

# *Vote Health*

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APPROPRIATION MINISTER(S): Minister of Health (M36), Minister for Seniors (M61)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Health (A21)

RESPONSIBLE MINISTER FOR MINISTRY OF HEALTH: Minister of Health

## Overview of the Vote

Vote Health ('the Vote'), \$31,052 million in 2025/26, is a significant public investment in the wellbeing of New Zealanders and their families. The Vote directly supports the day-to-day operation of strong and equitable public health services delivered by a skilled workforce in our communities, hospitals, and other care settings.

The Vote plays a key role in supporting population health across peoples' lives, including improving health equity for Māori and other groups, and helps facilitate the delivery of key system priorities including child wellbeing, mental wellbeing, wellbeing through prevention, and primary health care.

The make-up of the Vote for 2025/26 reflects the significant changes that occurred following the previous Government's health reforms from 1 July 2022 with those changes detailed in the Estimates of Appropriations 2022/23 - Health Sector.

The Vote for 2025/26 comprises the following:

- \$15,729 million (51% of the Vote) to enable Health New Zealand - Te Whatu Ora to deliver hospital and specialist services
- \$9,703 million (31% of the Vote) largely to enable Health New Zealand to deliver primary, community, public and population health services
- \$2,747 million (9% of the Vote) for capital investment, largely for infrastructure projects and to fund the resolution of claims from historical non-compliance with the Holidays Act 2003
- \$1,793 million (6% of the Vote) to enable Pharmac - Te Pātaka Whaioranga to both manage (\$33 million) and purchase pharmaceuticals (\$1,760 million)
- \$773 million (2% of the Vote) to enable Health New Zealand to deliver hauora Māori services
- \$229 million (1% of the Vote) to enable the Ministry of Health - Manatū Hauora to undertake its stewardship role of the health system
- \$78 million to support other health services including \$38 million for monitoring and protecting health and disability consumer interests and \$26 million for problem gambling services.

There is also a capital expenditure permanent legislative authority of \$500,000 for the Ministry of Health.

The Minister of Health (M36) is responsible for all appropriations in the Vote except for the non-departmental output expense appropriation 'Aged Care Commissioner' (\$2 million) which is the responsibility of the Minister for Seniors (M61).

Details of these appropriations are set out in Parts 2-4.

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Departmental Capital Expenditure</b>			
<b>Ministry of Health - Capital Expenditure PLA (M36) (A21)</b>	500	500	500
This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Health, as authorised by section 24(1) of the Public Finance Act 1989.			
<b>Total Departmental Capital Expenditure</b>	500	500	500
<b>Non-Departmental Output Expenses</b>			
<b>Aged Care Commissioner (M61) (A21)</b>	2,104	2,104	<b>2,104</b>
This appropriation is limited to the functions of the Aged Care Commissioner			
<b>Delivering hauora Māori services (M36) (A21)</b>	766,166	766,166	<b>772,739</b>
This appropriation is limited to developing, implementing and delivering hauora Māori services, supporting the development of hauora Māori providers, developing partnerships with iwi, commissioning kaupapa Māori services and other services developed for Māori, and other related services.			
<b>Delivering Hospital and Specialist Services (M36) (A21)</b>	14,850,019	14,841,006	<b>15,728,691</b>
This appropriation is limited to hospital and specialist health services (including mental health services).			
<b>Delivering Primary, Community, Public and Population Health Services (M36) (A21)</b>	9,112,732	9,110,085	<b>9,703,427</b>
This appropriation is limited to primary, community (including mental health), public and population health services at international, national, regional, and local levels.			
<b>Monitoring and Protecting Health and Disability Consumer Interests (M36) (A21)</b>	40,123	40,123	<b>37,723</b>
This appropriation is limited to the provision, purchase, and support of services that monitor and protect health and disability consumer interests.			
<b>National Management of Pharmaceuticals (M36) (A21)</b>	31,507	31,507	<b>32,507</b>
This appropriation is limited to services relating to the national management of pharmaceuticals.			
<b>National Pharmaceuticals Purchasing (M36) (A21)</b>	1,689,634	1,689,634	<b>1,760,435</b>
This appropriation is limited to purchasing pharmaceuticals on the national pharmaceutical schedule and subsidising the supply of pharmaceuticals not on the national pharmaceutical schedule.			
<b>Problem Gambling Services (M36) (A21)</b>	20,023	20,023	<b>-</b>
This appropriation is limited to the provision, purchase, and support of services that minimise the harm from gambling, in accordance with the Gambling Act 2003.			
<b>Total Non-Departmental Output Expenses</b>	26,512,308	26,500,648	28,037,626
<b>Non-Departmental Other Expenses</b>			
<b>International Health Organisations (M36) (A21)</b>	3,017	3,017	<b>3,100</b>
This appropriation is limited to the Crown funding New Zealand's World Health Organization (WHO) membership and contributing to specific WHO projects.			
<b>Legal Expenses (M36) (A21)</b>	5,158	5,158	<b>1,208</b>
This appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown.			
<b>Total Non-Departmental Other Expenses</b>	8,175	8,175	4,308

	2024/25		2025/26
Titles and Scopes of Appropriations by Appropriation Type	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Non-Departmental Capital Expenditure</b>			
<b>Remediation and resolution of Holidays Act 2003 historical claims (M36) (A21)</b> This appropriation is limited to fund Te Whatu Ora (including their subsidiaries and associates) and the New Zealand Blood and Organ Service for resolution of claims from historical non-compliance with the Holidays Act 2003.	1,623,044	1,268,044	<b>325,000</b>
<b>Residential Care Loans - Payments (M36) (A21)</b> This appropriation is limited to the provision of interest-free loans to people entering into aged residential care facilities.	35,000	35,000	<b>35,000</b>
<b>Standby Credit to Support Health System Liquidity (M36) (A21)</b> This appropriation is limited to the provision of a revolving standby credit facility to support Te Whatu Ora-Health New Zealand with working capital fluctuations, assist with treasury liquidity management, and maintain health system liquidity.	200,000	-	<b>200,000</b>
<b>Supporting Pay Equity (M36) (A21)</b> This appropriation is limited to providing equity injections to health entities to contribute towards the costs of pay equity and equivalent settlements.	419,516	419,516	-
<b>Total Non-Departmental Capital Expenditure</b>	<b>2,277,560</b>	<b>1,722,560</b>	<b>560,000</b>
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Redress for Abuse in Care MCA (M36) (A21)</b> The single overarching purpose of this appropriation is to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.	13,070	13,070	<b>1,610</b>
<b>Departmental Output Expenses</b>			
<b>Delivering redress for abuse in care</b> This category is limited to responding to, designing, implementing and delivering redress for abuse in care.	497	497	210
<b>Non-Departmental Other Expenses</b>			
<b>Redress Payments</b> This category is limited to providing financial redress to people who experienced abuse in care.	12,573	12,573	1,400
<b>Stewardship of the New Zealand health system MCA (M36) (A21)</b> The single overarching purpose of this appropriation is to enable the Ministry of Health to discharge its role as the chief steward of New Zealand's health system and principal advisor to the Minister of Health.	235,824	230,824	<b>228,692</b>
<b>Departmental Output Expenses</b>			
<b>Equity, Evidence and Outcomes</b> This category is limited to health science research, leadership, analysis and publishing quality evidence, data and insights.	40,302	38,052	31,838
<b>Policy Advice and Related Services</b> This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities relating to health.	38,609	37,959	32,234
<b>Public health and population health leadership</b> This category is limited to providing leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring related to public and population health.	87,515	87,515	95,377
<b>Regulatory and Enforcement Services</b> This category is limited to implementing, enforcing and administering health-related legislation and regulations, and provision of regulatory advice to the sector and to Ministers, and support services for committees appointed by the Minister under statute.	46,786	46,536	50,710

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<i>Sector Performance and Monitoring</i> This category is limited to advising and providing assurance on health sector planning and system performance, including the Government Policy Statement and the New Zealand Health Plan; and monitoring and supporting the governance of health sector Crown entities.	22,612	20,762	18,533
<b>Total Multi-Category Expenses and Capital Expenditure</b>	248,894	243,894	230,302
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	29,047,437	28,475,777	28,832,736

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Departmental Output Expenses</b>		
<b>Strengthening Pacific Health Systems (M36) (A21)</b> This appropriation is limited to supporting the development of public health systems in the Pacific.  Commences: 01 July 2024  Expires: 30 June 2029	Original Appropriation Adjustments to 2023/24 Adjustments for 2024/25 Adjusted Appropriation  Actual to 2023/24 Year End Estimated Actual for 2024/25 Estimate for 2025/26 Estimated Appropriation Remaining	28,148 - - 28,148  - 5,036 6,823 16,289
<b>Non-Departmental Output Expenses</b>		
<b>Problem Gambling Services (M36) (A21)</b> This appropriation is limited to problem gambling services funded under the Strategy to Prevent and Minimise Gambling Harm.  Commences: 01 July 2025  Expires: 30 June 2028	Original Appropriation Adjustments to 2023/24 Adjustments for 2024/25 Adjusted Appropriation  Actual to 2023/24 Year End Estimated Actual for 2024/25 Estimate for 2025/26 Estimated Appropriation Remaining	79,427 - - 79,427  - - 25,670 53,757
<b>Non-Departmental Capital Expenditure</b>		
<b>Health Capital Envelope (M36) (A21)</b> This appropriation is limited to the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments.  Commences: 01 July 2022  Expires: 30 June 2027	Original Appropriation Adjustments to 2023/24 Adjustments for 2024/25 Adjusted Appropriation  Actual to 2023/24 Year End Estimated Actual for 2024/25 Estimate for 2025/26 Estimated Appropriation Remaining	4,864,162 1,128,576 24,121 6,016,859  2,113,190 1,312,738 1,124,517 1,466,414

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>New Dunedin Hospital 2021-2026 (M36) (A21)</b> This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects.  Commences: 01 November 2021  Expires: 30 June 2026	Original Appropriation	1,327,578
	Adjustments to 2023/24	120,000
	Adjustments for 2024/25	-
	Adjusted Appropriation	1,447,578
	Actual to 2023/24 Year End	195,107
	Estimated Actual for 2024/25	190,000
	Estimate for 2025/26	1,062,471
	Estimated Appropriation Remaining	-

## Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	29,047,437	28,475,777	28,832,736
Total Forecast MYA Departmental Output Expenses	5,036	5,036	6,823
Total Forecast MYA Non-Departmental Output Expenses	-	-	25,670
Total Forecast MYA Non-Departmental Capital Expenditure	1,502,738	1,502,738	2,186,988
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>30,555,211</b>	<b>29,983,551</b>	<b>31,052,217</b>

## Capital Injection Authorisations

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Ministry of Health - Capital Injection (M36) (A21)	-	-	-

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Budget 2025 Funding for New Initiatives</b>						
Delivering Quality and Timely Primary Care - Next Steps and Implementation	<b>Delivering Hospital and Specialist Services</b>	-	2,500	5,000	5,000	5,000
	Non-Departmental Output Expenses					
	<b>Delivering Primary, Community, Public and Population Health Services</b>	17,912	99,116	104,974	100,550	100,626
	Non-Departmental Output Expenses					
Transition to a Multi-Agency Response to 111 Mental Distress Calls	<b>Delivering Hospital and Specialist Services</b>	-	2,232	4,705	5,948	7,731
	Non-Departmental Output Expenses					
	<b>Delivering Primary, Community, Public and Population Health Services</b>	-	511	1,344	2,194	2,950
	Non-Departmental Output Expenses					
Aged Care: Continuing Support for Timely Transfers from Acute Hospital Care to Community Settings	<b>Delivering Primary, Community, Public and Population Health Services</b>	-	6,000	6,000	6,000	6,000
	Non-Departmental Output Expenses					
Medical Products Reform: Modernising Regulation to Make Medicines and Medical Devices Safer and More Accessible	<b>Stewardship of the New Zealand health system MCA</b>					
	Policy Advice and Related Services	-	5,864	5,577	6,068	2,551
	Departmental Output Expenses					
Addressing the Wrongs of the Past - Redress for Abuse in Care	<b>Legal Expenses</b>	-	(300)	-	-	-
	Non-Departmental Other Expenses					
	<b>Redress for Abuse in Care MCA</b>					
	Delivering redress for abuse in care	497	210	465	452	460
	Departmental Output Expenses					
	Support Services	-	-	204	204	204
	Non-Departmental Output Expenses					

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
	Redress Payments	12,573	1,400	1,775	1,775	1,775
	Non-Departmental Other Expenses					
Prescribing Length Increase from 3 months to 12 months	<b>National Pharmaceuticals Purchasing</b>	-	10,000	-	-	-
	Non-Departmental Output Expenses					
Making the Care System Safe - Bolstering Safeguards and Oversight of Compulsory Mental Health and Addiction Care	<b>Stewardship of the New Zealand health system MCA</b>					
	Regulatory and Enforcement Services	-	1,584	1,808	2,984	2,984
	Departmental Output Expenses					
New Zealand's Financial Contribution to the World Health Organization	<b>International Health Organisations</b>	487	870	870	870	870
	Non-Departmental Other Expenses					
Funding for the Health and Disability Commissioner to Continue to Address the Backlog of Complaints	<b>Monitoring and Protecting Health and Disability Consumer Interests</b>	-	1,000	-	-	-
	Non-Departmental Output Expenses					
Making the Care System Safe - Improving Mental Health Inpatient Unit Environments	<b>Delivering Hospital and Specialist Services</b>	-	367	367	-	-
	Non-Departmental Output Expenses					
Making the Care System Safe - Building a Diverse, Capable and Safe Care Workforce	<b>Delivering Hospital and Specialist Services</b>	-	155	-	-	-
	Non-Departmental Output Expenses					
<b>Budget 2025 Savings and Reprioritisation Initiatives</b>						
Baseline Reprioritisation from the Ministry of Health	<b>Stewardship of the New Zealand health system MCA</b>					
	Equity, Evidence and Outcomes	(58)	(7,104)	(6,104)	(6,104)	(6,104)
	Departmental Output Expenses					
	Policy Advice and Related Services	(110)	(6,060)	(5,773)	(6,264)	(2,747)
	Departmental Output Expenses					
	Public health and population health leadership	(149)	(266)	(266)	(266)	(266)
	Departmental Output Expenses					
	Regulatory and Enforcement Services	(110)	(197)	(197)	(197)	(197)
	Departmental Output Expenses					
	Sector Performance and Monitoring	(60)	(107)	(107)	(107)	(107)
	Departmental Output Expenses					

