

# *Vote Health*

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

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Health (A21)

RESPONSIBLE MINISTER FOR MINISTRY OF HEALTH: Minister of Health

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Capital Expenditure</b>			
<b>Ministry of Health - Capital Expenditure PLA (M36) (A21)</b> 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.	1,600	400	2,000
<b>Total Departmental Capital Expenditure</b>	1,600	400	2,000
<b>Non-Departmental Output Expenses</b>			
<b>Aged Care Commissioner (M61) (A21)</b> This appropriation is limited to the functions of the Aged Care Commissioner	2,023	81	2,104
<b>Delivering hauora Māori services (M36) (A21)</b> This appropriation is limited to developing, implementing and delivering hauora Māori services, supporting the development of hauora Māori providers, developing partnerships with iwi, commissioning kaupapa Māori services and other services developed for Māori, and other related services.	615,540	88,566	704,106
<b>Delivering Hospital and Specialist Services (M36) (A21)</b> This appropriation is limited to hospital and specialist health services (including mental health services).	12,720,434	1,669,078	14,389,512
<b>Delivering Primary, Community, Public and Population Health Services (M36) (A21)</b> This appropriation is limited to primary, community (including mental health), public and population health services at international, national, regional, and local levels.	8,158,369	509,779	8,668,148
<b>Monitoring and Protecting Health and Disability Consumer Interests (M36) (A21)</b> This appropriation is limited to the provision, purchase, and support of services that monitor and protect health and disability consumer interests.	39,551	1,572	41,123
<b>National Management of Pharmaceuticals (M36) (A21)</b> This appropriation is limited to services relating to the national management of pharmaceuticals.	28,372	1,535	29,907
<b>National Pharmaceuticals Purchasing (M36) (A21)</b> This appropriation is limited to purchasing pharmaceuticals on the national pharmaceutical schedule and subsidising the supply of pharmaceuticals not on the national pharmaceutical schedule.	1,311,000	495,211	1,806,211
<b>Problem Gambling Services (M36) (A21)</b> This appropriation is limited to the provision, purchase, and support of services that minimise the harm from gambling, in accordance with the Gambling Act 2003.	26,027	3,530	29,557
<b>Total Non-Departmental Output Expenses</b>	22,901,316	2,769,352	25,670,668
<b>Non-Departmental Other Expenses</b>			
<b>International Health Organisations (M36) (A21)</b> This appropriation is limited to the Crown funding New Zealand's World Health Organization (WHO) membership and contributing to specific WHO projects.	2,230	500	2,730
<b>Legal Expenses (M36) (A21)</b> This appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown.	1,208	600	1,808

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Loss on sale of Crown-owned assets (M36) (A21)</b> This appropriation is limited to the loss on sale incurred when disposing of Crown-owned assets.	-	<b>750</b>	750
<b>Total Non-Departmental Other Expenses</b>	3,438	1,850	5,288
<b>Non-Departmental Capital Expenditure</b>			
<b>Capital investment in Health New Zealand (M36) (A21)</b> This appropriation is limited to capital investment to establish Health New Zealand.	10,800	<b>116</b>	10,916
<b>Remediation and resolution of Holidays Act 2003 historical claims (M36) (A21)</b> This appropriation is limited to fund Te Whatu Ora (including their subsidiaries and associates) and the New Zealand Blood and Organ Service for resolution of claims from historical non-compliance with the Holidays Act 2003.	1,642,330	<b>(1,070,016)</b>	572,314
<b>Residential Care Loans - Payments (M36) (A21)</b> This appropriation is limited to the provision of interest-free loans to people entering into aged residential care facilities.	20,000	<b>12,000</b>	32,000
<b>Standby Credit to Support Health System Liquidity (M36) (A21)</b> This appropriation is limited to the provision of a revolving standby credit facility to support Te Whatu Ora-Health New Zealand with working capital fluctuations, assist with treasury liquidity management, and maintain health system liquidity.	200,000	-	200,000
<b>Total Non-Departmental Capital Expenditure</b>	1,873,130	(1,057,900)	815,230
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Implementing the COVID-19 Vaccine Strategy MCA (M36) (A21)</b> The single overarching purpose of this appropriation is to implement the COVID-19 vaccine strategy so as to minimise the health impacts of COVID-19.	295,118	<b>(189,831)</b>	105,287
<b>Non-Departmental Output Expenses</b>			
<i>Implementing the COVID-19 Immunisation Programme</i> This category is limited to delivering approved vaccines through an immunisation programme as part of minimising the health impacts of COVID-19.	129,918	(24,631)	105,287
<i>Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics</i> This category is limited to obtaining potential and proven vaccines and therapeutics as part of minimising the health impacts of COVID-19.	165,200	(165,200)	-
<b>National Response to COVID-19 Across the Health Sector MCA (M36) (A21)</b> The single overarching purpose of this appropriation is to implement a national response to COVID-19 across the health sector.	-	<b>210,961</b>	210,961
<b>Departmental Output Expenses</b>			
<i>National Health Response to COVID-19</i> This category is limited to managing and coordinating the overall national health response to COVID-19.	-	10	10
<b>Non-Departmental Output Expenses</b>			
<i>COVID-19 Public Health Response</i> This category is limited to the on-going public health system response to COVID-19.	-	210,951	210,951
<b>Stewardship of the New Zealand health system MCA (M36) (A21)</b> The single overarching purpose of this appropriation is to enable the Ministry of Health to discharge its role as the chief steward of New Zealand's health system and principal advisor to the Minister of Health.	237,759	<b>48,287</b>	286,046

