

Vote Health

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'), \$33,031 million in 2026/27, 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 people's 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 2026/27 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 2026/27 comprises the following:

- \$15,995 million (48% of the Vote) to enable Health New Zealand (Health NZ) to deliver hospital and specialist services
- \$10,348 million (31% of the Vote) primarily to enable Health NZ to deliver primary, community, public and population health services
- \$3,731 million (11% 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
- \$1,839 million (6% of the Vote) to enable Pharmac to both manage (\$33 million) and purchase pharmaceuticals (\$1,807 million)
- \$811 million (2% of the Vote) to enable Health NZ to deliver hauora Māori services
- \$225 million (1% of the Vote) to enable the Ministry of Health to fulfil its role as lead advisor to the Minister of Health, and to undertake its system monitoring and regulation responsibilities, and
- \$82 million to support other health services including \$37 million for monitoring and protecting health and disability consumer interests, \$27 million for problem gambling services, and \$8 million to support the development of public health systems in the Pacific.

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

From 1 July 2026 Health New Zealand will no longer be required to pay a capital charge to the Crown and the corresponding amount will be deducted from the funding Health NZ receives from the Crown. The removal of capital charge does not reflect a change in the funding Health NZ has available for infrastructure development or service delivery.

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

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Capital Expenditure			
Ministry of Health - Capital Expenditure PLA (M36) (A21) 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.	500	500	500
Total Departmental Capital Expenditure	500	500	500
Non-Departmental Output Expenses			
Aged Care Commissioner (M61) (A21) This appropriation is limited to the functions of the Aged Care Commissioner	2,104	2,104	2,104
Delivering hauora Māori services (M36) (A21) 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.	822,096	822,096	810,994
Delivering Hospital and Specialist Services (M36) (A21) This appropriation is limited to hospital and specialist health services (including mental health services).	16,197,917	16,188,510	15,994,571
Delivering Primary, Community, Public and Population Health Services (M36) (A21) This appropriation is limited to primary, community (including mental health), public and population health services at international, national, regional, and local levels.	9,737,219	9,734,820	10,348,356
Monitoring and Protecting Health and Disability Consumer Interests (M36) (A21) This appropriation is limited to the provision, purchase, and support of services that monitor and protect health and disability consumer interests.	37,723	37,723	36,723
National Management of Pharmaceuticals (M36) (A21) This appropriation is limited to services relating to the national management of pharmaceuticals.	32,507	32,507	32,507
National Pharmaceuticals Purchasing (M36) (A21) This appropriation is limited to purchasing pharmaceuticals on the national pharmaceutical schedule and subsidising the supply of pharmaceuticals not on the national pharmaceutical schedule.	1,760,435	1,760,435	1,806,745
Total Non-Departmental Output Expenses	28,590,001	28,578,195	29,032,000
Non-Departmental Other Expenses			
International Health Organisations (M36) (A21) This appropriation is limited to the Crown funding New Zealand's World Health Organization (WHO) membership and contributing to specific WHO projects.	3,425	3,425	3,661
Legal Expenses (M36) (A21) This appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown.	3,557	2,557	1,708
Writing-off Equity Investments in Former Health Crown Entities (M36) (A21) This appropriation is limited to the writing-off of equity investments in three former health Crown entities.	17,730	17,730	-
Total Non-Departmental Other Expenses	24,712	23,712	5,369

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Capital Expenditure			
Capital Contributions for the New Medical School at the University of Waikato (M36) (A21) This appropriation is limited to capital contributions for the establishment of the New Medical School at the University of Waikato.	17,700	17,700	23,600
Remediation and resolution of Holidays Act 2003 historical claims (M36) (A21) 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.	596,432	396,432	1,092,680
Residential Care Loans - Payments (M36) (A21) This appropriation is limited to the provision of interest-free loans to people entering into aged residential care facilities.	35,000	35,000	35,000
Standby Credit to Support Health System Liquidity (M36) (A21) 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	-	200,000
Total Non-Departmental Capital Expenditure	849,132	449,132	1,351,280
Multi-Category Expenses and Capital Expenditure			
Health System Policy, Regulation and Monitoring MCA (M36) (A21) The single overarching purpose of this appropriation is to enable the Ministry of Health to fulfil its role as lead advisor to the Minister of Health, and to undertake its system monitoring and regulatory responsibilities.	228,684	222,277	224,699
Departmental Output Expenses			
Equity, Evidence and Outcomes This category is limited to health science research, leadership, analysis and publishing quality evidence, data and insights.	34,487	34,565	33,055
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.	30,057	28,189	34,852
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.	88,924	85,791	90,624
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.	52,716	52,779	47,348
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.	22,500	20,953	18,820

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Redress for Abuse in Care MCA (M36) (A21)	12,803	12,803	2,444
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.			
Departmental Output Expenses			
<i>Delivering redress for abuse in care</i>	657	657	465
This category is limited to responding to, designing, implementing and delivering redress for abuse in care.			
Non-Departmental Output Expenses			
<i>Support Services</i>	-	-	204
This category is limited to providing third party support services to people who report experiencing abuse in care.			
Non-Departmental Other Expenses			
<i>Redress Payments</i>	12,146	12,146	1,775
This category is limited to providing financial redress to people who experienced abuse in care.			
Total Multi-Category Expenses and Capital Expenditure	241,487	235,080	227,143
Total Annual Appropriations and Forecast Permanent Appropriations	29,705,832	29,286,619	30,616,292

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Departmental Output Expenses		
Strengthening Pacific Health Systems (M36) (A21)	Original Appropriation	28,148
This appropriation is limited to supporting the development of public health systems in the Pacific.	Adjustments to 2024/25	-
	Adjustments for 2025/26	-
Commences: 01 July 2024	Adjusted Appropriation	28,148
Expires: 30 June 2029	Actual to 2024/25 Year End	2,244
	Estimated Actual for 2025/26	7,273
	Estimate for 2026/27	8,201
	Estimated Appropriation Remaining	10,430
Non-Departmental Output Expenses		
Problem Gambling Services (M36) (A21)	Original Appropriation	79,427
This appropriation is limited to problem gambling services funded under the Strategy to Prevent and Minimise Gambling Harm.	Adjustments to 2024/25	-
	Adjustments for 2025/26	-
Commences: 01 July 2025	Adjusted Appropriation	79,427
Expires: 30 June 2028	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	25,670
	Estimate for 2026/27	27,073
	Estimated Appropriation Remaining	26,684

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Capital Expenditure		
Health Capital Envelope (M36) (A21) 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 2024/25	1,152,697
	Adjustments for 2025/26	306,250
	Adjusted Appropriation	6,323,109
	Actual to 2024/25 Year End	3,262,517
	Estimated Actual for 2025/26	1,082,369
	Estimate for 2026/27	1,978,223
	Estimated Appropriation Remaining	-
New Dunedin Hospital 2021-2026 (M36) (A21) 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 2024/25	120,000
	Adjustments for 2025/26	62,705
	Adjusted Appropriation	1,510,283
	Actual to 2024/25 Year End	401,307
	Estimated Actual for 2025/26	1,108,976
	Estimate for 2026/27	-
	Estimated Appropriation Remaining	-
New Dunedin Hospital 2026-2030 (M36) (A21) This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects. Commences: 01 July 2026 Expires: 30 June 2030	Original Appropriation	401,579
	Adjustments to 2024/25	-
	Adjustments for 2025/26	-
	Adjusted Appropriation	401,579
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	-
	Estimate for 2026/27	401,579
	Estimated Appropriation Remaining	-

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	29,705,832	29,286,619	30,616,292
Total Forecast MYA Departmental Output Expenses	7,273	7,273	8,201
Total Forecast MYA Non-Departmental Output Expenses	25,670	25,670	27,073
Total Forecast MYA Non-Departmental Capital Expenditure	2,191,345	2,191,345	2,379,802
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	31,930,120	31,510,907	33,031,368

Capital Injection Authorisations

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Ministry of Health - Capital Injection (M36) (A21)	707	707	-

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Operating Expenditure						
Budget 2026 Funding for Cost Pressures and New Initiatives						
Digital Services - Cyber Security - Core Security Services	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	-	34,200	39,800	39,800	39,800
Pharmac - Maintaining and Increasing Access to Medicines	National Pharmaceuticals Purchasing Non-Departmental Output Expenses	-	13,500	13,500	13,500	13,500
Road Ambulance Services - Funding Uplift	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	-	5,463	11,283	8,850	9,400
Implementing the Pae Ora (Healthy Futures) (3 Day Postnatal Stay) Amendment Bill	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	-	1,600	1,600	13,300	17,900
National Bowel Screening Programme Age Extension	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	-	6,444	13,142	6,766	6,766
Fuel Response - Changes to the In Between Travel and National Travel Assistance Schemes	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	640	23,540	-	-	-
Paediatric Palliative Care - Supporting Access to Specialist Services	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	-	2,410	4,842	4,091	4,168
Dame Karen Poutasi Response - Supporting Health New Zealand to Participate in the Child Protection Protocol	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	-	2,027	2,510	2,555	2,599