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Implementation of Increased Access to Cancer Treatments and Other Medicines - Partial Return of Funding	<b>Delivering Hospital and Specialist Services</b> Non-Departmental Output Expenses	(16,194)	-	-	-	-
Reprioritisation for the Upgrade of the Document Management Systems of the Health and Disability Commissioner	<b>Monitoring and Protecting Health and Disability Consumer Interests</b> Non-Departmental Output Expenses	500	-	-	-	-
	<b>Stewardship of the New Zealand health system MCA</b> Equity, Evidence and Outcomes Departmental Output Expenses	(500)	-	-	-	-
<b>Subtotal Budget 2025 Initiatives</b>		<b>14,788</b>	<b>117,775</b>	<b>120,642</b>	<b>119,107</b>	<b>121,730</b>
<b>Pay Equity Settlements</b>						
Health New Zealand Allied, Scientific and Technical Pay Equity Final Settlement	<b>Delivering Hospital and Specialist Services</b> Non-Departmental Output Expenses	214,301	214,301	214,301	214,301	214,301
Health New Zealand Midwifery Pay Equity Claim Final Settlement	<b>Delivering Hospital and Specialist Services</b> Non-Departmental Output Expenses	7,632	7,632	7,632	7,632	7,632
<b>Subtotal Pay Equity Settlements</b>		<b>221,933</b>	<b>221,933</b>	<b>221,933</b>	<b>221,933</b>	<b>221,933</b>
<b>Drawdown of Tagged Contingency and Funding for Other Government Priorities</b>						
Increasing Access to Cancer Treatments and Other Medicines	<b>Delivering Hospital and Specialist Services</b> Non-Departmental Output Expenses	38,000	52,000	-	-	-
	<b>National Management of Pharmaceuticals</b> Non-Departmental Output Expenses	2,000	3,000	3,000	3,000	3,000
	<b>National Pharmaceuticals Purchasing</b> Non-Departmental Output Expenses	108,000	146,000	175,000	175,000	175,000
Funding for Capital Charge on New Capital Projects for Health New Zealand	<b>Delivering Hospital and Specialist Services</b> Non-Departmental Output Expenses	11,717	23,433	23,433	23,433	23,433
National Bowel Screening Programme - Changes to Lower the Age of Eligibility for all New Zealanders	<b>Delivering Primary, Community, Public and Population Health Services</b> Non-Departmental Output Expenses	6,560	20,586	17,501	17,672	13,089

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Assisted Dying Final Contingency Drawdown	<b>Delivering Primary, Community, Public and Population Health Services</b> Non-Departmental Output Expenses	1,214	1,586	1,960	2,360	1,638
Lake Alice Unit: Legal Fee Reimbursement and Historic Claims	<b>Legal Expenses</b> Non-Departmental Other Expenses <b>Stewardship of the New Zealand health system MCA</b> Policy Advice and Related Services Departmental Output Expenses	2,600   70 	-   -	-   -	-   -	-   -
Redress for Survivors of Abuse in Care: an Improved Redress Pathway and Interim Enhancements to Current Processes	<b>Legal Expenses</b> Non-Departmental Other Expenses	150	300	-	-	-
Health and Disability Commissioner - Additional 2024/25 Funding	<b>Delivering Hospital and Specialist Services</b> Non-Departmental Output Expenses <b>Monitoring and Protecting Health and Disability Consumer Interests</b> Non-Departmental Output Expenses	(2,900)  2,900 	-  -	-  -	-  -	-  -
<b>Subtotal Drawdown of Tagged Contingency and Funding for Other Government Priorities</b>		<b>170,311</b>	<b>246,905</b>	<b>220,894</b>	<b>221,465</b>	<b>216,160</b>
<b>Other Vote Health Savings and Reprioritisation Initiatives</b>						
Reprioritise Funding for Legal Expenses and International Health Organisations Appropriations	<b>International Health Organisations</b> Non-Departmental Other Expenses <b>Legal Expenses</b> Non-Departmental Other Expenses <b>Stewardship of the New Zealand health system MCA</b> Equity, Evidence and Outcomes Departmental Output Expenses Policy Advice and Related Services Departmental Output Expenses Public health and population health leadership Departmental Output Expenses	300  1,200  (265) (227) (581) 	-  -  -  - 	-  -  -  - 	-  -  -  - 	-  -  -  - 

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
	Regulatory and Enforcement Services	(301)	-	-	-	-
	Departmental Output Expenses					
	Sector Performance and Monitoring	(126)	-	-	-	-
	Departmental Output Expenses					
<b>Subtotal Other Vote Health Savings and Reprioritisation Initiatives</b>		-	-	-	-	-
<b>Funding for Other Initiatives</b>						
Pae Ora (Healthy Futures) Alcohol Levy Order 2024	<b>Delivering Primary, Community, Public and Population Health Services</b>	16,620	16,620	16,620	16,620	16,620
	Non-Departmental Output Expenses					
Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28	<b>Problem Gambling Services</b>	(5,235)	(11,021)	(11,021)	(11,021)	-
	Non-Departmental Output Expenses					
	<b>Problem Gambling Services MYA</b>	-	25,670	27,073	26,684	-
	Non-Departmental Output Expense Multi-Year appropriation					
	<b>Stewardship of the New Zealand health system MCA</b>					
	Sector Performance and Monitoring	-	390	641	291	-
	Departmental Output Expenses					
<b>Subtotal Funding for Other Initiatives</b>		<b>11,385</b>	<b>31,659</b>	<b>33,313</b>	<b>32,574</b>	<b>16,620</b>
<b>Total Operating Expenditure</b>		<b>418,417</b>	<b>618,272</b>	<b>596,782</b>	<b>595,079</b>	<b>576,443</b>
<b>Capital Expenditure</b>						
Health New Zealand Allied, Scientific and Technical Pay Equity Final Settlement	<b>Supporting Pay Equity</b>	390,309	-	-	-	-
	Non-Departmental Capital Expenditure					
Health New Zealand Midwifery Pay Equity Claim Final Settlement	<b>Supporting Pay Equity</b>	29,207	-	-	-	-
	Non-Departmental Capital Expenditure					
Delivering Quality and Timely Primary Care - Next Steps and Implementation	<b>Health Capital Envelope</b>	3,738	7,762	9,621	-	-
	Non-Departmental Capital Expenditure					
<b>Total Capital Expenditure</b>		<b>423,254</b>	<b>7,762</b>	<b>9,621</b>	<b>-</b>	<b>-</b>
<b>Total</b>		<b>841,671</b>	<b>626,034</b>	<b>606,403</b>	<b>595,079</b>	<b>576,443</b>

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2020/21	2021/22	2022/23	2023/24	2024/25		2025/26			2026/27	2027/28	2028/29
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	18,411,558	19,469,601	22,611,556	25,662,330	26,517,344	26,505,684	6,823	28,063,296	28,070,119	29,361,502	29,369,977	29,376,774
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	4,196	4,791	4,224	4,931	8,175	8,175	-	4,308	4,308	4,308	4,308	4,308
Capital Expenditure	1,234,708	760,837	1,698,703	950,817	3,780,798	3,225,798	500	2,746,988	2,747,488	1,501,914	35,500	35,500
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	658,851	4,362,958	2,313,406	516,805	236,321	231,321	228,902	-	228,902	219,646	216,876	216,593
<i>Other Expenses</i>	-	-	-	-	12,573	12,573	-	1,400	1,400	1,775	1,775	1,775
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Appropriations</b>	20,309,313	24,598,187	26,627,889	27,134,883	30,555,211	29,983,551	236,225	30,815,992	31,052,217	31,089,145	29,628,436	29,634,950
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	865,530	998,335	1,205,993	1,323,231	1,588,085	1,588,085	N/A	1,647,356	1,647,356	1,752,026	1,816,133	1,880,292
Capital Receipts	29,731	26,597	27,991	33,302	332,330	332,330	N/A	47,499	47,499	47,499	47,499	47,499
<b>Total Crown Revenue and Capital Receipts</b>	895,261	1,024,932	1,233,984	1,356,533	1,920,415	1,920,415	N/A	1,694,855	1,694,855	1,799,525	1,863,632	1,927,791

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

## Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information reported in last year's Summary of Financial Activity table.

## 1.3 - Analysis of Significant Trends

### *Output Expenses*

Expenditure has seen significant growth since 2020/21 (refer Part 1.2 - Trends in the Vote). The main drivers for this change have been:

- annual increases to address core demographic, volume and price pressures for frontline health services, with further increments appropriated in 2025/26 and 2026/27 (refer Part 1.1 - New Policy Initiatives of the Estimates of Appropriations 2024/25) reflecting the current multi-year approach the Government has agreed for cost pressure funding for Health New Zealand
- wage settlements, including funding to address pay equity and improve pay relativities
- increases aimed at improving or extending the reach of health services such as:
  - providing better access to cancer treatments and other medicines by giving Pharmac the scope to invest in additional medicines
  - delivering quality and timely primary care services including training additional health professionals, increasing the prescribing duration limit, providing digital access to primary care and improving access to urgent and after-hours care, and
  - extending the national bowel screening programme to lower the age of eligibility for all New Zealanders.

### *Other Expenses*

Vote Health also provides funding for Other Expenses, such as funding for international health organisations and legal expenses for the defence and settlement of claims against the Crown.

### *Capital Expenditure*

Appropriations for 2025/26 are \$2,747 million compared to actual expenditure of \$1,235 million in 2020/21. This trend is mainly a result of increasing demand for remediating and upgrading hospital infrastructure, and from 2023/24 to fund the resolution of claims from historical non-compliance with the Holidays Act 2003. The funding for infrastructure has included investment in many, often multi-year, projects such as the new Dunedin hospital development. It also includes \$500,000 of capital expenditure in 2025/26 for the Ministry of Health.

### *Multi-Category Expenses and Capital Expenditure*

The main drivers for the changes in multi-category expenses are:

- the creation of a new multi-category appropriation (MCA) to fund the Government's health response to the redress recommendations made by the Royal Commission of Inquiry into Abuse in Care
- the COVID-19 pandemic response including funding for vaccines, which has contributed to a significant increase in funding by way of MCAs since 2020/21 but is now incorporated in business-as-usual activities along with pandemic preparedness in non-departmental output expenses, and
- the transfer of funding, previously held under Departmental Output Expenses, into the Stewardship of the New Zealand health system MCA (from 2022/23).

### *Crown Revenue and Capital Receipts*

The increased income from Crown revenue and capital receipts includes:

- Crown revenue from ACC for the purchase of public health acute and other services provided by Health New Zealand. The ACC revenue has increased from \$597 million in 2020/21 to forecast revenue of \$1,056 million in 2025/26, largely reflecting changes in the price and volume of services provided but also including funding for maternal birth injuries from 2023/24
- capital charge revenue from Crown entities in the health sector. This has grown from \$250 million in 2020/21 to forecast revenue of \$576 million in 2025/26, reflecting the revaluation of assets and new infrastructure projects, and
- residential care loan repayments which have grown from \$17 million in 2020/21 to forecast capital receipts of \$35 million per annum in 2025/26, reflecting a substantial increase in the number of people entering aged residential care facilities in recent years and larger numbers who pay the maximum contribution for aged care services.

Note - Disability support services were transferred to the new Whaikaha - Ministry of Disabled People from 1 July 2022 as part of the Health and Disability System reforms. The responsibility for delivering disability support services was subsequently transferred to the Ministry of Social Development - Te Manatū Whakahiato Ora from September 2024.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Strengthening Pacific Health Systems (M36) (A21)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Strengthening Pacific Health Systems (M36) (A21)</b> This appropriation is limited to supporting the development of public health systems in the Pacific.  Commences: 01 July 2024  Expires: 30 June 2029	Original Appropriation	28,148
	Adjustments to 2023/24	-
	Adjustments for 2024/25	-
	Adjusted Appropriation	28,148
	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	5,036
	Estimate for 2025/26	6,823
	Estimated Appropriation Remaining	16,289

Revenue

	Budget \$000
Revenue from the Crown to end of 2025/26	-
Revenue from Others to end of 2025/26	11,859
Total Revenue	11,859

What is Intended to be Achieved with this Appropriation

This appropriation is intended to support the development of public health systems in the Pacific.

How Performance will be Assessed and End of Year Reporting Requirements

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Annual costed workplan activities for the Polynesian Health Corridors Programme are delivered to an acceptable standard as agreed by the New Zealand Ministry of Foreign Affairs and Trade and Public Health Agency Programme Delivery Steering Committee	Achieved	Achieved	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Health in its Annual Report.

## 2.3 - Departmental Capital Expenditure and Capital Injections

### Ministry of Health - Capital Expenditure PLA (M36) (A21)

#### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Health, as authorised by section 24(1) of the Public Finance Act 1989.

#### *Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	500	500	500
Intangibles	-	-	-
Other	-	-	-
<b>Total Appropriation</b>	<b>500</b>	<b>500</b>	<b>500</b>

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the renewal, upgrade, or redesign of assets to support the delivery of Ministry of Health core functions and responsibilities.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Expenditure is in accordance with the Ministry of Health's Annual Capital Plan	100%	100%	100%

#### *End of Year Performance Reporting*

The Ministry of Health will report performance information for this appropriation in its Annual Report.