Titles and Scopes of Appropriations by Appropriation Type	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<i>Equity, Evidence and Outcomes</i> This category is limited to health science research, leadership, analysis and publishing quality evidence, data and insights.	15,563	6,831	22,394
<i>Policy Advice and Related Services</i> 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.	31,630	12,539	44,169
<i>Public health and population health leadership</i> This category is limited to providing leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring related to public and population health.	107,224	32,640	139,864
<i>Regulatory and Enforcement Services</i> 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.	55,088	6,485	61,573
<i>Sector Performance and Monitoring</i> This category is limited to advising and providing assurance on health sector planning and system performance, including the Government Policy Statement and the New Zealand Health Plan; and monitoring and supporting the governance of health sector Crown entities.	28,254	(10,208)	18,046
<b>Total Multi-Category Expenses and Capital Expenditure</b>	532,877	69,417	602,294
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	25,312,361	1,783,119	27,095,480

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Capital Expenditure</b>		
<b>Health Capital Envelope (M36) (A21)</b> This appropriation is limited to the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments.  Commences: 01 July 2022  Expires: 30 June 2027	Original Appropriation Adjustments to 2022/23 Adjustments for 2023/24 Adjusted Appropriation  Actual to 2022/23 Year End Estimated Actual for 2023/24 Estimate for 2024/25 Estimated Appropriation Remaining	4,864,162 589,071 539,505 5,992,738  1,591,596 950,000 1,090,429 2,360,713
<b>New Dunedin Hospital 2021-2026 (M36) (A21)</b> This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects.  Commences: 01 November 2021  Expires: 30 June 2026	Original Appropriation Adjustments to 2022/23 Adjustments for 2023/24 Adjusted Appropriation  Actual to 2022/23 Year End Estimated Actual for 2023/24 Estimate for 2024/25 Estimated Appropriation Remaining	1,327,578 120,000 - 1,447,578  95,027 156,871 292,280 903,400

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

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	25,312,361	1,783,119	27,095,480
Total Forecast MYA Non-Departmental Capital Expenditure	1,197,543	(90,672)	1,106,871
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>26,509,904</b>	<b>1,692,447</b>	<b>28,202,351</b>

## Capital Injection Authorisations

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Health - Capital Injection (M36) (A21)	-	-	-

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2023/24				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	22,901,316	-	2,769,352	2,769,352	25,670,668
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	3,438	-	1,850	1,850	5,288
Capital Expenditure	3,072,273	400	(1,148,572)	(1,148,172)	1,924,101
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	532,877	48,297	21,120	69,417	602,294
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	26,509,904	48,697	1,643,750	1,692,447	28,202,351
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	1,344,276	N/A	79,806	79,806	1,424,082
Capital Receipts	32,499	N/A	12,000	12,000	44,499
<b>Total Crown Revenue and Capital Receipts</b>	1,376,775	N/A	91,806	91,806	1,468,581

## Part 2 - Details of Departmental Appropriations

### 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*

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	1,500	500	2,000
Intangibles	100	(100)	-
Other	-	-	-
<b>Total Appropriation</b>	<b>1,600</b>	<b>400</b>	<b>2,000</b>

##### *Reasons for Change in Appropriation*

This appropriation increased by \$400,000 to \$2 million for 2023/24 due to the revised capital expenditure plans for the Ministry.

##### *Capital Injections and Movements in Departmental Net Assets*

#### Ministry of Health

Details of Net Asset Schedule	2023/24 Main Estimates Projections \$000	2023/24 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2023/24
Opening Balance	5,606	4,632	Supplementary Estimates opening balance reflects the audited results as at 30 June 2023.
Capital Injections	-	-	
Capital Withdrawals	-	(516)	The capital withdrawal increased by \$516,000 due to (1) a capital to operating swap of \$400,000 for the National Radiation Store - Replacement and Relocation to cover additional operating costs including transportation and encapsulation, and (2) \$116,000 departmental assets transferred from the Ministry of Health   Manatū Hauora to Health New Zealand   Te Whatu Ora.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>5,606</b>	<b>4,116</b>	

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

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

##### *Scope of Appropriation*

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

##### *Reasons for Change in Appropriation*

This appropriation increased by \$81,000 to \$2.104 million for 2023/24 due to additional funding through Budget 2022 contingency drawdown to address price and demographic pressures for the Aged Care Commissioner.

#### **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.

##### *Reasons for Change in Appropriation*

This appropriation increased by \$88.566 million to \$704.106 million for 2023/24 due to:

- \$34.704 million of additional funding through Budget 2022 contingency drawdown to address price and demographic cost pressures
- \$25 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to enable the Winter Wellness Immunisation programme to be delivered through the Whanau Ora Commissioning Agency and hauora Māori partners
- \$17.250 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to enable the commissioning of Te Ao Māori models of maternity and early years care
- \$12.879 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to fund the Māori Kaiāwhina roles as part of the comprehensive primary care teams
- \$9.914 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to cover the costs of the contracts with Māori health providers as part of the funding for improving pay relativities for funded sector health workers
- \$4.186 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to implement the pay equity extension for 28 providers who undertake social work or work that is substantially similar