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Removal of the Capital Charge Regime from Health New Zealand (see Note 1)	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	-	(660,159)	(660,159)	(660,159)	(660,159)
Budget 2026 Savings and Reprioritisation Initiatives						
Health Digital Investment Plan - Capital to Operating Funding Transfer (see Note 2)	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	-	100,000	100,000	100,000	-
Primary Care Tactical Action Plan - Return of 2025/26 Underspend	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	(19,167)	-	-	-	-
Southern Health System Digital Transformation Programme - Return of Depreciation Funding	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	(14,828)	(3,707)	-	-	-
Subtotal Budget 2026 Initiatives		(33,355)	(474,682)	(473,482)	(471,297)	(566,026)
Drawdown of Tagged Contingency and Funding for Other Government Priorities						
Delivery of Increased Access to Cancer Treatments in Community Settings	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	-	60,000	60,000	60,000	60,000
Funding for Capital Charge on New Capital Projects for Health New Zealand (see Note 3)	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	38,954	-	-	-	-
Digital Modernisation and HealthX Innovation and AI Programme - Capital to Operating Swap	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	25,500	-	-	-	-
Health Infrastructure Plan Implementation - Capital to Operating Swap	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	5,400	3,000	-	-	-
Proceeds of Crime Fund	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	2,188	1,238	1,238	1,238	-

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Funding for Parenting Programme	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	300	1,437	1,916	1,437	1,086
New Medical School - Funding for One-off Implementation Activities	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	1,400	-	-	-	-
Health Sector Agreements and Payments Programme Re-Baseline for Delivery Acceleration	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	6,000	14,000	(2,000)	(9,000)	(9,000)
Subtotal Drawdown of Tagged Contingency and Funding for Other Government Priorities		79,742	79,675	61,154	53,675	52,086
Other Vote Health Savings and Reprioritisation Initiatives						
Health New Zealand's Progress Towards Financial Stability and Improving Delivery	Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses	-	95,000	95,000	95,000	95,000
	Delivering Hospital and Specialist Services Non-Departmental Output Expenses	-	(95,000)	(95,000)	(95,000)	(95,000)
Baseline Reprioritisation for International Health Organisations	International Health Organisations Non-Departmental Other Expenses	325	561	561	561	561
	Health System Policy, Regulation and Monitoring MCA (see Note 4) Public Health and Population Health Leadership	(325)	(561)	(561)	(561)	(561)
	Departmental Output Expenses					

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Baseline Reprioritisation for Legal Expenses	Legal Expenses	2,300	500	500	500	500
	Non-Departmental Other Expenses					
	Health System Policy, Regulation and Monitoring MCA (see Note 4)					
	Equity, Evidence and Outcomes Departmental Output Expenses	(376)	(82)	(82)	(82)	(82)
	Policy Advice and Related Services Departmental Output Expenses	(331)	(72)	(72)	(72)	(72)
	Public Health and Population Health Leadership Departmental Output Expenses	(883)	(192)	(192)	(192)	(192)
	Regulatory and Enforcement Services Departmental Output Expenses	(512)	(111)	(111)	(111)	(111)
	Sector Performance and Monitoring Departmental Output Expenses	(198)	(43)	(43)	(43)	(43)
Subtotal Other Vote Health Savings and Reprioritisation Initiatives		-	-	-	-	-
Total Operating Expenditure		46,387	(395,007)	(412,328)	(417,622)	(513,940)
Capital Expenditure						
New Dunedin Hospital - Provision of Funding for Inpatient Building Project following Implementation Business Case Approval	New Dunedin Hospital 2021-2026 Non-Departmental Capital Expenditure	464,284	-	-	-	-
Health New Zealand Standby Credit Facility Extension	Standby Credit to Support Health System Liquidity Non-Departmental Capital Expenditure	-	200,000	-	-	-
Progressing Priority Health Infrastructure Projects	Health Capital Envelope Non-Departmental Capital Expenditure	40,154	104,846	-	-	-
National Remediation Programme and Small-Scale Infrastructure Projects Funding	Health Capital Envelope Non-Departmental Capital Expenditure	80,000	20,000	-	-	-
Facilities Infrastructure Remediation Programme Tranche 3 Funding	Health Capital Envelope Non-Departmental Capital Expenditure	6,434	66,452	-	-	-

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
New Medical School - First Approval to Deliver	Capital Contributions for the New Medical School at the University of Waikato Non-Departmental Capital Expenditure	17,061	22,004	18,714	1,221	-
National Bowel Screening Programme Age Extension	Health Capital Envelope Non-Departmental Capital Expenditure	-	12,464	-	-	-
Making the Care System Safe - Improving Mental Health Inpatient Unit Environments Tranche 1 Funding	Health Capital Envelope Non-Departmental Capital Expenditure	5,000	-	-	-	-
Digital Modernisation and HealthX Innovation and AI Programme - Capital to Operating Swap	Health Capital Envelope Non-Departmental Capital Expenditure	(25,500)	-	-	-	-
Health Infrastructure Plan Implementation - Capital to Operating Swap	Health Capital Envelope Non-Departmental Capital Expenditure	(8,400)	-	-	-	-
Total Capital Expenditure		579,033	425,766	18,714	1,221	-
Total		625,420	30,759	(393,614)	(416,401)	(513,940)

Note 1 - This initiative removes the capital charge regime from Health NZ from 1 July 2026. The removal of capital charge does not reflect a change in the funding Health NZ has available for infrastructure development or service delivery. In practice, from 1 July 2026 Health NZ will no longer be required to pay a capital charge to the Crown and the corresponding amount will be deducted from the funding Health NZ receives from the Crown.

Note 2 - This initiative provides operating funding for projects under the Health Digital Investment Plan funded through an equity withdrawal from Health NZ.

Note 3 - This initiative provides additional capital charge funding for Health NZ for 2025/26. As noted above, the capital charge regime is to be removed from Health NZ from 1 July 2026.

Note 4 - The appropriation name for the Stewardship of the New Zealand health system multi-category appropriation (MCA) changes to Health System Policy, Regulation and Monitoring MCA with effect from 1 July 2026.

1.2 - Trends in the Vote

Summary of Financial Activity

	2021/22	2022/23	2023/24	2024/25	2025/26		2026/27			2027/28	2028/29	2029/30
	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
Appropriations												
Output Expenses	19,469,601	22,611,556	25,662,330	26,073,594	28,622,944	28,611,138	8,201	29,059,073	29,067,274	29,050,682	29,045,288	28,956,137
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	4,791	4,224	4,931	7,322	24,712	23,712	-	5,369	5,369	5,369	5,369	5,369
Capital Expenditure	760,837	1,698,703	950,817	2,057,291	3,040,977	2,640,977	500	3,731,082	3,731,582	53,200	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>	4,362,958	2,313,406	516,805	230,860	229,341	222,934	225,164	204	225,368	219,598	219,315	225,315
<i>Other Expenses</i>	-	-	-	-	12,146	12,146	-	1,775	1,775	1,775	1,775	1,775
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	24,598,187	26,627,889	27,134,883	28,369,067	31,930,120	31,510,907	233,865	32,797,503	33,031,368	29,330,624	29,307,247	29,224,096
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	998,335	1,205,993	1,323,231	1,501,115	1,727,912	1,727,912	N/A	1,660,523	1,660,523	1,754,449	1,849,649	1,950,121
Capital Receipts	26,597	27,991	33,302	321,794	347,499	347,499	N/A	47,499	47,499	47,499	47,499	47,499
Total Crown Revenue and Capital Receipts	1,024,932	1,233,984	1,356,533	1,822,909	2,075,411	2,075,411	N/A	1,708,022	1,708,022	1,801,948	1,897,148	1,997,620

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 2021/22 (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 2026/27 (refer Part 1.1 - New Policy Initiatives in the Estimates of Appropriations 2024/25 - Health Sector) reflecting the current multi-year approach the Government has agreed for cost pressure funding for Health NZ
- 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
 - delivering the Health Digital Investment Plan to support priority projects
 - addressing Health NZ's cyber security risk profile, 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 2026/27 are \$3,731 million compared to actual expenditure of \$761 million in 2021/22. 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 as well as capital contributions for the establishment costs of the new medical school at the University of Waikato. It also includes \$500,000 of capital expenditure in 2026/27 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 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 2021/22 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 Health System Policy, Regulation and Monitoring MCA from 2022/23 (previously Stewardship of the New Zealand health system MCA).

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 NZ. The ACC revenue is expected to increase from \$671 million in 2021/22 to forecast revenue of \$1,647 million in 2026/27, largely reflecting changes in the price and volume of services provided, and
- residential care loan repayments which have grown from \$14 million in 2021/22 to forecast capital receipts of \$35 million per annum in 2026/27, 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.

This increase is partially offset by a reduction in capital charge revenue from health sector Crown entities, which declines from \$305 million in 2021/22 to nil by 2026/27 following the removal of the capital charge regime for Health NZ from 1 July 2026.

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 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
Strengthening Pacific Health Systems (M36) (A21) 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 2024/25	-
	Adjustments for 2025/26	-
	Adjusted Appropriation	28,148
	Actual to 2024/25 Year End	2,244
	Estimated Actual for 2025/26	7,273
	Estimate for 2026/27	8,201
	Estimated Appropriation Remaining	10,430

Revenue

	Budget \$000
Revenue from the Crown to end of 2026/27	-
Revenue from Others to end of 2026/27	17,718
Total Revenue	17,718

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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Average Strategic Governance Group delivery rating for annual costed workplan activities in the Polynesian Health Corridors Programme, using the agreed rating scale (see Note 1)	10 out of 15	10 out of 15	10 out of 15

Note 1 - The costed workplan delivery rating scale is presented to the Strategic Governance Group (SGG) annually. Members of the SGG report against the extent to which they believe the Polynesian Health Corridors work programme has delivered against workplans.