*Capital Injections and Movements in Departmental Net Assets***Ministry of Health**

Details of Net Asset Schedule	2024/25 Estimated Actual \$000	2025/26 Projected \$000	Explanation of Projected Movements in 2025/26
Opening Balance	3,069	3,069	
Capital Injections	-	-	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>3,069</b>	<b>3,069</b>	

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### Aged Care Commissioner (M61) (A21)

##### *Scope of Appropriation*

This appropriation is limited to the functions of the Aged Care Commissioner

##### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,104	2,104	2,104

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide greater oversight of the aged care sector, including monitoring and addressing emerging quality and safety issues, and advocating on behalf of consumers and their whānau for better services.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Develop effective relationships with stakeholders, including actively engaging with older consumers and their whānau	100 engagements	100 engagements	Measure removed
Provide regular reports to the Ministry of Health on progress made to implement the recommendations of the Aged Care Commissioner to improve the quality of care provided to older people	New measure	New measure	4

The discontinued performance measure in the Aged Care Commissioner appropriation has been replaced with a more informative measure that reflects the Aged Care Commissioner's impact on the system and quality improvement through the implementation of recommendations to the sector.

Additional performance information relating to the Aged Care Commissioner's role and function will be available in the Health and Disability Commissioner's Statement of Performance Expectations.

##### *End of Year Performance Reporting*

Performance information will be reported in the Health and Disability Commissioner's Annual Report.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Drawdown of the Budget 2022 Contingency - Addressing Future Health System Cost Pressures (2023/24)	2023/24	81	81	81	81	81
Addressing Historical and Future Vote Health Cost Pressures	2022/23	78	78	78	78	78
Establishment of an Aged Care Commissioner under the Health and Disability Commissioner	2021/22	2,320	2,320	2,320	2,320	2,320

### Delivering hauora Māori services (M36) (A21)

#### Scope of Appropriation

This appropriation is limited to developing, implementing and delivering hauora Māori services, supporting the development of hauora Māori providers, developing partnerships with iwi, commissioning kaupapa Māori services and other services developed for Māori, and other related services.

#### Expenses

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	766,166	766,166	772,739

#### What is Intended to be Achieved with this Appropriation

This appropriation is intended to secure the development, implementation and delivery of hauora Māori services, development of hauora Māori providers, development of partnerships with iwi, commissioning of kaupapa Māori services and other services developed for Māori, and other related services.

#### How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Support Iwi Māori Partnership Boards in fulfilling their functions as outlined in s30 of the Pae Ora (Healthy Futures Act) 2022	Achieved	Measure removed	Measure removed
Percentage of people reporting that their family/whānau or someone close to them were involved in discussions about the care received (see Note 1)	Improve from baseline May 2024 Overall 90.3%	Achieved	At least 88%
Percentage of people reporting that they had trust and confidence in their treatment provider (see Note 2)	Improve from baseline May 2024 Overall 88.4%	Achieved	At least 86%
Percentage of Hauora Māori partners that are meeting their contracted outcome targets as defined in the new outcomes-based contracts	50%	50%	85%

Note 1 - May 2024 baseline: Māori 88.9%, Pacific 89.2%, Asian 90.5%, European/other 90.6%, Overall 90.3%.

Note 2 - May 2024 baseline: Māori 86.8%, Pacific 87.7%, Asian 89.9%, European/other 88.5%, Overall 88.4%.

### *End of Year Performance Reporting*

End of year performance information will be reported in Health New Zealand's Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Health Cost Pressure Funding for Health New Zealand (Budget 2024)	2024/25	39,000	39,000	39,000	39,000	39,000
Health Cost Pressure Funding for Health New Zealand (Budget 2025 Precommitment)	2025/26	-	38,000	38,000	38,000	38,000
Health Cost Pressure Funding for Health New Zealand (Budget 2026 Precommitment)	2026/27	-	-	37,000	37,000	37,000
Return of Funding - Māori Health Authority Disestablishment	2023/24	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Disestablishment of Māori Health Authority - Funding Transfer to the Ministry of Health (see Note 1)	2023/24	(2,864)	(2,864)	(2,864)	(2,864)	(2,864)
<b>Previous Government</b>						
Drawdown of the Budget 2022 Contingency - Addressing Future Health System Cost Pressures (2023/24)	2023/24	34,704	34,704	34,704	34,704	34,704
Emergency Housing Reset and Redesign - Approval of Funding for Action 10 Initiatives	2023/24	700	700	700	-	-
Extending Pay Equity Settlement for Social Workers in Community and Iwi Organisation	2023/24	286	369	435	435	435
Transfer of Funding for Specific Hauora Māori Services	2023/24	387,655	387,655	387,655	387,655	387,655
HIV Action Plan - Implementation Plan and Drawdown of Tagged Contingency	2022/23	450	450	450	450	450
Hauora Māori Commissioning	2022/23	45,077	45,077	45,077	45,077	45,077
Health Workforce Development	2022/23	12,000	12,000	12,000	12,000	12,000
Addressing Historical and Future Vote Health Cost Pressures	2022/23	6,809	6,809	6,809	6,809	6,809
Māori Primary and Community Care Provider Development - Securing Future Capability and Shifting into New Models of Care	2022/23	8,000	8,000	8,000	8,000	8,000
Iwi-Māori Partnership Boards	2022/23	5,460	5,460	5,460	5,460	5,460

Note 1 - Other funding in the Delivering hauora Māori services appropriation has been reallocated to Health New Zealand to deliver the associated services.

## Delivering Hospital and Specialist Services (M36) (A21)

### *Scope of Appropriation*

This appropriation is limited to hospital and specialist health services (including mental health services).

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	14,850,019	14,841,006	15,728,691

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to secure hospital and specialist services for the eligible New Zealand population in line with existing service coverage expectations and operating policy requirements and to ensure service and system improvements are continuously progressed as set out in the New Zealand Health Plan.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Assessment of Performance</b>			
<b>Health New Zealand</b>			
Percentage of patients who wait less than four months for a first specialist appointment (2030 target is 95%) (see Note 1)	62%	61%	65%
Percentage of patients who wait less than four months for elective treatment (2030 target is 95%) (see Note 1)	63%	63%	67%
Percentage of patients admitted, discharged or transferred from an emergency department within six hours (2030 target is 95%) (see Note 1)	74%	68%	77%
Percentage of patients who receive cancer management within 31 days of the decision to treat (2030 target is 90%) (see Note 1)	86%	85%	87%
Increase the percentage of National Bowel Screening programme participants diagnosed with cancer who are referred for pre-operative presentation at a multidisciplinary meeting within 20 working days of diagnosis (see Note 2)	95%	95%	Measure removed
Percentage of young people seen within three weeks from a mental health referral	72%	72%	75%
Percentage of cardiac patients who wait less than four months for elective treatment	75%	75%	75%
Percentage of people accessing specialist mental health and addiction services who are seen within three weeks (2030 target is 80%) (see Note 3)	80%	82%	80%
Percentage of mental health and addiction-related emergency department presentations are admitted, discharged, or transferred from an emergency department within six hours (2030 target is 95%) (see Note 3)	74%	67%	77%

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Train additional mental health and addiction professionals each year (2030 target is 500) (see Note 3)	500	500	500
Percentage of missed first specialist assessment appointments	Decrease from baseline as at June 2024 (7.1%)	7%	7%
Rate of renal failure hospitalisations, age-standardised per 100,000 people with diabetes (see Note 4)	Improve from baseline as at June 2022	Achieved	Improve from baseline as at June 2022
Decrease in rate of acute readmissions within 28 days of discharge	12%	12%	12%
Health New Zealand has self-assessed all regions against the Consumer Engagement Quality and Safety Marker at a minimum of Level 3 (see Note 5)	Achieved	Achieved	Achieved
Percentage of people accepted for a CT scan receive their scan in 42 days (six weeks) or less	New measure	New measure	65%
Percentage of people accepted for an MRI scan receive their scan in 42 days (six weeks) or less	New measure	New measure	65%
<b>New Zealand Blood and Organ Service</b>			
Provide quarterly reports to the Ministry of Health summarising the performance of the organ donation function (see Note 6)	New measure	New measure	4

Changes have been made to the set of performance measures in the Delivering Hospital and Specialist Services appropriation to align with the health targets, Government Statement on Health, and Health New Zealand's accountability documents.

Note 1 - There are five health targets of which two (shorter stays in emergency departments and shorter wait times for elective treatment) form part of the set of nine Government Targets. For the health targets, agreed milestones to achieve the 2030 target are used for the Budget Standard. The milestones are established in agreement with the Minister of Health as outlined in the Health Target Implementation Plan.

Note 2 - The measure regarding the percentage of National Bowel Screening programme participants diagnosed with cancer who are referred within the specified timeframe has been discontinued. The replacement measure in the Delivering Primary, Community, Public and Population Health Services appropriation, regarding bowel screening rates, is a more appropriate and meaningful measure of this activity. This change also aligns with the Health New Zealand's other accountability documents.

Note 3 - This measure is a mental health and addiction target.

Note 4 - June 2022 (trend to decrease) Māori 10,965.5, Pacific 9,954.8, Non-Māori Non-Pacific 3,579.5. An updated baseline and target are to be determined.

Note 5 - This measure is in both the Delivering Primary, Community, Public and Population Health Services appropriation and the Delivering Hospital and Specialist Services appropriation because it relates to both appropriations.

Note 6 - The new measure in the Delivering Hospital and Specialist Services appropriation reflects the New Zealand Blood and Organ Service - Te Ratonga Toto O Aotearoa's performance of the organ donation function.

## End of Year Performance Reporting

End of year performance information will be reported in Health New Zealand's Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Transition to a Multi-Agency Response to 111 Mental Distress Calls	2025/26	-	2,232	4,705	5,948	7,731
Delivering Quality and Timely Primary Care - Next Steps and Implementation	2025/26	-	2,500	5,000	5,000	5,000
Making the Care System Safe - Improving Mental Health Inpatient Unit Environments	2025/26	-	367	367	-	-
Making the Care System Safe - Building a Diverse, Capable and Safe Care Workforce	2025/26	-	155	-	-	-
Funding for Capital Charge on New Capital Projects for Health New Zealand	2024/25	11,717	23,433	23,433	23,433	23,433
Increasing Access to Cancer Treatments and Other Medicines	2024/25	38,000	52,000	-	-	-
Health New Zealand Allied, Scientific and Technical Pay Equity Final Settlement	2024/25	214,301	214,301	214,301	214,301	214,301
Health New Zealand Midwifery Pay Equity Claim Final Settlement	2024/25	7,632	7,632	7,632	7,632	7,632
Implementation of Increased Access to Cancer Treatments and Other Medicines - Partial Return of Funding	2024/25	(16,194)	-	-	-	-
Health and Disability Commissioner - Additional 2024/25 Funding	2024/25	(2,900)	-	-	-	-
Health Cost Pressure Funding for Health New Zealand (Budget 2024)	2024/25	860,000	860,000	860,000	860,000	860,000
Health Cost Pressure Funding for Health New Zealand (Budget 2025 Precommitment)	2025/26	-	825,000	825,000	825,000	825,000
Health Cost Pressure Funding for Health New Zealand (Budget 2026 Precommitment)	2026/27	-	-	826,000	826,000	826,000
Emergency Department Security - Service Expansion	2024/25	6,170	8,226	8,226	8,226	8,226
Training 25 More Doctors	2024/25	300	300	300	300	7,874
Drawdown of the Budget 2021 Contingency - Data and Digital Infrastructure and Capability for Health New Zealand Payroll System Remediation and Stabilisation	2023/24	11,000	-	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Increasing Medical School Enrolments for the 2024 Intake	2027/28	-	-	-	11,819	21,264
Drawdown of the Budget 2022 Contingency - Addressing Future Health System Cost Pressures (2023/24)	2023/24	764,719	764,719	764,719	764,719	764,719
Health New Zealand Nurses Pay Equity Claim - Drawdown of Final Settlement	2023/24	172,587	172,587	172,587	172,587	172,587
Drawdown of the Budget 2022 Contingency - Data and Digital Foundations and Innovation for Health New Zealand	2023/24	25,326	5,329	5,348	5,348	5,348
Health Sector Pay Equity Claim - Health New Zealand Midwifery Claim	2023/24	12,215	12,215	12,215	12,215	12,215
Neonatal Retinopathy Screening	2023/24	2,332	2,332	2,332	2,332	2,332
Pay Equity Settlements and Improving Pay Relativities	2022/23	406,959	406,959	406,959	406,959	406,959
Addressing Historical and Future Health System Cost Pressures - Drawdown of 2022/23 Tagged Contingency	2022/23	520,793	520,793	520,793	520,793	520,793
Ministry ICT and Data & Digital Contracts and Funding Transfer	2022/23	14,963	14,963	14,963	14,963	14,963
Southern Digital Transformation Programme - Drawdown of Stage One Funding	2022/23	1,760	14,828	14,828	14,828	14,828
Drawdown from Contingency Funding for Capital Charge on New Capital Projects for Health New Zealand	2022/23	9,874	9,874	9,874	9,874	9,874
Addressing Historical and Future Vote Health Cost Pressures	2022/23	961,443	961,443	961,443	961,443	961,443
Resourcing Additional Critical Care Beds across Aotearoa New Zealand	2022/23	140,200	140,200	140,200	140,200	140,200
Specialist Mental Health and Addiction Services - Increasing Availability of Focused Supports	2022/23	25,900	50,000	50,000	50,000	50,000
Continuing the Alcohol and Other Drug Treatment Courts: Auckland, Waitākere and the Waikato	2022/23	8,119	8,119	8,119	8,119	8,119
Drawdown of Capital Charge for Taranaki DHB (now part of Health New Zealand)	2022/23	2,456	2,456	2,456	2,456	2,456
Preventing Family Violence and Sexual Violence: Services for Victims of Non-Fatal Strangulation	2022/23	2,028	2,028	2,028	2,028	2,028
Meeting the Demand for Organ Donation and Transplantation	2022/23	3,750	3,750	3,750	3,750	3,750

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- an increase of \$825 million for the second year of a combined three-year funding uplift approved at Budget 2024 for the Health Cost Pressure Funding for Health New Zealand initiative to provide funding for core demographic, volume and price pressures for frontline health services to maintain current health policy settings

