

Strategic Science Investment Fund Programmes

Performance Framework

2018



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
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newzealand.govt.nz

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The Purpose of this Document

The Strategic Science Investment Fund (SSIF) Programmes Performance Framework sets out how MBIE will monitor and evaluate:

- > SSIF Programmes contracts
- > the SSIF Programmes investment as a whole.

The Framework is intended to deliver transparent, comparable information on the outcomes of investments across SSIF Programmes. The performance information is intended to inform future investment decisions.

Who it is intended for

The principal audiences for the Framework are MBIE staff and SSIF Programmes hosts.

The Framework outlines the monitoring and evaluation tools that allow MBIE to understand:

- > how research organisations with SSIF Programmes contracts (SSIF Platform hosts) are progressing towards achieving the strategy set out for each SSIF platform, and responding to any changes in SSIF investment signals
- > how well SSIF Programmes investments overall align with the signals in the SSIF Investment Plan.

The Framework provides SSIF Platform hosts with a high-level overview of how MBIE monitors and evaluates SSIF Programmes funding, and provides context for the reporting and review requirements specified in SSIF Programmes contracts with MBIE.

MBIE will provide SSIF Platform hosts with more detailed guidelines on annual reporting and review, and those guidelines will be consistent with this Framework.

Strategic Science Investment Fund

The Strategic Science Investment Fund (SSIF) was established in April 2016 to support longer-term underpinning infrastructure and programmes of mission-led science critical to the future of New Zealand's economy, environment and wellbeing.

There are two categories of SSIF investment: Programmes and Infrastructure. This framework covers only SSIF Programmes.

SSIF investments are structured around Science Platforms. A Science Platform is: "a combination of people, facilities, information and knowledge that provide a particular, ongoing science and innovation capability for New Zealand".

The SSIF Investment Plan contains more detail on the purpose and principles underlying SSIF, investment signals for SSIF Programmes, and guidance on the Government's directions for current and future investments made through the SSIF¹.

¹ <http://www.mbie.govt.nz/info-services/science-innovation/investment-funding/how-we-invest/strategic-science-investment-fund/document-image-library/ssif-investment-plan.pdf>

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SSIF Programmes

SSIF Programmes funding is for Science Platforms to enable organisations to undertake long-term mission-led science. Under the SSIF, government and research organisations work together to ensure that these programmes deliver Government's priorities for science².

SSIF Programmes currently covers the following investments:

- > Crown Research Institute (CRI) SSIF Programme funding (contracted from 1 July 2017, and funded at the same levels as the previous year's CRI Core Funding)
- > Independent Research Institute (IRO) SSIF Programme funding (contracted from 1 July 2018, and funded at the same levels as the previous year's IRO Capability Funding).
- > Antarctic Science Platform, announced in Budget 2017 (establishment contract currently underway, with the Platform expected to be fully operational by 31 October 2018).

Other SSIF Programmes investments may be added in future.

Each SSIF Programmes contract includes a strategic document that shows how the proposed research addresses the investment signals set out in the Investment Plan, and a set of Key Performance Indicators (KPIs). KPIs form the basis of reporting for SSIF Programmes investments.

The Performance Framework currently (as at August 2018) covers CRI, IRO and Antarctic SSIF Programmes funding. MBIE expects that the Framework will apply to future SSIF Programmes investments, although it may be adjusted in future if needed to ensure it is fit-for-purpose for all SSIF Programmes investments.

SSIF Platform hosts, through their governance and management arrangements, are responsible for making detailed decisions on SSIF Programmes funding. MBIE's role is to monitor and evaluate the performance of the hosts against the Programmes Investment Contract and the SSIF Investment Plan.