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	500	500	500
Intangibles	-	-	-
Other	-	-	-
Total Appropriation	500	500	500

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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Expenditure is in accordance with the Ministry of Health's Annual Capital Plan (see Note 1)	100%	100%	100%

Note 1 - This measure evaluates how effectively the Ministry of Health manages its capital spending by comparing actual expenditure against the planned budget outlined in the Annual Capital Plan.

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	2025/26 Estimated Actual \$000	2026/27 Projected \$000	Explanation of Projected Movements in 2026/27
Opening Balance	1,514	2,221	
Capital Injections	707	-	The capital injection of \$707,000 in 2025/26 is for the write-off of the residual deficit in the Problem Gambling Memorandum Account.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	2,221	2,221	

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

	2025/26		2026/27
	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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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	4	4	4

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Previous Government						
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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	822,096	822,096	810,994

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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of people reporting that their family/whānau or someone close to them were involved in discussions about the care received (see Note 1)	At least 88%	88%	Measure removed
Percentage of people reporting that they had trust and confidence in their treatment provider (see Note 1)	At least 86%	86%	Measure removed
Percentage of Hauora Māori partners that are meeting their contracted outcome targets as defined in their integrated outcomes agreements (Kirimana Oranga Whānau Outcome Agreements)	90%	85%	90%
Number of people engaged with Hauora Māori providers through their integrated outcomes agreements (Kirimana Oranga Whānau Outcome Agreements)	New measure	New measure	313,000
Percentage of the Hauora Māori appropriation funding for mental health that contributes to the Prevention and Early Intervention Mental Health and Addictions Target	New measure	New measure	50%
Number of Iwi-Māori Partnership Boards (IMPBs) that Health New Zealand has supported during the year, including providing information and insights to inform IMPB engagement activities	16 out of 16	16 out of 16	16 out of 16

Note 1 - This measure has been removed as it is not aligned to the current appropriation and is sufficiently covered by similar measures in the Delivering Primary, Community, Public and Population Health Services appropriation, with new, more targeted measures introduced in the Delivering hauora Māori services appropriation.

End of Year Performance Reporting

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

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2024)	2024/25	39,000	39,000	39,000	39,000	39,000
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2025 Precommitment)	2025/26	38,000	38,000	38,000	38,000	38,000
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2026 Precommitment)	2026/27	-	37,000	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	2023/24	(2,864)	(2,864)	(2,864)	(2,864)	(2,864)

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Previous Government						
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	-	-	-
Extending Pay Equity Settlement for Social Workers in Community and Iwi Organisation	2023/24	369	435	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

Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is mainly due to:

- a decrease of \$47.200 million reflecting funding carried forward from 2024/25 to 2025/26 only to support the Immunising Our Tamariki programme and other specific Māori Health programmes that will contribute towards health targets for Māori, and
- a decrease of \$1.300 million reflecting the final year of a two-year transfer ending in 2025/26 from the Delivering Primary, Community, Public and Population Health Services appropriation, to support Kahu Taurima, enabling Hauora Māori Services to work with identified hauora Māori partners to test a maternal mental health and wellbeing assessment tool in their services.

This decrease was partially offset by:

- an increase of \$37 million for the third 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.

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	16,197,917	16,188,510	15,994,571

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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of patients who wait less than 4 months for a first specialist appointment (2030 target is 95%) (see Note 1)	65%	65%	70%
Percentage of patients who wait less than 4 months for elective treatment (2030 target is 95%) (see Note 1)	67%	67%	71%
Percentage of patients admitted, discharged or transferred from an emergency department within 6 hours (2030 target is 95%) (see Note 1)	77%	77%	80%
Percentage of patients who receive cancer management within 31 days of the decision to treat (2030 target is 90%) (see Note 1)	87%	87%	90%
Percentage of young people seen within 3 weeks from a mental health referral (2030 target is 80%) (see Note 2)	75%	78%	78%
Percentage of people accessing specialist mental health and addiction services who are seen within 3 weeks (2030 target is 80%) (see Note 2)	80%	80.3%	80%
Percentage of mental health and addiction-related emergency department presentations are admitted, discharged, or transferred from an emergency department within 6 hours (2030 target is 95%) (see Note 2)	77%	77%	80%
Train additional mental health and addiction professionals each year (2030 target is 500) (see Note 2)	500	500	500
Percentage of cardiac patients who wait less than 4 months for elective treatment	75%	75%	75%
Percentage of missed first specialist assessment appointments	7%	7.2%	7%
Rate of renal failure hospitalisations, age-standardised per 100,000 people with diabetes	Improve from baseline at prior financial year end	Achieved	Improve from baseline at prior financial year end

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
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 3)	Achieved	Not achieved	Achieved
Percentage of people accepted for a CT scan receive their scan in 42 days (6 weeks) or less	65%	65%	65%
Percentage of people accepted for an MRI scan receive their scan in 42 days (6 weeks) or less	65%	65%	65%
Health New Zealand's cyber security maturity score improves towards the target maturity level (see Note 4)	New measure	New measure	Improvement from the prior year baseline

Changes to performance measures in the Delivering Hospital and Specialist Services appropriation reflect health target implementation plan milestones.

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 relevant health target implementation plan.

Note 2 - This measure is a mental health and addiction target.

Note 3 - 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 4 - This measure has been introduced to support the Cyber Security Single Stage Business Case approved by Cabinet. The measure relates to the progressive improvement of Health NZ's cyber security maturity, assessed using an independent cyber security maturity assessment framework applied across multiple domains. The baseline cyber security maturity rating is 2.4 (Managed), assessed across 21 cyber security domains. The investment targets progression towards a maturity level of 3.0 (Defined) by the end of 2028/29.

End of Year Performance Reporting

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

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Health Digital Investment Plan - Capital to Operating Funding Transfer (see Note 1)	2026/27	-	100,000	100,000	100,000	-
Delivery of Increased Access to Cancer Treatments in Community Settings	2026/27	-	60,000	60,000	60,000	60,000
Digital Services - Cyber Security - Core Security Services	2026/27	-	34,200	39,800	39,800	39,800

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Implementing the Pae Ora (Healthy Futures) (3 Day Postnatal Stay) Amendment Bill	2026/27	-	1,600	1,600	13,300	17,900
Paediatric Palliative Care - Supporting Access to Specialist Services	2026/27	-	2,410	4,842	4,091	4,168
Removal of the Capital Charge Regime from Health New Zealand	2026/27	-	(660,159)	(660,159)	(660,159)	(660,159)
Health New Zealand's Progress Towards Financial Stability and Improving Delivery	2026/27	-	(95,000)	(95,000)	(95,000)	(95,000)
Funding for Capital Charge on New Capital Projects for Health New Zealand	2025/26	38,954	-	-	-	-
Digital Modernisation and HealthX Innovation and AI Programme - Capital to Operating Swap	2025/26	25,500	-	-	-	-
Health Infrastructure Plan Implementation - Capital to Operating Swap	2025/26	5,400	3,000	-	-	-
New Medical School - Funding for One-off Implementation Activities	2025/26	1,400	-	-	-	-
Southern Health System Digital Transformation Programme - Return of Depreciation Funding	2025/26	(14,828)	(3,707)	-	-	-
Transition to a Multi-Agency Response to 111 Mental Distress Calls	2025/26	2,232	4,705	5,948	7,731	9,058
Delivering Quality and Timely Primary Care - Next Steps and Implementation	2025/26	2,500	5,000	5,000	5,000	8,113
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	23,433	23,433	23,433	23,433	23,433
Increasing Access to Cancer Treatments and Other Medicines	2024/25	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
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2024)	2024/25	860,000	860,000	860,000	860,000	860,000
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2025 Precommitment)	2025/26	825,000	825,000	825,000	825,000	825,000
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2026 Precommitment)	2026/27	-	826,000	826,000	826,000	826,000
Emergency Department Security - Service Expansion	2024/25	8,226	8,226	8,226	8,226	8,226
Training 25 More Doctors	2024/25	300	300	300	7,874	15,448

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Previous Government						
Increasing Medical School Enrolments for the 2024 Intake	2027/28	-	-	11,819	21,264	21,088
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 Te Whatu Ora 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 Te Whatu Ora	2023/24	5,329	5,348	5,348	5,348	5,348
Health Sector Pay Equity Claim - Health New Zealand Te Whatu Ora 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	14,828	14,828	14,828	14,828	14,828
Drawdown from Contingency Funding for Capital Charge on New Capital Projects for Health New Zealand Te Whatu Ora	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	50,000	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

Note 1 - This initiative provides operating funding for projects under the Health Digital Investment Plan funded through an equity withdrawal from Health NZ.

Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is mainly due to:

- a decrease of \$660.159 million reflecting the removal of the capital charge regime from Health NZ from 1 July 2026. The removal of capital charge does not reflect a change in the funding Health NZ has available for infrastructure development or service delivery. In practice, from 1 July 2026 Health NZ will no longer be required to pay a capital charge to the Crown and the corresponding amount will be deducted from the funding Health NZ receives from the Crown
- a decrease of \$200 million reflecting funding carried forward from 2024/25 to 2025/26 only for Health NZ to meet its cost pressures in 2025/26
- a decrease of \$115 million reflecting funding carried forward from 2024/25 to 2025/26 only to provide funding for final settlements of Health NZ's collective agreements
- a decrease of \$95 million reflecting a transfer to the Delivering Primary, Community, Public and Population Health Services appropriation to support the ongoing continuation of the Primary Care Funding Boost initiative
- a decrease of \$38.954 million reflecting funding provided in 2025/26 only to meet increased capital charge costs for Health NZ arising from capital contributions for new projects for the twelve-month period to 31 December 2025
- a decrease of \$25.500 million reflecting a transfer from the Health Capital Envelope multi-year appropriation (MYA) in 2025/26 only for Health NZ's data and digital initiatives, including the establishment and operation of the Centre of Digital Modernisation of Health as part of the Health Digital Investment Plan and the HealthX Innovation and AI programme
- a decrease of \$16.835 million reflecting time-limited funding ending in 2025/26 for the Data and Digital Infrastructure and Capability: Enabling Health System Transformation initiative to support the implementation of tranche one of Hira, cyber security, and capability uplift initiatives
- a decrease of \$9 million reflecting funding carried forward from 2023/24 and 2024/25 to 2025/26 only for the Regional Hospital Redevelopment Programme to deliver business cases for major hospital redevelopments at Palmerston North, Hawke's Bay and Tauranga
- a decrease of \$7.750 million reflecting funding carried forward from 2024/25 to 2025/26 only to continue investment in the planned Payroll System Remediation and Stabilisation data and digital initiatives
- a decrease of \$5 million reflecting funding carried forward from 2023/24 and 2024/25 to 2025/26 only for the Mental Health Infrastructure Programme to accelerate delivery of projects in the mental health portfolio
- a decrease of \$3.272 million reflecting underspends carried forward from 2023/24 and 2024/25 to 2025/26 only for the digital aspects of the New Dunedin Hospital outpatients building
- a decrease of \$2.624 million reflecting funding carried forward from 2024/25 to 2025/26 only for Mental Health and Addiction workforce development initiatives, including the nursing wisdom model pilots and a review of the Consumer, Peer Support, and Lived Experience pipeline
- a decrease of \$2.400 million reflecting reduced funding for Health NZ to undertake early-stage infrastructure planning required for implementation of the Health Infrastructure Plan, and

- a decrease of \$1.400 million reflecting funding provided in 2025/26 only to meet Health NZ's costs for one-off implementation activities, including clinical placement establishment coordination and development work, for the new medical school at the University of Waikato.

This decrease was partially offset by:

- an increase of \$826 million for the third 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 \$100 million reflecting additional funding for the Budget 2026 initiative Health Digital Investment Plan - Capital to Operating Funding Transfer to provide operating funding for priority projects under the Health Digital Investment Plan
- an increase of \$34.200 million reflecting additional funding for the Budget 2026 initiative Digital Services - Cyber Security - Core Security Services to address Health NZ's cyber security risk profile by maintaining current protections and providing resources and specialist skills to address threats and vulnerabilities
- an increase of \$11.121 million reflecting the net impact of reduced funding return in 2026/27 compared to 2025/26 for the Budget 2026 initiative Southern Health System Digital Transformation Programme - Return of Depreciation Funding, with the depreciation funding set aside for 2025/26 and partial funding for 2026/27 having been returned as a result of the delay to the data and digital builds associated with the New Dunedin Hospital
- an increase of \$2.500 million reflecting additional funding for the Primary Care Tactical Action Plan to grow and retain the primary care workforce and improve access and choice through digital 24/7 care and consistent urgent care
- an increase of \$2.473 million reflecting additional funding for the Budget 2025 initiative Transition to a Multi-Agency Response to 111 Mental Distress Calls which supports 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
- an increase of \$2.410 million reflecting additional funding for the Budget 2026 initiative Paediatric Palliative Care (PPC) - Supporting Access to Specialist Services for a nationally coordinated and managed specialist PPC service for children and their whānau, and
- an increase of \$1.600 million reflecting additional funding for the Budget 2026 initiative Implementing the Pae Ora (Health Futures) (3 Day Postnatal Stay) Amendment Bill.

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,737,219	9,734,820	10,348,356

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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Health New Zealand			
Percentage of children fully immunised at 8 months of age	95%	80.5%	95%
Percentage of children fully immunised at 24 months of age (2030 target is 95%) (see Note 1)	87%	83.7%	90%
Percentage of children fully immunised at 5 years of age	95%	72.8%	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%	43.8%	Measure removed
Percentage of people aged 15 years fully immunised for HPV	New measure	New measure	75%
Percentage of people aged 15 years vaccinated with at least 1 dose of HPV vaccine	New measure	New measure	75%
Increase in percentage of people who say they receive care from a GP or nurse when they need it	At least 76%	76%	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	Improve from baseline at prior financial year end	Achieved	Improve from baseline at prior financial year end
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	Improve from baseline at prior financial year end	Achieved	Improve from baseline at prior financial year end

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of mental health and addiction investment is allocated towards prevention and early intervention (2030 target is 25%) (see Note 3)	23.9%	23.9%	25%
Number of people who accessed primary mental health and addiction services through the Access and Choice programme	325,000	263,000	325,000
Percentage of people accessing primary mental health and addiction services through the Access and Choice programme are seen within 1 week (2030 target is 80%) (see Note 3)	80%	82%	80%
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 4)	Achieved	Not achieved	Achieved
Bowel screening rates of adults aged 60-74 years (2-yearly screening interval)	60%	58.3%	Measure removed
Bowel screening rates of eligible adults within the National Bowel Screening Programme (2-yearly screening interval) (see Note 5)	Replacement measure	Replacement measure	55%
Percentage of eligible women aged 45-69 years who have a breast cancer screen in the last 2 years	70%	67.4%	70%
Cervical screening rates of eligible women aged 25-69 years (five-yearly screening interval)	80%	75.3%	80%
Number of General Practice Qualifying Encounters (GPQEDs)	Improve from baseline at prior calendar year end	Achieved	Improve from baseline at prior calendar year end
Percentage of people enrolled with a general practice or kaupapa Māori provider delivering general practice care	95%	95%	95%
Percentage of people accessing an appointment with a general practice provider within 1 week (see Note 6)	New measure	New measure	80%
Percentage of pregnant women who register with a Primary Maternity Carer in the first trimester of their pregnancy of all registrations	82%	75%	82%
New Zealand Blood and Organ Service			
Provide quarterly reports to the Ministry of Health summarising the performance of the organ donation function	4	4	4

Changes to performance measures in the Delivering Primary, Community, Public and Population Health Services appropriation reflect health target implementation plan milestones and the introduction of a new health target, with some refinements to Budget Standards to improve their meaningfulness and alignment with relevant Statement of Performance Expectations targets.

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 relevant health target implementation plan.

Note 2 - This measure has been removed and replaced with two measures more aligned to the work of the National Public Health Service in this area.

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

Note 4 - 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 5 - From 1 September 2026, the eligibility age for the National Bowel Screening Programme will be progressively lowered from 58 to 56 years, with invitations issued to newly eligible age cohorts over a two-year period. There is a time lag in reporting bowel screening participation, as individuals have up to six months to complete and return screening kits once invited, and therefore reporting on this measure requires six months to elapse.

The updated measure wording avoids a fixed age band and enables changes to eligibility to be set out through this note. The change to the Budget Standard reflects evidence that younger age groups have lower coverage and engagement.

Note 6 - This measure is a new health target.

End of Year Performance Reporting

End of year performance information will be reported in Health NZ's Annual Report, except for the performance measure relating to the New Zealand Blood and Organ Service, which will be reported by the entity itself.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Health New Zealand's Progress Towards Financial Stability and Improving Delivery	2026/27	-	95,000	95,000	95,000	95,000
Road Ambulance Services - Funding Uplift	2026/27	-	5,463	11,283	8,850	9,400
National Bowel Screening Programme Age Extension	2026/27	-	6,444	13,142	6,766	6,766
Dame Karen Poutasi Response - Supporting Health New Zealand to Participate in the Child Protection Protocol	2026/27	-	2,027	2,510	2,555	2,599
Fuel Response - Changes to the In Between Travel and National Travel Assistance Schemes	2025/26	640	23,540	-	-	-
Funding for Parenting Programme	2025/26	300	1,437	1,916	1,437	1,086
Proceeds of Crime Fund	2025/26	2,188	1,238	1,238	1,238	-
Health Sector Agreements and Payments Programme Re-Baseline for Delivery Acceleration	2025/26	6,000	14,000	(2,000)	(9,000)	(9,000)
Primary Care Tactical Action Plan - Return of 2025/26 Underspend	2025/26	(19,167)	-	-	-	-
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	3,718
Delivering Quality and Timely Primary Care - Next Steps and Implementation	2024/25	99,116	104,974	100,550	100,626	100,626
Pae Ora (Healthy Futures) Alcohol Levy Order 2024	2024/25	16,620	16,620	16,620	16,620	16,620