- an increase of \$24.100 million reflecting the rising funding profile for the Budget 2022 initiative Specialist Mental Health and Addiction Services - Increasing Availability of Focused Supports to increase the availability and trial new models of specialist mental health and addiction services to support people with specific needs in targeted areas across the country
- an increase of \$16.194 million reflecting the partial return of unspent funding provided in 2024/25 to increase health services capacity in support of the delivery of additional cancer treatments by Health New Zealand
- an increase of \$16 million reflecting the net impact of \$8 million of underspends carried forward from 2024/25 to 2025/26 to ensure funding is available to support the delivery of cancer medicines in 2025/26
- an increase of \$14 million reflecting additional funding appropriated to increase health service capacity to support the increased availability of cancer medicines and other pharmaceuticals
- an increase of \$13.068 million reflecting the rising funding profile for the implementation of Stage 1 of the Southern Digital Transformation programme to deliver digital infrastructure for the new Dunedin Hospital outpatient building
- an increase of \$11.716 million reflecting additional funding provided to Health New Zealand to meet increases in capital charge associated with the impact of capital contributions for new capital projects for the twelve-month period to December 2024
- an increase of \$5 million reflecting the net impact of funding carried forward for the Regional Hospital Redevelopment Programme to deliver business cases for major hospital redevelopments to align funding with revised expenditure forecasts
- an increase of \$3 million reflecting a transfer to the Health Capital Envelope MYA in 2024/25 only to transfer operating funding for the remediation of payroll system risks to capital funding to reflect the correct financial accounting treatment of planned spend and enable delivery of the remediation activity as planned
- an increase of \$2.900 million reflecting a transfer to the Monitoring and Protecting Health and Disability Consumer Interests appropriation in 2024/25 only to address the funding shortfall for the Health and Disability Commissioner and provide funding certainty in 2024/25 as a result of the time-limited funding received in Budget 2021 ending in 2023/24
- an increase of \$2.500 million reflecting additional funding for the backfill of trainees for Health New Zealand to support up to 50 domestic graduate doctors into primary care from 2026 as part of the Delivering Quality and Timely Primary Care initiative
- an increase of \$2.469 million reflecting funding carried forward from 2023/24 to 2025/26 for the digital aspects of the new Dunedin Hospital outpatients building to align funding with revised expenditure forecasts
- an increase of \$2.232 million reflecting additional funding for the Budget 2025 initiative to support a 5-year transition from a Police-led to a multi-agency response for people calling 111 in mental distress, including funding to boost mental health and addiction telehealth capacity and expand Co-Response Teams, and
- an increase of \$2.056 million reflecting the rising funding profile for the Budget 2024 initiative Emergency Department Security - Service Expansion to provide for new 24/7 security guards across the highest-risk Health New Zealand emergency departments to support safer care and psychological safety for Health New Zealand staff and visitors.

This increase was partially offset by:

- a decrease of \$19.997 million reflecting the reducing funding profile for the data and digital priorities of establishing the National Data Platform; supporting the establishment and rollout of localities and iwi Māori partnership boards; identifying and understanding inequities facing disabled people; and a Pacific health data and intelligence function
- a decrease of \$11 million reflecting time-limited funding ending in 2024/25 of data and digital funding for Health New Zealand to support the remediation of payroll system risks
- a decrease of \$8 million reflecting funding carried forward from 2022/23 to 2024/25 for the Mental Health Infrastructure Programme to support the planning and development of business cases and support activities that will accelerate future mental health redevelopments, reflecting rephrasing of the programme as a result of the Health and Disability System reforms
- a decrease of \$7.922 million between 2024/25 and 2025/26 in the previous Public Health Service Purchasing appropriation transferred into this appropriation as part of the health reforms from 1 July 2022 relating to the write-back of \$7.922 million in impairment charges in 2024/25 for stock held in the national emergency reserve supply as a result of a change in accounting policy
- a decrease of \$4.900 million reflecting the rising funding profile of a transfer to the Delivering hauora Māori services appropriation to provide funding for kaupapa Māori specialist mental health services through contracts with Māori health providers
- a decrease of \$4.180 million reflecting the rising funding profile of a transfer to the Delivering Primary, Community, Public and Population Health Services appropriation and the Stewardship of the New Zealand health system MCA to prioritise uncommitted funding provided in Budget 2019 and Budget 2020 for other mental health and addiction initiatives which are better aligned to government priorities, and
- a decrease of \$2.624 million reflecting funding carried forward from 2021/22 to 2024/25 to transfer Budget 2019 workforce development funding for the Expanding Access and Choice of Primary Mental Health and Addiction Support initiative to better align phasing of funding with workforce capacity and needs.

Vote Health was restructured from 1 July 2022 to reflect the impact of the Health and Disability System reforms. Details of this restructuring can be found in the Estimates of Appropriations 2022/23. The Reasons for Change in Appropriations and Current and Past Policy Initiatives associated with the earlier appropriations can be found in prior years' Estimates of Appropriations (2021/22 and prior years) for Vote Health.

## **Delivering Primary, Community, Public and Population Health Services (M36) (A21)**

### *Scope of Appropriation*

This appropriation is limited to primary, community (including mental health), public and population health services at international, national, regional, and local levels.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,112,732	9,110,085	9,703,427

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to secure Primary, Community, Public and Population Health services at international, national, regional, and local levels in line with existing service coverage expectations and operating policy requirements and to ensure service and system improvements are continuously progressed as set out in the New Zealand Health Plan.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of children fully immunised at eight months of age	95%	77.8%	95%
Percentage of children fully immunised at 24 months of age (2030 target is 95%) (see Note 1)	84%	78.2%	87%
Percentage of children fully immunised at five years of age	95%	72.1%	95%
Increase the percentage of girls and boys between 9 and 26 who have completed their Human Papillomavirus (HPV) immunisation course as per schedule, and recorded on the Aotearoa Immunisation Register as fully immunised (see Note 2)	75%	38.3%	75%
Increase in percentage of people who say they receive care from a GP or nurse when they need it	Achieved	Achieved	At least 76%
Increase in percentage of people who say they feel involved in their own care and treatment with their GP or nurse	At least 86%	86%	At least 86%
Rate of hospital admissions (per 100,000) for children aged 0-4 years for an illness that might have been prevented or better managed in the community (see Note 3)	Improve from baseline as at June 2024	Achieved	Improve from baseline (trend to decrease)
Rate of hospital admissions (per 100,000) for people aged 45-64 years for an illness that might have been prevented or better managed in the community (see Note 4)	Improve from baseline as at June 2024	Achieved	Improve from baseline (trend to decrease)
Percentage of mental health and addiction investment is allocated towards prevention and early intervention (2030 target is 25%) (see Note 5)	23.9%	24.4%	23.9%
Number of people who accessed primary mental health and addiction services through the Access and Choice programme	Meet annual access level established for 2024/25	325,000	325,000
Percentage of people accessing primary mental health and addiction services through the Access and Choice programme are seen within one week (2030 target is 80%) (see Note 5)	Improve from baseline as at February 2025	Achieved	80%
Increase in percentage of pregnant women who register with a Primary Maternity Carer in the first trimester of their pregnancy of all registrations	Achieved	Achieved	Achieved
Mental health expenditure ringfence expectations are met	Achieved	Achieved	Achieved
Health New Zealand has self-assessed all regions against the Consumer Engagement Quality and Safety Marker at a minimum of Level 3 (see Note 6)	Achieved	Achieved	Achieved
Bowel screening rates of adults aged 60-74 years (two-yearly screening interval) (see Note 7)	Replacement measure	Replacement measure	60%
Percentage of eligible women aged 45-69 years who have a breast cancer screen in the last two years	New measure	New measure	70%

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Cervical screening rates of eligible women aged 25-69 years (five-yearly screening interval)	New measure	New measure	80%
Number of Primary Health Organisation (PHO) enrolments	New measure	New measure	5,023,471
Number of General Practice Qualifying Encounters (GPQEDs)	New measure	New measure	21,368,589
Increase in expenditure by kaupapa Māori primary, community, public and population health service providers, compared with the average of the last five financial years	Achieved	Achieved	Measure removed

Changes have been made to the set of performance measures in the Delivering Primary, Community, Public and Population Health Services appropriation to align with the health targets, Government Statement on Health and Health New Zealand's accountability documents.

Note 1 - This measure is a health target. For the health targets, agreed milestones to achieve the 2030 target are used for the Budget Standard. The milestones are established in agreement with the Minister of Health as outlined in the Health Target Implementation Plan.

Note 2 -

2024/25 Budget Standard: 75% Māori, Pacific and Total population;

2024/25 Estimated Actual: Māori 30.4% Pacific 35.3% Total 38.3%.

Note 3 - June 2024 baseline: 7,486 (trend to decrease).

Note 4 - June 2024 baseline: 3,865 (trend to decrease).

Note 5 - This measure is a mental health and addiction target.

Note 6 - This measure is in both the Delivering Primary, Community, Public and Population Health Services appropriation and the Delivering Hospital and Specialist Services appropriation because it relates to both appropriations.

Note 7 - The measure regarding the percentage of National Bowel Screening programme participants diagnosed with cancer who are referred within the specified timeframe, which is in the Delivering Hospital and Specialist Services appropriation, has been discontinued. The replacement measure in the Delivering Primary, Community, Public and Population Health Services appropriation, regarding bowel screening rates, is a more appropriate and meaningful measure of this activity. This change also aligns with the Health New Zealand's other accountability documents. The measure will be updated in the Estimates of Appropriations 2026/27 to reflect the Government's decision to lower the age of eligibility of bowel cancer screening tests. There is a time lag for bowel screening participation, as once kits are sent out, participants have six months to complete and return the kit and therefore reporting on this indicator requires the six months to elapse.

### *End of Year Performance Reporting*

End of year performance information will be reported in Health New Zealand's Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Aged Care: Continuing Support for Timely Transfers from Acute Hospital Care to Community Settings	2025/26	-	6,000	6,000	6,000	6,000
Transition to a Multi-Agency Response to 111 Mental Distress Calls	2025/26	-	511	1,344	2,194	2,950
Delivering Quality and Timely Primary Care - Next Steps and Implementation	2024/25	17,912	99,116	104,974	100,550	100,626
Pae Ora (Healthy Futures) Alcohol Levy Order 2024	2024/25	16,620	16,620	16,620	16,620	16,620
National Bowel Screening Programme - Changes to Lower the Age of Eligibility for all New Zealanders	2024/25	6,560	20,586	17,501	17,672	13,089
Assisted Dying Final Contingency Drawdown	2024/25	1,214	1,586	1,960	2,360	1,638
Health Cost Pressure Funding for Health New Zealand (Budget 2024)	2024/25	531,000	531,000	531,000	531,000	531,000
Health Cost Pressure Funding for Health New Zealand (Budget 2025 Precommitment)	2025/26	-	507,000	507,000	507,000	507,000
Health Cost Pressure Funding for Health New Zealand (Budget 2026 Precommitment)	2026/27	-	-	507,000	507,000	507,000
COVID-19 and Pandemic Preparedness: Maintaining Essential Health Services and Critical Surveillance Infrastructure	2024/25	56,435	50,558	43,460	43,459	43,459
Breast Screening Extension of Eligibility to Include 70-74-year olds as part of the Free National Programme	2024/25	6,000	6,000	6,000	6,000	11,880
Gumboot Friday - Delivering Free Youth Mental Health Counselling Services	2024/25	6,000	6,000	6,000	6,000	6,000
Prescription Co-payment - Reinstating the \$5 Prescription Co-payment with Targeted Exemptions	2024/25	(70,979)	(64,586)	(66,201)	(67,856)	(67,856)
Mental Health and Addiction Community Sector Innovation Fund	2023/24	5,000	4,720	-	-	-
<b>Previous Government</b>						
Drawdown of the Budget 2022 Contingency - Addressing Future Health System Cost Pressures (2023/24)	2023/24	494,980	494,980	494,980	494,980	494,980
Improving Pay Relativities for Funded Sector Health Workers - Drawdown of Tagged Contingency Funding	2023/24	55,506	55,506	55,506	55,506	55,506
Extending Pay Equity Settlement for Social Workers in Community and Iwi Organisation	2023/24	21,816	23,916	25,893	25,893	25,893
Health Sector Agreements and Payments Programme Tranche 3 Funding Drawdown	2023/24	9,174	10,335	10,335	10,335	10,335
Homelessness Action Plan Contingency Cost Pressure Drawdown	2023/24	3,133	3,061	-	-	-
Transfer of Funding for Specific Hauora Māori Services	2023/24	(387,655)	(387,655)	(387,655)	(387,655)	(387,655)
Removing Prescription Co-payments for all New Zealanders	2023/24	174,452	178,813	183,284	183,284	183,284
New Zealand's Future Quarantine and Isolation Capability	2023/24	3,323	-	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Well Child Tamariki Ora - Continuation of the Enhanced Support Pilots	2023/24	2,450	2,450	2,450	2,450	2,450
Pay Equity Settlements and Improving Pay Relativities	2022/23	177,442	177,527	177,580	177,580	177,580
BreastScreen Aotearoa Critical Infrastructure Replacement - Drawdown of Tagged Contingency	2022/23	18,941	9,750	9,750	9,750	9,750
Supporting the Establishment of the National Public Health Service and Public Health Agency - Drawdown of Tagged Contingency	2022/23	12,376	5,902	5,902	5,902	5,902
Human Papillomavirus Primary Screening for the National Cervical Screening Programme - Drawdown of Tagged Contingency	2022/23	5,660	3,621	2,998	1,981	1,905
Health Sector Agreements and Payments Programme - Drawdown of Tranche Two Funding	2022/23	4,157	4,157	4,157	4,157	4,157
Ministry ICT and Data & Digital Contracts and Funding Transfer	2022/23	8,057	8,057	8,057	8,057	8,057
HIV Action Plan - Implementation Plan and Drawdown of Tagged Contingency	2022/23	5,250	4,200	4,200	4,200	4,200
Smokefree Aotearoa 2025 Action Plan - Remaining Implementation Funding - Drawdown of Tagged Contingency	2022/23	2,232	2,485	2,485	2,485	2,485
Addressing Historical and Future Vote Health Cost Pressures	2022/23	304,723	304,723	304,723	304,723	304,723
Population Health and Disease Management Digital Capability	2022/23	29,316	29,316	29,316	29,316	29,316
Emergency Road Ambulance Services - Additional Support Funding	2022/23	44,776	44,776	44,776	44,776	44,776
Emergency Air Ambulance Services - Additional Support Funding	2022/23	22,550	22,563	22,563	22,563	22,563
Mana Ake - Continuation and Expansion of Mental Wellbeing Support for Primary and Intermediate School-aged Students	2022/23	24,456	28,734	28,734	28,734	28,734
Primary Care Funding Formula - Equity Adjustments to Capitation	2022/23	24,414	24,414	24,414	24,414	24,414
Allowing Payment to Family Members for Support Services	2022/23	22,000	22,000	22,000	22,000	22,000
Pacific Primary and Community Care Provider Development - Securing Future Capability and Shifting into New Models of Care	2022/23	14,044	14,044	14,044	14,044	14,044
Comprehensive Primary Care Teams	2022/23	35,000	-	-	-	-
Health Workforce Development	2022/23	10,000	10,000	10,000	10,000	10,000
Extending School Based Health Services	2022/23	3,137	3,137	3,137	3,137	3,137
Addressing the Burden of Diabetes for Pacific Communities	2022/23	6,000	6,000	6,000	6,000	6,000
Dementia Mate Wareware Action Plan - Implementation Support Funding	2022/23	3,660	3,660	3,660	3,660	3,660
Piki - Continuation of Integrated Primary Mental Health and Addiction Support for Young People in Greater Wellington	2022/23	3,500	3,500	3,500	3,500	3,500