- \$3.190 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to fund the Māori Providers for the Well Child Tamariki Ora Enhanced Support Pilots in Lakes, Counties Manukau and Tairāwhiti
- \$2.758 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to cover the costs of engaging with the Iwi Māori Partnership Boards for the service integration of locality provider networks
- \$2.289 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to cover the costs of contracts with hauora Māori providers for the Integrated Primary Mental Health and Addictions programme
- \$2 million for a fiscally neutral transfer to reflect the expected increase in costs relating to the alcohol-related programmes with corresponding revenue from New Zealand Customs Service
- \$2 million for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to cover the workforce development cost for the Māori Kaiāwhina roles
- \$1.650 million for a fiscally neutral transfer from the Delivering Hospital and Specialist Services appropriation for Kaupapa Māori specialist mental health services through contracts with Māori health providers
- \$800,000 for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation for the workforce development and enablers to support the Kaupapa Māori specialist mental health services
- \$787,000 for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to ensure the policy advice and operational planning of New Zealand's future quarantine and isolation capability improves equity and outcomes for Māori
- \$760,000 for a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to fund Māori Primary Health Organisations to participate in locality provider network design
- \$400,000 of additional funding for the hauora Māori connection and coordination team in Auckland to support safe transitions from health services to housing and community support, and
- \$215,000 of additional funding to implement the pay equity extension for identified employees in community and iwi organisations who undertake social work or work that is substantially similar.

This increase was partly offset by:

- \$31.500 million for the return of funding in Budget 2024 due to the disestablishment of the Te Aka Whai Ora | Māori Health Authority, and
- \$716,000 for a fiscally neutral transfer to the Stewardship of the New Zealand health system MCA to reflect some of Te Aka Whai Ora | Māori Health Authority's functions being transitioned to the Ministry of Health | Manatū Hauora from April 2024 as part of the disestablishment of the Te Aka Whai Ora | Māori Health Authority.

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

### Scope of Appropriation

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

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

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of patients with accepted referrals for CT scans who receive their scan, and the scan results are reported, within 6 weeks (42 days)	95%	Discontinued Measure	-
Percentage of patients with accepted referrals for MRI scans who receive their scan, and the scan results are reported, within 6 weeks (42 days)	90%	Discontinued Measure	-
Percentage of patients (both acute and elective) who receive their cardiac surgery within the urgency timeframe based on their clinical urgency	100%	Discontinued Measure	-
Decrease the percentage of cardiac patients (both acute and elective) who are waiting for treatment beyond 120 days	New Measure	25%	25%
Decrease in rate of acute readmissions within 28 days of discharge, reported by ethnicity and geographic area, compared with 2022/23	Achieved	Discontinued Measure	-
Decrease in rate of acute readmissions within 28 days of discharge	Replacement Measure	12%	12%
Percentage of National Bowel Screening programme participants diagnosed with cancer who are referred for pre-operative presentation at a multidisciplinary meeting within 20 working days of diagnosis	95%	Discontinued Measure	-
Increase the percentage of National Bowel Screening programme participants diagnosed with cancer who are referred for pre-operative presentation at a multidisciplinary meeting within 20 working days of diagnosis	Replacement Measure	95%	95%
Increase in the percentage of rangatahi seen within the three weeks from referral, in the 12 months to 30 June 2022	Achieved	Discontinued Measure	-
Percentage of rangatahi seen within the three weeks from a mental health referral	Replacement Measure	80%	80%
Decrease in the percentage of missed first specialist assessment appointments for Māori, compared with the 12 months to 30 June 2022, plus the equity gap between Māori and Pacific people and non-Māori, non-Pacific peoples also reduces	Achieved	Discontinued Measure	-
Decrease in the percentage of missed first specialist assessment appointments for Māori, Pacific, Non-Māori/Non-Pacific people	Replacement Measure	Achieved	Achieved
The proportion of hospital and specialist services within Te Whatu Ora - Health New Zealand that have been assessed against the Consumer Engagement Quality and Safety Marker; and of those, the proportion that have been assessed at Level 3 or 4	Achieved	Discontinued Measure	-
The proportion of hospital and specialist services within Health New Zealand   Te Whatu Ora that have been assessed against the Consumer Engagement Quality and Safety Marker; and of those, the proportion that have been assessed at Level 3 or 4	Replacement Measure	Achieved	Achieved

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Decrease in the rate of diabetes complications, from the 12 months to 30 June 2021 for Māori and Pacific people and non-Māori, non-Pacific peoples	Achieved	Discontinued Measure	-
Decrease in the rate of diabetes complications for Māori, Pacific, Asian, and other people (see Note 1)	Replacement Measure	Achieved	Achieved

Note 1 - Baseline is yet to be established.

The measure adjustments in this appropriation have been made to accurately reflect what is being measured. These reflect the Service performance reporting standard (PBE FRS 48) principles for faithful representation and understandability.

Two measures regarding accepted referral for CT scans and MRI scans appeared twice inadvertently in the 2023/24 estimates. These measures were discontinued but reappeared at the end of the appropriation. This discontinuation confirms their removal for good.

### *Reasons for Change in Appropriation*

This appropriation increased by \$1,669.078 million to \$14,389.512 million for 2023/24 due to:

- \$764.719 million of additional funding through Budget 2022 contingency drawdown to address price and demographic cost pressures
- \$685.842 million of additional funding for the settlement of the nurses pay equity claim
- \$110 million carried forward from 2022/23 to help clear the backlog of Planned Care that arose through the height of the COVID-19 pandemic
- \$54.550 million for a technical adjustment to fund changes in Health New Zealand | Te Whatu Ora's capital charge payments following the revaluation of the assets
- \$19.828 million of additional funding to support the investment in data and digital priority areas that enable improvements in health system performance
- \$17 million carried forward from 2022/23 to support the Regional Hospital Redevelopment programme, reflecting the rephasing of the programme
- \$15 million carried forward from 2022/23 to support the project delivery acceleration work for the Mental Health Infrastructure Programme, reflecting the rephasing of the programme
- \$12.215 million of additional funding to fund an interim pay adjustment as part of the Health New Zealand | Te Whatu Ora midwives' pay equity claim settlement
- \$5.150 million carried forward from 2022/23 to fund the cost of the demolition of the old Christchurch Energy Centre building in 2023/24
- \$4 million of additional funding for Health New Zealand | Te Whatu Ora to support the remediation and stabilisation of immediate payroll system risks, and
- \$130,000 for a fiscally neutral transfer from Vote Courts to cover the cost of the second Pou Oranga role that is overseen by Health New Zealand | Te Whatu Ora.