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
National Bowel Screening Programme - Changes to Lower the Age of Eligibility for all New Zealanders	2024/25	20,586	17,501	17,672	13,089	13,089
Assisted Dying Final Contingency Drawdown	2024/25	1,586	1,960	2,360	1,638	1,545
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2024)	2024/25	531,000	531,000	531,000	531,000	531,000
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2025 Precommitment)	2025/26	507,000	507,000	507,000	507,000	507,000
Health Cost Pressure Funding for Health New Zealand Te Whatu Ora (Budget 2026 Precommitment)	2026/27	-	507,000	507,000	507,000	507,000
COVID-19 and Pandemic Preparedness: Maintaining Essential Health Services and Critical Surveillance Infrastructure	2024/25	50,558	43,460	43,459	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	11,880	17,500
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	(64,586)	(66,201)	(67,856)	(67,856)	(67,856)
Mental Health and Addiction Community Sector Innovation Fund	2023/24	4,720	-	-	-	-
Previous Government						
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	23,916	25,893	25,893	25,893	25,893
Health Sector Agreements and Payments Programme Tranche 3 Funding Drawdown	2023/24	10,335	10,335	10,335	10,335	10,335
Homelessness Action Plan Contingency Cost Pressure Drawdown	2023/24	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	178,813	183,284	183,284	183,284	183,284
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	177,527	177,580	177,580	177,580	177,580
BreastScreen Aotearoa Critical Infrastructure Replacement - Drawdown of Tagged Contingency	2022/23	9,750	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	5,902	5,902	5,902	5,902	5,902
Human Papillomavirus Primary Screening for the National Cervical Screening Programme - Drawdown of Tagged Contingency	2022/23	3,621	2,998	1,981	1,905	3,120

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
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	4,200	4,200	4,200	4,200	4,200
Smokefree Aotearoa 2025 Action Plan - Remaining Implementation Funding - Drawdown of Tagged Contingency	2022/23	2,485	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	22,563	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	28,734	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
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
Meeting the Demand for Organ Donation and Transplantation	2022/23	3,750	3,750	3,750	3,750	3,750
Dementia Māte Whāwhā 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
Introducing a Rights-based Approach to Health Care for Intersex Children and Young People	2022/23	434	434	434	434	434
Improving Access to Primary Health Care Services for Transgender People	2022/23	529	529	529	529	529
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 2026/27 is mainly due to:

- an increase of \$507 million for the third 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 \$95 million reflecting a transfer from the Delivering Hospital and Specialist Services appropriation to support the ongoing continuation of the Primary Care Funding Boost initiative
- an increase of \$22.900 million reflecting additional funding for the Budget 2026 initiative Fuel Response - Changes to the In Between Travel and National Travel Assistance Schemes to meet temporary increased costs to Health NZ from an increase in mileage rates under the In Between Travel and National Travel Assistance Schemes
- an increase of \$19.167 million reflecting funding returned in 2025/26 only, relating to underspends in the Primary Care Tactical Action Plan
- an increase of \$8.739 million reflecting the net impact of rephasing of funding for the Primary Care Tactical Action Plan to grow and retain the primary care workforce and improve access and choice through digital 24/7 care and consistent urgent care, aligning funding with revised expenditure forecasts
- an increase of \$6.444 million reflecting additional funding for the Budget 2026 initiative National Bowel Screening Programme Age Extension to further lower the eligibility age from 58 to 56 years
- an increase of \$5.615 million reflecting the net impact of rephasing of funding 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, aligning funding with revised expenditure forecasts
- an increase of \$5.463 million reflecting additional funding for the Budget 2026 initiative Road Ambulance Services - Funding Uplift to uplift the Government's contribution to road ambulance services
- an increase of \$2.856 million reflecting the net impact of funding provided in Budget 2023 to remove prescription co-payments for all New Zealanders, partially offset by savings from the reintroduction of prescription co-payments in Budget 2024 for those aged 14 years and over, with exemptions for people holding a Community Services Card and those aged 65 and over, and
- an increase of \$2.027 million reflecting additional funding for the Budget 2026 initiative Dame Karen Poutasi Response - Supporting Health New Zealand to Participate in the Child Protection Protocol to progress the implementation of recommendations from the Dame Karen Poutasi review to improve the system of safety nets for preventing harm in the children's system.

This increase was partially offset by:

- a decrease of \$17.300 million reflecting the net impact of funding carried forward from 2024/25 to 2025/26 only for the Data and Digital Foundations and Innovation initiative to align funding with revised expenditure forecasts, partially offset by a one-off transfer in 2025/26 to the Health Capital Envelope MYA to provide capital funding for the Radiology Stabilisation project

- a decrease of \$10.465 million reflecting the net impact of changes to previously appropriated funding for the Data and Digital Infrastructure and Capability: Enabling Health System Transformation initiative, including time-limited funding ending in 2025/26, funding carried forward to 2025/26 only to align with revised expenditure forecasts, and a one-off transfer in 2025/26 to the Health Capital Envelope MYA to enable work on the Shared Digital Health Record to be delivered
- a decrease of \$9.500 million reflecting funding carried forward from 2024/25 to 2025/26 only to support the roll-out and implementation of the BreastScreen Aotearoa Programme Information and Communications Technology Infrastructure initiative, aligning funding with revised expenditure forecasts
- a decrease of \$7.367 million reflecting the combined impact of time-limited funding ending in 2025/26 and funding carried forward from 2024/25 to 2025/26 only, for the Budget 2024 initiative Mental Health and Addiction Community Sector Innovation Fund which enables community organisations to submit proposals for innovative new approaches to address the mental health and wellbeing needs of New Zealanders
- a decrease of \$7.098 million reflecting reduced funding for the Budget 2024 initiative COVID-19 and Pandemic Preparedness: Maintaining Essential Health Services and Critical Surveillance Infrastructure for operational delivery costs to support timely access to COVID-19 vaccines and therapeutics and the retention of critical public health surveillance infrastructure, supporting system preparedness to identify and respond to future disease outbreaks
- a decrease of \$6.700 million reflecting a one-off transfer in 2025/26 from the Health System Policy, Regulation and Monitoring MCA (previously Stewardship of the New Zealand health system MCA) for the Sanitary Works Subsidy Scheme (SWSS) to fund councils to upgrade sewerage systems, following an agreement to transfer funding responsibility and management of the SWSS from the Public Health Agency within the Ministry of Health to the National Public Health Service within Health New Zealand
- a decrease of \$3.061 million reflecting time-limited funding ending in 2025/26 for Homelessness Action Plan initiatives
- a decrease of \$2.500 million reflecting funding carried forward from 2024/25 to 2025/26 only for the Establishing the National Public Health Service - Digital and Data Infrastructure initiative, to develop the Aotearoa-wide Public Health Operational System replacing the previous 13 systems
- a decrease of \$2.179 million reflecting funding carried forward from 2024/25 to 2025/26 only for the Human Immunodeficiency Virus (HIV) Action Plan, to support the scale-up and roll-out of innovative HIV testing
- a decrease of \$2 million reflecting the net impact of the rephasing of the Health Sector Agreements and Payments programme to accelerate delivery, and
- a decrease of \$2 million reflecting funding carried forward from 2024/25 to 2025/26 only for the Aotearoa Immunisation Register - Prevention Business Technology initiative to support the development of application programming interfaces to enable system integration, aligning funding with revised expenditure forecasts.

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 has issued a Notice pursuant to section 94 of the Act, "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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	37,723	37,723	36,723

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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Health and Disability Commissioner (HDC)			
Number of complaints closed by HDC	2,700-3,000	3,300-3,500	3,000-3,500
Number of complaints closed by Advocacy	2,600-3,100	2,600	2,600
Number of contacts with enquirers by HDC and the Advocacy Service about the Act, the Code, and consumer rights under the Code	20,000	20,000	20,000
Make recommendations to improve quality of services, and monitor compliance with the implementation of recommendations by providers	90% compliance	90%	90% compliance
Percentage of complex non-investigation complaints completed within 9 months	85%	85%	85%
Health Quality and Safety Commission			
A publication on the quality of Aotearoa New Zealand's health care is provided by 30 June (see Note 1)	Achieved	Achieved	Achieved
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 2)	At least 2	3	At least 2

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Mental Health and Wellbeing Commission			
A publication on the performance of mental health and addiction services and system is provided by 30 June	Achieved	Achieved	Achieved

Minor updates have been made to measures in the Monitoring and Protecting Health and Disability Consumer Interests appropriation to better align Budget Standards with projected receipt of complaints.

Note 1 - This measure relates to the publication of the Window on Disability report.

Note 2 - This measure relates to the delivery of Insights Reports to the Minister of Health: Insights Report 4 (September 2025), Insights Report 5 (February 2026), and Insight Report 6 (date to be confirmed). The reports are published on the Health Quality and Safety Commission's website 12 weeks after submission to the Minister.

End of Year Performance Reporting

Performance information for this appropriation will be consolidated and appended to the Ministry of Health's Annual Report within the Report by the Minister of Health on Non-Departmental Appropriations (Vote Health).

Service Providers

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Crown Entities				
Health and Disability Commissioner	15,697	15,697	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
Total	37,723	37,723	36,723	

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Funding for the Health and Disability Commissioner to Continue to Address the Backlog of Complaints	2025/26	1,000	-	-	-	-
Previous Government						
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

National Management of Pharmaceuticals (M36) (A21)

Scope of Appropriation

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

Expenses

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	32,507	32,507	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

	2025/26		2026/27
	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	Improvement from previous year	27.2 months	Improvement from previous year
A reduction in the average time to assess and rank new applications (average number of months) - all proposals	Improvement from previous year	40.7 months	Improvement from previous year
A reduction in average time to publish Pharmacology and Therapeutics Advisory Committee (PTAC) records	Improvement from previous year	60 days	Improvement from previous year
A reduction in average time to publish subcommittee records	Improvement from previous year	90 days	Improvement from previous year
Average time to publish PTAC and Advisory Panel provisional record recommendations	New measure	New measure	Less than 30 days

A new measure has been introduced in the National Management of Pharmaceuticals appropriation to improve transparency and accountability for the timeliness of publishing Pharmacology and Therapeutics Advisory Committee (PTAC) and Advisory Panel provisional record recommendations.