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Introducing a Rights-based Approach to Health Care for Intersex Children and Young People	2022/23	684	434	434	434	434
Improving Access to Primary Health Care Services for Transgender People	2022/23	481	529	529	529	529
Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25	2022/23	460	-	-	-	-
Preventing the Harm from Serious and Organised Crime in New Zealand	2022/23	188	188	188	188	188

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- an increase of \$507 million for the second year of a combined three-year funding uplift approved at Budget 2024 for the Health Cost Pressure Funding for Health New Zealand initiative to provide funding for core demographic, volume and price pressures for frontline health services to maintain current health policy settings
- an increase of \$81.204 million reflecting additional funding for the Delivering Quality and Timely Primary Care initiative to grow and retain the primary care workforce and improve access and choice for all through 24/7 digital access to primary care and more consistent delivery of urgent and after-hours care
- an increase of \$25 million reflecting the net impact of a time-limited transfer ending in 2024/25 to the Delivering hauora Māori services appropriation to provide funding to enable the Whānau Ora Commissioning Agency and Hauora Māori partners to deliver the Winter Wellness immunisation campaign to increase the rates of immunisation
- an increase of \$14.026 million reflecting additional funding in 2025/26 for the National Bowel Screening Programme to lower the overall eligibility age from 60 to 58 years for the total population and invest in improving screening participation among populations with low screening rates
- an increase of \$10.574 million reflecting the combined impact of additional funding provided in Budget 2023 to remove the cost of prescription co-payments for all New Zealanders and the savings from reintroducing these prescription co-payments in Budget 2024 for those aged 14 years and over, with exemptions for people with a Community Services Card and those aged 65 and over reduced savings
- an increase of \$8.586 million reflecting the net impact of a time-limited transfer ending in 2024/25 to the Delivering hauora Māori services appropriation to provide funding for Māori Kaiāwhina roles as part of the Comprehensive Primary Care Programme
- an increase of \$6 million reflecting additional time-limited funding for the Budget 2025 initiative to continue supporting the timely transfer of older people from acute hospital care into community settings such as Aged Residential Care facilities, funded through reprioritisation from the Ministry of Health's baselines
- an increase of \$4.428 million reflecting the net impact of rephasing Budget 2024 operating funding to extend the BreastScreen Aotearoa programme to include free mammograms for women up to 74 years to align funding with current expenditure forecasts

- an increase of \$4.278 million reflecting the rising funding profile for the Budget 2022 initiative Mana Ake - Continuation and Expansion of Mental Wellbeing Support for Primary and Intermediate School-aged Students to provide funding to enable ongoing service delivery of Mana Ake
- an increase of \$4.180 million reflecting the rising funding profile of a transfer from the Delivering Hospital and Specialist Services appropriation to prioritise uncommitted funding provided in Budget 2019 and Budget 2020 for other mental health and addiction initiatives which are better aligned to government priorities
- an increase of \$2.289 million reflecting the net impact of a time-limited transfer ending in 2024/25 to the Delivering hauora Māori services appropriation to enable Hauora Māori providers to deliver the Integrated Primary Mental Health and Addictions programme, and
- an increase of \$2.100 million reflecting the rising funding profile to implement the pay equity extension for social workers in community and iwi organisations via contract variation or update.

This increase was partially offset by:

- a decrease of \$35 million reflecting time-limited funding ending in 2024/25 for the Budget 2022 initiative Comprehensive Primary Care Teams to provide funding for the establishment of tightly integrated primary care teams within locality provider networks
- a decrease of \$10 million reflecting funding carried forward from 2023/24 to 2024/25 for the BreastScreen Aotearoa Critical Infrastructure Replacement programme to provide funding for the development of an implementation business case to replace vital components of the information and communication technology infrastructure supporting the national breast screening programme, reflecting rephasing of the programme
- a decrease of \$9.191 million reflecting the reducing funding profile to complete implementation of the BreastScreen Aotearoa Critical Infrastructure Replacement programme to deliver reduced risk of ICT failure, improved health outcomes, reduced inequity and improved participant experience
- a decrease of \$6.474 million reflecting the reducing funding profile to support the establishment of the National Public Health Service and Public Health Agency
- a decrease of \$5.877 million reflecting the reducing funding profile for the Budget 2024 initiative COVID-19 and Pandemic Preparedness: Maintaining Essential Health Services and Critical Surveillance Infrastructure to provide funding for operational delivery costs to support timely access to COVID-19 vaccines and therapeutics and retain critical public health surveillance infrastructure, supporting system preparedness to identify and respond to future disease outbreaks
- a decrease of \$4 million reflecting the net impact of rephasing operating funding for the Health Sector Agreements and Payments investment to replace the systems that manage agreements, entitlements, and distribution of payments by Health New Zealand, to align funding with the revised forecasts to reduce the implementation period of the new system by two years
- a decrease of \$3.323 million reflecting time-limited funding ending in 2024/25 reprioritised from underspends in the Isolation and Quarantine Management appropriation within Vote Building and Construction to transfer the responsibility of New Zealand's quarantine and isolation capability from Vote Building and Construction to the health system

- a decrease of \$3.167 million reflecting funding carried forward from 2021/22 to 2024/25 in the previous Health Workforce Training and Development appropriation transferred into this appropriation as part of the health reforms from 1 July 2022 for the Budget 2019 workforce development initiative Expanding Access to and Choice of Primary Mental Health and Addiction Support to align funding with revised expenditure forecasts
- a decrease of \$2.039 million reflecting the reducing funding profile for the National Cervical Screening Programme to implement human papillomavirus (HPV) primary screening and the upgrade of the supporting information and communications technology, and
- a decrease of \$1.897 million reflecting the net impact of remaining baseline transfers from the previous appropriation structure to reflect the new structure of the Vote Health appropriations from 1 July 2022 to support the health reforms.

Vote Health was restructured from 1 July 2022 to reflect the impact of the Health and Disability System reforms. Details of this restructuring can be found in the Estimates of Appropriations 2022/23. The Reasons for Change in Appropriations and Current and Past Policy Initiatives associated with the earlier appropriations can be found in prior years' Estimates of Appropriations (2021/22 and prior years) for Vote Health.

### *Conditions on Use of Appropriation*

Reference	Conditions
Pae Ora (Healthy Futures) Act 2022	Section 94 of the Act sets out the process for giving notice of payment terms or conditions to any person. The Ministry of Health   Manatū Hauora has issued a Notice pursuant to section 94 of the Act, "the Arrangements relating to payments", which sets out terms and conditions.

## **Monitoring and Protecting Health and Disability Consumer Interests (M36) (A21)**

### *Scope of Appropriation*

This appropriation is limited to the provision, purchase, and support of services that monitor and protect health and disability consumer interests.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	40,123	40,123	37,723

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to protect the rights of people using health and disability services. This includes addressing the concerns of whānau and investigating alleged breaches of patients' rights.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Health and Disability Commissioner - Te Toihau Hauora, Hauātanga (HDC)</b>			
Number of complaints closed by HDC	2,700-3,000	3,300	2,700-3,000
Number of complaints closed by Advocacy	2,600-3,100	2,600	2,600-3,100
Number of networking visits carried out by advocates with community groups and provider organisations to provide information about the Code of Health and Disability Services Consumers' Rights, HDC and the Advocacy Service (see Note 1)	3,300	2,800	Measure removed
At least 75% of networking visits and meetings are focused on vulnerable consumers (see Note 1)	75%	75%	Measure removed
Number of people that accessed the online provider educational resources and number of people who have viewed the online consumer 'Your Rights' video, which promotes and educates the practical implication of consumers' rights (see Note 1)	12,000	12,000	Measure removed
Number of enquiries managed by HDC and the Advocacy Service about the Act, the Code, and consumer rights under the Code	20,000	20,000	Measure removed
Number of contacts with enquirers by HDC and the Advocacy Service about the Act, the Code, and consumer rights under the Code	Replacement measure	Replacement measure	20,000
Make recommendations to improve quality of services, and monitor compliance with the implementation of recommendations by providers (see Note 2)	97% compliance	90% compliance	90% compliance
Percentage of complex non-investigation complaints completed within nine months	New measure	New Measure	85%
<b>Health Quality and Safety Commission - Te Tāhū Hauora</b>			
A publication on the quality of Aotearoa New Zealand's health care is provided by 30 June	Achieved	Achieved	Achieved
Provide tools (for example the atlas of healthcare variation, quality and safety markers, and quality dashboard) to allow the system and public to explore the quality and safety of services by 30 June (see Note 1)	Achieved	Achieved	Measure removed
Support the health workforce to build capability in quality improvement through provision of a course by 30 June (see Note 1)	Achieved	Achieved	Measure removed
Regular reports on the quality and safety of the health system using data and insights provided by Health Quality and Safety Commission's information and data measurement tools (see Note 3)	New measure	New measure	At least 2
<b>Mental Health and Wellbeing Commission - Te Hiringa Mahara</b>			
He Ara Āwhina monitoring framework has been applied to a publish report on mental health and addiction services (which includes the access and choice programme) by 30 June	Achieved	Achieved	Measure removed
A publication on the performance of mental health and addiction services and system is provided by 30 June (see Note 4)	Replacement measure	Replacement measure	Achieved

The new performance measure in the Monitoring and Protecting Health and Disability Consumer Interests appropriation for the Health and Disability Commissioner has been included to reflect the Commissioner's focus on complaints resolution, public protection and quality and safety.

Note 1 - Performance measures suite adjusted to ensure a coherent and proportional set.

Note 2 - The standard for compliance has been adjusted to reflect the Health and Disability Commissioner's role in improving quality and safety, while also considering the current operating environment.

Note 3 - The new performance measure reflects the Health Quality and Safety Commission's role in providing evidence to enable system and process changes that improve the quality and safety of the health system and reduce avoidable mortality.

Note 4 - The discontinued measure has been replaced with a new measure to better reflect the Mental Health and Wellbeing Commission's focus on service and system performance and improvement.

### *End of Year Performance Reporting*

Performance information for this appropriation will be consolidated and appended to the Ministry of Health's Annual Report in a Non-Departmental Appropriations report.

### *Service Providers*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
<b>Crown Entities</b>				
Health and Disability Commissioner	18,097	18,097	Not yet known	Ongoing
Health Quality and Safety Commission	16,667	16,667	Not yet known	Ongoing
Mental Health and Wellbeing Commission	5,359	5,359	Not yet known	Ongoing
<b>Total</b>	<b>40,123</b>	<b>40,123</b>	<b>37,723</b>	

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Funding for the Health and Disability Commissioner to Continue to Address the Backlog of Complaints	2025/26	-	1,000	-	-	-
Reprioritisation for the Upgrade of the Document Management Systems of the Health and Disability Commissioner	2024/25	500	-	-	-	-
Health and Disability Commissioner - Additional 2024/25 Funding	2024/25	2,900	-	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Drawdown of the Budget 2022 Contingency - Addressing Future Health System Cost Pressures (2023/24)	2023/24	1,572	1,572	1,572	1,572	1,572
Health Reform - Consumer/Whānau Voice Framework	2022/23	2,200	2,200	2,200	2,200	2,200
Addressing Historical and Future Vote Health Cost Pressures	2022/23	1,429	1,429	1,429	1,429	1,429

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is due to:

- a decrease of \$2.900 million reflecting a transfer of \$2.900 million from the Delivering Hospital and Specialist Services appropriation in 2024/25 only to address the funding shortfall for the Health and Disability Commissioner and provide funding certainty in 2024/25 as a result of the time-limited funding received in Budget 2021 ending in 2023/24, and
- a decrease of \$500,000 reflecting a transfer from the Stewardship of the New Zealand health system MCA in 2024/25 only to reprioritise funding for the Health and Disability Commissioner to enable the upgrade of its document management system.

This decrease was partially offset by:

- an increase of \$1 million reflecting one-off funding provided in 2025/26 for the Health and Disability Commissioner to support the organisation to address the backlog of outstanding complaints, funded through reprioritisation from the Ministry of Health's baselines.

### **National Management of Pharmaceuticals (M36) (A21)**

#### *Scope of Appropriation*

This appropriation is limited to services relating to the national management of pharmaceuticals.

#### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	31,507	31,507	32,507

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide for the operating costs of Pharmac to deliver health-related services that align with Government priorities for the strategic direction for health services (see the Ministry of Health's Strategic Intentions).

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
A reduction in the average time to assess and rank new applications (average number of months) across a 5-year average	Less than 21.5 months	Less than 21.5 months	Improvement from previous year
A reduction in the average time to assess and rank new applications (average number of months) - all proposals	Less than 38.4 months	Less than 38.4 months	Improvement from previous year
A reduction in average time to publish Pharmacology and Therapeutics Advisory Committee records	Less than 70 days (14 weeks)	Less than 70 days (14 weeks)	Improvement from previous year
A reduction in average time to publish subcommittee records	Less than 108 days (22 weeks)	Less than 108 days (22 weeks)	Improvement from previous year

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by Pharmac in its Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Increasing Access to Cancer Treatments and Other Medicines	2024/25	2,000	3,000	3,000	3,000	3,000
<b>Previous Government</b>						
Drawdown of the Budget 2022 Contingency - Addressing Future Health System Cost Pressures (2023/24)	2023/24	1,135	1,135	1,135	1,135	1,135
Addressing Historical and Future Vote Health Cost Pressures	2022/23	1,110	1,110	1,110	1,110	1,110

## **National Pharmaceuticals Purchasing (M36) (A21)**

### *Scope of Appropriation*

This appropriation is limited to purchasing pharmaceuticals on the national pharmaceutical schedule and subsidising the supply of pharmaceuticals not on the national pharmaceutical schedule.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,689,634	1,689,634	1,760,435

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment from within the amount of funding provided in the appropriation.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Increase in the number of New Zealanders receiving funded medicines (see Note 1)	Achieved	Achieved	Achieved
Increase in the number of new medicines funded (see Note 1)	Achieved	Achieved	Achieved
Access is widened to an increased number of medicines that are already funded	Achieved	Achieved	Achieved
Increase in the estimated number of people benefitting from new medicines funded (see Note 1)	Achieved	Achieved	Achieved

Note 1 - The total number is accumulated during the year as decisions come into effect. Year-on-year comparisons and trends are not relevant as a performance measure. This is because the number changes every year, depending on the balance and mix of new drugs supplied and number of New Zealanders receiving funded medicines. For this reason, Pharmac counts the number that is accumulated during the year as decisions come into effect.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by Pharmac in its Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Prescribing Length Increase from 3 months to 12 months	2025/26	-	10,000	-	-	-
Increasing Access to Cancer Treatments and Other Medicines	2024/25	108,000	146,000	175,000	175,000	175,000
Investment to Continue Access to Medicines	2024/25	420,400	442,420	455,430	455,430	455,430
Prescription Co-payment - Reinstating the \$5 Prescription Co-payment with Targeted Exemptions	2023/24	31,234	32,015	32,815	33,635	33,635

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to:

- an increase of \$38 million reflecting the rising funding profile for the purchase and provision of an estimated 26 additional cancer treatments and 28 other medicines that add substantially to the health and life outcomes of New Zealanders with a wide range of health conditions

- an increase of \$22.020 million reflecting the rising funding profile for Budget 2024 funding provided to address the shortfall arising from time-limited funding ending in 2023/24 for new medicines and COVID-19 vaccines and therapeutics to enable Pharmac to continue to fund medicines at the planned level from 1 July 2024
- an increase of \$10 million reflecting additional funding appropriated in 2025/26 only for the Budget 2025 initiative to increase the prescribing duration limit in the Medicines Regulations 1984 from 3 months to 12 months to allow patients to continue accessing their medicines without needing to interact as frequently with their prescriber, and
- an increase of \$781,000 reflecting the rising funding profile to fund the costs of people with a Community Services Card and those aged 65 and over who are exempted from the Budget 2024 savings initiative to reintroduce the \$5 prescription co-payment for those aged 14 years and over.

## Problem Gambling Services (M36) (A21)

### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Problem Gambling Services (M36) (A21)</b>	Original Appropriation	79,427
This appropriation is limited to problem gambling services funded under the Strategy to Prevent and Minimise Gambling Harm.	Adjustments to 2023/24	-
	Adjustments for 2024/25	-
Commences: 01 July 2025	Adjusted Appropriation	79,427
Expires: 30 June 2028	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	-
	Estimate for 2025/26	25,670
	Estimated Appropriation Remaining	53,757

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide services to reduce the harm caused by problem gambling.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
The number of people accessing support from problem gambling services	6,750	6,750	6,750
The number of brief only interventions delivered (see Note 1)	6,000	4,000	6,000

Note 1 - Brief intervention services are aimed at people who are at risk of gambling harm but are not actively seeking help. They are short, purposeful, non-confrontational, personalised conversation with a person about an issue related to their gambling. They are considered to be useful to improve motivation to seek more intensive treatment.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported in Health New Zealand's Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28	2025/26	-	25,670	27,073	26,684	-

Note - The funding profile above includes \$5.235 million of underspends carried forward from 2024/25 and a transfer of \$11.021 million per annum over the next three years (2025/26 to 2027/28) from the previous Problem Gambling Services appropriation.

## 3.4 - Non-Departmental Other Expenses

### International Health Organisations (M36) (A21)

#### *Scope of Appropriation*

This appropriation is limited to the Crown funding New Zealand's World Health Organization (WHO) membership and contributing to specific WHO projects.

#### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,017	3,017	3,100

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to ensure that New Zealand maintains its membership in the World Health Organisation (WHO) and contributes to specific WHO projects.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

#### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
New Zealand's Financial Contribution to the World Health Organization	2024/25	487	870	870	870	870
Reprioritise Funding for Legal Expenses and International Health Organisations Appropriations	2024/25	300	-	-	-	-

### Legal Expenses (M36) (A21)

#### *Scope of Appropriation*

This appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown.

#### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,158	5,158	1,208

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to enable action to be taken regarding legal claims related to Vote Health and meet the legal costs and claim settlements as appropriate.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Addressing the Wrongs of the Past - Redress for Abuse in Care	2025/26	-	(300)	-	-	-
Lake Alice Unit: Legal Fee Reimbursement and Historic Claims	2024/25	2,600	-	-	-	-
Reprioritise Funding for Legal Expenses and International Health Organisations Appropriations	2024/25	1,200	-	-	-	-
Redress for Survivors of Abuse in Care: an Improved Redress Pathway and Interim Enhancements to Current Processes	2024/25	150	300	-	-	-

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to:

- a decrease of \$2.600 million reflecting funding appropriated in 2024/25 only, to provide funding for the legal fees reimbursement for Lake Alice survivors who were part of the first-round settlement in 2001 to address the parity issue, and to enable the Crown to settle the current 10 historic abuse claims at Lake Alice, and
- a decrease of \$1.200 million reflecting a transfer from the Stewardship of the New Zealand health system MCA in 2024/25 only to reprioritise funding to cover the forecast cost pressures relating to the defence and settlement of health-related or disability-related legal claims against the Crown.

## 3.5 - Non-Departmental Capital Expenditure

### Health Capital Envelope (M36) (A21)

#### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Health Capital Envelope (M36) (A21)</b> This appropriation is limited to the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments.  Commences: 01 July 2022  Expires: 30 June 2027	Original Appropriation	4,864,162
	Adjustments to 2023/24	1,128,576
	Adjustments for 2024/25	24,121
	Adjusted Appropriation	6,016,859
	Actual to 2023/24 Year End	2,113,190
	Estimated Actual for 2024/25	1,312,738
	Estimate for 2025/26	1,124,517
	Estimated Appropriation Remaining	1,466,414

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide for the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Proportion of medical appointments completed through digital channels	At least 10%	8%	At least 10%
Health New Zealand is seen as a high-quality asset manager for the health estate as measured by the Asset Management Maturity index for the health portfolio (see Note 1)	40-60%	40-60%	40-60%
The extent to which actual benefits meet the expected benefits from those capital investments as set out in the relevant business case	80%	100%	90%

Note 1 - The Asset Management Maturity index scale is: 0-20% Aware, 20-40% Minimum, 40-60% Core, 60-80% Intermediate, and 80-100% Advanced. The index criteria is established by the Treasury. This measure will include a continuous improvement programme to achieve 75-85% in future years.

The performance measure information provided support the expectations outlined in the Health Capital Settings Cabinet Paper and subsequent Letter of Expectations.

#### *End of Year Performance Reporting*

Performance information for this appropriation will be reported in Health New Zealand's Annual Report.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Delivering Quality and Timely Primary Care - Next Steps and Implementation	2024/25	3,738	7,762	9,621	-	-
National Cost Pressure Contingency for the Health Capital Portfolio	2024/25	103,139	-	-	-	-
Drawdown of the Budget 2021 Contingency - Data and Digital Infrastructure and Capability for Health New Zealand Payroll System Remediation and Stabilisation	2024/25	10,100	-	-	-	-
Breast Screening Extension of Eligibility to Include 70-74-year olds as part of the Free National Programme	2024/25	7,190	-	-	-	-
<b>Previous Government</b>						
Southern Digital Transformation Programme - Drawdown of Stage One Funding	2022/23	15,525	-	-	-	-
Capital for Health Sector Infrastructure	2022/23	1,058,032	982,000	-	-	-

### Conditions on Use of Appropriation

Reference	Conditions
Cabinet Office Circular CO (23) 9: Investment Management and Asset Performance in the State Services Health System: New Capital Settings [SWC-22-MIN-0063]	In Stage One of the new capital settings for the Health system, the following apply: <ul style="list-style-type: none"> <li>investments up to \$25 million in whole-of-life cost, and are either low or medium risk, may be approved by the Health New Zealand Board</li> <li>investments that are between \$25 million and \$100 million, or are high risk, must be approved by the Minister of Health</li> <li>investments that are more than \$100 million, require new Crown funding (over and above existing appropriated funding), or seek to employ alternative financing and/or procurement methods must have Cabinet approval.</li> </ul>

### New Dunedin Hospital 2021-2026 (M36) (A21)

#### Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>New Dunedin Hospital 2021-2026 (M36) (A21)</b> This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects.  Commences: 01 November 2021  Expires: 30 June 2026	Original Appropriation	1,327,578
	Adjustments to 2023/24	120,000
	Adjustments for 2024/25	-
	Adjusted Appropriation	1,447,578
	Actual to 2023/24 Year End	195,107
	Estimated Actual for 2024/25	190,000
	Estimate for 2025/26	1,062,471
	Estimated Appropriation Remaining	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide for capital expenditure on the construction of the New Dunedin Hospital and associated projects.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Hospital redevelopment project meets project milestones	90%	65%	90%

The performance measure information provided support the expectations outlined in the Health Capital Settings Cabinet Paper and subsequent Letter of Expectations.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported in Health New Zealand's Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Additional Funding for New Dunedin Hospital	2023/24	-	2,000	-	-	-
New Dunedin Hospital - Drawdown of Tagged Contingency Funding	2021/22	250,000	496,030	-	-	-

### *Conditions on Use of Appropriation*

Reference	Conditions
Cabinet Office Circular CO (23) 9: Investment Management and Asset Performance in the State Services Health System: New Capital Settings [SWC-22-MIN-0063]	<p>In Stage One of the new capital settings for the Health system, the following apply:</p> <ul style="list-style-type: none"> <li>investments up to \$25 million in whole-of-life cost, and are either low or medium risk, may be approved by the Health New Zealand Board</li> <li>investments that are between \$25 million and \$100 million, or are high risk, must be approved by the Minister of Health</li> <li>investments that are more than \$100 million, require new Crown funding (over and above existing appropriated funding), or seek to employ alternative financing and/or procurement methods must have Cabinet approval.</li> </ul>

## Remediation and resolution of Holidays Act 2003 historical claims (M36) (A21)

### *Scope of Appropriation*

This appropriation is limited to fund Te Whatu Ora (including their subsidiaries and associates) and the New Zealand Blood and Organ Service for resolution of claims from historical non-compliance with the Holidays Act 2003.

### *Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,623,044	1,268,044	325,000

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide for working capital on behalf of the Crown, to fund Health New Zealand (including their subsidiaries and associates) and the New Zealand Blood and Organ Service to meet the costs of rectifying and remediating any liabilities associated with historical non-compliance with the Holidays Act 2003.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Payments for former employees who have registered on the national employee portal and whose information has been validated will commence in 2024/25 (see Note 1)	Achieved	Not Achieved	Measure removed
Payments for former employees who have registered on the national employee portal and whose information has been validated will be made within agreed timelines (see Note 1)	Replacement measure	Replacement measure	Achieved
Remediate all current employees for each Te Whatu Ora - Health New Zealand District, and the New Zealand Blood and Organs Service, within agreed timelines (see Note 1)	Completed by 30 June 2025	Not Achieved	Measure removed
Remediation payments made to all current Health New Zealand employees by 31 December 2025 (see Note 1)	Replacement measure	Replacement measure	Achieved

Note 1 - The New Zealand Blood and Organ Service completed their remediation of current and former employees in February 2024. Health New Zealand has commenced payments to current employees, and this will continue into 2025/26.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported in Health New Zealand's Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Establishing Funding Baselines for Holidays Act Remediation	2023/24	593,200	-	-	-	-

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to:

- the carry forward of \$1,356.494 million in funding from 2023/24 to 2024/25 only to align funding with Health New Zealand's revised remediation settlement forecasts for 2024/25, and
- initial baseline funding of \$593.200 million in 2024/25 only.

This decrease was partially offset by:

- a transfer of \$325 million in funding from 2024/25 to 2025/26 creating a net difference between years of \$650 million for the Holidays Act 2003 Remediation programme to align funding with updated expenditure forecasts.

### **Residential Care Loans - Payments (M36) (A21)**

#### *Scope of Appropriation*

This appropriation is limited to the provision of interest-free loans to people entering into aged residential care facilities.