Key Elements of Performance Monitoring

Performance Areas

The SSIF Investment Plan sets out the following performance areas for SSIF Programmes investments:

PERFORMANCE AREA		CRITERIA
1	Strategic Intent	<ul style="list-style-type: none"> • SSIF is supporting national and end-user science priorities • Platforms are evolving to advance strategic goals
2	Impact	<ul style="list-style-type: none"> • SSIF is delivering national benefit • SSIF is developing new knowledge and opportunities
3	Science excellence	<ul style="list-style-type: none"> • Host has robust internal processes to ensure excellence • External recognition of science excellence
4	Horizons and co-	<ul style="list-style-type: none"> • SSIF investment is balanced across spheres of impact, horizons and types of investment

² Ministry of Business, Innovation and Employment, *Strategic Science Investment Fund Investment Plan 2017 – 2024: 2017 Update*

	funding/leverage	<ul style="list-style-type: none"> • SSIF investment leverages an appropriate contribution from primary beneficiaries • Appropriate arrangements are in place for contribution from users of research
5	Investing in people	<ul style="list-style-type: none"> • SSIF is supporting national capability • Critical capabilities are dynamic and are continuing to evolve in priority areas
6	Vision Mātauranga	<ul style="list-style-type: none"> • SSIF investment is aligned to the Vision Mātauranga policy
7	Domestic and International Collaboration	<ul style="list-style-type: none"> • SSIF is leveraging national and international connections

Key Performance Indicators

- > Each Platform host agrees with MBIE a set of indicators to measure the delivery against the performance areas in the SSIF Investment Plan.
- > For CRIs:
 - some indicators are taken from the CRI's Statement of Corporate Intent
 - some are specific to SSIF Programmes investment.
- > For IROs and the Antarctic Science Platform:
 - indicators are specific to SSIF Programmes investment.
- > Indicators may be updated by agreement between MBIE and the SSIF Programmes host, to reflect changes as each investment progresses.
- > Principles applying to all SSIF Programmes KPIs are that they:
 - must provide information in relation to the seven SSIF performance areas
 - should be few in number (preferably no more than two per performance area), and balance the need for MBIE to account for public funds with minimising the reporting burden for hosts
 - should, where hosts are Crown Entities, minimise duplication with existing reporting requirements from the Crown
 - should relate to the aim of the particular SSIF investment (as set out in the Investment Plan, relevant Cabinet Decisions and other key documents)
 - will aim to incorporate the interests of key government stakeholders.
- > Examples of indicators are in Appendix A: SSIF Programmes Key Performance Indicator examples.

Actions

- > SSIF Programmes contracts include time-bound actions that are central to SSIF performance, under each performance area.

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Crown Ownership and Purchase Interests for SSIF Programmes Hosts

SSIF Programmes investments are distinct from the ownership arrangements of SSIF Programmes hosts. SSIF is designed as a mechanism for purchasing science that advances strategic goals (which also build strength and depth in key areas). Whilst contracts are with organisations, it is the science or Science Platforms, not the organisation that is being invested in.

However, for CRIs MBIE has a dual relationship with SSIF Platform hosts. The Crown is the sole shareholder of CRIs, and MBIE is the primary monitoring agency for CRIs. Therefore SSIF performance monitoring must reflect both the Crown's ownership and purchase interests for CRIs:

- > The planning and reporting cycle for CRIs includes annual Statements of Corporate Intent, regular reporting to MBIE, and regular monitoring meetings between MBIE and CRIs. CRIs report on a set of KPIs at a corporate level. Each CRI is reviewed every four years against their Statement of Core Purpose.
- > SSIF is focused on purchasing science that advances strategic goals, and supports capability that builds science strength and depth. MBIE also purchases science from CRIs through other investment mechanisms such as the Endeavour and Partnership funds.
- > MBIE is responsible for ensuring ownership and purchasing functions for CRIs are coordinated.

The host for the Antarctic Science Platform is Antarctica New Zealand, a Crown Entity administered by the Ministry of Foreign Affairs and Trade (MFAT). MFAT and the Ministry for the Environment are key stakeholders for the Antarctic Science Platform. MBIE is currently (as at August 2018) developing KPIs for the Platform with Antarctica New Zealand and key stakeholders.