This increase was partly offset by:

- \$8 million for a transfer to 2024/25 and 2025/26 for the Regional Hospital Redevelopment Programme, reflecting the rephasing of the programme
- \$4 million for a transfer to 2024/25 and 2025/26 for the project delivery acceleration work for the Mental Health Infrastructure Programme, reflecting the rephasing of the programme
- \$3.900 million for a transfer to 2024/25 in Budget 2024 for a national Mental Health and Addiction Community Sector Innovation Fund which will enable community organisations to submit proposals for innovative new approaches to addressing the mental health and wellbeing needs of New Zealanders
- \$1.806 million for a fiscally neutral transfer to the Whaikaha | Ministry of Disabled people for the costs of two contracts relating to intellectual disability services, and
- \$1.650 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation for the Kaupapa Māori specialist mental health services.

## 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.

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

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of children enrolled with a general practice by 3 months of age	85%	Discontinued Measure	-
Mental health expenditure ringfence expectations are met	New Measure	Achieved	Achieved
Percentage of eligible eight-month-olds enrolled on NIR fully immunised - age-appropriate immunisations	95% Māori, Pacific and Total population	Discontinued Measure	-
Increase the percentage of eligible eight-month-olds enrolled on the Aotearoa Immunisation Register that are fully immunised with age-appropriate immunisations	Replacement Measure	95% Māori, Pacific and Total population	95% Māori, Pacific and Total population
Percentage of eligible two-year-olds enrolled on NIR fully immunised - age appropriate immunisations	95% Māori, Pacific and Total population	Discontinued Measure	-
95% of children fully immunised at 24-months of age (see Note 1)	Replacement Measure	95% Māori, Pacific and Total population	95% Māori, Pacific and Total population
Percentage of eligible five-year-olds enrolled on NIR fully immunised - age appropriate immunisations	95% Māori, Pacific and Total population	Discontinued Measure	-
Increase the percentage of eligible five-year-olds enrolled on the Aotearoa Immunisation Register that are fully immunised with age appropriate immunisations	Replacement Measure	95% Māori, Pacific and Total population	95% Māori, Pacific and Total population
Percentage of girls and boys born in the relevant birth cohort who have completed their HPV immunisation course as per Schedule and recorded on the NIR fully immunised	75% Māori, Pacific and Total population	Discontinued Measure	-

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Increase the percentage of girls and boys between 9 and 26 who have completed their HPV immunisation course as per Schedule and recorded on the Aotearoa Immunisation Register fully immunised	Replacement Measure	75% Māori, Pacific and Total population	75% Māori, Pacific and Total population
Percentage of eligible people aged 65 years and over enrolled on the NIR who have completed at least one influenza vaccination for the given vaccination year	75% Māori, Pacific and Total population	Discontinued Measure	-
Increase the percentage of eligible people aged 65 years and over enrolled on the Aotearoa Immunisation Register who have completed at least one influenza vaccination for the given vaccination year	Replacement Measure	75% Māori, Pacific and Total population	75% Māori, Pacific and Total population
Increase in percentage of Māori and Pacific people and non-Māori, non-Pacific peoples who say they receive care from a GP or nurse when they need it, compared with results from June 2021	Achieved	Discontinued Measure	-
Increase in percentage of Māori, Pacific, Asian and other people who say they receive care from a GP or nurse when they need it	Replacement Measure	Achieved	Achieved
Increase in percentage of Māori and Pacific people and non-Māori, non-Pacific peoples who say they feel involved in their own care and treatment with their GP or nurse	Achieved	Discontinued Measure	-
Increase in percentage of Māori, Pacific, Asian, and other people who say they feel involved in their own care and treatment with their GP or nurse	Replacement Measure	At least 86%	At least 86%
Improvement in feedback from the Iwi-Māori Partnership Boards on how they are fulfilling their role and whether they are receiving the support they require, compared with baseline established for 2022/23	Achieved	Discontinued Measure	-
Improvement in feedback from the Iwi-Māori Partnership Boards on how they are fulfilling their role and whether they are receiving the support they require	Replacement Measure	Achieved	Achieved
The proportion of primary, community, public and population health services hospital and specialist services within Te Whatu Ora - Health New Zealand that have been assessed against the Consumer Engagement Quality and Safety Marker; and of those, the proportion that have been assessed at Level 3 or 4	Achieved	Discontinued Measure	-
Increase the proportion of primary, community, public and population health, and hospital and specialist services within Health New Zealand   Te Whatu Ora that have been assessed against the Consumer Engagement Quality and Safety Marker; and of those, the proportion that have been assessed at Level 3 or 4 (see Note 2)	Replacement Measure	Achieved	Achieved
Decrease in rate of hospital admissions for children under five years of age for an illness that might have been prevented or better managed in the community, compared to results for the 12 months to December 2019	Achieved	Discontinued Measure	-
Decrease in rate (per 100,000) of hospital admissions for children under five years of age for an illness that might have been prevented or better managed in the community	Replacement Measure	Achieved	Achieved
Decrease in rate of hospital admissions for people aged 45-64 years for an illness that might have been prevented or better managed in the community, compared to results for the 12 months to December 2019	Achieved	Discontinued Measure	-

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Decrease in 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	Replacement Measure	Achieved	Achieved
Increase in percentage of pregnant people who register with an LMC in the first trimester of their pregnancy of all registrations, compared with baseline established for 2022/23	Achieved	Discontinued Measure	-
Increase in percentage of pregnant people who register with a Lead Maternity Carer in the first trimester of their pregnancy of all registrations (see Note 2)	Replacement Measure	Achieved	Achieved

Note 1 - This measure is a Government target.