### *Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	35,000	35,000	35,000

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to ensure that New Zealanders who are entering residential care facilities receive an appropriate level of financial assistance so they can afford that care.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is solely for the provision of interest-free loans for people entering into aged residential care facilities.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Residential Care Loans	2023/24	15,000	15,000	15,000	15,000	15,000

### Standby Credit to Support Health System Liquidity (M36) (A21)

#### Scope of Appropriation

This appropriation is limited to the provision of a revolving standby credit facility to support Te Whatu Ora-Health New Zealand with working capital fluctuations, assist with treasury liquidity management, and maintain health system liquidity.

#### Capital Expenditure

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	200,000	-	200,000

#### What is Intended to be Achieved with this Appropriation

This appropriation is intended to improve Health New Zealand's ability to manage short-term working capital fluctuations and other liquidity management needs for its own operations and for those of other health sector agencies it provides treasury services to.

#### How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of drawdowns repaid in 10 business days or less (see Note 1)	100%	100%	100%

Note 1 - This measure reflects the maximum drawdown period of this facility agreement.

#### End of Year Performance Reporting

End of year performance information will be reported in Health New Zealand's Annual Report.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Health New Zealand Standby Credit Facility	2022/23	200,000	200,000	-	-	-

*Conditions on Use of Appropriation*

Reference	Conditions
Final approval of Health New Zealand Standby Credit Facility [HNZ00009562]	An appropriation will be required in each year of the term of the facility, and the maximum fiscal implication on net debt at any point in time would only be \$200 million. Any drawn downs need to be repaid within 10 working days.

## Part 4 - Details of Multi-Category Expenses and Capital Expenditure

### 4 - Multi-Category Expenses and Capital Expenditure

#### Redress for Abuse in Care (M36) (A21)

##### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.

##### *Scope of Appropriation*

###### **Departmental Output Expenses**

###### *Delivering redress for abuse in care*

This category is limited to responding to, designing, implementing and delivering redress for abuse in care.

###### **Non-Departmental Other Expenses**

###### *Redress Payments*

This category is limited to providing financial redress to people who experienced abuse in care.

##### *Expenses, Revenue and Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>13,070</b>	<b>13,070</b>	<b>1,610</b>
<b>Departmental Output Expenses</b>			
Delivering redress for abuse in care	497	497	210
<b>Non-Departmental Other Expenses</b>			
Redress Payments	12,573	12,573	1,400
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>497</b>	<b>497</b>	<b>210</b>
Delivering redress for abuse in care	497	497	210

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.

### *How Performance will be Assessed for this Appropriation*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Institute an updated redress process by June 2026 for people who report harm while in care	Achieved	Achieved	Achieved

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Delivering redress for abuse in care</b>			
This category is intended to fund the Ministry of Health to deliver a well-functioning redress system relating to allegations of abuse in state-run psychiatric facilities and psychopaedic hospitals before 1 July 1993.			
The percentage of claimants who receive a settlement offer to 30 June 2025 following submission of a claim for a decision (see Note 1)	80%	80%	Measure removed
The percentage of claimants to 30 June 2026 who receive a settlement offer within three months following submission of a claim for a decision (see Note 1)	Replacement measure	Replacement measure	95%
<b>Non-Departmental Other Expenses</b>			
<b>Redress Payments</b>			
This category is intended to provide consistent and timely payments to people who have experienced abuse in care (see Note 2).	Exempt	Exempt	Exempt

Note 1 - The submission of a claim for a decision is the point where the Ministry of Health receives the relevant records either from Health New Zealand or from the claimant themselves.

Note 2 - An exemption was granted as the Redress Payments category within the multi-category appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(ii) of the Public Finance Act 1989 as end-of-year performance information for the category is not likely to be informative in the light of the nature of the transaction giving rise to the expenses.

### *End of Year Performance Reporting*

The Ministry of Health will report on the Departmental Output Expense performance information for this appropriation in its Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
<b>Addressing the Wrongs of the Past - Redress for Abuse in Care</b>						
Support Services	2026/27	-	-	204	204	204
Non-Departmental Output Expenses						
Delivering redress for abuse in care	2024/25	497	210	465	452	460
Departmental Output Expenses						
Redress Payments	2024/25	12,573	1,400	1,775	1,775	1,775
Non-Departmental Other Expenses						

### *Reasons for Change in Appropriation*

This appropriation is newly established through Budget 2025 to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.

Funding was appropriated in 2024/25 for top-up redress payments for closed claims relating to allegation of abuse in state-run psychiatric facilities and psychopaedic hospitals before 1 July 1993, and funding in 2025/26 for settlement of new claims. Both years include funding for the Ministry of Health for additional processing capacity and other redress improvements.

### **Stewardship of the New Zealand health system (M36) (A21)**

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to enable the Ministry of Health to discharge its role as the chief steward of New Zealand's health system and principal advisor to the Minister of Health.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

##### *Equity, Evidence and Outcomes*

This category is limited to health science research, leadership, analysis and publishing quality evidence, data and insights.

##### *Policy Advice and Related Services*

This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities relating to health.

##### *Public health and population health leadership*

This category is limited to providing leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring related to public and population health.

***Regulatory and Enforcement Services***

This category is limited to implementing, enforcing and administering health-related legislation and regulations, and provision of regulatory advice to the sector and to Ministers, and support services for committees appointed by the Minister under statute.

***Sector Performance and Monitoring***

This category is limited to advising and providing assurance on health sector planning and system performance, including the Government Policy Statement and the New Zealand Health Plan; and monitoring and supporting the governance of health sector Crown entities.

***Expenses, Revenue and Capital Expenditure***

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>235,824</b>	<b>230,824</b>	<b>228,692</b>
<b>Departmental Output Expenses</b>			
Equity, Evidence and Outcomes	40,302	38,052	31,838
Policy Advice and Related Services	38,609	37,959	32,234
Public health and population health leadership	87,515	87,515	95,377
Regulatory and Enforcement Services	46,786	46,536	50,710
Sector Performance and Monitoring	22,612	20,762	18,533
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>209,897</b>	<b>209,897</b>	<b>202,404</b>
Equity, Evidence and Outcomes	39,744	39,744	30,957
Policy Advice and Related Services	37,418	37,418	30,873
Public health and population health leadership	82,864	82,864	91,223
Regulatory and Enforcement Services	27,811	27,811	31,462
Sector Performance and Monitoring	22,060	22,060	17,889
<b>Revenue from Others</b>	<b>25,927</b>	<b>25,927</b>	<b>26,288</b>
Equity, Evidence and Outcomes	558	558	881
Policy Advice and Related Services	1,191	1,191	1,361
Public health and population health leadership	4,651	4,651	4,154
Regulatory and Enforcement Services	18,975	18,975	19,248
Sector Performance and Monitoring	552	552	644

***What is Intended to be Achieved with this Appropriation***

This appropriation is intended to enable Ministry of Health to discharge its role as the chief steward of New Zealand's health system and principal advisor to the Minister of Health.

*How Performance will be Assessed for this Appropriation*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Ministerial satisfaction with how the Ministry of Health supports them to set and maintain strategic direction for the health system	Equal to or greater than 4 out of 5	4	Equal to or greater than 4 out of 5
Ministerial satisfaction with the quality of system performance advice	Equal to or greater than 4 out of 5	4	Equal to or greater than 4 out of 5

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Equity, Evidence and Outcomes</b>			
This category is limited to the provision of health science research, equity, leadership, analysis, publishing quality evidence, data and insights.			
Health and Independence Report is published annually by December	Achieved	Achieved	Achieved
The New Zealand Health Survey, which is used in the Ministry's monitoring function, and supports the development of health policy and strategy and design of health services, is published no later than 1 December, free from significant error	Achieved	Achieved	Achieved
Average score on the extent to which policy advice is informed by relevant research and evidence, attained from a sample of the Ministry's written policy advice as assessed using the agreed Department of the Prime Minister and Cabinet (DPMC) Framework	Greater than 3.2 out of 5	4	Greater than 3.2 out of 5
Child and Youth Mental Health and Addiction Prevalence Survey project meets project milestones, including setting up governance and advisory arrangements and commencing the tender process by June 2025	Achieved	Achieved	Measure removed
Child and Youth Mental Health and Addiction Prevalence Survey project meets project milestones, including completing survey design and pilot testing by 30 June 2026	Replacement measure	Replacement measure	Achieved
<b>Policy Advice and Related Services</b>			
This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities relating to health.			
Percentage of Ministerial letter responses provided to the Minister within agreed timeframes (see Note 1)	95%	98%	95%
Percentage of Written Parliamentary Question responses provided to the Minister within agreed timeframes (see Note 1)	95%	99.8%	95%
Percentage of Ministerial Official Information Act request responses provided to the Minister within agreed timeframes (see Note 1)	95%	97%	95%

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of Ministerial Letter responses provided to the Minister that required no substantive amendments (see Note 1)	95%	99%	95%
Percentage of Written Parliamentary Question responses provided to the Minister that required no substantive amendments (see Note 1)	95%	100%	95%
Percentage of Ministerial Official Information Act request responses provided to the Minister that required no substantive amendments (see Note 1)	95%	100%	95%
Ministerial satisfaction with the policy advice service	Equal to or greater than 4 out of 5	4	Equal to or greater than 4 out of 5
Minister for Mental Health: Ministerial satisfaction with the policy advice service	Equal to or greater than 4 out of 5	4	Equal to or greater than 4 out of 5
Average score attained from a sample of the Ministry's written policy advice as assessed using the agreed Department of the Prime Minister and Cabinet Framework	Greater than 3.2 out of 5	3.55	Greater than 3.2 out of 5
Quality of policy advice papers - 85% score 3 or higher and 25% score 4 or higher	Achieved	85% and 25%	Achieved
<b>Public health and population health leadership</b>			
This category is limited to providing leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring related to public and population health.			
Ministerial satisfaction with how the Ministry provided leadership on policy, strategy, the strengthening of regulatory practice, surveillance and monitoring of public and population health	Equal to or greater than 4 out of 5	4	Equal to or greater than 4 out of 5
Annual work programme is developed and agreed with the public health advisory committee chair, Public Health Agency in the Ministry of Health and the Minister. All reports are delivered on time	Achieved	Achieved	Measure removed
Delivery of a report that provides a range of options on how to optimally implement and arrange existing laboratory capabilities and capacities of the functions needed to deliver a lead public health laboratory service by 30 June 2025	Achieved	Achieved	Measure removed
Complete an investigation and report on the value of establishing and maintaining a directory of surveillance activities and information repositories within New Zealand including where this is best located by 30 June 2025	Achieved	Achieved	Measure removed
Deliver regular surveillance reports to the Border Executive Board, and periodically to the Minister of Health when appropriate, summarising public health threats to provide awareness and assessment of the international situation	New measure	New measure	45 reports per year
The Ministry contracts the Institute of Environmental Science and Research to have sampled, analysed and reported pathogen genome levels in a minimum of six wastewater sites each week	New measure	New measure	50
The Ministry contracts the Institute of Environmental Science and Research to have performed and reported at least 100 genomic sequences per month, with associated insights, in accordance with pathogens of public health interest	New measure	New measure	12
Obtain full legislative compliance to the Civil Defence and Emergency Management Plan Order (2015) for the Ministry of Health by 30 June 2025 (see Note 2)	Achieved	Not achieved	Measure removed

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Develop a Public Health Monitoring and Assurance Framework for Crown Entities and public health programmes by September 2024	Achieved	Achieved	Measure removed
Developing a monitoring and reporting framework for the Vaping Regulatory Authority by 30 June 2025	Achieved	Achieved	Measure removed
Percentage of vape store application assessments commenced within five days of receiving the application	New measure	New measure	95%
Percentage of complaints relating to tobacco and vaping regulation triaged and initial action commenced within five days of receipt	New measure	New measure	95%
Non-compliant nicotine products (via surveillance testing) followed up with product notifiers within four weeks of receipt of result from the laboratory	New measure	New measure	95%
Publish an annual monitoring report in December after the financial year on the delivery and effectiveness of government agency commitments, agreed in the Fetal Alcohol Spectrum Disorder Strategic Action Plan	New measure	New measure	Achieved
The pandemic preparedness work programme is delivered in alignment with the National Risk and Resilience Framework, including by 31 December 2025:	New measure	New measure	Achieved
<ul style="list-style-type: none"> <li>delivery of a draft strategic framework to the Minister of Health, and</li> </ul>	-	-	-
<ul style="list-style-type: none"> <li>subject to the Minister of Health's agreement, advice to Cabinet on options to ensure health legislation is fit for purpose for a future pandemic or major infectious disease outbreak</li> </ul>	-	-	-
The Public Health Agency delivers quarterly immunisation monitoring reports to the Immunisation Oversight Board, which provides strategic oversight for the immunisation system	New measure	New measure	4
<b>Regulatory and Enforcement Services</b>			
This category is limited to implementing, enforcing and administering health-related legislation and regulations, and provision of regulatory advice to the sector and to Ministers, and support services for committees appointed by the Minister under statute.			
The percentage of high priority incident notifications relating to medicines and medical devices that undergo an initial evaluation within five working days	90%	90%	90%
The percentage of all certificates issued to providers under the Health and Disability Services (Safety) Act 2001 within target timeframes	90%	90%	90%
Percentage of licences and authorities issued under the Medicines Act 1981 and Misuse of Drugs Act 1975 within target timeframes	90%	75%	90%
The percentage of all licences and consents issued to radiation users under the Radiation Safety Act 2016 within 10 working days of accepting the application	90%	90%	90%
Mean rating for statutory committee satisfaction with secretariat services provided by the Ministry of Health	4 out of 5 or greater	4.36	4 out of 5 or greater
The percentage of District Mental Health Inspectors' monthly reports, on their duties undertaken, sent to the Director of Mental Health, within one month after completion (see Note 3)	90%	90.5%	90%

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The start of the Mental Health Tribunal reviews are held within 28 days of receipt of the applications (see Note 4)	80%	100%	80%
Annual Ministry of Health Regulatory Maturity Assessment reflects improved maturity	Baseline score 96	96	10% increase in score from previous year
The percentage of all New Medicines Applications (for ministerial consent to market) that receive an initial assessment within 200 days (see Note 5)	80%	98%	Measure removed
High risk and intermediate risk full New Medicines Applications (for Ministerial consent to market) that receive an initial assessment within 150 working days	Replacement measure	Replacement measure	80%
High and Intermediate risk abbreviated New Medicines Applications (for Ministerial consent to market) that receive an initial assessment within 75 working days	Replacement measure	Replacement measure	80%
Low risk New Medicines Applications (for Ministerial consent to market) that receive an initial assessment within: L1 applications 35, L2 applications 70 days, L3 applications 110 days (see Note 6)	Replacement measure	Replacement measure	80%
<b>Sector Performance and Monitoring</b>			
This category is intended to advise and provide assurance on health sector planning and system performance, including the Government Policy Statement and the New Zealand Health Plan; and monitoring and supporting the governance of health sector Crown entities.			
The percentage of quarterly monitoring reports about Crown entities provided to the Minister within agreed timeframes	100%	100%	100%
The percentage of appointments to health Crown entity boards where advice is presented to the Minister at least one month prior to the current appointee's term expiring (see Note 7)	95%	100%	95%
The percentage of quarterly monitoring reports about mental health and addiction provided to the Minister for Mental Health within agreed timeframes	100%	100%	100%
Ministerial satisfaction with the advice provided on governance matters for Crown entities	Equal to or greater than 4 out of 5	4	Equal to or greater than 4 out of 5
Develop a monitoring plan for Health New Zealand by 30 June 2025 that assures progress against the Health Delivery Plan and other key Ministerial priorities and keep this updated over time	Achieved	Achieved	Achieved
Provide a report at least annually to the Minister of Health on progress against the Government Statement on Health	New measure	New measure	Achieved
Provide reports as agreed to the Minister of Health that summarise Health New Zealand's financial and non-financial performance	New measure	New measure	100%
Provide regular reporting on progress against the Health Delivery Plan and other key Ministerial priorities as agreed with the Minister of Health	New measure	New measure	100%

The new performance measures in the Sector Performance and Monitoring category reflects the Ministry of Health's role in monitoring Health New Zealand.