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Increasing Access to Cancer Treatments and Other Medicines	2024/25	3,000	3,000	3,000	3,000	3,000
Previous Government						
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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,760,435	1,760,435	1,806,745

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

Assessment of Performance	2025/26		2026/27
	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 (see Note 1)	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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Pharmac - Maintaining and Increasing Access to Medicines	2026/27	-	13,500	13,500	13,500	13,500
Prescribing Length Increase from 3 months to 12 months	2025/26	10,000	-	-	-	-
Increasing Access to Cancer Treatments and Other Medicines	2024/25	146,000	175,000	175,000	175,000	175,000
Investment to Continue Access to Medicines	2024/25	442,420	455,430	455,430	455,430	455,430
Prescription Co-payment - Reinstating the \$5 Prescription Co-payment with Targeted Exemptions	2023/24	32,015	32,815	33,635	33,635	33,635

Reasons for Change in Appropriation

The increase in this appropriation for 2026/27 is due to:

- an increase of \$29 million reflecting additional funding for the Increasing Access to Cancer Treatments and Other Medicines initiative to support the purchase and provision of an estimated 26 additional cancer treatments and 28 other medicines that add substantially to the health and life outcomes for New Zealanders with a wide range of health conditions
- an increase of \$13.500 million reflecting additional funding for the Budget 2026 initiative Pharmac - Maintaining and Increasing Access to Medicines to support Pharmac's increased access to medicines, including to manage cost pressures arising from the Middle East conflict
- an increase of \$13.010 million reflecting additional funding to address a shortfall arising from the expiry of time-limited funding in 2023/24 for new medicines and COVID-19 vaccines and therapeutics, enabling Pharmac to continue funding medicines at the planned level from 1 July 2024, and
- an increase of \$800,000 reflecting additional funding for Community Services Card holders and people aged 65 and over, who are exempt from the Budget 2024 savings initiative to reintroduce the \$5 prescription co-payment for those aged 14 years and over.

This increase was partially offset by a decrease of \$10 million reflecting 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, enabling patients to continue accessing their medicines without needing to interact as frequently with their prescriber.

Problem Gambling Services (M36) (A21)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Problem Gambling Services (M36) (A21) 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	79,427
	Adjustments to 2024/25	-
	Adjustments for 2025/26	-
	Adjusted Appropriation	79,427
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	25,670
	Estimate for 2026/27	27,073
	Estimated Appropriation Remaining	26,684

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

Assessment of Performance	2025/26		2026/27
	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	4,500	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 NZ's Annual Report.

Service Providers

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Crown Entities				
Health New Zealand	24,170	24,170	Not yet known	Ongoing
Non-Governmental Organisations				
Other NGOs	1,500	1,500	Not yet known	Ongoing
Total	25,670	25,670	27,073	

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28	2025/26	25,670	27,073	26,684	-	-

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,425	3,425	3,661

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 Organization (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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Baseline Reprioritisation for International Health Organisations	2025/26	325	561	561	561	561
New Zealand's Financial Contribution to the World Health Organization	2024/25	870	870	870	870	870

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,557	2,557	1,708

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Baseline Reprioritisation for Legal Expenses	2025/26	2,300	500	500	500	500
Addressing the Wrongs of the Past - Redress for Abuse in Care	2025/26	(300)	-	-	-	-
Redress for Survivors of Abuse in Care: an Improved Redress Pathway and Interim Enhancements to Current Processes	2024/25	300	-	-	-	-

Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is due to:

- a decrease of \$1.800 million reflecting a one-off transfer in 2025/26 from the Stewardship of the New Zealand health system MCA (now the Health System Policy, Regulation and Monitoring MCA) to address cost pressures including additional legal costs arising from the recent High Court decision in the New Zealand College of Midwives v the Attorney-General, and
- a decrease of \$49,000 reflecting funding carried forward from 2024/25 to 2025/26 only to ensure funding continues to be available for Lake Alice and other historic abuse claims settlements.

3.5 - Non-Departmental Capital Expenditure

Capital Contributions for the New Medical School at the University of Waikato (M36) (A21)

Scope of Appropriation

This appropriation is limited to capital contributions for the establishment of the New Medical School at the University of Waikato.

Capital Expenditure

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	17,700	17,700	23,600

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide the Crown's capital contribution to the establishment of the new medical school at the University of Waikato, supporting delivery of the construction programme as set out in the funding agreement between the Crown and the University of Waikato.

How Performance will be Assessed and End of Year Reporting Requirements

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Achievement of construction milestones for the Waikato Medical School project, as set out in the funding agreement between the Crown (administered by the Ministry of Health) and the University of Waikato	Achieved	Achieved	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be appended to the Ministry of Health's Annual Report within the Report by the Minister of Health on Non-Departmental Appropriations (Vote Health).

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
New Medical School - First Approval to Deliver	2025/26	17,061	22,004	18,714	1,221	-

Reasons for Change in Appropriation

This appropriation was newly established in 2025/26 to provide for capital contributions for the establishment of the new medical school at the University of Waikato.

Funding was appropriated for establishment costs to support the construction of the main teaching facility and associated equipment programme for the new medical school at the University of Waikato, with the funding reflecting the agreed payment schedule.

Health Capital Envelope (M36) (A21)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Health Capital Envelope (M36) (A21) 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 2024/25	1,152,697
	Adjustments for 2025/26	306,250
	Adjusted Appropriation	6,323,109
	Actual to 2024/25 Year End	3,262,517
	Estimated Actual for 2025/26	1,082,369
	Estimate for 2026/27	1,978,223
	Estimated Appropriation Remaining	-

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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Proportion of medical appointments completed through digital channels	At least 10%	8.6%	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%	Achieved	40-60%
The extent to which actual benefits meet the expected benefits from those capital investments as set out in the relevant business case	90%	90%	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 supports 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 NZ's Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
National Bowel Screening Programme Age Extension	2026/27	-	12,464	-	-	-
Progressing Priority Health Infrastructure Projects	2025/26	40,154	104,846	-	-	-
National Remediation Programme and Small-Scale Infrastructure Projects Funding	2025/26	80,000	20,000	-	-	-
Facilities Infrastructure Remediation Programme Tranche 3 Funding	2025/26	6,434	66,452	-	-	-
Making the Care System Safe - Improving Mental Health Inpatient Unit Environments Tranche 1 Funding	2025/26	5,000	-	-	-	-
Digital Modernisation and HealthX Innovation and AI Programme - Capital to Operating Swap	2025/26	(25,500)	-	-	-	-
Health Infrastructure Plan Implementation - Capital to Operating Swap	2025/26	(8,400)	-	-	-	-
Delivering Quality and Timely Primary Care - Next Steps and Implementation	2024/25	7,762	9,621	-	-	-
Previous Government						
Capital for Health Sector Infrastructure	2022/23	982,000	-	-	-	-

Conditions on Use of Appropriation

Reference	Conditions
Cabinet Office Circular CO (23) 9: Investment Management and Asset Performance in Departments and Other Entities	The following condition applies to investment requests for new Crown funding: <ul style="list-style-type: none"> investments that request new Crown funding (over and above existing appropriated funding) require approval of Cabinet.
SWC-22-MIN 0063: Health System: New Capital settings EXP-26-MIN-0002: Amendment to Health Capital settings	The following condition applies to investment requests for approval of existing appropriated funding from the Health Capital Envelope Multi Year Appropriation: <ul style="list-style-type: none"> approval by the Minister of Finance and the Minister of Health, with the Minister of Finance able to delegate to the Minister of Health.

New Dunedin Hospital 2026-2030 (M36) (A21)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
New Dunedin Hospital 2026-2030 (M36) (A21) This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects. Commences: 01 July 2026 Expires: 30 June 2030	Original Appropriation	401,579
	Adjustments to 2024/25	-
	Adjustments for 2025/26	-
	Adjusted Appropriation	401,579
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	-
	Estimate for 2026/27	401,579
	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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Hospital redevelopment project meets project milestones	New measure	New measure	90%

End of Year Performance Reporting

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

Conditions on Use of Appropriation

Reference	Conditions
Cabinet Office Circular CO (23) 9: Investment Management and Asset Performance in Departments and Other Entities	The following conditions apply to investment requests for new Crown funding for the construction of New Dunedin Hospital and associated projects: <ul style="list-style-type: none"> investments that request new Crown funding (over and above existing appropriated funding) require approval of Cabinet.
CAB-24-MIN-0095 New Dunedin Hospital Cost Pressure Funding	The following conditions apply to investment requests for approval of existing appropriated funding from the New Dunedin Hospital Appropriation 2026-2030 MYA: <ul style="list-style-type: none"> investments that are between \$25 million and \$100 million whole of life costs must be approved by the Ministers of Finance and Minister of Health, and investments that are more than \$100 million whole of life costs must be approved by Cabinet.

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	596,432	396,432	1,092,680

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 NZ (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

	2025/26		2026/27
	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 be made within agreed timelines (see Note 1)	Achieved	Achieved	Achieved
Remediation payments made to all current Health New Zealand employees by 31 December 2025	Achieved	Not achieved	Measure removed
Remediation payments made to all current Health New Zealand employees by 31 December 2026	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.