Note 2 - A baseline is yet to be established.

The measure adjustments in this appropriation more accurately describe what is being measured. These reflect the Service performance reporting standard (PBE FRS 48) principles of faithful representation and understandability.

The measure regarding the mental health expenditure ringfence is being reinstated after being inadvertently omitted from the Vote Health 2023/24 Main Estimates of appropriation.

The measure regarding children enrolled with a general practice by 3 months of age was doubled up in 2023/24 estimates. It was discontinued and then reappeared as not discontinued at the end of the appropriation. Removing to discontinue the measure for good.

### *Reasons for Change in Appropriation*

This appropriation increased by \$509.779 million to \$8,668.148 million for 2023/24 due to:

- \$494.980 million of additional funding through Budget 2022 contingency drawdown to address price and demographic cost pressures
- \$55.506 million of additional funding to close the pay gap across Mental Health and Addiction and other Government-funded residential care and health services
- \$43.570 million carried forward from 2022/23 for the Cyber Security and Hira tranche 1 programmes, reflecting the rephasing of the programme
- \$19.030 million of additional funding to implement the pay equity extension for identified employees in community and iwi organisations who undertake social work or work that is substantially similar
- \$9.895 million of additional funding for Tranche 3 of the Health Sector Agreements and Payments Programme
- \$8.520 million for a fiscally neutral transfer to reflect the expected increase in costs relating to the alcohol-related programmes with corresponding revenue from New Zealand Customs Service
- \$5 million carried forward from 2022/23 to support the coordination and implementation of the support workers' pay equity process
- \$1.003 million of additional funding for Health New Zealand | Te Whatu Ora to continue the pilots providing accommodation and support for people leaving mental health and addiction inpatient care

- \$608,000 carried forward from 2022/23 to contribute to planned alcohol harm reduction work in 2023/24
- \$150,000 of additional funding for Health New Zealand | Te Whatu Ora to provide education and training for providers on how to support communities, households and whānau in regions affected by the North Island extreme weather events, and
- \$150,000 of additional funding for Health New Zealand | Te Whatu Ora to undertake a short review to identify additional support, particularly health support that emergency housing clients need in Rotorua.

This increase was partly offset by:

- \$25 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to enable the Winter Wellness Immunisation programme to be delivered through the Whanau Ora Commissioning Agency and hauora Māori partners
- \$21.800 million for a fiscally neutral transfer to the National Pharmaceuticals Purchasing appropriation to allow for an increase in demand for medicines resulting from the removal of the \$5 prescription co-payments for all New Zealanders over the age of 14
- \$17.250 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to enable the commissioning of Te Ao Māori models of maternity and early years care
- \$12.879 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to fund the Māori Kaiāwhina roles as part of the comprehensive primary care teams
- \$10 million for a transfer to 2024/25 for the BreastScreen Aotearoa (BSA) Critical Infrastructure Replacement programme, reflecting the rephasing of the programme
- \$9.914 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to cover the costs of the contracts with Māori health providers as part of the funding for improving pay relativities for funded sector health workers
- \$5.820 million for a transfer to 2024/25 in Budget 2024 for a national Mental Health and Addiction Community Sector Innovation Fund which will enable community organisations to submit proposals for innovative new approaches to addressing the mental health and wellbeing needs of New Zealanders
- \$5 million for a fiscally neutral transfer to the Stewardship of the New Zealand health system MCA for the Ministry of Health | Manatū Hauora to support the coordination and implementation of the support workers' pay equity process
- \$4.200 million for a transfer to 2024/25 for the development of a national public health operating information system, reflecting the rephasing of the project
- \$4.186 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to implement the pay equity extension for 28 providers who undertake social work or work that is substantially similar
- \$3.190 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to fund the Māori Providers for the Well Child Tamariki Ora Enhanced Support Pilots in Lakes, Counties Manukau and Tairāwhiti
- \$2.758 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to cover the costs of engaging with the Iwi Māori Partnership Boards for the service integration of locality provider networks

- \$2.289 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to cover the costs of contracts with hauora Māori providers for the integrated primary mental health and addictions programme
- \$2 million for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to cover the workforce development cost for the Māori Kaiāwhina roles
- \$800,000 for a fiscally neutral transfer to the Delivering hauora Māori services appropriation for the workforce development and enablers to support the Kaupapa Māori specialist mental health services
- \$787,000 for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to ensure the policy advice and operational planning of New Zealand's future quarantine and isolation capability improves equity and outcomes for Māori, and
- \$760,000 for a fiscally neutral transfer to the Delivering hauora Māori services appropriation to fund Māori Primary Health Organisations to participate in locality provider network design.

## 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.

### *Reasons for Change in Appropriation*

This appropriation increased by \$1.572 million to \$41.123 million for 2023/24 due to additional funding through Budget 2022 contingency drawdown to address price and demographic pressures for health entities including the Health and Disability Commissioner | Te Toihau Hauora, Hauātanga, the Health Quality and Safety Commission | Te Tāhū Hauora, and the Mental Health and Wellbeing Commission | Te Hiringa Mahara.