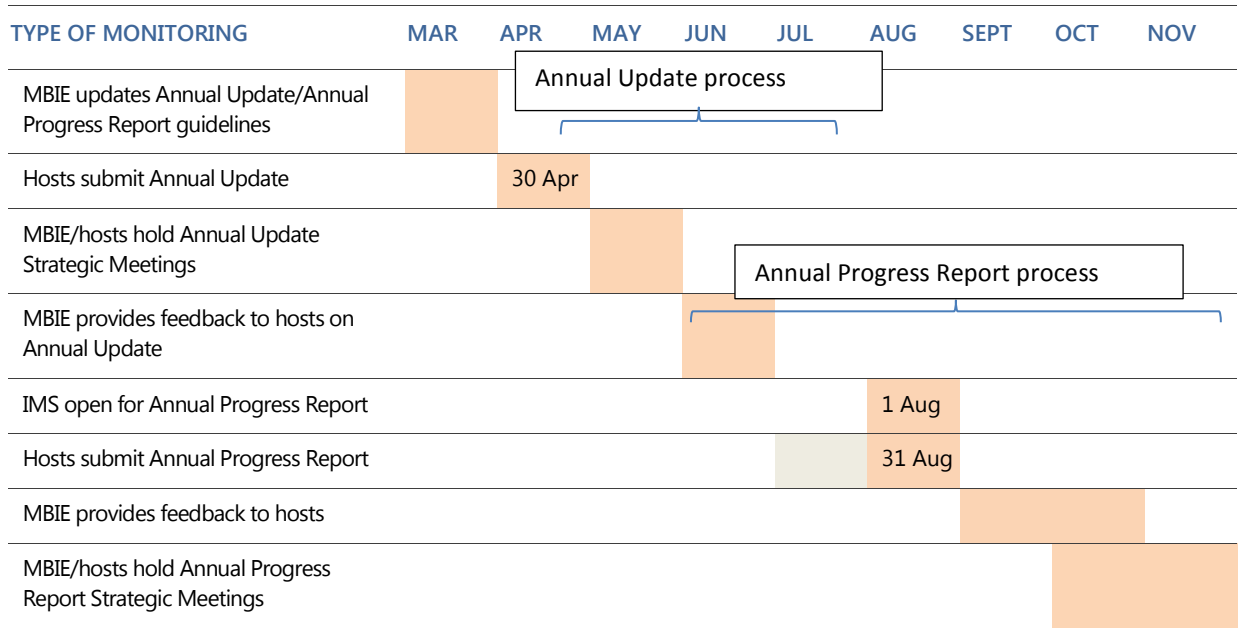
The Crown has a science purchase interest in IROs, but does not have an ownership interest in them.

If future SSIF Platform hosts are Crown Entities, then MBIE may coordinate performance monitoring for SSIF Platforms investments with the government agency responsible for the entity.

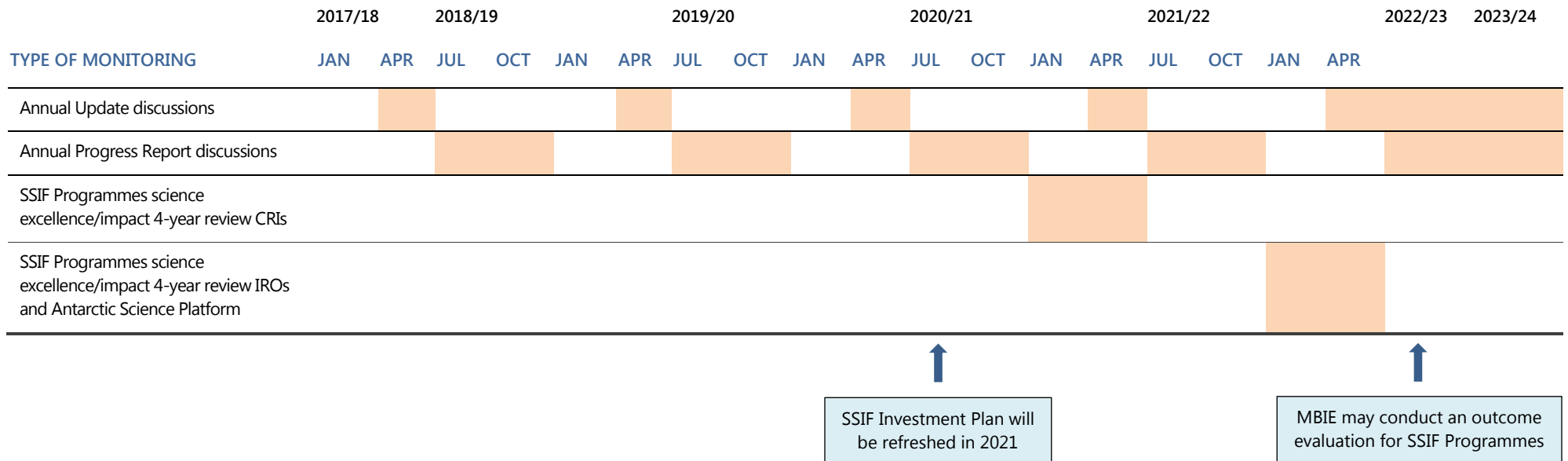
Performance Monitoring and Evaluation for SSIF Programmes