End of Year Performance Reporting

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

Reasons for Change in Appropriation

The increase in this appropriation for 2026/27 is due to:

- an increase of \$494.033 million reflecting the net impact of rephasing of funding for the Holidays Act 2003 Remediation programme to align funding with Health NZ's revised remediation settlement forecasts, and
- an increase of \$2.215 million reflecting a one-off transfer to the Health System Policy, Regulation and Monitoring appropriation in 2025/26 for assurance costs associated with funding the remediation and resolution of Holidays Act 2003 historical claims.

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

	2025/26		2026/27
	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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
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

	2025/26		2026/27
	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 NZ'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	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of drawdowns repaid in 10 business days or less (see Note 1)	100%	N/A	100%

Note 1 - This measure reflects the maximum drawdown period of this facility agreement. No drawdowns were made under the Standby Credit facility during the year.

End of Year Performance Reporting

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

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Health New Zealand Standby Credit Facility Extension	2026/27	-	200,000	-	-	-
Previous Government						
Health New Zealand Standby Credit Facility	2022/23	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

Health System Policy, Regulation and Monitoring (M36) (A21)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to enable the Ministry of Health to fulfil its role as lead advisor to the Minister of Health, and to undertake its system monitoring and regulatory responsibilities.

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	228,684	222,277	224,699
Departmental Output Expenses			
Equity, Evidence and Outcomes	34,487	34,565	33,055
Policy Advice and Related Services	30,057	28,189	34,852
Public Health and Population Health Leadership	88,924	85,791	90,624
Regulatory and Enforcement Services	52,716	52,779	47,348
Sector Performance and Monitoring	22,500	20,953	18,820
Funding for Departmental Output Expenses			
Revenue from the Crown	197,967	198,967	194,696
Equity, Evidence and Outcomes	33,310	33,473	31,878
Policy Advice and Related Services	29,029	29,173	33,824
Public Health and Population Health Leadership	82,264	82,648	84,678
Regulatory and Enforcement Services	31,586	31,809	26,218
Sector Performance and Monitoring	21,778	21,864	18,098
Revenue from Others	30,717	30,717	30,003
Equity, Evidence and Outcomes	1,177	1,177	1,177
Policy Advice and Related Services	1,028	1,028	1,028
Public Health and Population Health Leadership	6,660	6,660	5,946
Regulatory and Enforcement Services	21,130	21,130	21,130
Sector Performance and Monitoring	722	722	722

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable the Ministry of Health to fulfil its role as lead advisor to the Minister of Health, and to undertake its system monitoring and regulatory responsibilities.

How Performance will be Assessed for this Appropriation

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Equity, Evidence and Outcomes			
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 of Health'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 of Health'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	3.56	Greater than 3.2 out of 5
Child and Youth Mental Health Survey project meets project milestones, including completing survey design and pilot testing by 30 June 2026 (see Note 1)	Achieved	Not achieved	Measure removed
Child and Youth Mental Health Survey project meets key milestones in 2026/27, including commencement of data collection and delivery of quarterly datasets during the 12-month data collection period	Replacement measure	Replacement measure	Achieved
Percentage of Research and Evaluation Fund projects used to inform Ministry of Health decision-making within 12 months of project completion (see Note 2)	New measure	New measure	85%
Percentage of Treaty settlement commitments for which the Ministry of Health is responsible that are completed or on track, as recorded in Te Haeata	95%	100%	95%
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.			
Percentage of Ministerial letter responses provided to the Minister within agreed timeframes (see Note 3)	95%	98%	95%
Percentage of Written Parliamentary Question responses provided to the Minister within agreed timeframes (see Note 3)	95%	100%	95%
Percentage of Ministerial Official Information Act request responses provided to the Minister within agreed timeframes (see Note 3)	95%	100%	95%
Percentage of Ministerial Letter responses provided to the Minister that required no substantive amendments (see Note 3)	95%	100%	95%
Percentage of Written Parliamentary Question responses provided to the Minister that required no substantive amendments (see Note 3)	95%	100%	95%

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of Ministerial Official Information Act request responses provided to the Minister that required no substantive amendments (see Note 3)	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 of Health's written policy advice as assessed using the agreed Department of the Prime Minister and Cabinet Framework	Greater than 3.2 out of 5	3.53	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
Percentage of Waitangi Tribunal kaupapa inquiry activities in relation to the Health Services and Outcomes Inquiry (Wai 2575) that are completed within required timeframes (see Note 4)	New measure	New measure	100%
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.			
Ministerial satisfaction with how the Ministry of Health 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
Number of surveillance reports delivered to the Border Executive Board summarising public health threats	At least 45 reports per year	48	At least 45 reports per year
Number of weeks in which genome levels from at least 6 wastewater sites are sampled, analysed and reported (see Note 5)	50	52	50
Number of months in which at least 100 genomic sequences are performed and reported, with associated insights, for pathogens of public health interest (see Note 5)	12	12	12
Percentage of vape store application assessments commenced within 5 days of receiving the application	95%	95%	95%
Percentage of complaints relating to tobacco and vaping regulation triaged and initial action commenced within 5 days of receipt	95%	95%	95%
Non-compliant nicotine products (via surveillance testing) followed up with product notifiers within 4 weeks of receipt of result from the laboratory	95%	95%	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	Achieved	Not achieved	Achieved

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The pandemic preparedness work programme is delivered in alignment with the National Risk and Resilience Framework, including by 31 December 2025 (see Note 6)	Achieved	Not achieved	Measure removed
Delivery of a draft strategic framework to the Minister of Health	-	-	-
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	-	-	-
The Public Health Agency delivers quarterly immunisation monitoring reports to the Immunisation Oversight Board, which provides strategic oversight for the immunisation system	100%	Achieved	100%
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.			
The percentage of high priority incident notifications relating to medicines and medical devices that undergo an initial evaluation within 5 working days	90%	100%	90%
The percentage of all certificates issued to providers under the Health and Disability Services (Safety) Act 2001 within target timeframes	90%	95%	90%
Percentage of licences and authorities issued under the Medicines Act 1981 and Misuse of Drugs Act 1975 within target timeframes	90%	70%	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%	95%	90%
Mean rating for statutory committee satisfaction with secretariat services provided by the Ministry of Health	4 out of 5 or greater	4 out of 5	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 1 month after completion (see Note 7)	90%	92%	90%
Mental Health Tribunal reviews start within 28 days of receiving the applications (see Note 8)	80%	100%	80%
Annual Ministry of Health Regulatory Maturity Assessment score reflects improved maturity (see Note 9)	Improved from previous year	106	Improved from previous year
High risk and intermediate risk full New Medicines Applications (for Ministerial consent to market) that receive an initial assessment within 150 working days	80%	100%	80%
High and Intermediate risk abbreviated New Medicines Applications (for Ministerial consent to market) that receive an initial assessment within 75 working days	80%	100%	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 10)	80%	100%	80%
Mean rating for statutory committee satisfaction with secretariat services provided by the Ministry of Health for the assisted dying regime (see Note 11)	4 out of 5	4 out of 5	4 out of 5

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Registrar (Assisted Dying) annual report submitted to the Minister of Health by 30 June each year	Achieved	Achieved	Achieved
Abortion Services annual report published by the Ministry of Health by December each year	Achieved	Achieved	Achieved
Sector Performance and Monitoring			
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 on Crown entity performance provided to the responsible Minister within agreed timeframes	100%	90%	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 12)	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
Percentage of Crown entity monitoring plans completed for the following financial year by 30 June	100%	Achieved	100%
Provide a report at least annually to the Minister of Health on progress against the Government Statement on Health	Achieved	Achieved	Achieved
Provide reports as agreed to the Minister of Health that summarise Health New Zealand's financial and non-financial performance	100%	Achieved	100%
Provide regular reporting on progress against the Health Delivery Plan and other key Ministerial priorities as agreed with the Minister of Health (see Note 13)	100%	Achieved	Measure removed
Advice on the implementation of the Health Infrastructure Plan and the Health Digital Investment Plan is provided to the Minister of Health quarterly and within agreed timeframes	New measure	New measure	100%
Advice on the implementation of the Health Workforce Plan and employment relations assurance is provided to the Minister of Health quarterly and within agreed timeframes	New measure	New measure	100%
Support the Hauora Māori Advisory Committee to create 8 population priority monitoring reports across the year, through data analysis to inform its monitoring of system performance for Māori	New measure	New measure	8

Across the Health System Policy, Regulation and Monitoring Multi Category Appropriation, performance measures have been updated to improve clarity and transparency in the Ministry of Health's policy, regulatory, and monitoring functions.

Note 1 - This measure has been replaced to reflect the next phase and new milestones of the Child and Youth Mental Health Survey work programme. In 2026/27, the project moves from planning and design into full data collection and analytical activities. The survey aims to provide robust, nationally representative information on the prevalence of mental health conditions and substance use harms in children and young people to inform policy, planning, and service improvement.

Note 2 - This measure reflects work completed in 2025 to define the Research and Evaluation Fund's outcomes and impact indicators. As projects need to be completed before their use in Ministry of Health decision making can be assessed, reporting will begin in 2026/27.

Note 3 - Limited to responses developed by the Ministry of Health only.

Note 4 - This is a new performance measure introduced to monitor the timely completion of activities arising from the Wai 2575 Health Services and Outcomes Inquiry.