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

### *Scope of Appropriation*

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

### *Reasons for Change in Appropriation*

This appropriation increased by \$1.535 million to \$29.907 million for 2023/24 due to:

- \$1.135 million of additional funding through Budget 2022 contingency drawdown to address price and demographic pressures for Pharmac | Te Pātaka Whaioranga, and
- \$400,000 for a fiscally neutral transfer from the Implementing the COVID-19 Vaccine Strategy MCA to cover Pharmac | Te Pātaka Whaioranga's distribution costs of COVID-19 vaccine and treatments.

## 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.

### *Reasons for Change in Appropriation*

This appropriation increased by \$495.211 million to \$1,806.211 million for 2023/24 due to:

- \$449.631 million for fiscally neutral transfers from the Implementing the COVID-19 Vaccine Strategy MCA to transition the COVID-19 vaccine and treatments funding into the Combined Pharmaceutical Budget (CPB) held by Pharmac | Te Pātaka Whaioranga, and
- \$45.580 million of additional funding, including \$21.800 million transferred from the Delivering Primary, Community, Public and Population Health Services appropriation and \$23.780 million provided through Budget 2024, to allow for an increase in demand for medicines resulting from the removal of the \$5 prescription co-payments for all New Zealanders over the age of 14.

## Problem Gambling Services (M36) (A21)

### *Scope of Appropriation*

This appropriation is limited to the provision, purchase, and support of services that minimise the harm from gambling, in accordance with the Gambling Act 2003.

### *Reasons for Change in Appropriation*

This appropriation increased by \$3.530 million to \$29.557 million for 2023/24 due to:

- \$2.592 million carried forward from 2022/23 to develop and implement the integrated three-year problem gambling strategy, reflecting the rephrasing of the programme
- \$735,000 carried forward from 2022/23 to support research related investment for problem gambling services, and
- \$203,000 for a fiscally neutral transfer from the Stewardship of the New Zealand health system MCA to adjust the allocation of problem gambling funding between the Ministry of Health | Manatū Hauora, Health New Zealand | Te Whatu Ora and the Te Aka Whai Ora | Māori Health Authority.

## 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.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$500,000 to \$2.730 million for 2023/24 reflecting a fiscally neutral transfer from the Stewardship of the New Zealand health system MCA to cover the cost pressures for the WHO memberships and related projects.

### 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.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$600,000 to \$1.808 million for 2023/24 reflecting a fiscally neutral transfer from the Stewardship of the New Zealand health system MCA to cover the cost pressures for legal expenses resulting from new proceedings, ongoing historic abuse claims, and COVID-19 litigation.

### Loss on sale of Crown-owned assets (M36) (A21)

#### *Scope of Appropriation*

This appropriation is limited to the loss on sale incurred when disposing of Crown-owned assets.

#### *Expenses*

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	750	750

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

This appropriation is intended to provide funding for the Ministry of Health | Manatū Hauora to recognise the loss on sale incurred when disposing of Crown-owned assets.

### *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, and the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

### *Reasons for Change in Appropriation*

This appropriation is newly established in 2023/24. The funding of \$750,000 is to recognise the loss on sale of former hospital sites.

## 3.5 - Non-Departmental Capital Expenditure

### Capital investment in Health New Zealand (M36) (A21)

#### *Scope of Appropriation*

This appropriation is limited to capital investment to establish Health New Zealand.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$116,000 to \$10.916 million for 2023/24 due to a fiscally neutral transfer of the residual assets of the Hira project from the Ministry of Health | Manatū Hauora's departmental intangible assets to Health New Zealand | Te Whatu Ora.

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

#### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Health Capital Envelope (M36) (A21)</b> This appropriation is limited to the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments.  Commences: 01 July 2022  Expires: 30 June 2027	Original Appropriation	4,864,162
	Adjustments to 2022/23	589,071
	Adjustments for 2023/24	539,505
	Adjusted Appropriation	5,992,738
	Actual to 2022/23 Year End	1,591,596
	Estimated Actual for 2023/24	950,000
	Estimate for 2024/25	1,090,429
	Estimated Appropriation Remaining	2,360,713

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

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Te Whatu Ora - 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%	Discontinued Measure	-
Health New Zealand   Te Whatu Ora 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)	Replacement Measure	40-60%	40-60%
Te Whatu Ora - Health New Zealand provides an annual update to the Ministers of Health and Finance on the improvement programme's enhancement of the asset and investment management framework	Achieved	Discontinued Measure	-
Health New Zealand   Te Whatu Ora provides an annual update to the Ministers of Health and Finance on the improvement programme's enhancement of the asset and investment management framework	Replacement Measure	Achieved	Annual Update provided

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 on the index criteria established by the Treasury. This will include a continuous improvement programme to achieve 75-85% in future years.

The measure adjustments in this appropriation reflects the change in name to Health New Zealand | Te Whatu Ora. This reflects PBE FRS 48 principle faithful representation.

### *Reasons for Change in Appropriation*

This appropriation increased by \$539.505 million to \$5,992.738 million for 2023/24 due to:

- \$419.076 million of additional funding provided to cover the funding shortfall created by an audit adjustment relating to COVID-19 inventories being charged against Health Capital Envelope in 2022/23
- \$103.139 million of additional funding provided in Budget 2024 to enable Health New Zealand | Te Whatu Ora to manage new cost pressures that arise in the existing health capital portfolio
- \$10.100 million of additional funding for Health New Zealand | Te Whatu Ora to support the remediation and stabilisation of immediate payroll system risks, and
- \$7.190 million of additional funding provided in Budget 2024 for the Breast Screening Extension of Eligibility to Include 70-74-year olds as part of the Free National Programme.