Key Timelines

Annual Monitoring Process



SSIF Programmes Project Monitoring and Evaluation Process Until 2024



SSIF Programmes Annual Monitoring Cycle

There are two SSIF Programmes annual monitoring processes:

- > Annual Update process
- > Annual Progress Report process.

Annual Update Process

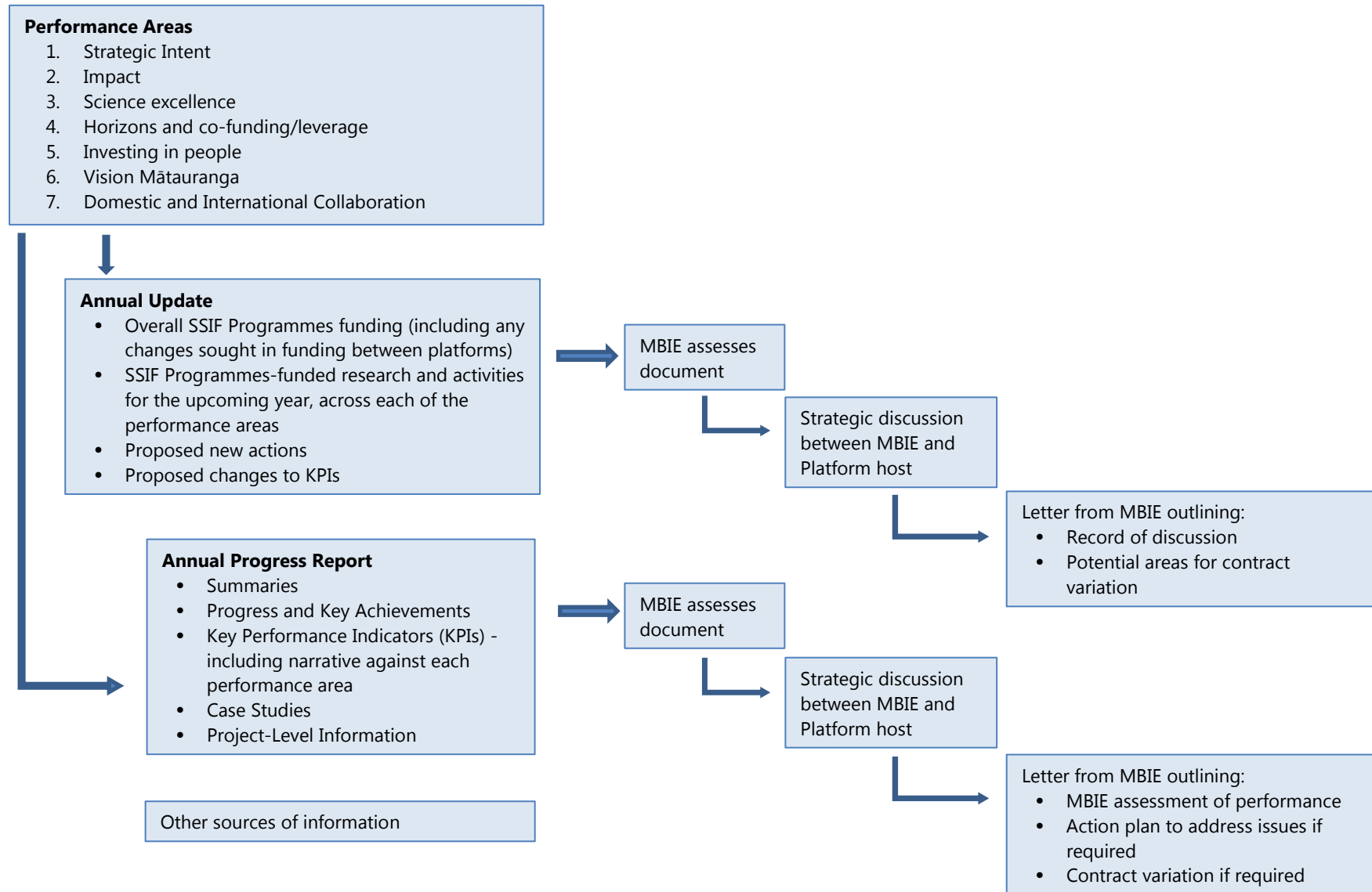
- > MBIE and the Platform host discuss plans for the next year of the SSIF Programmes contract.
 - the host provides an Annual Update covering the research, science and technology or related activities that it proposes to undertake over the next 12 months, by the end of April
 - MBIE and the host meet in May for a strategic discussion on the host's plans for the year
 - MBIE provides, in June, feedback on the annual update and discussion.

