund investments, including emerging/lead indicators, is currently under development.
Investment portfolio performance is measured against the Assessment Framework	Assessment Framework developed	The framework to measure the performance of the Fund's investment portfolio is currently under development.
The average overall satisfaction rating given by Social Investment Fund Ministers for the quality of advice on investment opportunities and outcomes	Average score of four out of five or higher	<p>This is measured annually.</p> <p>It is important the SIF Ministers who are accountable for the outcome achieved from this funding are well-supported in their role. During the first half of the year, SIA has provided active governance support for the SIF Ministers to support their decision making about the Fund and its pathways</p>