



Cabinet Social Outcomes Committee

Minute of Decision

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Progress Update on a New Approach to Commissioning Services for Children and Young People: Report back

Portfolio Children

On 8 October 2025, the Cabinet Social Outcomes Committee (SOU):

Progress update on a new strategic approach to commissioning services

- 1 **noted** that Oranga Tamariki has developed and is implementing a new Commissioning and Investment Plan that emphasises evidence-based decision-making, regional needs assessment, and outcome-focused service delivery;
- 2 **noted** that the new Commissioning and Investment Plan, attached to the paper under SOU-25-SUB-0133, addresses the recommendations of the Auditor-General and incorporates feedback collected from recent extensive engagement process;

Commissioning and decommissioning services for the year ending 30 June 2026

- 3 **noted** that Oranga Tamariki is investing in 1,797 services across the 2025/26 financial year;
- 4 **noted** that Oranga Tamariki has decided to decommission or not renew eight services totalling \$112,000, and that detailed decommissioning and transition support plans have been developed for each service;
- 5 **directed** that any proposal to change existing service provision should consider the implications on cross-agency work that is already underway, such as the response to the recommendations of the Dame Karen Poutasi review into the children's sector;

Further funding requirements beyond 31 December 2025

- 6 **noted** that in April 2025, SOU agreed in principle to transfer up to \$30 million from 2024/25 to 2025/26 in the 'Investing in Children and Young People' Multi-Category Appropriation in Vote Oranga Tamariki, to be confirmed following the completion of the 2024/25 audited financial statements [SOU-25-MIN-0049];
- 7 **noted** that the Minister of Finance and Minister for Children have already provided early confirmation of an expense transfer of \$12.200 million from 2024/25 to 2025/26 to assist with contract extensions and provide contract providers' certainty;

- 8 **noted** that Oranga Tamariki has made an in-principle operational decision to extend most services from 1 January 2026 to 31 March 2027, subject to Cabinet confirming an in-principle expense transfer of \$17.800 million, from the 2024/25 financial year to the 2026/27 financial year;
- 9 **noted** that early confirmation of the remaining \$17.800 million expense transfer into the 2026/27 financial year will enable the operational decision to extend contracts until 31 March 2027 to be implemented which will provide contract providers’ certainty;
- 10 **agreed** to an expense transfer of \$17.800 million from 2024/25 to 2026/27;
- 11 **approved** the following changes to appropriations to provide for the decision in paragraph 8 above, with no impact on the operating balance and/or net core Crown debt across the forecast period:

Vote Oranga Tamariki Minister for Children	\$m – increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Multi-category appropriations					
Investing in Children and Young people MCA: Departmental Output Expenses:					
Prevention and Early Support (funded by revenue Crown)	-	7.120	-	-	-
Statutory Intervention and Transition (funded by revenue Crown)	-	10.680	-	-	-
Total Operating	-	17.800	-	-	-

Limiting the ability of Oranga Tamariki to reprioritise funding away from early support and prevention contracts

- 12 **noted** that prevention and early support contracts between Oranga Tamariki and social sector providers are funded from the “Prevention and Early Support” category, as part of the “Investing in Children and Young People” multi-category appropriation in Vote Oranga Tamariki;
- 13 **noted** that the Chief Executive of Oranga Tamariki is responsible to the Minister for Children for what is achieved with departmental expenses incurred against the “Investing in Children and Young People” multi-category appropriation;
- 14 **noted** that Oranga Tamariki will consult with the Treasury and the Social Investment Agency on any reprioritisation decisions that would see funding moved from early support and prevention contracts to other priorities;
- 15 **agreed** to limit the Oranga Tamariki Chief Executive’s authority to reprioritise more than 1 percent of funding in total away from prevention and early support contracts that are funded from the “Prevention and Early Support” category, unless jointly approved by the Minister of Finance, Minister for Social Investment, and the Minister for Children;

- 16 **agreed** that the above limitation on the Oranga Tamariki Chief Executive's authority to reprioritise funding will expire after the 2026/27 financial year;

Update on identifying funding and services that could be transferred to the Social Investment Agency

- 17 **noted** that Oranga Tamariki and the Social Investment Agency have been working together to identify funding and services that could be transferred to the Social Investment Fund;
- 18 **noted** that five large programmes and specialist services with one large national provider totalling s9(2)(j) are prioritised for review;
- 19 **invited** the Minister for Social Investment and the Minister for Children to jointly report back on this work by 30 March 2026.

Jenny Vickers
Committee Secretary

Present:

Hon David Seymour
Rt Hon Winston Peters
Hon Nicola Willis
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston (Chair)
Hon Dr Shane Reti
Hon Tama Potaka
Hon Nicole McKee
Hon Casey Costello
Hon Nicola Grigg
Hon Penny Simmonds
Hon Scott Simpson
Hon Karen Chhour

Officials present from:

Office of the Prime Minister
Officials Committee for SOU