Annual Progress Report Process

- > The Platform host provides an Annual Progress Report by no later than 31 August covering the delivery of strategic science as part of a Science Platform over the previous year.
- > The report includes a narrative annual report, statistical information on projects, and data on each agreed KPI.
- > The report contains the following sections:
 - Funding summary
 - Public Summary
 - Progress and Key Achievements
 - Key Performance Indicators (KPIs)
 - Case Studies
 - Project-Level Information (including statistical information)
- > Statistical information on projects funded will be gathered by spreadsheet initially. Eventually MBIE will be able to access information on projects funded through SSIF Programmes funding using the National Research Information System.
- > SSIF Programmes Reports are due as follows:
 - CRIs: First report is due 31 August 2018
 - IROs: First report is due 31 August 2019.
- > This information will be entered through the MBIE portal. Project level information will be uploaded as an Excel spreadsheet.
- > MBIE will provide feedback to the host on the SSIF Programmes Annual Progress Report. MBIE and the Platform host will have a second strategic discussion to discuss feedback in October/November. MBIE may require the host to carry out an action plan that addresses any issues identified in the feedback and second strategic discussion. Substantive changes will be recorded as contract variations.

The annual assessment process is summarised on the next page.

SUMMARY OF THE ANNUAL ASSESSMENT PROCESS



Annual Monitoring Process – MBIE Actions

MBIE has developed and issued guidelines for annual reporting in 2018, in consultation with SSIF Programmes hosts and representative organisations.

MBIE will:

- > open IMS for annual reporting, by 1 August 2018
- > create guidelines for IRO SSIF Programmes Reporting for all SSIF Programmes Platforms hosts by March 2019.

From 2019, MBIE will update SSIF Programmes Reporting guidelines by March of each year if necessary, and open IMS or replacement systems for reporting by 1 July of each year.

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Mid-Term Review

- > SSIF Programmes contracts for CRIs will be reviewed in the second half of 2021 (after 4 years of the 7 year term of the SSIF Programmes contracts). IROs and the Antarctic Science Platform will be reviewed in 2021/22.
- > The reviews may result in MBIE and a SSIF Programmes host agreeing changes to the SSIF Programmes contract.

End of Contracts Review

- > The majority of SSIF Programmes contracts will expire in 2024. MBIE may review contracts and/or evaluate the SSIF Programmes funding mechanism prior to this to inform policy decisions about the future of the Fund.