## **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.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$1,070.016 million to \$572.314 million for 2023/24 due to a transfer to 2024/25 to cover the expected remediation payments in that year associated with historical non-compliance with the Holidays Act 2003.

## **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.

### *Reasons for Change in Appropriation*

This appropriation increased by \$12 million to \$32 million for 2023/24 due to additional funding provided to address the forecast funding shortfall for residential care loans (RCLs) due to a substantial increase in the number of people entering aged residential care facilities and larger numbers who pay the maximum contribution for aged care services. This increase in the loans and the repayments are expected to be fiscally neutral over time.

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

## 4 - Multi-Category Expenses and Capital Expenditure

### Implementing the COVID-19 Vaccine Strategy (M36) (A21)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to implement the COVID-19 vaccine strategy so as to minimise the health impacts of COVID-19.

#### *Scope of Appropriation*

##### **Non-Departmental Output Expenses**

###### *Implementing the COVID-19 Immunisation Programme*

This category is limited to delivering approved vaccines through an immunisation programme as part of minimising the health impacts of COVID-19.

###### *Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics*

This category is limited to obtaining potential and proven vaccines and therapeutics as part of minimising the health impacts of COVID-19.

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

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>295,118</b>	<b>(189,831)</b>	<b>105,287</b>
<b>Non-Departmental Output Expenses</b>			
Implementing the COVID-19 Immunisation Programme	129,918	(24,631)	105,287
Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics	165,200	(165,200)	-

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$189.831 million to \$105.287 million for 2023/24 due to:

- fiscally neutral transfers of \$449.631 million to the National Pharmaceuticals Purchasing appropriation and \$400,000 to the National Management of Pharmaceuticals appropriation to transition the COVID-19 vaccine and treatments funding into the Combined Pharmaceutical Budget (CPB) held by Pharmac | Te Pātaka Whaioranga, and
- \$24.631 million for the return of COVID-19 funding due to the revocation of COVID-19 mask and isolation mandates and the reset and resize of other COVID-19 operational activities and services.

This decrease was partly offset by:

- \$284.831 million carried forward from 2022/23 to cover the expenses recognised for advance vaccine purchase agreements and existing stock, which was then transferred into the CPB as part of the \$449.631 million above.

## National Response to COVID-19 Across the Health Sector (M36) (A21)

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to implement a national response to COVID-19 across the health sector.

### *Scope of Appropriation*

#### **Departmental Output Expenses**

##### *National Health Response to COVID-19*

This category is limited to managing and coordinating the overall national health response to COVID-19.

#### **Non-Departmental Output Expenses**

##### *COVID-19 Public Health Response*

This category is limited to the on-going public health system response to COVID-19.

### *Expenses, Revenue and Capital Expenditure*

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	-	<b>210,961</b>	<b>210,961</b>
<b>Departmental Output Expenses</b>			
National Health Response to COVID-19	-	10	10
<b>Non-Departmental Output Expenses</b>			
COVID-19 Public Health Response	-	210,951	210,951
<b>Funding for Departmental Output Expenses</b>			
Revenue from the Crown	-	<b>10</b>	<b>10</b>
National Health Response to COVID-19	-	10	10

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

This appropriation is intended to prioritise a set of COVID-19 services as part of a transition towards a longer-term approach, targeting communities at greatest risk of serious illness from COVID-19.

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

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
How performance will be assessed for the MCA as a whole			
Ministerial satisfaction with the national response to COVID-19 across the health sector	Equal to or greater than 4 out of 5	4 out of 5	Equal to or greater than 4 out of 5
<b>Departmental Output Expenses</b>			
Mechanisms in place to routinely capture and inform public health science, response operations, intelligence, operational feedback	Achieved	Achieved	Achieved
<b>Non-Departmental Output Expenses</b>			
Maintain Public Health contact tracing and case management capacity through scalable telehealth services and digital pathways in line with response/pandemic requirements	Up to 1,000 cases per day	Up to 1,000 cases per day	Up to 1,000 cases per day
Maintain an average of 12-week stock in Health New Zealand's National Personal Protective Equipment (PPE) and Critical Medical Supply Chain	Achieved	Achieved	Achieved

### *End of Year Performance Reporting*

The Ministry of Health | Manatū Hauora will report on the Ministerial satisfaction survey and departmental output expenses performance measure in their annual report. Health New Zealand | Te Whatu Ora will report on the non-departmental output expenses performance measures in their annual report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$210.961 million to \$210.961 million for 2023/24 due to:

- \$233.696 million of additional funding for a limited, prioritised set of COVID-19 services as part of a transition towards a longer-term approach, targeting communities at greatest risk of serious illness from COVID-19.

This increase was partly offset by:

- \$22.735 million for the return of COVID-19 funding due to the revocation of COVID-19 mask and isolation mandates and the reset and resize of other COVID-19 operational activities and services.