Note 5 - The Ministry contracts the New Zealand Institute for Public Health and Forensic Science to undertake the required services that support these measures.

Note 6 - This measure has been removed because the time-bound milestones are no longer achievable following the Minister of Health's direction to pause work until after the Royal Commission of Inquiry into COVID-19 delivers its final report. The Ministry of Health's future role and priorities in this area will be reconsidered once the Government has responded to the Commission's findings, with a potential replacement measure to be added in the 2026/27 Supplementary Estimates if appropriate.

Note 7 - District inspectors reports are required under section 98A of the Mental Health (Compulsory Assessment and Treatment) Act 1992.

Note 8 - Appeals against Review Tribunal decisions in certain cases are provided by section 83 of the Mental Health (Compulsory Assessment and Treatment) Act 1992.

Note 9 - This measure is assessed annually for each regulatory regime within the Ministry of Health. The methodology assesses 13 regulatory regimes against four good regulatory practice criteria, assigning a maturity level from 1 to 4 for each regime. The scores for all regimes are aggregated for the purposes of this measure. The target is for the aggregate regulatory maturity across all Ministry of Health regimes to improve year on year. The baseline score for 2024/25 was 96. The maximum possible score on the matrix is 256.

Note 10 - L1, L2, and L3 refer to Lower risk over the counter medicines. This classification system aligns to Cabinet endorsed performance metrics.

Note 11 - Applies to the End of Life Review Committee and the Support and Consultation for End of Life in New Zealand (SCENZ) Group.

Note 12 - Unexpected resignation or departure prior to the expiration of the term is not included.

Note 13 - This measure has been removed as it is now redundant, with performance covered by the measure relating to the completion of Crown entity monitoring plans.

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Baseline Reprioritisation for Legal Expenses						
Equity, Evidence and Outcomes	2025/26	(376)	(82)	(82)	(82)	(82)
Policy Advice and Related Services	2025/26	(331)	(72)	(72)	(72)	(72)
Public health and population health leadership	2025/26	(883)	(192)	(192)	(192)	(192)
Regulatory and Enforcement Services	2025/26	(512)	(111)	(111)	(111)	(111)
Sector Performance and Monitoring	2025/26	(198)	(43)	(43)	(43)	(43)
Baseline Reprioritisation for International Health Organisations						
Public health and population health leadership	2025/26	(325)	(561)	(561)	(561)	(561)
Medical Products Reform: Modernising Regulation to Make Medicines and Medical Devices Safer and More Accessible						
Policy Advice and Related Services	2025/26	5,864	5,577	6,068	2,551	-
Making the Care System Safe - Bolstering Safeguards and Oversight of Compulsory Mental Health and Addiction Care						
Regulatory and Enforcement Services	2025/26	1,584	1,808	2,984	2,984	2,984
Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28						
Sector Performance and Monitoring	2025/26	390	641	291	-	-
Baseline Reprioritisation from the Ministry of Health						
Equity, Evidence and Outcomes	2024/25	(7,104)	(6,104)	(6,104)	(6,104)	(104)
Policy Advice and Related Services	2024/25	(6,060)	(5,773)	(6,264)	(2,747)	(196)
Public health and population health leadership	2024/25	(266)	(266)	(266)	(266)	(266)
Regulatory and Enforcement Services	2024/25	(197)	(197)	(197)	(197)	(197)
Sector Performance and Monitoring	2024/25	(107)	(107)	(107)	(107)	(107)
Reduction in Back-office Functions - Ministry of Health						
Equity, Evidence and Outcomes	2024/25	(1,970)	(1,934)	(2,015)	(2,015)	(2,015)
Policy Advice and Related Services	2024/25	(2,194)	(2,197)	(2,265)	(2,265)	(2,265)
Public health and population health leadership	2024/25	(4,431)	(4,492)	(4,333)	(4,333)	(4,333)
Regulatory and Enforcement Services	2024/25	(3,097)	(3,069)	(3,049)	(3,049)	(3,049)
Sector Performance and Monitoring	2024/25	(908)	(908)	(938)	(938)	(938)
COVID-19 and Pandemic Preparedness: Maintaining Essential Health Services and Critical Surveillance Infrastructure						
Public health and population health leadership	2024/25	9,560	9,560	9,560	9,560	9,560

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Disestablishment of Māori Health Authority - Funding Transfer to the Ministry of Health						
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
Previous Government						
Shared Approach to Back-office Transformation						
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)
Call on Budget 2022 Contingency to Strengthen the Ministry's Stewardship Role						
Equity, Evidence and Outcomes	2023/24	1,655	1,655	1,655	1,655	1,655
Policy Advice and Related Services	2023/24	3,528	3,528	3,528	3,528	3,528
Public health and population health leadership	2023/24	5,563	5,563	5,563	5,563	5,563
Regulatory and Enforcement Services	2023/24	1,479	1,479	1,479	1,479	1,479
Sector Performance and Monitoring	2023/24	5,553	5,553	5,553	5,553	5,553
Increasing Medical School Enrolments for the 2024 Intake						
Sector Performance and Monitoring	2023/24	(3,269)	(5,153)	(14,905)	(21,181)	(21,181)
Rapid Saving - Return of DHB Sustainability Funding						
Sector Performance and Monitoring	2023/24	(17,912)	(16,028)	(6,276)	-	-
End of Life Choice Act - Additional Drawdown of Tagged Contingency Related to Assisted Dying Services						
Regulatory and Enforcement Services	2024/25	2,555	2,555	2,555	2,555	2,555
Supporting the Establishment of the National Public Health Service and Public Health Agency - Drawdown of Tagged Contingency						
Public health and population health leadership	2022/23	6,000	6,000	6,000	6,000	6,000
Smokefree Aotearoa 2025 Action Plan - Remaining Implementation Funding - Drawdown of Tagged contingency						
Public health and population health leadership	2022/23	4,765	4,765	4,765	4,765	4,765

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Ministry ICT and Data & Digital Contracts and Funding Transfer						
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)
Smokefree Aotearoa 2025 Action Plan - Initial Implementation Support Funding						
Public health and population health leadership	2022/23	500	500	500	500	500

Memorandum Account

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

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Medicinal Cannabis			
Opening Balance at 1 July	(1,977)	(1,977)	(2,584)
Revenue	1,061	713	1,061
Expenses	1,061	1,320	1,061
Closing Balance at 30 June	(1,977)	(2,584)	(2,584)

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
MedSafe			
Opening Balance at 1 July	(2,135)	(2,135)	(1,616)
Revenue	12,891	12,844	12,891
Expenses	12,891	12,325	12,891
Closing Balance at 30 June	(2,135)	(1,616)	(1,616)

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Office of Radiation Safety			
Opening Balance at 1 July	(4,754)	(4,754)	(5,173)
Revenue	2,500	2,439	2,500
Expenses	2,500	2,858	2,500
Closing Balance at 30 June	(4,754)	(5,173)	(5,173)

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Providing the functions as the Vaping Regulator			
Opening Balance at 1 July	(776)	(776)	(1,794)
Revenue	1,250	759	1,250
Expenses	1,250	1,777	1,250
Closing Balance at 30 June	(776)	(1,794)	(1,794)

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 Output Expenses

Support Services

This category is limited to providing third party support services to people who report experiencing 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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	12,803	12,803	2,444
Departmental Output Expenses			
Delivering redress for abuse in care	657	657	465
Non-Departmental Output Expenses			
Support Services	-	-	204
Non-Departmental Other Expenses			
Redress Payments	12,146	12,146	1,775

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	657	657	465
Delivering redress for abuse in care	657	657	465

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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Delivering redress for abuse in care			
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 to 30 June 2026 who receive a settlement offer within 3 months following submission of a claim for a decision (see Note 1)	95%	90%	95%
Non-Departmental Output Expenses			
Support Services			
This category is intended to provide third party support services to people who report experiencing abuse in care (see Note 2).	Exempt	Exempt	Exempt
Non-Departmental Other Expenses			
Redress Payments			
This category is intended to provide consistent and timely payments to people who have experienced abuse in care (see Note 3).	Exempt	Exempt	Exempt

Note 1 - The submission of a claim for a decision is the point where claimants are referred for a decision.

Note 2 - An exemption was granted for the Support Services category within the multi-category appropriation, pursuant to section 15D(2)(b)(iii) of the Public Finance Act 1989, as it relates to non-departmental expenses and the projected amount of expenses for the category is less than \$5 million.

Note 3 - 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Addressing the Wrongs of the Past - Redress for Abuse in Care						
Support Services	2026/27	-	204	204	204	204
Non-Departmental Output Expenses						
Delivering redress for abuse in care	2024/25	210	465	452	460	460
Departmental Output Expenses						
Redress Payments	2024/25	1,400	1,775	1,775	1,775	1,775
Non-Departmental Other Expenses						

Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is due to:

- a decrease of \$10.393 million reflecting funding carried forward from 2024/25 to 2025/26 only to provide for the remaining top-up redress payments to be made in 2025/26 as claimants come forward, and
- a decrease of \$800,000 reflecting a one-off transfer from the Legal Expenses appropriation in 2024/25 to 2025/26, to ensure funding continues to be available in 2025/26 to cover both new Lake Alice claims and legal fee repayments for remaining eligible claimants.

This decrease was partially offset by an increase of \$834,000 reflecting additional funding for the Budget 2025 initiative Addressing the Wrongs of the Past - Redress for Abuse in Care to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.