Ad Hoc Reviews and Audits

- > Besides the scheduled reviews outlined above, MBIE may choose to carry out ad hoc reviews of Platform hosts in respect of SSIF Platform Plans. MBIE may also commission an audit of records relevant to SSIF Platform Plans when MBIE considers it necessary.

Updates and Reviews of the SSIF Investment Plan

- > The SSIF Investment Plan will be updated annually to include new Government investments in SSIF.
- > The Investment Plan will be reviewed fully in 2021, prior to the mid-term review of CRI SSIF Programmes contracts.

Appendix A: SSIF Programmes

Key Performance Indicators

SSIF PERFORMANCE AREAS <i>(as outlined in SSIF Investment Plan)</i>	EXAMPLE OF KPI/MEASURE FROM CRI SSIF CONTRACT	EXAMPLE OF TARGET FROM CRI SSIF CONTRACT
Strategic Intent		
<ul style="list-style-type: none"> SSIF is supporting national and end-user science priorities Platforms are evolving to advance strategic goals 	Stakeholder satisfaction with priority setting	Level of stakeholder satisfaction (% of stakeholders surveyed) equal to or exceeding baseline set in 2017/18
Impact		
<ul style="list-style-type: none"> SSIF is delivering national benefit SSIF is developing new knowledge and opportunities 	Demonstrated progress towards achieving impact	X % of milestones or critical steps for each impact area on track, reported annually
	Impact case studies	X impact case studies published annually to demonstrate contribution of SSIF to national benefit and/or new knowledge and opportunities
	Development of new IP (optional)	Number of patents, trademarks and licenses/PVRs, NDAs as appropriate produced in reporting year
	New products, processes developed and transferred to end-users (optional)	Number developed and used in reporting year
	Satisfaction among stakeholders with knowledge exchange and technology development	Level of stakeholder satisfaction (% of stakeholders surveyed) equaling or exceeding baseline set in 2017/18
Science excellence		
<ul style="list-style-type: none"> Provider has robust internal processes to ensure excellence External recognition of science excellence 	External review (including international input) of excellence of research as part of CRI's normal review processes	Satisfactory feedback on excellence of SSIF research in X science reviews conducted annually
	Scientific publications calculated using mean citation score for journals in which CRI papers are published	Numeric target met or exceeded annually
Horizons and co-funding/leverage		
<ul style="list-style-type: none"> SSIF investment is balanced across spheres of impact, horizons and types of investment SSIF investment leverages an appropriate contribution from primary beneficiaries Appropriate arrangements are in place for contribution from users of research 	Shift in balance of investment portfolio towards Discovery Science	% of SSIF funding targeted to Discovery Science meets or exceeds target(s) set
	Investment from third parties	Commercial revenue of \$x per FTE
	Balance of funding across horizons	Targets (% and timeframe) for SSIF research across horizons: New Ideas: Emerging Ideas: Leveraging Proven Ideas

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SSIF PERFORMANCE AREAS <i>(as outlined in SSIF Investment Plan)</i>	EXAMPLE OF KPI/MEASURE FROM CRI SSIF CONTRACT	EXAMPLE OF TARGET FROM CRI SSIF CONTRACT
Investing in people		
<ul style="list-style-type: none"> • SSIF is supporting national capability • Critical capabilities are dynamic and are continuing to evolve 	Capability supported by SSIF	A capability/succession plan is in place that identifies how SSIF capability is supported. Refreshed annually
Vision Mātauranga		
<ul style="list-style-type: none"> • SSIF investment is aligned to the Vision Mātauranga policy 	Engagement with Māori	Number and \$ value of SSIF projects with Māori stakeholders embedded in research projects <hr/> % Māori stakeholder satisfaction with engagement equal to or exceeding baseline set in 2017/18
Domestic and International Collaboration		
<ul style="list-style-type: none"> • SSIF is leveraging national and international connections 	Collaborative publications	% of publications with other NZ institutes equal to or exceeding baseline set in 2017/18 <hr/> % of publications with international institutes equal to or exceeding baseline set in 2017/18