Note 1 - Limited to responses developed by the Ministry of Health only.

Note 2 - The Ministry is currently partially compliant with the National Civil Defence and Emergency Management Plan Order 2015 (the 2015 Order) and already provides reporting to this effect against annual requirements in the Civil Defence Emergency Management Act 2002. However, there is considerable challenge in achieving full legislative compliance to the 2015 Order, which is out of date and the subject of amendment. Further, the National Civil Defence and Emergency Management Plan 2015 focuses on the continuous improvement of the health system with no conclusive 'end goal state'.

Note 3 - District inspectors reports are required under section 98A of the Mental Health (Compulsory Assessment and Treatment) Act 1992.

Note 4 - Appeals against Review Tribunal decisions in certain cases are provided by section 83 of the Mental Health (Compulsory Assessment and Treatment) Act 1992.

Note 5 - This measure was removed and replaced with three measures that better align with Medsafe's new performance statistics metrics that are published each year - as agreed by Cabinet.

Note 6 - L1, L2, and L3 refer to Lower risk over the counter medicines. This classification system aligns to Cabinet endorsed performance metrics.

Note 7 - Unexpected resignation or departure prior to the expiration of the term is not included.

### *End of Year Performance Reporting*

The Ministry of Health will report performance information for this appropriation in its Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
<b>Medical Products Reform: Modernising Regulation to Make Medicines and Medical Devices Safer and More Accessible</b>						
Policy Advice and Related Services	2025/26	-	5,864	5,577	6,068	2,551
<b>Making the Care System Safe - Bolstering Safeguards and Oversight of Compulsory Mental Health and Addiction Care</b>						
Regulatory and Enforcement Services	2025/26	-	1,584	1,808	2,984	2,984
<b>Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28</b>						
Sector Performance and Monitoring	2025/26	-	390	641	291	-
<b>Baseline Reprioritisation from the Ministry of Health</b>						
Equity, Evidence and Outcomes	2024/25	(58)	(7,104)	(6,104)	(6,104)	(6,104)
Policy Advice and Related Services	2024/25	(110)	(6,060)	(5,773)	(6,264)	(2,747)
Public health and population health leadership	2024/25	(149)	(266)	(266)	(266)	(266)
Regulatory and Enforcement Services	2024/25	(110)	(197)	(197)	(197)	(197)
Sector Performance and Monitoring	2024/25	(60)	(107)	(107)	(107)	(107)

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Reprioritise Funding for Legal Expenses and International Health Organisations Appropriations</b>						
Equity, Evidence and Outcomes	2024/25	(265)	-	-	-	-
Policy Advice and Related Services	2024/25	(227)	-	-	-	-
Public health and population health leadership	2024/25	(581)	-	-	-	-
Regulatory and Enforcement Services	2024/25	(301)	-	-	-	-
Sector Performance and Monitoring	2024/25	(126)	-	-	-	-
<b>Reprioritisation for the Upgrade of the Document Management Systems of the Health and Disability Commissioner</b>						
Equity, Evidence and Outcomes	2024/25	(500)	-	-	-	-
<b>Lake Alice Unit: Legal Fee Reimbursement and Historic Claims</b>						
Policy Advice and Related Services	2024/25	70	-	-	-	-
<b>Reduction in Back-office Functions - Ministry of Health</b>						
Equity, Evidence and Outcomes	2024/25	(1,934)	(1,970)	(1,934)	(2,015)	(2,015)
Policy Advice and Related Services	2024/25	(2,197)	(2,194)	(2,197)	(2,265)	(2,265)
Public health and population health leadership	2024/25	(4,492)	(4,431)	(4,492)	(4,333)	(4,333)
Regulatory and Enforcement Services	2024/25	(3,069)	(3,097)	(3,069)	(3,049)	(3,049)
Sector Performance and Monitoring	2024/25	(908)	(908)	(908)	(938)	(938)
<b>COVID-19 and Pandemic Preparedness: Maintaining Essential Health Services and Critical Surveillance Infrastructure</b>						
Public health and population health leadership	2024/25	9,560	9,560	9,560	9,560	9,560
<b>Waikato New Medical School - Independent Cost Benefit Analysis and Business Case Development</b>						
Policy Advice and Related Services	2024/25	2,575	-	-	-	-
<b>Disestablishment of Māori Health Authority - Funding Transfer to the Ministry of Health</b>						
Policy Advice and Related Services	2023/24	1,881	1,881	1,881	1,881	1,881
Sector Performance and Monitoring	2023/24	983	983	983	983	983
<b>Previous Government</b>						
<b>Shared Approach to Back-office Transformation</b>						
Equity, Evidence and Outcomes	2024/25	(16)	(16)	(16)	(16)	(16)
Policy Advice and Related Services	2024/25	(30)	(30)	(30)	(30)	(30)
Public health and population health leadership	2024/25	(41)	(41)	(41)	(41)	(41)
Regulatory and Enforcement Services	2024/25	(29)	(29)	(29)	(29)	(29)
Sector Performance and Monitoring	2024/25	(14)	(14)	(14)	(14)	(14)

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Call on Budget 2022 Contingency to Strengthen the Ministry's Stewardship Role</b>						
Equity, Evidence and Outcomes	2023/24	1,732	1,655	1,655	1,655	1,655
Policy Advice and Related Services	2023/24	5,039	3,528	3,528	3,528	3,528
Public health and population health leadership	2023/24	5,825	5,563	5,563	5,563	5,563
Regulatory and Enforcement Services	2023/24	1,548	1,479	1,479	1,479	1,479
Sector Performance and Monitoring	2023/24	5,814	5,553	5,553	5,553	5,553
<b>Increasing Medical School Enrolments for the 2024 Intake</b>						
Sector Performance and Monitoring	2023/24	(1,960)	(3,269)	(5,153)	(14,905)	(21,181)
<b>Rapid Saving - Return of DHB Sustainability Funding</b>						
Sector Performance and Monitoring	2023/24	(19,221)	(17,912)	(16,028)	(6,276)	-
<b>End of Life Choice Act - Additional Drawdown of Tagged Contingency Related to Assisted Dying Services</b>						
Regulatory and Enforcement Services	2024/25	2,555	2,555	2,555	2,555	2,555
<b>New Zealand's Future Quarantine and Isolation Capability</b>						
Public health and population health leadership	2023/24	356	-	-	-	-
<b>Supporting the Establishment of the National Public Health Service and Public Health Agency - Drawdown of Tagged Contingency</b>						
Public health and population health leadership	2022/23	6,000	6,000	6,000	6,000	6,000
<b>Smokefree Aotearoa 2025 Action Plan - Remaining Implementation Funding - Drawdown of Tagged contingency</b>						
Public health and population health leadership	2022/23	5,518	4,765	4,765	4,765	4,765
<b>Ministry ICT and Data &amp; Digital Contracts and Funding Transfer</b>						
Equity, Evidence and Outcomes	2022/23	(2,072)	(2,072)	(2,072)	(2,072)	(2,072)
Policy Advice and Related Services	2022/23	(5,985)	(5,985)	(5,985)	(5,985)	(5,985)
Public health and population health leadership	2022/23	(5,686)	(5,686)	(5,686)	(5,686)	(5,686)
Regulatory and Enforcement Services	2022/23	(7,343)	(7,343)	(7,343)	(7,343)	(7,343)
Sector Performance and Monitoring	2022/23	(1,934)	(1,934)	(1,934)	(1,934)	(1,934)
<b>Smokefree Aotearoa 2025 Action Plan - Initial Implementation Support Funding</b>						
Public health and population health leadership	2022/23	500	500	500	500	500

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to:

- a decrease of \$13.247 million reflecting additional funding reprioritised from the Ministry of Health's baseline through a number of targeted programmes to offset the funding provided for several healthcare services included in the Budget 2025 package
- a decrease of \$3.650 million reflecting the combined impact of \$2 million of funding carried forward from 2023/24 to 2024/25 and a transfer of \$1.650 million from the Remediation and resolution of Holidays Act 2003 historical claims appropriation in 2024/25 only to secure the expert resources required to ensure the final stages of the Holidays Act Remediation programme occurs and that appropriate assurance processes are in place prior to the release of Crown funding for remediation
- a decrease of \$2.575 million reflecting funding carried forward from 2023/24 to 2024/25 for the Ministry of Health to commission an independent cost benefit analysis and business case development for the proposal of a new medical school at the University of Waikato
- a decrease of \$2.180 million reflecting the reduction in funding drawn down from the Strengthening the Ministry of Health in its Role as Chief Steward of the Health and Disability System contingency established at Budget 2022 to sustainably operate the Ministry of Health and its functions, and
- a decrease of \$1.530 million reflecting funding carried forward from 2021/22 to 2024/25 in the previous Public Health Service Purchasing appropriation transferred into this appropriation as part of the health reforms from 1 July 2022 for the development of a Group A Streptococcus vaccine to align funding with revised expenditure forecasts.

This decrease was partially offset by:

- an increase of \$6.700 million reflecting the combined impact of funding carried forward from 2023/24 to 2024/25, prior to being carried forward again from 2024/25 to 2025/26 for the Sanitary Works Subsidy Scheme to fund councils to upgrade regional sewerage systems, to align funding with revised expenditure forecasts
- an increase of \$5.864 million reflecting additional funding for the Budget 2025 initiative to implement the Medical Products Bill including funding to develop new risk-proportionate regulations, identify an appropriate digital platform, and design and deliver organisational change for the regulator, funded through reprioritisation from the Ministry of Health's baselines
- an increase of \$2.521 million between 2024/25 and 2025/26 reflecting funding carried forward from 2023/24 to 2024/25 and 2025/26 for the development and migration of the Public Health Agency regulatory IT platform to support vaping and tobacco regulators as part of the Smokefree 2025 Action Plan, reflecting rephasing of the programme
- an increase of \$2.400 million reflecting the net impact of \$1.200 million of funding carried forward from 2024/25 to 2025/26 for the transfer of uncommitted funding for mental health and addiction initiatives to align funding with revised expenditure forecasts, and
- an increase of \$1.584 million reflecting additional funding for the Budget 2025 initiative to bolster safeguards and oversight of compulsory mental health and addiction care by increasing the capacity, expertise, and availability of independent statutory roles including District Inspectors and Review Tribunals and improving models of care.

Vote Health was restructured from 1 July 2022 to reflect the impact of the Health and Disability System reforms. Details of this restructuring can be found in the Estimates of Appropriations 2022/23. The Reasons for Change in Appropriations and Current and Past Policy Initiatives associated with the earlier appropriations can be found in prior years' Estimates of Appropriations (2021/22 and prior years) for Vote Health.

### *Memorandum Account*

The balance of a memorandum account is expected to trend to zero over a reasonable period of time.

	2024/25		2025/26
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Medicinal Cannabis</b>			
Opening Balance at 1 July	(1,767)	(1,767)	(1,767)
Revenue	1,061	900	1,061
Expenses	1,061	900	1,061
<b>Closing Balance at 30 June</b>	<b>(1,767)</b>	<b>(1,767)</b>	<b>(1,767)</b>

	2024/25		2025/26
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>MedSafe</b>			
Opening Balance at 1 July	(2,653)	(2,653)	(2,534)
Revenue	10,891	12,843	10,891
Expenses	10,891	12,724	10,891
<b>Closing Balance at 30 June</b>	<b>(2,653)</b>	<b>(2,534)</b>	<b>(2,534)</b>

	2024/25		2025/26
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Office of Radiation Safety</b>			
Opening Balance at 1 July	(3,687)	(3,786)	(5,056)
Revenue	2,500	1,384	2,500
Expenses	2,500	2,753	2,500
<b>Closing Balance at 30 June</b>	<b>(3,687)</b>	<b>(5,056)</b>	<b>(5,056)</b>

	2024/25		2025/26
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Providing the functions as the Vaping Regulator</b>			
Opening Balance at 1 July	20	20	3
Revenue	1,250	922	1,250
Expenses	1,250	939	1,250
<b>Closing Balance at 30 June</b>	<b>20</b>	<b>3</b>	<b>3</b>