

Social Investment Agency Toi Hau Tāngata



Social Investment Fund

The Social Investment Fund will invest in cohesive early intervention services that target improved outcomes for children, young people, and families.

It will also catalyse change – supporting communities and social sector organisations to upgrade existing arrangements so they align with the social investment approach.

Social Investment Ministers will set the priority outcomes for the Fund in June 2025. The Fund will open for the first time at the end of August 2025 and again in November 2025.



Funding pathways

There will initially be three pathways for funding.

1. New Initiatives funded through Budget 2025

The Fund will invest in early intervention services that strongly demonstrate a Social Investment approach and contribute strongly to the priority outcomes set by Social Investment Ministers.

We expect there to be a particular focus in 2025 on investments that reduce the need for children, young people and vulnerable adults from going into care – reflecting the commitments made by Government in response to the Royal Commission of Inquiry into Abuse in Care.

2. Provider or community-led consolidation

The Fund will consider proposals from collectives and social sector organisations for the consolidation of multiple contracts into one (or more) outcomes-based arrangements that align with a Social Investment approach.

Priority is likely to be given to proposals from well-established organisations or collectives looking to consolidate significant amounts of existing Government investment into one or more medium-term outcome-based agreements.



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3. Devolved Commissioning

Devolved commissioning involves the 'pooling' of social sector funding from multiple Government budgets into a single fund under local decision-making.

It is likely the Fund will be most interested in proposals from well-established organisations with strong local support. This is an exploratory area of policy and there is no guarantee that any proposals will be accepted.

Future pathways

Additional pathways will be opened for co-investment opportunities (e.g. with iwi or philanthropic organisations), capability-building initiatives that support multiple social sector organisations to align with the Social Investment approach, and minor investments to support research into new social investment approaches. These pathways will be designed with social sector organisations and other key stakeholders.

Contracts for outcomes rather than outputs

Social investment is based on the premise that when people do well, communities and our country will do well. A move towards community-based commissioning and greater use of outcomes-based contracts means commissioners and providers can shape commissioning and delivery to meet the needs and aspirations of people, whānau/families and communities.

Outcomes contracting fits well with social investment because it requires identification and measurement, and it encourages data-rich feedback loops.

The Social Investment Agency will lead the implementation of outcomes-based contracts. Outcomes contracting focuses on achievement of outcomes rather than delivery of outputs, giving providers more flexibility to innovate.

For example, an outputs approach to helping people into work would pay a provider for the number of training sessions they deliver, whereas an outcomes approach would focus on the number of people who get into sustained employment. **Outcomes** are what happens (the results) from support provided to people through a programme or initiative.

FACTSHEET

Outputs are the direct products, services or activities delivered by a programme.





• SIA will publish information on criteria, priority cohorts and outcomes on our website when funding rounds are open in the coming months.

FACTSHEET

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- Priority for will be given to proposals from well-established organisations or collectives looking to consolidate significant amounts of existing Government investment into one or more medium-term outcome-based agreements.

How do we apply for funding?

- SIA will publish information on the applications process on our website when funding rounds are open in the coming months. Please register on the website for future updates.
- We don't expect this to be an open process. SIA will be working with other government agencies and the social sector to identify programmes and services this year.

How do we get ready?

• Please read the current information on the website and register for future updates.

Register for updates

If you would like to receive Social Investment Fund updates, please register at <u>www.sia.govt.nz</u>