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

### *Overarching Purpose Statement*

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

### *Scope of Appropriation*

#### **Departmental Output Expenses**

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

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

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

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

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

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

##### *Regulatory and Enforcement Services*

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

##### *Sector Performance and Monitoring*

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

### *Expenses, Revenue and Capital Expenditure*

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>237,759</b>	<b>48,287</b>	<b>286,046</b>
<b>Departmental Output Expenses</b>			
Equity, Evidence and Outcomes	15,563	6,831	22,394
Policy Advice and Related Services	31,630	12,539	44,169
Public health and population health leadership	107,224	32,640	139,864
Regulatory and Enforcement Services	55,088	6,485	61,573
Sector Performance and Monitoring	28,254	(10,208)	18,046

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>219,534</b>	<b>34,531</b>	<b>254,065</b>
Equity, Evidence and Outcomes	15,563	5,489	21,052
Policy Advice and Related Services	31,630	11,451	43,081
Public health and population health leadership	106,538	23,105	129,643
Regulatory and Enforcement Services	37,549	5,148	42,697
Sector Performance and Monitoring	28,254	(10,662)	17,592
<b>Revenue from Others</b>	<b>18,225</b>	<b>13,756</b>	<b>31,981</b>
Equity, Evidence and Outcomes	-	1,342	1,342
Policy Advice and Related Services	-	1,088	1,088
Public health and population health leadership	686	9,535	10,221
Regulatory and Enforcement Services	17,539	1,337	18,876
Sector Performance and Monitoring	-	454	454

### *Reasons for Change in Appropriation*

This appropriation increased by \$48.287 million to \$286.046 million for 2023/24 due to:

- \$24 million of additional funding for a limited, prioritised set of COVID-19 services as part of a transition towards a longer-term approach, targeting communities at greatest risk of serious illness from COVID-19
- \$23.494 million of additional funding to meet the forecast costs to support and strengthen the Ministry of Health | Manatū Hauora's capability in its role as Chief Steward of the health system
- \$7.042 million for fiscally neutral transfers to reflect the expected increase in costs of the Polynesian Health Corridors programme with corresponding revenue from the Ministry of Foreign Affairs and Trade
- \$6 million carried forward from 2022/23 for the implementation of the fluoridation subsidy scheme, reflecting the rephasing of the programme
- \$5 million for a fiscally neutral transfer from the non-departmental output expense Delivering Primary, Community, Public and Population Health Services appropriation to support the coordination and implementation of the support workers' pay equity process
- \$4.190 million for a fiscally neutral transfer to reflect the additional IT and facilities expenses incurred by the Ministry of Health | Manatū Hauora on behalf of Health New Zealand | Te Whatu Ora and the corresponding revenue recovery received
- \$2.667 million of additional funding to provide for the one-off cost of delivering the IT platform required to underpin the Assisted Dying Service in 2023/24 only
- \$980,000 for a fiscally neutral transfer to reflect the expected increase in costs relating to the alcohol-related programmes with corresponding revenue from New Zealand Customs Service

- \$964,000 for the return of the Ministry of Health | Manatū Hauora's share of the Partnership Governance Group funds from the Health Research Council of New Zealand
- \$716,000 for a fiscally neutral transfer from the non-department output expense Delivering hauora Māori services appropriation to reflect some of Te Aka Whai Ora | Māori Health Authority's functions being transitioned to the Ministry of Health | Manatū Hauora from April 2024 as part of the disestablishment of the Te Aka Whai Ora | Māori Health Authority
- \$714,000 carried forward from 2022/23 to contribute to planned alcohol harm reduction work in 2023/24
- \$550,000 carried forward from 2022/23 to continue the National Radiation Storage Facility - Replacement and Relocation project, reflecting the rephasing of the project
- \$480,000 for a fiscally neutral transfer reflecting the increase in costs to support public health medicine placements and the corresponding increase in revenue recovery from New Zealand College of Public Health Medicine
- \$400,000 for a capital to operating swap to cover additional operating costs including transportation and encapsulation for the replacement and relocation of the National Radiation Storage facility
- \$232,000 carried forward from 2022/23 to support the Ministerial Advisory Committee for Health Reform Implementation
- \$200,000 carried forward from 2022/23 to support the problem gambling harm related work carried out by the Ministry of Health | Manatū Hauora, and
- \$100,000 for a fiscally neutral transfer to reflect the increase in costs associated with the Point of Consumption Charges and the corresponding increase in revenue recovery from the Department of Internal Affairs.

This increase was partly offset by:

- \$18.077 million for the return of DHB sustainability funding as part of a package of short-term savings
- \$2.575 million for a transfer to 2024/25 in Budget 2024 for the independent cost benefit analysis and business case development for Waikato New Medical School
- \$2.319 million for a transfer to 2024/25 reflecting the rephasing of the project for the development of the Group A Streptococcus vaccine
- \$2 million for a transfer to 2024/25 for the Ministry of Health | Manatū Hauora to continue engaging with experts on the final stages of the Holidays Act Remediation programme and ensure appropriate assurance processes are in place
- \$1.500 million for the return of COVID-19 funding due to the revocation of COVID-19 mask and isolation mandates and the reset and resize of other COVID-19 operational activities and services
- \$964,000 for a transfer to 2024/25 to enable the evaluation work for the smoking-reduction plans
- \$704,000 for a fiscally neutral transfer to Vote Tertiary Education and Vote Revenue to support an additional 50 medical school places
- \$600,000 for a fiscally neutral transfer to the non-departmental other expense Legal Expense appropriation to cover the cost pressures resulting from new proceedings, ongoing historic abuse claims, and COVID-19 litigation

- \$500,000 for a fiscally neutral transfer to the non-departmental other expense International Health Organisations appropriation to cover the cost pressures for the WHO memberships and related projects, and
- \$203,000 for a fiscally neutral transfer to the non-departmental output expense Problem Gambling Services appropriation to adjust the funding allocation between the Ministry of Health | Manatū Hauora, Health New Zealand | Te Whatu Ora and the Te Aka Whai Ora | Māori Health Authority for the Problem Gambling.